CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 2234	Date: January 25, 2019
	Change Request 11075

SUBJECT: Utilizing Data from the USPS Secure Destruction Program to Suppress Mailing Medicare Summary Notices (MSNs) to Undeliverable Addresses

I. SUMMARY OF CHANGES: In an effort to reduce cost, the United States Postal Service (USPS) is offering Secure Destruction, which is a free service to high volume print facilities. Secure Destruction allows the USPS to securely destroy mail deemed undeliverable, reducing the cost of handling for both the USPS and the customer.

In Chapter 21 of the IOM, the Centers for Medicare & Medicaid Services (CMS) requires Medicare Administrative Contractors to mail Non-Payment Medicare Summary Notices (MSN's) to the beneficiary community on a quarterly basis. Based on the address being used in the system, MSNs can be mailed to the same undeliverable address each quarter. Over the last several years, CMS has implemented multiple initiatives to reduce beneficiary returned mail; however, the MACs continue to receive significant volumes of undeliverable MSNs (uMSNs). In 2017, almost 4.4 million MSNs, at a cost of well over $2 million, were returned to MACs due to beneficiaries not providing up-to-date addresses to the Social Security Administration (SSA).

This CR is a pilot with one MAC, National Government Services (NGS), to utilize the data provided by the USPS when using the Secure Destruction process to significantly reduce the number of uMSNs being mailed. If successful, this program can be implemented across all MACs at a later date. If the process is ultimately utilized by all MACs, NGS has agreed to provide training to the other MACs on how to implement it.

In July 2016, CMS implemented CR 9372, which provides the capability for contractors to suppress MSNs using the Beneficiary Indicator. CR 9372 included the creation of shared system jobs that update the Beneficiary Indicator. NGS will leverage this process using a non-base process that would run daily at the Virtual Data Centers (VDCs). NGS has developed a non-base process that will read a file USPS-produced file identifying specific MSN addresses deemed undeliverable, including a bar code with a unique identifying number. This unique identifying number will allow NGS to reference the specific MSN mailed and the corresponding beneficiary's Health Insurance Claim Number (HICN). (**Please Note:** The unique identifying number in the barcode does **not** include the HICN.) The non-base process matches the HICN from the mailed document to the appropriate beneficiary file and compares the mailed document date to the beneficiary record. This will allow NGS to verify that a more recent address was not received from the Common Working File (CWF). The process then compares the address on the beneficiary file to the address on the mailed document. If the addresses are the same, or a recent address change was **not** received, this non-base process creates a file that can be fed into the Part A and Part B shared systems process that changes the Undeliverable Mail Flag. By setting the Undeliverable Flag, this will ensure that Non-Payment MSNs deemed undeliverable by the USPS are suppressed from being printed and mailed until an updated address is supplied in CWF. An updated address is transmitted by the CWF whenever a beneficiary supplies a new address to SSA.

EFFECTIVE DATE: April 1, 2019
Unless otherwise specified, the effective date is the date of service.

IMPLEMENTATION DATE: April 1, 2019

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)
R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	N/A

III. FUNDING:
For Medicare Administrative Contractors (MACs):
The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

One Time Notification

Attachment - One-Time Notification

Pub. 100-20	Transmittal: 2234	Date: January 25, 2019	Change Request: 11075

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I.   GENERAL INFORMATION

A.   Background: In an effort to reduce cost, the United States Postal Service (USPS) is offering Secure Destruction, which is a free service to high volume print facilities. Secure Destruction allows the USPS to securely destroy mail deemed undeliverable, reducing the cost of handling for both the USPS and the customer.

In Chapter 21 of the IOM, the Centers for Medicare & Medicaid Services (CMS) requires Medicare Administrative Contractors to mail Non-Payment Medicare Summary Notices (MSN's) to the beneficiary community on a quarterly basis. Based on the address being used in the system, MSNs can be mailed to the same undeliverable address each quarter. Over the last several years, CMS has implemented multiple initiatives to reduce beneficiary returned mail, however, the MACs continue to receive significant volumes of undeliverable MSNs (uMSNs). In 2017, almost 4.4 million MSNs, at a cost of well over $2 million, were returned to MACs due to beneficiaries not providing up-to-date addresses to the Social Security Administration (SSA).

This CR is a pilot with one MAC, National Government Services (NGS), to utilize the data provided by the USPS when using the Secure Destruction process to significantly reduce the number of uMSNs being mailed. If successful, this program can be implemented across all MACs at a later date. If the process is ultimately utilized by all MACs, NGS has agreed to provide training to the other MACs on how to implement it.

In July 2016, CMS implemented CR 9372, which provides the capability for contractors to suppress MSNs using the Beneficiary Indicator. CR 9372 included the creation of shared system jobs that update the Beneficiary Indicator. NGS will leverage this process using a non-base process that would run daily at the Virtual Data Centers (VDCs). NGS has developed a non-base process that will read a file USPS-produced file identifying specific MSN addresses deemed undeliverable, including a bar code with a unique identifying number. This unique identifying number will allow NGS to reference the specific MSN mailed and the corresponding beneficiary's Health Insurance Claim Number (HICN). (**Please Note:** The unique identifying number in the barcode does **not** include the HICN.)   The non-base process matches the HICN from the mailed document to the appropriate beneficiary file and compares the mailed document date to the beneficiary record. This will allow NGS to verify that a more recent address was not received from the Common Working File (CWF). The process then compares the address on the beneficiary file to the address on the mailed document. If the addresses are the same, or a recent address change was **not** received, this non-base process creates a file that can be fed into the Part A and Part B shared systems process that changes the Undeliverable Mail Flag. By setting the Undeliverable Flag, this will ensure that Non-Payment MSNs deemed undeliverable by the USPS are suppressed from being printed and mailed until an updated address is supplied in CWF. An updated address is transmitted by the CWF whenever a beneficiary supplies a new address to SSA.

B.   Policy: NA

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
11075.1	The contractor shall establish and implement Secure Destruction service with their local United States Postal Service (USPS) branch.									J6 A/B MAC, JK A/B MAC
11075.1.1	The contractor shall utilize only the Secure Destruction Service for non-payment Medicare Summary Notices (MSNs), excluding Large Print and office copy.									J6 A/B MAC, JK A/B MAC
11075.2	The contractor shall insert specified code into the Intelligent Mail Barcode (IMB) to enable the USPS to identify mail as part of the Secure Destruction service.									J6 A/B MAC, JK A/B MAC
11075.2.1	The contractor shall utilize regular size envelopes with the Secure Destruct Service. 6" x 9" envelopes, and larger, cannot be processed by the USPS Secure Destruct Service.									J6 A/B MAC, JK A/B MAC
11075.3	The contractor shall receive and review a daily report from the USPS, identifying each mail piece that is deemed undeliverable.									J6 A/B MAC, JK A/B MAC
11075.3.1	The contractor shall implement a process to identify each impacted mail piece listed on the USPS report, and extract the beneficiary name, HICN, and date of document, and populate that data into the CSV format file provided in Attachment A.									J6 A/B MAC, JK A/B MAC
11075.3.2	The contractor shall extract the full or unmasked HICN from the non-printable section of the MSN.									J6 A/B MAC, JK A/B MAC
11075.4	As part of the USPS Secure Destruction process, undeliverable MSNs (uMSNs) will be destroyed by the USPS. The contractor shall continue to receive a small portion of returned MSNs as the USPS has tolerance levels (error rate) built into this service.									J6 A/B MAC, JK A/B MAC
11075.4.1	Contractors shall use the daily data provided by the USPS, excluding any non-payment MSN returned to the contractor (since this data is typically captured in the USPS data), to develop a monthly report indicating the number of uMSN envelopes destroyed by the USPS due to being undeliverable.									J6 A/B MAC, JK A/B MAC

Number	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared-System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
11075.4.2	Contractors shall send this report of undeliverable uMSN envelopes on a monthly basis, by the 7th day of the following month, via e-mail, by sending them to scott.schiller@cms.hhs.gov and cynthia.ardissone@cms.hhs.gov.									J6 A/B MAC, JK A/B MAC
11075.4.3	The contractor shall determine the format of the monthly MSN report they send to CMS.									J6 A/B MAC, JK A/B MAC
11075.5	The contractor shall validate the undeliverable mail file listed in BR 3 against shared system beneficiary files, confirming that the HICN and beneficiary name are the same, and ensuring that an updated address has not been sent by CWF.									J6 A/B MAC, JK A/B MAC
11075.6	The contractor shall format the undeliverable mail file into the file layout stipulated in CR 9372, as required by the shared systems job. (See Attachment B.)									J6 A/B MAC, JK A/B MAC
11075.7	The Virtual Data Centers (VDCs) shall execute, on a daily basis, the Part A shared system job (FSSJ9530), using the undeliverable mail file from BR 6, and update the MSN suppression flag.									VDC
11075.8	The VDCs shall execute, on a daily basis, the Part B shared system job (MSM0DB03), using the undeliverable mail file from BR 6, and update the MSN suppression flag.									VDC
11075.9	The contractor shall not print and mail an MSN unless the MSN suppression flag is manually changed.or updated address information is received from CWF.									J6 A/B MAC, JK A/B MAC
11075.10	The contractor shall test the job with the VDC before the implementation date.									J6 A/B MAC, JK A/B MAC, VDC

III.   PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility		
		A/B MAC	D M E	C E D

		A	B	H H H	M A C	I
	None					

IV.   SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Scott Schiller, 301-776-1187 or scott.schiller@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):
The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

ATTACHMENTS: 2

BENEFICIARY NAME   **HICN**   **DOCUMENT DATE**

Source of Data	Data Element Name	Length	Position	Format
CME Beneficiary. Beneficiary Representative Payee Name	MBD Rep Payee Name	40	1 – 40	CHAR
CME Beneficiary Name. Beneficiary First Name, Beneficiary Middle Name, Beneficiary Last Name	MBD Bene Name	40	41 – 80	CHAR
N/A	MBD Address Line 1	40	81 – 120	CHAR
N/A	MBD Address Line 2	40	121 – 160	CHAR
N/A	MBD Address Line 3	40	161 – 200	CHAR
N/A	MBD Address Line 4	40	201 – 240	CHAR
N/A	MBD Address Line 5	40	241 – 280	CHAR
N/A	MBD Address Line 6	40	281 – 320	CHAR
CME Beneficiary Derived Mailing Address. Beneficiary Derived Mailing Address City Name	MBD City	26	321 – 346	CHAR
N/A	Filler	1	347	CHAR
CME Beneficiary Derived Mailing Address. Beneficiary Derived Mailing Address Postal State Code	MBD Postal State Code	2	348 – 349	CHAR
N/A	Filler	1	350	CHAR
CME Beneficiary Derived Mailing Address. Beneficiary Derived Mailing Address Zip Code or EDB Zip Code	MBD Zip Code	10	351 – 360	CHAR
EDB Mass Mailing Input File or EDB Zip HICN Input File	**HICN Code**	14	361 – 374	CHAR
N/A	Filler	45	375 – 419	CHAR