

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 2388	Date: November 8, 2019
	Change Request 10787

SUBJECT: User Change Request (CR) - Adjustment Reason Code to Identify Office of the Inspector General (OIG) Initiated Overpayments and Healthcare Integrated General Ledger Accounting System (HIGLAS) Demand Letter Verbiage

I. SUMMARY OF CHANGES: The OIG conducts audits of paid Medicare claims and issues instructions to the Medicare Administrative Contractors (MACs) to recoup payments for claims deemed to have been paid in error. This change request would create new adjustment reason codes and discovery codes to utilize on OIG adjustments. The adjustment reason code is utilized by HIGLAS to identify the source of an overpayment. The new adjustment reason/discovery code should trigger language on the HIGLAS demand letter to the debtor that identifies the overpayment is the result of an OIG finding.

EFFECTIVE DATE: April 1, 2020

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: April 6, 2020

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	

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

Number	Requirement	Responsibility									
		A/B MAC			D M E	Shared-System Maintainers				Other	
		A	B	H H H		F M V C	I C M W	S S S F			
	<p>demand letter enclosure for the new Reason Code '32':</p> <p>"The claim was processed incorrectly causing an overpayment to be made."</p> <p>Spanish Translation: "La reclamación fue procesada incorrectamente ocasionando un pago en exceso."</p>										
10787.4	<p>Medicare contractors shall use the following wording for the 'Reason for Overpayment' in the beneficiary demand letter enclosure for the VMS Reason/Discovery Code ':K', ':D', ':5' /HIGLAS Reason Code '17':</p> <p>"The claim was processed incorrectly causing an overpayment to be made."</p> <p>Spanish Translation: "La reclamación fue procesada incorrectamente ocasionando un pago en exceso."</p>				X					HIGLAS	
10787.5	<p>Medicare contractors shall use the new adjustment reason code or discovery/reason code combination for all new OIG initiated adjustments created on or after April 6, 2020.</p>	X	X	X	X						

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility						
		A/B MAC			D M E	C	D	I
		A	B	H H H				
	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:
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Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Rita Hazlip, Rita.Hazlip@cms.hhs.gov , Stacey Ndelle, 410-786-8208 or Stacey.Ndelle@cms.hhs.gov

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

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

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ATTACHMENTS: 0