

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244-1850



**CENTER FOR MEDICARE
MEDICARE PLAN PAYMENT GROUP**

DATE: March 12, 2018

TO: All Medicare Advantage Organizations, PACE Organizations, Medicare-Medicaid Plans, Section 1833 Cost Contractors and Section 1876 Cost Contractors, and Demonstrations

FROM: Jennifer Harlow, Deputy Director
Medicare Plan Payment Group

SUBJECT: Encounter Data Software Release

The Centers for Medicare and Medicaid Services (CMS) continues to implement software improvements to the systems related to accepting and processing encounter data to support the Medicare Advantage program. This memorandum provides detailed information regarding the release of systems changes that will be implemented on March 30, 2018 as well as submission and policy guidance related to these changes, if applicable.

System improvements can fall into 3 categories: (1) corrections or modifications to the logic for existing edits to align with program policies, (2) changes in the disposition status of existing edits, and (3) implementation of new edits. This software release includes a new informational edit (see Table 1), which relates to non-medically justified dialysis treatments.

In addition, as described in the December 22, 2017 HPMS Memo entitled, "Updates to the Encounter Data System and Risk Adjustment Suite of Systems to Accommodate the New Medicare Card Project", CMS will begin issuing new Medicare Cards with Medicare Beneficiary Identifiers (MBIs) to Medicare beneficiaries on April 1, 2018 and continue through April, 2019. CMS has updated the EDPS System in support of the New Medicare Card Initiative. EDPS will begin accepting the encounters submitted with MBI starting April 1, 2018. During an extended transition period, EDPS will accept either MBI or HICN on the encounters. The MBI should be submitted in the Beneficiary HICN field on the encounter (2010BA NM109).

The MAO-001 report will be updated as follows beginning April 1, 2018:

- The field currently labeled "Health Insurance Claim Number" (position 51-70) will be renamed to "Beneficiary Identifier."
- The MAO-001 will return either the HICN or MBI, whichever was submitted by the MAO.

Please refer to the HPMS memo (12/22/2017) for additional information on the Medicare Card Initiative and EDS.

Table 1: Changes to Edit Logic reported on MAO-002 Reports

Edit Code	Description	Effective Date	Modification Type (1=correction/ modification to an existing edit; 2=change in disposition status; 3=new edit)	Modules Edit Applies to (INST, PRF, or DME)	Edit Disposition I=Informational R=Reject D = Deactivated
02110	In support of the New Medicare Card Initiative, CMS will change the error description of the edit “02110” from ‘Beneficiary HICN Not on File’ to ‘Beneficiary Member ID Not on File’.	03/30/2018	1	INST, PRF, DME	R
22465	CMS has created a new edit “22465”- ‘Modifier CG:Policy Criteria on TOB 72X.’ Modifier ‘CG’ will identify non-medically justified dialysis treatments for processing ESRD Type of Bill (TOB) 72x. Effective for DOS on or after 10/01/17, this edit will be applied on TOB 72x encounters when CG modifier is submitted with Revenue Codes 0821 or 0881 and HCPCS 90999.	03/30/2018	3	INST	I