## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### **Centers for Medicare & Medicaid Services**





News Flash – Under the Affordable Care Act, Medicare beneficiaries may now receive coverage for an Annual Wellness Visit (AWV), which is a yearly office visit that focuses on preventive health. In addition, Medicare also provides coverage for the Initial Preventive Physical Examination (IPPE), commonly known as the "Welcome to Medicare" visit. To learn more about the AWV and the IPPE, please refer to the CMS Medicare Learning Network® publication at

http://www.cms.gov/MLNProducts/downloads/mps\_guide\_web-061305.pdf
on the Centers for Medicare & Medicaid Services (CMS) website.

MLN Matters® Number: MM7436 Related Change Request (CR) #: 7436

Related CR Release Date: July 29, 2011 Effective Date: January 1, 2012

Related CR Transmittal #: R192FM Implementation Date: January 3, 2012

# Recovery Audit Program: Medicare Administrative Contractor (MAC)-issued Demand Letters

# **Provider Types Affected**

This article is for all physicians, providers, and suppliers who bill Medicare claims processing contractors (Carriers, Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs), and Medicare Administrative Contractors (MACs)).

#### **Provider Action Needed**



# STOP - Impact to You

This article is based on Change Request (CR) 7436 which announces that Medicare's Recovery Auditors will no longer issue demand letters to you as of January 3, 2012.

#### Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents. CPT only copyright 2010 American Medical Association.



Recovery Auditors will, however, submit claim adjustments to your Medicare contractor, who will perform the adjustments based on the Recovery Auditor's review, and issue an automated demand letter to you.



See the Background and Additional Information Sections of this article for further details regarding these changes.

# **Background**

As of January 3, 2012, the Centers for Medicare & Medicaid Services (CMS) is transferring the responsibility for issuing demand letters to providers from its Recovery Auditors to its claims processing contractors. This change was made to avoid any delays in demand letter issuance. As a result, when a Recovery Auditor finds that improper payments have been made to you, they will submit claim adjustments to your Medicare (claims processing) contractor. Your Medicare contractor will then establish receivables and issue automated demand letters for any Recovery Auditor identified overpayment. The Medicare contractor will follow the same process as is used to recover any other overpayment from you.

The Medicare contractor will then be responsible for fielding any administrative concerns you may have such as timeframes for payment recovery and the appeals process. However, the Medicare contractor will include the name of the initiating Recovery Auditor and his/her contact information in the related demand letter. You should contact that Recovery Auditor for any audit specific questions, such as their rationale for identifying the potential improper payment.

## **Additional Information**

If you have questions, please contact your Medicare contractor at their toll-free number, which may be found at

http://www.cms.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip on the Centers for Medicare & Medicaid Services (CMS) website.

To see the official instruction (CR7436) issued to your Medicare contractor, see <a href="http://www.cms.gov/Transmittals/downloads/R192FM.pdf">http://www.cms.gov/Transmittals/downloads/R192FM.pdf</a> on the CMS website.

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