

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-08 Medicare Program Integrity	Centers for Medicare & Medicaid Services (CMS)
Transmittal 686	Date: November 10, 2016
	Change Request 9846

SUBJECT: Comprehensive Error Rate Testing (CERT) Program: Medicare Administrative Contractor (MAC) Certifying Official

I. SUMMARY OF CHANGES: The purpose of this change request (CR) is to update Chapter 12 of Pub. 100-08 which instructs MACs to submit a certification for information entered on the Claims Status Website (CSW).

EFFECTIVE DATE: December 12, 2016

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

IMPLEMENTATION DATE: December 12, 2016

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
R	12/Table of Contents
R	12/12.3.4/Handling Overpayments and Underpayments, MAC Feedback, and Appeals Resulting From the CERT Findings
R	12/12.3.5/Handling Appeals Resulting From CERT Initiated Denials

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:

**Business Requirements
Manual Instruction**

Attachment - Business Requirements

Pub. 100-08	Transmittal: 686	Date: November 10, 2016	Change Request: 9846
-------------	------------------	-------------------------	----------------------

SUBJECT: Comprehensive Error Rate Testing (CERT) Program: Medicare Administrative Contractor (MAC) Certifying Official

EFFECTIVE DATE: December 12, 2016

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

IMPLEMENTATION DATE: December 12, 2016

I. GENERAL INFORMATION

A. Background: Improper payment information entered into the CERT CSW needs to be accurate and complete. This CR allows the Centers for Medicare & Medicaid Services (CMS) to track the verification of information and hold the MAC accountable.

B. Policy: This CR does not involve any legislative or regulatory policies.

II. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
9846.1	MACs shall submit a certification that all required information has been completely and accurately entered on the CERT CSW.	X	X	X	X					
9846.1.1	The MAC's Certifying Official shall sign the certification and submit it to CMS via the CERT mailbox at: CERT@cms.hhs.gov.	X	X	X	X					

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			DME MAC	CEDI
		A	B	HHH		
	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): Sarah Leipnik, 410-786-3933 or Sarah.Leipnik@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: 0

Medicare Program Integrity Manual

Chapter 12 – The Comprehensive Error Rate Testing Program

Table of Contents *(Rev.686, 11-10-16)*

Transmittals for Chapter 12

12.3.4 – Handling Overpayments and Underpayments, MAC Feedback, and Appeals Resulting From the CERT Findings

12.3.4 - Handling Overpayments and Underpayments, *MAC Feedback, and Appeals* Resulting From the CERT Findings

(Rev.686; Issued: 11-10-16; Effective: 12-12-16; Implementation: 12-12-16)

This section applies to Medicare Administrative Contractors (MACs) and Comprehensive Error Rate Testing (CERT) as indicated.

The instructions in this section apply only to overpayments and underpayments that result from CERT findings. The MAC shall continue to handle overpayments and underpayments resulting from non-CERT findings as instructed in other CMS manuals.

The CERT review contractor notifies the MAC when an underpayment or an overpayment is identified via the CERT Claim Status Website (*CSW*). The MAC shall adjust the claim to reflect the corrected code and payment amount, and make the appropriate payment or collection. The MAC shall pay or collect the full amount in error as defined by the CERT-identified underpayment or overpayment. If shared systems logic limits the payment correction amount to a sum less than the full amount in error, the MAC shall pay the system allowed amount and educate the provider about future billing amounts. The MAC shall not collect overpayments from Medicare beneficiaries.

The MAC shall use the normal claim adjustment procedures published in Pub 100-04 Claims Processing Manual. The MAC shall use the bill type XXH (“CMS”) to indicate the adjustment was due to a CERT review.

For more information about the reason for the payment adjustment, contact the MAC Feedback Coordinator.

The MACs may temporarily suspend reason codes that prevent the adjustment of a CERT- initiated denial claim that will not process due to the age of the claim. The suspension shall only last long enough for the claim to be adjusted. Example: reason code 36200 was not in effect when the initial claim processed. The CERT review contractor has now reviewed the claim and determined that it should be adjusted. The claim will not process because this edit cannot be overridden.

The MAC shall provide the CERT program with the status and actual amounts of overpayment collections and underpayment payments. An overpayment is considered collected when the overpayment amount has been fully or partially collected, through provider overpayment check, offset or other payment arrangement. An overpayment is also considered collected if the MAC has failed to recoup the overpayment amount from the provider in a specified time, and has referred the debt to treasury or another entity. The overpayment is not considered collected when the claim is adjusted or when only the accounts receivable is set-up. Similarly, an underpayment payment is reported only when the payment is made. The MAC shall make adjustments on zero dollar errors to reflect a change in the reason for error. No actual collection or payment is made, and \$0 shall be reported as the payment adjustment.

A list of CERT identified overpayments and underpayments are provided to the MAC via the CERT *CSW*. The list is updated each time the *CERT CSW* is refreshed. The MAC shall report CERT identified overpayment and underpayment collection information using the CERT payment adjustment section of the CERT *CSW*. A multiple collection feature is available on the *CERT CSW* for cases where the collection is received in installments.

By the first business day in April and October, the MAC shall report the required payment adjustment information for all CERT identified overpayments and underpayments that have been collected or paid unless otherwise directed. The MAC should access the payment adjustment section of the CERT *CSW* to report collection or payment information throughout the year and enter information on an ongoing basis.

Annually, by October 15th MACs shall submit a certification that all required information (e.g., overpayments and underpayments identified by CERT, MAC feedback, appeals, and recoveries) has been completely and accurately entered on the CERT CSW. The MAC's Certifying Official (for example, President, Senior VP, or Contract Project Manager) shall sign the certification and submit it to CMS via the CERT mailbox at: CERT@cms.hhs.gov.

Certification Elements

Certification statements shall include the following:

- *MAC Name*
- *Contractor/Jurisdiction Number*
- *Date Report Submitted to CMS: [MM/DD/CCYY]*
- *Subject: Certification Statement: FY__ [Include the appropriate report year in the Subject line.]*
- *Name of MAC Certifying Official*
- *Title of MAC Certifying Official*
- *A statement certifying the completeness and accuracy of the information entered in the Claims Status Website.*

12.3.5 - Handling Appeals Resulting From CERT Initiated Denials

(Rev.686; Issued: 11-10-16; Effective: 12-12-16; Implementation: 12-12-16)

This section applies to Medicare Administrative Contractors (MACs) and Comprehensive Error Rate Testing (CERT) as indicated.

The MAC shall process appeals stemming from a CERT-initiated denial. The MAC shall ensure that the appeal is handled appropriately as *instructed* in other CMS manuals.

The MAC shall notify the CERT review contractor, using the *CERT* Claims Status Website (*CSW*), when a CERT sampled claim is appealed. No further review shall be conducted by the CERT review contractor after the MAC has entered an appeal on the CERT *CSW*. This includes instances in which additional documentation is received to support the claim. Medical records for the appealed CERT claim may be obtained by contacting the CERT appeals coordinator via the appeals page on the *CERT CSW*. *The* MAC shall enter all available information for *MAC feedback and* appeals *for* CERT sampled claims by the cut-off date listed on the CERT *CSW* calendar. Appeal determinations entered into the CERT appeals tracking system by the specified due date will be reflected in the report.