

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 804	Date: November 5, 2010
	Change Request 7123

SUBJECT: Common Working File (CWF) Informational Unsolicited Response (IUR) for claims that have line item dates of service after the date of death of a beneficiary

I. SUMMARY OF CHANGES: This change request will implement an informational unsolicited response from the CWF to the DME MAC claims processor for claims that have line items for dates of service after the date of death. This edit will review all claims previously paid on a daily basis prior to the date of death being posted to CWF.

EFFECTIVE DATE: April 1, 2011

IMPLEMENTATION DATE: April 4, 2011

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/revise 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 Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs) and/or Carriers:
No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

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

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

Attachment – One-Time Notification

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SUBJECT: Common Working File (CWF) Informational Unsolicited Response (IUR) for claims that have line item dates of service after the date of death of a beneficiary

Effective Date: April 1, 2011

Implementation Date: April 4, 2011

I. GENERAL INFORMATION

A. Background: The CMS Recovery Audit Contractor (RAC) program is responsible for identifying and correcting improper payments in the Medicare Fee-For-Service payment process. An audit in March 2000 by the Office of the Inspector General (OIG) identified this issue as a payment error. This report stated, “Our findings show that HCFA made substantial payments for services where the beneficiary’s date of death was not yet posted at the CWF at the time the claim was processed and approved for payment. “ Because these claims cannot be denied prior to payment, (the date of death is not in CWF) CMS is implementing an IUR for all claim types to recover these payments. CMS implemented Transmittal B-00-56, CR 1190, DMERCs – Common Working File (CWF) Edit #5211 – Services after the Date of Death (DOD) for Durable Medical Equipment (DME) Rental Items in response to the OIG audit. The transmittal implemented an edit that checks the –from-date and just not the –through- date. Rentals are allowed after the DOD for the remainder of the month but only if the –from-date of the rental claim is prior to the DOD. Transmittal B-00-56 did not include a process for rejecting claims that were paid after a DOD but before the DOD was posted to CWF. CMS also implemented annual post – payment reports to identify and recover these payments based on the OIG recommendations in 2000. Today, the RAC program has identified that significant payment errors are being made regarding services/equipment provided to a beneficiary and when the date of death is posted to CWF. This instruction will implement an informational unsolicited response (IUR) from the Common Working File (CWF) to prompt the system to query dates of death on a daily basis and adjust claims that have line item dates of service after the date of death for Part A, Part B, and DME claims. .

B. Policy: IOM Publication 100-01 Chapter 2 Section 40.5
Medicare does not pay for services or equipment after the beneficiary's date of death. "If not terminated sooner, coverage ends with the beneficiary's death."

IOM Publication 100-4 Chapter 20 Section 30.5.4

For the month of death or discontinuance of use, contractors pay the full month rental

IOM Publication 100-02, Chapter 15, Section 110.1

Similarly, if DME is returned to the provider before the end of a payment month because the beneficiary died in that month or because the equipment became unnecessary in that month, payment may be made for the entire month.”

CWF will create an Informational Unsolicited Response (IUR) for all claims where the Dates of Service are after the Beneficiary’s Date of Death that is posted due to an update from CMS. CWF will not create an

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B M A C	D M E M A C	F I I E R	C A R R I E R	R H H I	Shared-System Maintainers				OTH ER
						F I S S	M C S	V M S	C W F		
	None.										

IV. SUPPORTING INFORMATION

Section A: For any recommendations and supporting information associated with listed requirements, use the box below:

Use "Should" to denote a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: For all other recommendations and supporting information, use this space:

V. CONTACTS

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Post-Implementation Contact(s): Pamela Durbin, pamela.durbin@cms.hhs.gov, 410-786-6333

VI. FUNDING

Section A: For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs), and/or Carriers:

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