CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 11198	**Date: January 26, 2022**
	Change Request 12528

Transmittal 11144, dated December 2, 2021, is being rescinded and replaced by Transmittal 11198, dated, January 26, 2022 to update the associated Appeals Upload File Format attachment. All other information remains the same.

SUBJECT: Implementation of Medicare Administrative Contractor (MAC) Appeals Upload Process Changes for the Recovery Audit Contractor (RAC) Data Warehouse (RACDW) and Addition of Disposition Category "U" to RACDW Appeals Layout File

I. SUMMARY OF CHANGES: This Change Request (CR) is to implement the solutions discussed during analysis calls, which will require the Part A Medicare Administrative Contracotrs (MACs) to pull and upload claim appeals data for the Qualified Independent Contractor (QIC) and Office of Medicare Hearings and Appeals/Administrative Law Judge (OMHA/ALJ) decisions into the RACDW. In addition, this CR will implement an update to the disposition field in the RACDW appeals layout that will add disposition category "U" (Underpayment Favorable) in order to correct the problem of RAC-identified underpayment appeals being incorrectly identified by the MACs with the disposition code "Fully Favorable."

EFFECTIVE DATE: January 7, 2022
*Unless otherwise specified, the effective date is the date of service.
IMPLEMENTATION DATE: January 7, 2022

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	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

Attachment - One-Time Notification

Pub. 100-20	Transmittal: 11198	Date: January 26, 2022	Change Request: 12528

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SUBJECT: Implementation of Medicare Administrative Contractor (MAC) Appeals Upload Process Changes for the Recovery Audit Contractor (RAC) Data Warehouse (RACDW) and Addition of Disposition Category "U" to RACDW Appeals Layout File

EFFECTIVE DATE: January 7, 2022
Unless otherwise specified, the effective date is the date of service.
IMPLEMENTATION DATE: January 7, 2022

I.   GENERAL INFORMATION

A.   Background: This CR is to implement the solutions discussed during the analysis calls, which will require the Part A Medicare Administrative Contractors (MACs) to pull and upload claim appeals data for Qualified Independent Contractor (QIC) and Office of Medicare Hearings and Appeals/ Administrative Law Judge (OMHA/ALJ) decisions into the Recovery Audit Contractor Data Warehouse (RACDW). In addition, this CR will implement an update to the disposition field in the RACDW appeals layout that will add disposition category "U" (Underpayment Favorable) in order to correct the problem of RAC-identified underpayment appeals being incorrectly identified by the MACs with the disposition code "Fully Favorable."

B.   Policy: The nationwide Recovery Audit program was mandated under Division B, Title III, Section 302 of the Tax Relief and Healthcare Act of 2006.

II.   BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility								
		A/B MAC			DME	Shared-System Maintainers				Other
		A	B	HHH	MAC	FISS	MCS	VMS	CWF	
12528.1	The contractor shall pull the following report twice from Medicare Appeals System (MAS): > Team content > MAS > MAC – [Name and Jurisdiction] - Ad Hoc Reports Folder > Views - Frequently Used > [Contractor Name] MAC Report: All Claims by Date Range – List.	X								
12528.1.1	The contractor shall run the report the first time to obtain all RAC claims closed during the prior month.	X								
12528.1.2	The contractor shall run the report the second time to obtain all RAC claims effectuated during the prior	X								

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	month.									
12528.2	The contractor shall remove all RAC closures that require effectuation on the Closed item report.	X								
12528.3	The contractor shall merge the two reports into a single list.	X								
12528.4	The contractor shall pull up the claims on the single list in Fiscal Intermediary Standard System (FISS) and pull the Provider Transactions Access Number (PTAN) (from MAP 1151), CANC Document Control Number (DCN) (from Page 6), and XREF DCN (from Page 6) and put them into the report for all claims.	X								
12528.4.1	The contractor shall pull the PTANs from MAS and FISS and coalesce them (merge using the first non-null value).	X								
12528.4.2	The contractor shall look up any remaining Null values on the National Provider Identifier (NPI) to OSCAR lookup tool in FISS (system control 4c).	X								
12528.4.3	The contractor shall pull the XREF DCN from FISS and the Original FISS DCN from MAS and coalesce them.	X								
12528.4.3.1	The contractor shall determine if the claim is an Original DCN itself. If not, the contractor shall calculate the Original DCN as **Left([Claim Number], Len([Claim Number]) - 1).**	X								
12528.5	The contractor shall research any items with a CANC DCN and no Effectuation End Date to determine if these are provider adjustments made during the appeal process.	X								
12528.5.1	If these are provider adjustments, the contractor shall replace the Claim number with the CANC DCN.	X								
12528.5.2	If these are not provider adjustments, the contractor shall remove these incomplete effectuations.	X								
12528.6	The contractor shall copy the data for the appropriate columns into the RACDW template.	X								

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
12528.7	The contractor shall convert all values in each column to the format that the RACDW accepts.	X								
12528.8	The contractor shall add the reversal reason code "E" for all effectuation items.	X								
12528.9	The contractor shall upload the completed report into the RACDW.	X								
12528.10	The contractor shall comply with the updated Appeals Upload File Format (version 002, last updated October 13, 2021) for all Appeal uploads into RACDW, including Part A, Part B, and Durable Medical Equipment (DME) Appeals.	X	X	X	X					
12528.11	The contractor shall ensure that optional 1-character-long bankruptcy indicator field and 16-character-long space filler are added to the end of each appeal record upload into RACDW, and that the overall record length is increased to 400.	X	X	X	X					
12528.12	The contractor shall ensure that the reversal narrative field uploaded into RACDW does not contain Protected Health Information (PHI) or Personally identifiable information (PII).	X	X	X	X					
12528.13	The contractor shall utilize the new Reason for Reversal code U - Favorable Underpayment with underpayment amount greater than originally assessed by the RAC.	X	X	X	X					
12528.13.1	The contractor shall use this code to denote all instances where underpayment RAC review determination was appealed, and the appeal resulted in fully or partially favorable overturn plus **increase** of underpayment amount due to provider.	X	X	X	X					
12528.13.2	The contractor shall **not** use this code for overpayment appeals, for appeals with disposition other than fully or partially favorable to provider, and for appeals which resulted in decrease of underpayment amount due to provider.	X	X	X	X					

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E M A C	C E 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:

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Eric Miller, 4107860060 or eric.miller@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: 1

Appeals Upload File Format

*Please note that both layouts detailed here pertain to the same file. The header is the first record in the file, followed by the Appeals records.

Header Layout

Field Name	Location	Length	Attributes	Sample	Valid Values and Notes
File Type	1	10	AN - 10	APPEAL	Value: "APPEAL" Left justified, space fill
Filler	11	1			Space fill
File Format Version	12	3	N - 3	001	Value: 002
Filler	15	1			Space fill
Record Count	16	6	N - 6	000102	Number of records in file, not including header; zero fill
Filler	22	1			Space fill
Record Length	23	6	N - 6	000400	"000400"
Filler	29	1			Space fill
Create Date	30	8	N - 8	20100117	File Creation Date Format = YYYYMMDD
Filler	38	1			Space fill
Source ID	39	5	AN - 5	00308	Primary workload ID of EDC processing region
Filler	44	357			Space fill

Record Layout

Field Name	Start	End	Length/ Attributes	Required/ Situational	Description
Workload Number	1	5	5 - AN	R	Workload number of the adjustment being appealed
Original claim ID	6	28	23 - AN	R	ID of the underlying claim, before adjustment by the recovery auditor (claim ID selected by Recovery Auditor for adjustment)

Adjustment ID	29	51	23 - AN	R	ID of the recovery audit-initiated adjustment being reopened/appealed
Legacy provider/supplier ID	52	64	13 - AN	R	Billing provider ID (MCS users) Rendering provider ID (VMS users)
Receipt Date	65	72	8 - N	R	Format: YYYYMMDD
Nature of request / Level of appeal	73	75	3 - AN	R	Valid values: R, Q, J, B, JR, C C = Clerical reopening R = Redetermination Q = QIC J = ALJ B = DAB JR = Judicial review

Disposition	76	78	3 - A	S	Valid values: A, P, F, W, D, R, S, Z, E, X
					
					A- Affirm recovery auditor decision
					P- Partially favorable to provider/supplier
					F- Fully favorable to provider/supplier
					W- Request withdrawn by provider/supplier
					D- Request dismissed
					R- Request for reopening accepted at the MAC
					S- Redetermination decision pending
					Z- Remand
					E- Error
					X - Escalated
					
					Notes:
					  R is only allowable with Nature of Request = C
					  Z is only allowable with Nature of Request = J, B or JR

Disposition Date	79	86	8 - N	R/S	YYYYMMDD (date of closure of correspondence) * If Appeal Disposition(other than S) exist, it is required field. ** It must be between

					Receipt Date and Date of Upload inclusive.
Readjustment ID	87	109	23 - AN	R/S	Blank if reopening/appeal request was dismissed, Recovery Auditor's decision was affirmed or decision is still pending. Otherwise, the ID of the adjustment created to effectuate the reopening/appeal decision.
Readjustment Date	110	117	8 - N	R/S	Format: YYYYMMDD (Finalization date of the readjustment) * If Readjustment ID exists, it is required field.
Amount Paid on Readjusted Claim	118	126	9 - N	R/S	Format: DDDDDD.CC (explicit decimal; padded with zeroes) If applicable, this field is the actual amount paid on the readjusted claim - NOT the difference between the Recovery Auditor's adjustment and the adjustment to implement the appeal/ re-opening decision. * If Readjustment ID exists, it is required field.
Reason for reversal or accepted clerical reopening (Recovery Auditor error or new information from provider/supplier)	127	127	1 - AN	R/S	Valid values: A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, T, U, 1, 2, 3, 4, 5 A- Incorrect interpretation of coding policy B- Incorrect effective date utilized for coding policy C- Utilization of additional/different coding policy D- Code adjusted after 3 year limitation E- Medical record supplied in appeal process F- Wrong policy applied

					G- Other error by Recovery Auditor H- Provider/supplier added modifier I- Provider/supplier corrected date of service J- Provider/supplier corrected modifier K- Provider/supplier corrected diagnosis L- Provider/supplier corrected procedure code M- Provider/supplier corrected place of service N- Provider/supplier corrected billing number O- Provider/supplier corrected other error T- Testimony at hearing persuasive ==U- Favorable Underpayment with underpayment amount greater than originally assessed by the RAC== 1 - Found new documentation/evidence persuasive 2 - Interpreted/applied law or Medicare policy differently 3 - Applied different law or Medicare policy 4 - Found CMS contractor did not meet procedural requirements 5 - Other *Required if Disposition = P, F or R ==**Reason for reversal U is only allowed when Disposition is P or F== ==***Reason for reversal U is only allowed when the underpayment RAC review determinator is appealed, and when the appeal overturn results in increased of==

					underpayment amount due to provider
Reversal narrative	128	383	256 - AN	R/S	Reviewer comments; *Required if Reason for Reversal = G or O **PHI/PII is not allowed in the narrative field
BANKRUPT-IND	384	384	1 - A	S	Supplier's Bankruptcy Status from APPL/1 H2 'Y' -Yes 'N' -No
Filler	385	400	16		Spaces