

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 2407	Date: December 13, 2019
	Change Request 10770

SUBJECT: User Change Request: Enhancement to Update Electronic Funds Transfer (EFT) Process

I. SUMMARY OF CHANGES: When a Medicare Administrative Contractor (MAC) adds a new bank account for EFT payments, a prenote period is required for ten days before payments can be made to the new account. During prenoting, the new account is tested to ensure the information is correct and issued payments are received. To enter information for the new EFT account in the Fiscal Intermediary Shared System (FISS), the MAC must enter a termination date in the current EFT banking information. The termination date stops EFT payments to this account and all payments are reverted to paper checks which creates additional work for the MACs. This change request will modify the EFT prenote process to allow EFT payments to continue to be made to the original EFT bank account during the prenote period for a new EFT bank account.

EFFECTIVE DATE: April 1, 2020

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

IMPLEMENTATION DATE: April 6, 2020

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

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SUBJECT: User Change Request: Enhancement to Update Electronic Funds Transfer (EFT) Process

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IMPLEMENTATION DATE: April 6, 2020

I. GENERAL INFORMATION

A. Background: The Healthcare Integrated General Ledger Accounting System (HIGLAS) controls the issuance of Medicare payments and the bank account funds are sent to when EFT information is present. Medicare Administrative Contractors (MACs) communicate payee information to HIGLAS using the FISS Electronic Funds Transfer screen in the FISS Financial System. FISS converts the information entered by the MAC into an X12-274 transaction that is sent to HIGLAS when new or updated information is present.

When a MAC creates a new bank account record on the FISS EFT screen, they must enter a termination date in the current bank account record before they can proceed with entering the EFT banking information for the new bank account. The new EFT account is required to go through a prenote period to confirm the banking information before any new EFT payments are allowed. The prenote period lasts for ten days. During the prenote period, payments are issued via paper checks, which causes delays to the provider, and additional work for the MACs when the paper check is not received timely and the provider requests a manual payment.

In FISS, the MAC can use a future date to terminate the original bank account. When HIGLAS receives a 274 update from FISS to create a new bank account, HIGLAS defaults to the system date to terminate the current EFT banking info and create the new account. This CR will modify FISS to send the 274 transaction to create the new bank account on the termination date for the old bank account. This will allow EFT payments to continue to the old account during the prenote period for the new account. Allowing payments to continue to the old account is optional and should only be used when the contractor deems it is appropriate. This CR instructs MACs on usage of the functionality and system update requirements have been removed because there are no FISS Core or HIGLAS Core changes.

B. Policy: This CR is an enhancement and does not change existing policy.

II. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility							
		A/B MAC			D M E	Shared- System Maintainers			Other
		A	B	H H H		F M V C	M I C M S S	C M W F	
10770.1	The contractor should take the HIGLAS Mailroom days into consideration when selecting the EFT termination date for the old bank account. If mailroom	X		X					

Number	Requirement	Responsibility							
		A/B MAC		H H H	D M E M A C	Shared- System Maintainers			Other
		A	B			F I S S	M C S	V M S	
	<p>days are equal to one, the termination date should allow one full business day before the new EFT bank account effective date. The termination date should allow two full business days for the bank account to become effective date when mailroom days are two. For example, if mailroom days are equal to two and the new bank account is effective on Monday, the termination date on MAP07985 would equal the Wednesday before. Contractors can choose to ignore mail room days when setting the termination date but should be aware that initial payments to the new bank account will false confirm in most cases.</p> <p>Note: Contractors should set the termination date equal to the current date to terminate EFT payments during the prenote period for a new bank account. The process to allow EFT payments during the prenote period for a new bank account is optional and should be used at contractor discretion.</p>								
10770.1.1	Contractors shall be responsible to ensure the appropriate termination date is used when entering new bank account information. Future dated termination dates should only be used when issuing payment to the old bank account will not result in payment made to an incorrect Payee. Example, the Payee on the old bank account and new bank account are the same entity.	X		X					
10770.2	<p>Contractors shall complete end to end testing to validate no interruption in payments. At a minimum testing should validate that the prenote process is initiated and that payments are issued to the correct bank account based on the dates in MAP07985 for the following scenarios:</p> <ul style="list-style-type: none"> • A new bank account using the current date as the original bank account term date. • A new bank account using a future date as the original bank account term date. • A new bank account for a provider with no EFT bank account present. <p>Additional testing should be completed at the contractor's discretion.</p>	X		X					

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E	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): Stacey Ndelle, 410-786-8208 or Stacey.Ndelle@cms.hhs.gov , Rita Hazlip, 410-786-5755 or Rita.Hazlip@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