CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1771	**Date: January 10, 2017**
	Change Request 9920

Transmittal 694, Pub 100-08, dated December 30, 2016, is being rescinded and replaced by Transmittal 1771, Pub 100-20, dated January 10, 2017, in order to change it from a Pub. 100-08 change request to a Pub. 100-20 change request. All other information remains the same.

SUBJECT: Fraud Prevention System (FPS) 2 Edit Migration Testing

I. SUMMARY OF CHANGES: The purpose of this change request (CR) is to document the level of user acceptance testing (UAT) for the migration of edits to the new FPS2 solution.

EFFECTIVE DATE: January 6, 2017
Unless otherwise specified, the effective date is the date of service.
IMPLEMENTATION DATE: February 21, 2017

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: 1771	Date: January 10, 2017	Change Request: 9920

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SUBJECT: Fraud Prevention System (FPS) 2 Edit Migration Testing

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I.   GENERAL INFORMATION

A.   Background: The National Fraud Prevention Program (NFPP) will implement proven predictive modeling tools via the FPS that can stop payment on high risk claims. However, before applying the tools on claims prepayment or taking action on providers, it is essential that the algorithms are rigorously tested to-- 1) Avoid a high rate of false positives to ensure that claims are paid for legitimate providers without disruption or additional costs to honest providers; 2) In no way degrade access to care for legitimate beneficiaries; and 3) Identify the most efficient analytics in order to appropriate target resources to the highest risk claims or providers.

With the ability to deny or reject claims utilizing FPS and the claims processing systems, FPS will send the appropriate messages to be utilized with the corresponding FPS assigned number. FPS2 is being implemented to further enhance the capabilities of the FPS solution by providing a robust modeling environment, in additional to an enhanced user interface and reporting. All FPS edits running in production will be migrated to the new system and some level of UAT is recommended to validate the migration.

The loss of taxpayer dollars through waste, fraud, and abuse drives up health care costs. The Centers for Medicare & Medicaid Services (CMS) is pursuing an aggressive program integrity strategy that will prevent fraudulent transactions from occurring, rather than simply tracking down fraudulent providers and pursuing fake claims. CMS' program integrity mission also encompasses the operations and oversight necessary to ensure that CMS makes accurate payments to legitimate providers and suppliers for appropriate, reasonable, and necessary services and supplies for eligible Medicare beneficiaries. Reversing the traditional pay-and-chase approach to program integrity is the main goal of the NFPP, a long-term, sustainable approach that incorporates innovative technologies in integrated solutions. The NFPP has been implemented by the Center for Program Integrity , which is the CMS component that is accountable for the prevention and detection of fraud, waste, abuse and other improper payments under the Medicare and Medicaid programs. FPS2 is being implemented to further enhance the capabilities of the FPS solution by providing a robust modeling environment, in additional to an enhanced user interface and reporting. All FPS edits running in production will be migrated to the new system and some level UAT is recommended to validate the migration.

B.   Policy: Section 4241 of the Small Business Jobs Act of 2010 (Public Law 111-240)

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	
9920.1	Contractors shall participate in testing no more than seven (7) FPS edits migrated to the FPS2 solution outlined in Table A.	X	X	X	X					
9920.2	Contractors shall be responsible for testing edits as outlined in Table A.	X	X	X	X					
9920.3	Contractors shall participate in testing, which shall last approximately four (4) weeks, and shall conclude approximately one (1) week prior to implementation of the edits.	X	X	X	X					
9920.4	Contractors testing these edits shall participate in post-testing feedback meetings after implementation and all testing concludes. Meetings will not exceed 2 meetings not longer than an hour each.	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): Emmanuel Smyrnioudis, 410-786-1042 or
Emmanuel.Smyrnioudis@cms.hhs.gov , Anne Wood, 410-786-4739 or anne.wood@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

| | | | A/B MACs | | | | | | | | DME MACs | |
Edit	Estimated Test Cases	Denied/Rejected Claim Type	WPS	NGS	CGS	Noridian	Novitas	Cahaba	Palmetto	FCSO	CGS	Noridian
Observation Care Codes Inpatient Stay	5	B	1		BETA	1						
Observation Care Codes Incorrect Usage	5	B		1	BETA	1						
Modifer 57	7	B	1		BETA			1				
ECP Part A & B	4	A, B	1	1	BETA			1				
Avastin LCD	9	A		1	BETA					1		
Ambulance QL modifier	8	B			BETA	1	1					
Osteogenic Stimulator	5	DME									BETA	1
Cardioverter	18	B		1	BETA			1				
Nerve Conduction/EMG/Carpal Tunnel	6	B			BETA					1	1	
Moh's Surgery, No Separate Excision (Mod 59)	6	B	1		BETA							
77002 (Mod 59)	7	B			BETA			1				
Ultrasonic Guidance	11	B			BETA			1				
Spinal Injection with Fluoroscopy Modifer 59 (77003)	7	B			BETA		1					
Facet Joint	7	A, B		1	BETA	1						
POS Mismatch OP Office Refinement	5	B			BETA		1			1		
DME PTP	4	DME									BETA	1
Therapy without Modifiers	5	B	1		BETA		1					
Intravitreal Injection with Lucentis, Eylea, or Avastin Frequency (FPS 22)	12	B			BETA		1			1		
POS Mismatch ASC	6	B			BETA		1			1		
Needle EMG	6	B			BETA	1		1				

New vs Est Patient Part A	10	A	1	1	BETA	1	1	1	1	1		
New vs Est Patient Part B	10	B	1	1	BETA	1	1	1	1	1		
TOTAL			**7**	**7**	**0**	**7**	**7**	**6**	**7**	**6**	**0**	**2**