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|--|---|
| <b>CMS Manual System</b>                     | <b>Department of Health &amp; Human Services (DHHS)</b>   |
| <b>Pub 100-08 Medicare Program Integrity</b> | <b>Centers for Medicare &amp; Medicaid Services (CMS)</b> |
| <b>Transmittal 867</b>                       | <b>Date: February 22, 2019</b>                            |
|  | <b>Change Request 11088</b>                               |

**SUBJECT: Update to Exhibit 16 - Model Payment Suspension Letters in Publication (Pub.) 100-08**

**I. SUMMARY OF CHANGES:** The purpose of this Change Request (CR) is to add a new standard letter and various content updates to Exhibit 16 - Model Payment Suspension Letters is Pub. 100-08.

**EFFECTIVE DATE: March 25, 2019**

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

**IMPLEMENTATION DATE: March 25, 2019**

*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.

| <b>R/N/D</b> | <b>CHAPTER / SECTION / SUBSECTION / TITLE</b> |
|--------------|---|
| R            | Exhibits/16/Model Payment Suspension Letters  |

**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

|                    |                         |                                |                              |
|--------------------|-------------------------|--------------------------------|------------------------------|
| <b>Pub. 100-08</b> | <b>Transmittal: 867</b> | <b>Date: February 22, 2019</b> | <b>Change Request: 11088</b> |
|--------------------|-------------------------|--------------------------------|------------------------------|

**SUBJECT: Update to Exhibit 16 - Model Payment Suspension Letters in Publication (Pub.) 100-08**

**EFFECTIVE DATE: March 25, 2019**

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

**IMPLEMENTATION DATE: March 25, 2019**

## I. GENERAL INFORMATION

**A. Background:** The CMS is making changes to Exhibit 16 - Model Payment suspension Letters in Pub. 100-08. The changes include the addition of a new standard letter and various content updates.

**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<br>MAC | Shared-System Maintainers |     |     |     | Other |
|         |  | A              | B | HHH |            | FISS                      | MCS | VMS | CWF |       |
| 11088.1 | The Unified Program Integrity Contractors shall ensure they are using the updated letters, as referenced in Exhibit 16 of Pub. 100-08. |                |   |     |            |                           |     |     |     | UPICs |

## III. PROVIDER EDUCATION TABLE

| Number | Requirement | Responsibility |   |     |            |      |
|--------|-------------|----------------|---|-----|------------|------|
|        |             | A/B MAC        |   |     | DME<br>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.*

| <b>X-Ref Requirement Number</b> | <b>Recommendations or other supporting information:</b> |
|---------------------------------|---|
|---------------------------------|---|

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

**V. CONTACTS**

**Pre-Implementation Contact(s):** Jesse Havens, 410-786-6566 or [jesse.havens@cms.hhs.gov](mailto:jesse.havens@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**

## Exhibit 16 -Model Payment Suspension Letters

(Rev.867, Issued: 02-22-19, Effective: 03-25-19, Implementation: 03-25-19)

### A. Payment Suspension Initial Notice Based on Fraud (No Prior Notice Given)

Date

Name of Addressee (if known)

Name of Medicare Provider/Supplier

Address

City, State Zip

Re: **Notice of Suspension of Medicare Payments**  
**Provider/Supplier Medicare ID Number(s):**  
**Provider/Supplier NPI:**  
**PSP Number:**

Dear {Medicare Provider/Supplier's Name}:

The purpose of this letter is to notify you of our determination to suspend your Medicare payments {INSERT THE FOLLOWING IF THIS IS A NATIONAL PAYMENT SUSPENSION: in all jurisdictions} pursuant to 42 C.F.R. § 405.371(a)(2). The suspension of your Medicare payments took effect on {ENTER DATE}. Prior notice of this suspension was not provided, because giving prior notice would place additional Medicare funds at risk and hinder our ability to recover any determined overpayment. *See* 42 C.F.R. § 405.372(a)(3).

The decision to suspend your Medicare payments was made by the Centers for Medicare & Medicaid Services (CMS) through its Central Office. *See* 42 C.F.R. § 405.372(a)(4)(iii). This suspension is based on credible allegations of fraud. CMS regulations define credible allegations of fraud as an allegation from any source including, but not limited to, Fraud hotline complaints, claims data mining, patterns identified through audits, civil false claims cases, and law enforcement investigations. Allegations are considered to be credible when they have indicia of reliability. *See* 42 C.F.R. § 405.370. This suspension may last until "resolution of the investigation" as defined under 42 C.F.R. § 405.370 and may be extended under certain circumstances. *See* 42 C.F.R. § 405.372(d)(3)(i)-(ii). Specifically, the suspension of your Medicare payments is based on, but not limited to, information that you misrepresented services billed to the Medicare program. More particularly, {Continue with further supportive information and specific examples (no less than five). Only use claim numbers, Date of Service and amount paid when referencing the specific claim examples. Do Not use beneficiary names or HIC#s in the notice.}

The following list of sample claims provide evidence of our findings and serve as a basis for the determination to suspend your Medicare payments:

| <u>Claim Control Number</u> | <u>Date(s) of Service</u> | <u>\$\$ Amount Paid</u> |
|-----------------------------|---------------------------|-------------------------|
|-----------------------------|---------------------------|-------------------------|

This list is not exhaustive or complete in any sense, as the investigation into this matter is continuing. The information is provided by way of example in order to furnish you with adequate notice of the basis for the payment suspension noticed herein.

Pursuant to 42 C.F.R. § 405.372(b)(2), you have the right to submit a rebuttal statement in writing to us indicating why you believe the suspension should be removed. We request that you submit this rebuttal statement to us within 15 days. You should include with this statement any evidence you believe is pertinent to your reasons why the suspension should be removed. Your rebuttal statement and any pertinent evidence should be sent to:

Your Name, Program Integrity Analyst  
{ADDRESS}

If you submit a rebuttal statement, we will review that statement (and any supporting documentation) along with other materials associated with the case. Based on a careful review of the information you submit and all other relevant information known to us, we will determine whether the suspension should be removed, modified, or should remain in effect within 15 days of receipt of the complete rebuttal package. However, the suspension of your Medicare funds will continue while your rebuttal package is being reviewed. Thereafter, we will notify you in writing of our determination to continue or remove the suspension and provide specific findings on the conditions upon which the suspension may be continued or removed, as well as an explanatory statement of the determination. *See* 42 C.F.R. § 405.375(b)(2). This determination is not administratively appealable. *See* 42 C.F.R. § 405.375(c).

If the suspension is continued, we will review additional evidence during the suspension period to determine whether claims are payable and/or whether an overpayment exists and, if so, the amount of the overpayment. *See* 42 C.F.R. § 405.372(c). We may need to contact you with specific requests for further information. You will be informed of developments and will be promptly notified of any overpayment determination. Claims will continue to be processed during the suspension period, and you will be notified about bill/claim determinations, including appeal rights regarding any bills/claims that are denied. The payment suspension applies to both current and future payments.

In the event that an overpayment is determined and it is determined that a recoupment of payments under 42 C.F.R. § 405.371(a)(3) should be put into effect, you will receive a separate written notice of the intention to recoup and the reasons. You will be given an opportunity for rebuttal in accordance with 42 C.F.R. § 405.374 from {MAC name.}. When the payment suspension has been removed, any money withheld as a result of this action shall be first be applied to reduce or eliminate the determined overpayment and then to reduce any other obligation to CMS or to the U.S. Department of Health and Human Services in accordance with 42 C.F.R. § 405.372(e). In the absence of a legal requirement that the excess be paid to another entity, the excess will be released to you.

{Insert the following paragraph if prepayment review is being initiated:} Finally, {Name of ZPIC or MAC}, a CMS {Zone Program Integrity Contractor (ZPIC) or Medicare Administrative Contractor (MAC)}, has initiated a process to review your Medicare claims and supporting documentation prior to payment. The purpose of implementing this prepayment process is to ensure that all payments made by the Medicare program are appropriate and consistent with Medicare rules, regulations and policy. The prepayment process is often applied to safeguard Medicare from unnecessary expenditures and to ensure that Medicare payments are made for items and services which are “reasonable and necessary” for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member. *See* Social Security Act § 1862(a)(1)(A). Notification is hereby given that you are expected to comply with the prepayment process for claims for all dates and services.

Should you have any questions, please contact me in writing or via telephone at {phone number}.

Sincerely,

Name

## **B. Payment Suspension Initial Notice Based on Fraud (Prior Notice Given)**

Date

Name of Addressee (if known)

Name of Medicare Provider/Supplier

Address

City, State Zip

Re: **Notice of Suspension of Medicare Payments**

**Provider/Supplier Medicare ID Number(s):**  
**Provider/Supplier NPI:**  
**PSP Number:**

Dear {Medicare Provider/Supplier's Name}:

The purpose of this letter is to notify you of our determination to suspend your Medicare payments {INSERT THE FOLLOWING IF THIS IS A NATIONAL PAYMENT SUSPENSION: in all jurisdictions} pursuant to 42 C.F.R. § 405.371(a)(2). The suspension of your Medicare payments will take effect on {ENTER DATE}.

The decision to suspend your Medicare payments was made by the Centers for Medicare & Medicaid Services (CMS) through its Central Office. *See* 42 C.F.R. § 405.372(a)(4)(iii). This suspension is based on credible allegations of fraud. CMS regulations define credible allegations of fraud as an allegation from any source including, but not limited to, Fraud hotline complaints, claims data mining, patterns identified through audits, civil false claims cases, and law enforcement investigations. Allegations are considered to be credible when they have indicia of reliability. *See* 42 C.F.R. § 405.370. This suspension may last until “resolution of the investigation” as defined under 42 C.F.R. § 405.370 and may be extended under certain circumstances. *See* 42 C.F.R. § 405.372(d)(3)(i)-(ii). Specifically, the suspension of your Medicare payments is based on, but not limited to, information that you misrepresented services billed to the Medicare program. More particularly, {Continue with further supportive information and specific examples (no less than five). Only use claim numbers, Date of Service and amount paid when referencing the specific claim examples. Do Not use beneficiary names or HIC#s in the notice.}

The following list of sample claims provide evidence of our findings and serve as a basis for the determination to suspend your Medicare payments:

| <u>Claim Control Number</u> | <u>Date(s) of Service</u> | <u>\$\$ Amount Paid</u> |
|-----------------------------|---------------------------|-------------------------|
|-----------------------------|---------------------------|-------------------------|

This list is not exhaustive or complete in any sense, as the investigation into this matter is continuing. The information is provided by way of example in order to furnish you with adequate notice of the basis for the payment suspension noticed herein.

Pursuant to 42 C.F.R. § 405.372(b)(2), you have the right to submit a rebuttal statement in writing to us within the next 15 days indicating why you believe the suspension should be removed. You should include with this statement any evidence you believe is pertinent to your reasons why the suspension should be removed. Your rebuttal statement and any pertinent evidence should be sent to:

Your Name, Program Integrity Analyst  
{ADDRESS}

If you submit a rebuttal statement, we will review that statement (and any supporting documentation) along with other materials associated with the case. Based on a careful review of the information you submit and all other relevant information known to us, we will determine whether the suspension should be removed, modified, or should remain in effect within 15 days of receipt of the complete rebuttal package. Thereafter, we will notify you in writing of our determination to continue or remove the suspension and provide specific findings on the conditions upon which the suspension may be continued or removed, as well as an explanatory statement of the determination. *See* 42 C.F.R. § 405.375(b)(2). However, if by the end of this period no rebuttal has been received, the payment suspension will go into effect automatically. This determination is not administratively appealable. *See* 42 C.F.R. § 405.375(c).

If the suspension is continued, we will review additional evidence during the suspension period to determine whether claims are payable and/or whether an overpayment exists and, if so, the amount of the overpayment. *See* 42 C.F.R. § 405.372(c). We may need to contact you with specific requests for further information. You will be informed of developments and will be promptly notified of any overpayment determination. Claims

will continue to be processed during the suspension period, and you will be notified about bill/claim determinations, including appeal rights regarding any bills/claims that are denied. The payment suspension applies to both current and future payments.

In the event that an overpayment is determined and it is determined that a recoupment of payments under 42 C.F.R. § 405.371(a)(3) should be put into effect, you will receive a separate written notice of the intention to recoup and the reasons. You will be given an opportunity for rebuttal in accordance with 42 C.F.R. § 405.374 from {MAC name.} When the payment suspension has been removed, any money withheld as a result of this action shall be first be applied to reduce or eliminate the determined overpayment and then to reduce any other obligation to CMS or to the U.S. Department of Health and Human Services in accordance with 42 C.F.R. § 405.372(e). In the absence of a legal requirement that the excess be paid to another entity, the excess will be released to you.

{Insert the following paragraph if prepayment review is being initiated:} Finally, {Name of ZPIC or MAC}, a CMS {Zone Program Integrity Contractor (ZPIC) or Medicare Administrative Contractor (MAC)}, has initiated a process to review your Medicare claims and supporting documentation prior to payment. The purpose of implementing this prepayment process is to ensure that all payments made by the Medicare program are appropriate and consistent with Medicare rules, regulations and policy. The prepayment process is often applied to safeguard Medicare from unnecessary expenditures and to ensure that Medicare payments are made for items and services which are “reasonable and necessary” for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member. *See* Social Security Act § 1862(a)(1)(A). Notification is hereby given that you are expected to comply with the prepayment process for claims for all dates and services.

Should you have any questions, please contact me in writing or via telephone at {phone number}.

Sincerely,

Name

### **C. Payment Suspension Initial Notice Based on Reliable Information (No Prior Notice Given)**

Date

Name of Addressee (if known)

Name of Medicare Provider/Supplier

Address

City, State Zip

**Re: Notice of Suspension of Medicare Payments  
Provider/Supplier Medicare ID Number(s):  
Provider/Supplier NPI:  
PSP Number:**

Dear {Medicare Provider/Supplier’s Name}:

The purpose of this letter is to notify you of our determination to suspend your Medicare payments {INSERT THE FOLLOWING IF THIS IS A NATIONAL PAYMENT SUSPENSION: in all jurisdictions} pursuant to 42 C.F.R. § 405.371(a)(1). The suspension of your Medicare payments took effect on {ENTER DATE}. This payment suspension may last for up to 180 days from the effective date and may be extended under certain circumstances. *See* 42 C.F.R. § 405.372(d). Any delays in producing medical records linked to the payment suspension request will likely extend this period beyond the 180 days. Prior notice of this suspension was not provided, because giving prior notice would place additional Medicare funds at risk and hinder our ability to recover any determined overpayment. *See* 42 C.F.R. § 405.372(a)(3).

The decision to suspend your Medicare payments was made by the Centers for Medicare & Medicaid Services (CMS) through its Central Office. The suspension of your Medicare payments is based on reliable information that an overpayment exists or that the payments to be made may not be correct. Specifically, the suspension of your Medicare payments is based on, but not limited to, information from claims data analysis and medical review completed by {NAME OF ZPIC or MAC.} More particularly, {Continue with further supportive information and specific claim examples (no less than five). Only use claim numbers, Date of Service and amount paid when referencing the claim examples. Do Not use beneficiary names or HIC#s in the notice.}

The following list of sample claims provide evidence of our findings and serve as a basis for the determination to suspend your Medicare payments:

| <u>Claim Control Number</u> | <u>Date(s) of Service</u> | <u>\$\$ Amount Paid</u> |
|-----------------------------|---------------------------|-------------------------|
|-----------------------------|---------------------------|-------------------------|

This list is not exhaustive or complete in any sense, as the investigation into this matter is continuing. The information is provided by way of example in order to furnish you with adequate notice of the basis for the payment suspension noticed herein.

Pursuant to 42 C.F.R. § 405.372(b)(2), you have the right to submit a rebuttal statement in writing to us indicating why you believe the suspension should be removed. We request that you submit this rebuttal statement to us within 15 days. You should include with this statement any evidence you believe is pertinent to your reasons why the suspension should be removed. Your rebuttal statement and any pertinent evidence should be sent to:

Your Name, Program Integrity Analyst  
{ADDRESS}

If you submit a rebuttal statement, we will review that statement (and any supporting documentation) along with other materials associated with the case. Based on a careful review of the information you submit and all other relevant information known to us, we will determine whether the suspension should be removed, modified, or should remain in effect within 15 days of receipt of the complete rebuttal package. However, the suspension of your Medicare funds will continue while your rebuttal package is being reviewed. Thereafter, we will notify you in writing of our determination to continue or remove the suspension and provide specific findings on the conditions upon which the suspension may be continued or removed, as well as an explanatory statement of the determination. *See* 42 C.F.R. § 405.375(b)(2). This determination is not administratively appealable. *See* 42 C.F.R. § 405.375(c).

If the suspension is continued, we will review additional evidence during the suspension period to determine whether claims are payable and/or whether an overpayment exists and, if so, the amount of the overpayment. *See* 42 C.F.R. § 405.372(c). We may need to contact you with specific requests for further information. You will be informed of developments and will be promptly notified of any overpayment determination. Claims will continue to be processed during the suspension period, and you will be notified about bill/claim determinations, including appeal rights regarding any bills/claims that are denied. The payment suspension applies to both current and future payments.

In the event that an overpayment is determined and it is determined that a recoupment of payments under 42 C.F.R. § 405.371(a)(3) should be put into effect, you will receive a separate written notice of the intention to recoup and the reasons. You will be given an opportunity for rebuttal in accordance with 42 C.F.R. § 405.374 from {MAC name.}. When the payment suspension has been removed, any money withheld as a result of this action shall be first be applied to reduce or eliminate the determined overpayment and then to reduce any other obligation to CMS or to the

U.S. Department of Health and Human Services in accordance with 42 C.F.R. § 405.372(e). In the absence of a legal requirement that the excess be paid to another entity, the excess will be released to you.

{Insert the following paragraph if prepayment review is being initiated:} Finally, {Name of ZPIC or MAC}, a CMS {Zone Program Integrity Contractor (ZPIC) or Medicare Administrative Contractor (MAC)}, has



initiated a process to review your Medicare claims and supporting documentation prior to payment. The purpose of implementing this prepayment process is to ensure that all payments made by the Medicare program are appropriate and consistent with Medicare rules, regulations and policy. The prepayment process is often applied to safeguard Medicare from unnecessary expenditures and to ensure that Medicare payments are made for items and services which are “reasonable and necessary” for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member. *See Social Security Act §1862(a)(1)(A)*. Notification is hereby given that you are expected to comply with the prepayment process for claims for all dates and services.

Should you have any questions, please contact me in writing or via telephone at {phone number}.

Sincerely,

Name

**D. Payment Suspension Initial Notice Based on Reliable Information (Prior Notice Given)**

Date

Name of Addressee (if known)

Name of Medicare Provider/Supplier

Address

City, State Zip

Re: **Notice of Suspension of Medicare Payments**  
**Provider/Supplier Medicare ID Number(s):**  
**Provider/Supplier NPI:**  
**PSP Number:**

Dear {Medicare Provider/Supplier’s Name}:

The purpose of this letter is to notify you of our determination to suspend your Medicare payments {INSERT THE FOLLOWING IF THIS IS A NATIONAL PAYMENT SUSPENSION: in all jurisdictions} pursuant to 42 C.F.R. § 405.371(a)(1). The suspension of your Medicare payments will take effect on {ENTER DATE}. This payment suspension may last for up to 180 days from the effective date and may be extended under certain circumstances. *See* 42 C.F.R. § 405.372(d). Any delays in producing medical records linked to the payment suspension request will likely extend this period beyond the 180 days.

The decision to suspend your Medicare payments was made by the Centers for Medicare & Medicaid Services (CMS) through its Central Office. The suspension of your Medicare payments is based on reliable information that an overpayment exists or that the payments to be made may not be correct. Specifically, the suspension of your Medicare payments is based on, but not limited to, information from claims data analysis and medical review completed by {NAME OF ZPIC or MAC.} More particularly, {Continue with further supportive information and specific claim examples (no less than five). Only use claim numbers, Date of Service and amount paid when referencing the claim examples. Do Not use beneficiary names or HIC#s in the notice.}

The following list of sample claims provide evidence of our findings and serve as a basis for the determination to suspend your Medicare payments:

| <u>Claim Control Number</u> | <u>Date(s) of Service</u> | <u>\$\$ Amount Paid</u> |
|-----------------------------|---------------------------|-------------------------|
|-----------------------------|---------------------------|-------------------------|

This list is not exhaustive or complete in any sense, as the investigation into this matter is continuing. The information is provided by way of example in order to furnish you with adequate notice of the basis for the payment suspension noticed herein.

Pursuant to 42 C.F.R. § 405.372(b)(2), you have the right to submit a rebuttal statement in writing to us within the next 15 days indicating why you believe the suspension should be removed. You should include with this statement any evidence you believe is pertinent to your reasons why the suspension should be removed. Your rebuttal statement and any pertinent evidence should be sent to:

Your Name, Program Integrity Analyst  
{ADDRESS}

If you submit a rebuttal statement, we will review that statement (and any supporting documentation) along with other materials associated with the case. Based on a careful review of the information you submit and all other relevant information known to us, we will determine whether the suspension should be removed, modified, or should remain in effect within 15 days of receipt of the complete rebuttal package. Thereafter, we will notify you in writing of our determination to continue or remove the suspension and provide specific findings on the conditions upon which the suspension may be continued or removed, as well as an explanatory statement of the determination. *See* 42 C.F.R. § 405.375(b)(2). However, if by the end of this period no rebuttal has been received, the payment suspension will go into effect automatically. This determination is not administratively appealable. *See* 42 C.F.R. § 405.375(c).

If the suspension is continued, we will review additional evidence during the suspension period to determine whether claims are payable and/or whether an overpayment exists and, if so, the amount of the overpayment. *See* 42 C.F.R. § 405.372(c). We may need to contact you with specific requests for further information. You will be informed of developments and will be promptly notified of any overpayment determination. Claims will continue to be processed during the suspension period, and you will be notified about bill/claim determinations, including appeal rights regarding any bills/claims that are denied. The payment suspension applies to both current and future payments.

In the event that an overpayment is determined and it is determined that a recoupment of payments under 42 C.F.R. § 405.371(a)(3) should be put into effect, you will receive a separate written notice of the intention to recoup and the reasons. You will be given an opportunity for rebuttal in accordance with 42 C.F.R. § 405.374 from {MAC name.} When the payment suspension has been removed, any money withheld as a result of this action shall be first be applied to reduce or eliminate the determined overpayment and then to reduce any other obligation to CMS or to the

U.S. Department of Health and Human Services in accordance with 42 C.F.R. § 405.372(e). In the absence of a legal requirement that the excess be paid to another entity, the excess will be released to you.

{Insert the following paragraph if prepayment review is being initiated:} Finally, {Name of ZPIC or MAC}, a CMS {Zone Program Integrity Contractor (ZPIC) or Medicare Administrative Contractor (MAC)}, has initiated a process to review your Medicare claims and supporting documentation prior to payment. The purpose of implementing this prepayment process is to ensure that all payments made by the Medicare program are appropriate and consistent with Medicare rules, regulations and policy. The prepayment process is often applied to safeguard Medicare from unnecessary expenditures and to ensure that Medicare payments are made for items and services which are “reasonable and necessary” for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member. *See* Social Security Act § 1862(a)(1)(A). Notification is hereby given that you are expected to comply with the prepayment process for claims for all dates and services.

Should you have any questions, please contact me in writing or via telephone at {phone number}.

Sincerely,

Name

**E. *Reliable Information that an Overpayment Exists (RIO)* Payment Suspension Extension Notice**

Date

Name of Addressee (if known)

Name of Medicare Provider/Supplier  
Address  
City, State Zip

Re: **Notice of Extension of Suspension of Medicare Payments**  
**Provider/Supplier Medicare ID Number(s):**  
**Provider/Supplier NPI:**  
***PSP Number:***

Dear {Medicare Provider/Supplier's Name}:

Please be advised that pursuant to 42 C.F.R. § 405.372(d), the Centers for Medicare & Medicaid Services (CMS) has directed {ENTER *UPIC* NAME} to continue the suspension of your Medicare payments for an additional 180 days effective {Enter Date that the payment suspension was to expire}.

The extension of your payment suspension applies to both claims in process and future claims. We will continue to withhold your Medicare payments until an investigation of the circumstances has been completed in accordance with 42 C.F.R. § 405.372(d). When the payment suspension is terminated, any money withheld as a result of this action shall be applied *first* to reduce or eliminate the determined overpayment and then to reduce any other obligation to CMS or the U.S. Department of Health and Human Services. *See* 42 C.F.R. § 405.372(e). In the absence of a legal requirement that the excess be paid to another entity, the *remainder* will be released to you.

Should you have any questions, please contact me in writing or *by* telephone at {phone number}.

Sincerely,

Name

***F. Credible Allegation of Fraud (CAF) Payment Suspension Extension Notice***

*Date*  
*Name of Addressee (if known)*  
*Name of Medicare Provider/Supplier*  
*Address*  
*City, State Zip*

Re: ***Notice of Extension of Suspension of Medicare Payments***  
***Provider/Supplier Medicare ID Number(s):***  
***Provider/Supplier NPI:***  
***PSP Number:***

*Dear {Medicare Provider/Supplier's Name}:*

*Please be advised that pursuant to 42 C.F.R. § 405.371(b), the Centers for Medicare & Medicaid Services (CMS) has directed {ENTER *ZPIC* NAME} to continue the suspension of your Medicare payments for an additional 180 days effective {Enter Date that the payment suspension was to expire}.*

*The continuation of your payment suspension applies to both claims in process and future claims. We will continue to suspend your Medicare payments until an investigation of the circumstances has been completed in accordance with 42 C.F.R. § 405.372(c)(2). When the payment suspension is terminated, any money withheld as a result of this action shall be applied first to reduce or eliminate any determined overpayments, including any interest assessed under 42 C.F.R. § 405.378, and then to reduce any other obligation to CMS or the U.S. Department of Health and Human Services. See 42 C.F.R. § 405.372(e). In*

*the absence of a legal requirement that the excess be paid to another entity, the remainder will be released to you.*

*Should you have any questions, please contact me in writing or by telephone at {phone number}.*

*Sincerely,*

*Name*

**G. Payment Suspension Termination Notice**

Date

Name of Addressee (if known)

Name of Medicare Provider/Supplier

Address

City, State Zip

Re: **Notice of Termination of Suspension of Medicare Payments**

**Provider/Supplier Medicare ID Number(s):**

**Provider/Supplier NPI:**

***PSP Number:***

Dear {Medicare Provider/Supplier's Name}:

Pursuant to 42 C.F.R. §405.372(c), this is to notify you that the Centers for Medicare & Medicaid Services (CMS) has directed us to terminate the payment suspension in effect for your Medicare payments. You were notified of the results of our review and the overpayment(s) we determined on {Enter Date of letter}. This information has been forwarded to {MAC Name} for final action. In the near future, they will issue the overpayment demand letter, along with information regarding your appeal rights and process. When the payment suspension has been removed, any money withheld as a result of this action shall first be applied to reduce or eliminate any overpayment and then to reduce any obligation to CMS or U.S. Department of Health and Human Services per 42 C.F.R. § 405.372(e). In the absence of a legal requirement that the excess be paid to another entity, the excess will be released to you.

Please be advised that this action to terminate your payment suspension should not be construed as any positive determination regarding your Medicare billing, nor is it an indication of government approval of or acquiescence regarding the claims submitted. It does not relieve you of any civil or criminal liability, nor does it offer a defense to any further administrative, civil or criminal actions against you.

Should you have any questions, please contact me in writing or via telephone at {phone number}.

Sincerely,

Name