CMS Manual System	**Department of Health & Human Services (DHHS)**
Pub 100-08 Medicare Program Integrity	**Centers for Medicare & Medicaid Services (CMS)**
Transmittal 905	**Date: September 27,2019**
	Change Request 11329

SUBJECT: Update to Chapter 12 (The Comprehensive Error Rate Testing (CERT) Program) of Publication (Pub.) 100-08

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to update Chapter 12 of Pub. 100-08.

EFFECTIVE DATE: December 30, 2019
**Unless otherwise specified, the effective date is the date of service.*
IMPLEMENTATION DATE: December 30, 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.*

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
R	Table of Contents/Chapter 12
R	12/12.4/12.4.3/Providing Feedback Information to the CERT Review Contractor
R	12/12.5/Handling Overpayments and Underpayments Resulting from the CERT Findings
R	12/12.6/Handling Appeals Resulting from CERT-Initiated Denials

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

Pub. 100-08	Transmittal: 905	Date: September 27,2019	Change Request: 11329

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I. GENERAL INFORMATION

A. Background: The CERT review contractor reviews the most current version of the claim that finalized before the date of the transaction file. This CR provides clarification to the MACs that any cancelations, adjustments, or other actions that occur on the date of the transaction file are not applicable to the CERT program reporting. The current processes that are being followed for those claims that have a cancelation, adjustment, or other action that occurs after the date of the transaction file should be replicated for those claims that have a cancelation, adjustment, or other action that occurs on the date of the transaction file.

B. Policy: This CR does not involve any legislative or regulatory policy.

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	
11329.1	The MACs shall be aware of the updated guidance that any cancellations, adjustments, or other actions that occur on the date of the transaction file are not applicable to the CERT program reporting.	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): Sarah Bochenick, 410-786-2882 or sarah.bochenick@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

Medicare Program Integrity Manual
Chapter 12 – The Comprehensive Error Rate Testing Program
Table of Contents
(Rev. 905; Issued: 09-27-19)

12.4.3 – Providing Feedback Information to the CERT Review Contractor

(Rev. 905; Issued: 09-27-19; Effective: 12-30-19; Implementation: 12-30-19)

A. Requests for Feedback Information

- Feedback is the mechanism by which the CERT review contractor notifies MACs of decisions where the CERT review contractor disagreed with the MAC's decision in adjudicating the claim. It also serves as the mechanism by which the MAC provides the CERT program with corrected pricing, which allows the program to determine the difference between what was allowed on the original claim and the amount that should have been allowed based on the CERT decision. Approximately twice each month, the CERT review contractor posts a description of errors it has found for each MAC on the CSW. Each MAC shall complete the required fields for each claim listed on the feedback section of the CSW. Feedback batch posting dates are listed on the CSW under calendar of events and on the main feedback page.

- The MAC shall correctly enter the "Recalculated Allowed Amount" in MAC feedback for Change in Status claims.

- The "Recalculated Allowed Amount" is not the paid amount. The recalculated allowed amount is the amount paid to the provider (or beneficiary) plus any deductible applied to this claim plus the copayment amount.

    - When co-insurance or a deductible was applied to a claim resulting in no payment to the provider, the MAC should enter the "Recalculated Allowed Amount" equal to the allowed amount before the deductible and/or co-insurance was applied. An entry of zero in the recalculated allowed amount results in payment error equal the deductible or co-insurance applied.

- Each MAC shall submit feedback information for all lines within seven business days after it is posted. If the feedback is not submitted by the end of the response period, the lines will be counted as full payment errors until further information is received. Uncompleted lines will be returned in the next feedback batch. Each MAC shall complete all of the lines in the feedback process prior to the cut-off date for a report.

- A MAC may contact the CERT MAC feedback coordinator, via email, at the CERT review contractor to request a meeting about the results of a CERT review.

B. Repricing

The MAC shall calculate the corrected payment amount for each claim on the feedback report. The MAC shall take special care to report accurate information in the recalculated final allowed amount field. The recalculated final allowed amount is the amount that would be allowed for the line if the claim were paid at the level indicated after CERT review. It includes the paid amount, coinsurance, deductibles, and offsets. When appropriate, the MAC shall report recalculated final allowed amounts as the output from a payment calculator such as the PRICER prospective payment system (PPS). The PRICER PPS automatically adds the outlier payments into this output. Therefore the outlier payment amount in value code 17 should not be added or subtracted from the recalculated final allowed amount.

C. Claims that are canceled/replaced *on or* after the date of the transaction file

The CERT review contractor shall review the most current version of the claim that finalized before the date of the transaction file. Any cancelations, adjustments, or other actions that occur *on or* after the date of the transaction file are not applicable to the CERT program reporting.

If the claim is canceled/replaced *on or* after the transaction file date:

- Feedback shall reflect the CERT decision.
- Appeal information shall not be entered in the CSW.
- For the payment adjustment information in the CSW, the MAC may enter that the claim was canceled/replaced *on or* after the transaction file date and no payment or collection occurred.

The MAC shall not use a CERT review decision from a claim that is canceled/replaced *on or* after the date of the transaction file on an adjustment claim.

12.5 – Handling Overpayments and Underpayments Resulting from the CERT Findings

(Rev. 905; Issued: 09-27-19; Effective: 12-30-19; Implementation: 12-30-19)

This section applies to Medicare Administrative Contractors (MACs) and Comprehensive Error Rate Testing (CERT) as indicated.

The instructions in this section apply only to overpayments and underpayments that result from CERT findings. The MAC shall continue to handle overpayments and underpayments resulting from non-CERT findings as instructed in other CMS manuals.

The CERT review contractor notifies the MAC when an underpayment or an overpayment is identified via the Claim Status website (CSW). The MAC shall adjust the claim to reflect the corrected code and payment amount, and make the appropriate payment or collection. The MAC shall pay or collect the full amount in error as defined by the CERT- identified underpayment or overpayment. When the CERT reviewed claim was canceled *on or* after the transaction file date, the MAC shall not pay or collect the amount in error, as the claim has already been canceled (see 12.3.3.C). If shared systems logic limits the payment correction amount to a sum less than the full amount in error, the MAC shall pay the system allowed amount and educate the provider about future billing amounts. The MAC shall not collect overpayments from Medicare beneficiaries.

The MAC shall use the normal claim adjustment procedures published in Pub 100-04 Claims Processing Manual. The MAC shall use the bill type XXH (“CMS”) to indicate the adjustment was due to a CERT review.

For more information about the reason for the payment adjustment, contact the CERT MAC feedback coordinator.

The MACs may temporarily suspend reason codes that prevent the adjustment of a CERT- initiated denial claim that will not process due to the age of the claim. The suspension shall only last long enough for the claim to be adjusted. Example: reason code 36200 was not in effect when the initial claim processed. The CERT review contractor has now reviewed the claim and determined that it should be adjusted. The claim will not process because this edit cannot be overridden.

The MAC shall provide the CERT program with the status and actual amounts of overpayment collections and underpayment payments. An overpayment is considered collected when the overpayment amount has been fully or partially collected, through provider overpayment check, offset or other payment arrangement. An overpayment is also considered collected if the MAC has failed to recoup the overpayment amount from the provider in a specified time, and has referred the debt to treasury or another entity. The overpayment is not considered collected when the claim is adjusted or when only the accounts receivable is set-up. Similarly, an underpayment payment is reported only when the payment is made. The MAC shall make

adjustments on zero dollar errors to reflect a change in the reason for error. No actual collection or payment is made, and $0 shall be reported as the payment adjustment.

A list of CERT identified overpayments and underpayments are provided to the MAC via the CSW. The list is updated each time the CSW is refreshed. The MAC shall report CERT identified overpayment and underpayment collection information using the CERT payment adjustment section of the CSW. A multiple collection feature is available on the CSW for cases where the collection is received in installments.

By the first business day in April and October, the MAC shall report the required payment adjustment information for all CERT identified overpayments and underpayments that have been collected or paid unless otherwise directed. The MAC should access the payment adjustment section of the CSW to report collection or payment information throughout the year and enter information on an ongoing basis.

12.6 – Handling Appeals Resulting from CERT-Initiated Denials

(Rev. 905; Issued: 09-27-19; Effective: 12-30-19; Implementation: 12-30-19)

This section applies to Medicare Administrative Contractors (MACs) and Comprehensive Error Rate Testing (CERT) as indicated.

The MAC shall process appeals stemming from a CERT-initiated denial. The MAC shall ensure that the appeal is handled appropriately as instructed in other CMS manuals.

The MAC shall notify the CERT review contractor, using the Claims Status website (CSW), when a CERT review decision is appealed. The MAC shall confirm that feedback has been completed before entering an appeal on the CSW. No further review shall be conducted by the CERT review contractor after the MAC has entered an appeal on the CSW. This includes instances in which additional documentation is received to support the claim.

The MAC shall not enter an appeal in the CSW for a claim that was canceled *on or* after the transaction file date. When the MAC is not able to enter an appeal on the CSW because the claim was canceled *on or* after the transaction file date, the MAC may send documentation to the CERT review contractor for further consideration.

Medical records for the appealed CERT claim may be obtained by contacting the CERT appeals coordinator via the appeals page on the CSW. The MAC shall enter all available information for MAC feedback and appeals for CERT sampled claims by the cut- off date listed on the CSW calendar. Appeal determinations entered into the CERT appeals tracking system by the specified due date will be reflected in the report.