

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-06 Medicare Financial Management</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 120</b>	<b>Date: APRIL 27, 2007</b>
	<b>Change Request 5506</b>

**SUBJECT: Accounts Receivable Trending Analysis Procedures**

**I. SUMMARY OF CHANGES:** The Centers for Medicare & Medicaid Services (CMS) uses contractors to manage and administer the fee-for-service portion of the Medicare program. Medicare contractor financial reports provide a method of reporting financial activities by the contractors as required by the Chief Financial Officers (CFO) Act of 1990. The Medicare contractors are required to maintain accounting records in accordance with federal government accounting principles and applicable government laws and regulations and are required to use double entry bookkeeping and accrual basis accounting.

The financial reports in HIGLAS consist of the Statement of Financial Position and Statement of Net Operations as well as the CMS Report On Receivables Due From the Public (TROR). The financial reports in CAFM consist of a Statement of Financial Position (Form CMS-750) and a Status of Accounts Receivable (Form CMS-751). The system accumulates and reports by fund, as there are separate reports for Part A Hospital Insurance (HI) trust fund, Part B Supplementary Medical Insurance (SMI) trust fund, and the general fund (Interest). The accounts receivable activity is reported for the fiscal year-to-date for the period of the report. These reports include Accounts Receivable (AR) activity for Medicare Secondary Payer (MSP) and non Medicare Secondary Payer (non-MSP) accounts.

**New / Revised Material**

**Effective Date: \*July 1, 2007**

**Implementation Date: July 2, 2007**

*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>
<b>R</b>	5/400.22/Accounts Receivable Trending Analysis Procedures

**III. FUNDING:**

No additional funding will be provided by CMS; Contractor activities are to be carried out within their FY 2007 operating budgets.

**IV. ATTACHMENTS:**

**Business Requirements  
Manual Instruction**

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



Number	Requirement	Responsibility (place an "X" in each applicable column)										
		A / B  M A C	D M  M A C	F I	C A  R I E R	D M  R E C	R H  H I	Shared-System Maintainers				OTHER
							F I S	M C S	V M S	CWF		
	this analysis quarterly.											/HIGLAS/ MSPRC
5506.2.2	Medicare contractors shall submit the first report by August 8, 2007 and the subsequent reports are due on the 8 <sup>th</sup> day of the second month after the quarter ends.	x	x	x	x	x						CAFM /HIGLAS/ MSPRC
5506.3	Medicare contractors shall send quarterly submissions via email/fax to Regional Office and/or in accordance with contract requirements.	x	x	x	x	x						CAFM /HIGLAS/ MSPRC
5506.4	Medicare contractors shall (1) compare current year amounts with comparative financial data; (2) understand identified variances and document the results.	x	x	x	x	x						CAFM /HIGLAS/ MSPRC
5506.5	HIGLAS Medicare contractors shall use the following HIGLAS reports to perform the quarterly accounts receivable trend analysis: <ul style="list-style-type: none"> <li>• CMS TROR Reconciliation Worksheet – the HIGLAS Medicare contractor prepared excel spreadsheet.</li> <li>• CMS Beginning Balance Report – This report identifies the beginning balances by MSP/non-MSP category by fund.</li> <li>• CMS Transaction Register – This report identifies the new established receivables by</li> </ul>	x	x	x	x							CAFM /HIGLAS/ MSPRC

Number	Requirement	Responsibility (place an "X" in each applicable column)										
		A / B  M A C	D M  M A C	F I	C A R R I E R	D M R R C	R M H H I	Shared-System Maintainers				OTHER
								F I S S	M C S	V M S	CWF	
	<p>MSP/non-MSP category by fund.</p> <ul style="list-style-type: none"> <li>• CMS Transaction Register Report Line 3 – This report is the cumulated accrued interest for the reporting period.</li> </ul> <p>CMS Adjustment Register – The line 3 report is the cumulated adjustments for interest. The lines 5 &amp; 6 report is the cumulated adjustments for principal.</p> <ul style="list-style-type: none"> <li>• CMS AR Overpayment Report –This report is the receivables balance by MSP/non-MSP components.</li> <li>• CMS Applied Collection Register – This report identifies the cash receipts by MSP/non-MSP category by fund.</li> </ul>											
5506.6	Medicare contractors shall compare the current quarter non-MSP overpayments section of Form(s) CMS-H750 and/or CMS AR Overpayments section of the HIGLAS I worksheet Columns F and H (FIs/Carriers) component line items to the same component line items in the prior quarter and the current quarter to the prior year's quarter.	x	x	x	x							CAF M / HIGLAS/ MSPRC
5506.7	Medicare contractors shall compare the current quarter MSP section of Form(s) CMS-H750 and/or CMS AR Overpayments section of the HIGLAS I worksheet Columns E and G (FIs/Carriers) component line	x	x	x	x	x						CAF M / HIGLAS/ MSPRC

Number	Requirement	Responsibility (place an "X" in each applicable column)										
		A / B  M A C	D M E  M A C	F I    	C A R R I E R	D M R C	R H I	Shared-System Maintainers				OTHER
								F I S S	M C S	V M S	CWF	
	items to the same component line items in the prior quarter and prior year.											
5506.8	Medicare contractors shall verify that the dollar amount for each component line item is supported by lead schedules.	x	x	x	x	x					CAFM /HIGLAS/ MSPRC	
5506.8.1	Medicare contractors shall correct any errors or misstatements identified prior to the submission of Forms CMS-750/751 and/or CMS TROR, Balance Sheet and Income Statement.	x	x	x	x	x					CAFM /HIGLAS/ MSPRC	
5506.9	Medicare contractors shall provide explanations for each component line item where the amount changed meets the threshold of +/-15 percent and the amount changed is +/-5 percent of the components ending balance.	x	x	x	x	x					CAFM /HIGLAS/ MSPRC	
5506.10	Medicare contractors shall identify any external and/or internal factors that attributed to the variances.	x	x	x	x	x					CAFM /HIGLAS/ MSPRC	
5506.11	Chief Financial Officer for Medicare Operations shall certify that the trending procedures have been performed.	x	x	x	x	x					CAFM /HIGLAS/ MSPRC	
5506.12	Medicare contractors shall submit a signed approved copy of the summary memorandum along with the HIGLAS 1 worksheet to the Regional Office for final approval.	x	x	x	x	x					CAFM /HIGLAS/ MSPRC	

### III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)										
		A / B  M A C	D M  M A C	F I	C A R I E R	D M R C	R E R I	Shared-System Maintainers				OTHER
							F I S S	M C S	V M S	CWF		
	None.											

### IV. SUPPORTING INFORMATION

**A. For any recommendations and supporting information associated with listed requirements, use the box below:**

*Use "Should" to denote a recommendation.*

X-Ref Requirement Number	Recommendations or other supporting information:

**B. For all other recommendations and supporting information, use the space below:**

### V. CONTACTS

**Pre-Implementation Contact(s):** Hester Jackson-Chase, (410) 786-7765

**Post-Implementation Contact(s):** Hester Jackson-Chase, (410) 786-7765

### VI. FUNDING

**A. For TITLE XVIII Contractors, use only one of the following statements:**

No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2007 operating budgets.

**B. For Medicare Administrative Contractors (MAC), use the following statement:**

The contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the Statement of Work (SOW). 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.

## **400.22 - Accounts Receivable Trending Analysis Procedures**

*(Rev. 120, Issued: 04-27-07; Effective: 07-01-07; Implementation: 07-02-07)*

The Centers for Medicare & Medicaid Services (CMS) utilizes contractors to manage and administer the fee-for-service portion of the Medicare program. Medicare contractor financial reports provide a method of reporting financial activities by the contractors as required by the Chief Financial Officers (CFO) Act of 1990. The Medicare contractors are required to maintain accounting records in accordance with federal government accounting principles and applicable government laws and regulations and are required to use double entry bookkeeping and accrual basis accounting. *The due date for Medicare contractors using the Healthcare Intergraded General Ledger Accounting System (HIGLAS) Financial Statements, is seven calendar days after the close of the period and twenty-one calendar days for Medicare contractors using the Contractor Administrative and Financial Management (CAFM) system. If the date occurs on a holiday or a weekend, the report is due the following Federal workday. These dates are subject to change during the accelerated reporting periods. The major financial reports in HIGLAS are the Balance Sheet, the Income Statement, Summary 2 Trial Balance, and the CMS Report on Receivables Due From the Public (CMS TROR).* The financial reports in CAFM consist of the Statement of Financial Position (Form CMS-750) and Status of Accounts Receivable (Form CMS-751). The system accumulates and reports by fund, as there are separate reports for Part A Hospital Insurance (HI) trust fund, Part B Supplementary Medical Insurance (SMI) *trust fund, and the general fund (Interest).* The accounts receivable activity is reported for the fiscal year-to-date for the period of the report. *These reports include Accounts Receivable (AR) activity for Medicare Secondary Payer (MSP) and non Medicare Secondary Payer (non-MSP) accounts.*

Accounts receivable represent amounts owed by health care providers, insurers, third party administrators, beneficiaries, employers, and other government agencies. Medicare accounts receivable is comprised of various components with the balance derived from MSP and non-MSP receivables, as well as miscellaneous amounts owed the program from various sources. *The Financial Statements include* receivable balances consisting of, or are due to cost report settlements, claims accounts receivable, periodic interim payments (PIP) and other overpayments. The detailed activity for these components are included in the 751 (CAFM) and TROR. *Also, include on The Financial Statements HI and SMI balances consisting of* receivables specific to Data Match, non-Data Match, liability (including workers compensation (WC), auto, no-fault) and MSP beneficiary debts. The detailed activity for *the MSP* components is included in the M751 *and/or CMS TROR.*

*Medicare* contractors must maintain and make available lead schedules and detailed documentation to support all amounts reported.

### Objective

To ensure that accounts receivable balances reported are reasonable, Medicare contractors are required to perform trending procedures. Trending procedures can be used as an important tool to identify potential errors, system weaknesses, or inappropriate



patterns of accounts receivable accumulation, collections, transfers or write-offs. Trending procedures involve comparisons of recorded amounts to expectations developed by the Medicare contractors. To properly apply trending procedures, it is necessary to take the following steps:

#### Compare Current Year Amounts with Comparative Financial Data

In comparing current-period financial results with prior-period financial results, there is an implied assumption that the volume of activity in the two periods is comparable. If there has been a substantial change in volume, it is necessary to take this change into account and to quantify the change, when making the comparisons. For example, if a contractor's *Accounts Receivable* balance has increased by 10 percent, it is necessary to determine and document the reason for the increase. The increase may be the result of transitions of providers, new legislation, etc.

#### Understand Identified Variances and Document the Results

Medicare contractors must identify and provide an explanation for variances that meets the thresholds outlined in these procedures. Typically, this will be accomplished primarily through inquiry of operations personnel in the Audit and Reimbursement, MSP, Medical Review, and other areas that report and track accounts receivable balances. If an explanation does not adequately describe the variance, the Medicare contractors must perform additional procedures such as review of detail transactions to identify the underlying cause(s) of any unusual changes.

The causes for the variances should be quantified. For example, if the change was mainly attributable to a contractor transition, then the total amount of receivables transitioned should be identified and included in the Medicare contractors' work papers.

#### Methodology

### **Trending & Comparative Analysis for Accounts Receivables**

The primary emphasis for performing trend analysis is focusing on the change in the ending principal accounts receivable balance. The ending principal accounts receivable balance is comprised of non-MSP and MSP accounts receivables. For FIs, the non-MSP overpayment sections consist of four major components (cost report settlements, PIP, claims accounts receivable, and credit balances). For Carriers, the non-MSP overpayment section consists of two main areas: 1) amounts owed from beneficiaries and 2) amounts owed from physicians/suppliers.

These two areas consist of two major components (claims accounts receivable and credit balances). For both FI's and Carriers, the MSP section consists of three major components (Data Match, non-Data Match, and liability (including WC, auto, no-fault)). In order to properly identify and understand variances, an analysis must be performed at the component level. Although the instructions specify ending principal accounts receivable balance, **Medicare contractors must have available an explanation of any**

**significant change in the ending interest accounts receivable balance and any other sections on the CMS-750/751 and the TROR meeting these thresholds. The explanation should be available for review by the CMS, Office of the Inspector General, General Accounting Office and /or other related parties.**

Prior to the certification of the CMS-750/751 *and/or the CMS TROR, Balance Sheet and Income Statement*, each Medicare contractor must perform the following steps on a quarterly basis. The CFO for Medicare Operations' certification of these reports is indicative that trending procedures have been performed.

### **HIGLAS Financial Reports**

*HIGLAS Medicare contractor shall use the following HIGLAS reports to perform the quarterly accounts receivable trend analysis.*

- *CMS TROR Reconciliation Worksheet (HIGLAS I) -The HIGLAS Medicare contractor prepared excel spreadsheet.*
- *CMS Beginning Balance Report – This report identifies the beginning balances by MSP/non-MSP category by fund (See Attachment **BBrpt**).*
- *CMS Transaction Register - This report identifies the new established receivables by MSP/non-MSP category by fund (See Attachment **TALn2rpt**).*
- *CMS Transaction Register Report Line 3 – This report is the cumulated accrued interest for the reporting period (See Attachment **TALn3rpt**).*
- *CMS Adjustment Register - The Line 3 report is the cumulated adjustments for interest. The Line 5 & 6 report is the cumulated adjustments for principal (See Attachments **AdjLn3rpt** and **AdjLn5&6rpt**).*
- *CMS AR Overpayment Report - This report is receivables balance by MSP/non-MSP components (See Attachment **AROverrpt**).*
- *CMS Applied Collection Register – This report identifies the cash receipts by MSP/non-MSP category by fund (See Attachment **AppCollrpt**).*

### ***CMS TROR Detail Reconciliation (HIGLAS I)***

#### ***Step (1)***

*Use the CMS TROR(s) to populate the Non-Federal and/or Federal sections (Columns K and L) of the HIGLAS I worksheet.*

#### ***Step (2)***

*Use the CMS Beginning Balance Report to populate Line 1 (Beginning FY Balance) for HI-Fund 050961 (MSP/Non-MSP) Columns (Columns E and F), SMI-Fund 050960 (MSP/Non-MSP) Columns (Columns G and H) and Interest-Fund 050720 (MSP/Non-MSP) Columns (Columns I and J) of the HIGLAS I worksheet (Non-Federal and/or Federal sections).*

**Step (3)**

*Use the CMS Transaction Register to populate Line 2 (New Receivables) for HI-Fund 050961 (MSP/Non-MSP) Columns and SMI-Fund 050960 (MSP/Non-MSP) Columns of the HIGLAS I worksheet (Non-Federal and/or Federal sections).*

**Step (4)**

*Use the CMS Transaction Register (support Line 3) to populate Line 3a (Accruals (+) New Interest Receivables) for the Interest-Fund 050720 (MSP/Non-MSP) Columns of the HIGLAS I worksheet (Non-Federal and/or Federal sections)*

**Step (5)**

*Use the CMS Adjustment Register (support Line 3) to populate Line 3b (Accruals (+) Interest Adjustments) for Interest-Fund 050720 (MSP/Non-MSP) Columns of the HIGLAS I worksheet (Non-Federal and/or Federal sections).*

**Step (6)**

*Use the CMS Applied Collections Register to populate (Line 4, Collections On Receivables), Line 4A (At Agency-Cash/Checks-Offsets), for HI-Fund 050961 (MSP/Non-MSP) Columns, SMI-Fund 050960 (MSP/Non-MSP) Columns and Interest-Fund 050720 (MSP/Non-MSP) Columns of the HIGLAS I worksheet (Non-Federal and/or Federal sections).*

**Step (7)**

*Use the CMS Adjustment Register to populate Line 5a (Reclassified/Adjusted Amounts) for HI-Fund 050961 (MSP/Non-MSP) Columns, SMI-Fund 050960 (MSP/Non-MSP) Columns and Interest-Fund (MSP/Non-MSP) Columns of the HIGLAS I worksheet (Non-Federal and/or Federal sections).*

**Step (8)**

*Use the CMS Adjustment Register to populate (Line 6, Amounts Written-Off)) Line 6A (Currently Not Collectible) and Line 6B (Written-Off and Closed) for HI-Fund 050961 (MSP/Non-MSP) Columns, SMI-Fund 050960 (MSP/Non-MSP) Columns and Interest-Fund 050720 (MSP/Non-MSP) Columns of the HIGLAS I worksheet (Non-Federal and/or Federal sections). Note: Line 6 is the sum of Line 6A plus Line 6B.*

**Step (9)**

*Compare the Line by Line activity of the Total Detail Activity Report (Column B) to the Line by Line activity of the Total CMS TROR (Column A). The Total Detail Activity Report is the sum of the HI-Fund Columns, SMI-Fund Columns and the Interest-Fund Columns (Columns E through J). The Total CMS TROR Column is the sum of the Non-Federal/Federal CMS TROR (Columns K and L). The Medicare contractor must provide an explanation for variances identified in Column C, when the total variance (Line 7, Column C) is more than +/- 10 percent of Line 7, Ending Balance of the CMS TROR (Column A).*

**Step (10)**

*Sum the amounts reported in Step 1 through Step 8 for HI-Fund 050961 (MSP/Non-MSP) Columns, SMI-Fund 050960 (MSP/Non-MSP) Columns and Interest-Fund 050720 (MSP/Non-MSP) Columns of the HIGLAS I worksheet. The total of the sum of the Columns shall equal the amount reported on Line 7, Ending Balance of the CMS TROR (Column A), Detail Activity Report (Column B) and the Summary 2 Trial Balance (HI-Fund 050961, SGL 131002, SMI-Fund 050960, SGL 131002 and Interest-Fund 050720 SGL 134004).*

**Step (11)**

*Use the CMS AR Overpayment Register to populate the AR Overpayments Report section (component breakout) of the HIGLAS I worksheet for HI-Fund 050961 (MSP/Non-MSP) Columns, SMI-Fund 050960 (MSP/Non-MSP) Columns and Interest-Fund 050720 (MSP/Non-MSP) Columns.*

**NOTE:** *HIGLAS Medicare contractors reporting Non-Federal/Federal accounts receivable amounts shall repeat Step 1 through Step 11 for both types of debtors. The HIGLAS contractor shall sum the Non-Federal/Federal activity and report the sum of the amounts in the appropriate comparative Attachment (Attachments I, I-A, II, II-A, IV, IV-A, V & V-A).*

Accounts Receivable Trend Analysis Attachments (CAFM *and/or HIGLAS*)

**Step (1)**

Compare the current quarter Non-MSP overpayments section of Form(s) CMS-H750 *and/or CMS AR Overpayments section of the HIGLAS I worksheet Columns F and H (FIs/Carriers)* component line items to the same component line items in the prior quarter (i.e. 06/30/02 versus 03/31/02) and the current quarter to the prior year's quarter (i.e. 06/30/02 versus 06/30/01). Calculate the dollar and percentage difference for each component line item. (See Attachments I & I-A for the required format)

**NOTE:** For FIs, due to the seasonal nature of the cost report settlements, PIP, etc., independent quarter activity in the current year should not be the only analysis compared to the preceding quarter. Comparisons should always be performed from current period year-to-date activity to prior period year-to-date activity for the same period of time (i.e. 06/30/02 versus 06/30/01)

**Step (2)**

Compare the current quarter MSP section of Form(s) CMS-H750 *and/or CMS AR Overpayments section of the HIGLAS I worksheet Columns E and G (FIs/Carriers)* component line items to the same component line items in the prior quarter and prior year. Calculate the dollar and percentage difference for each component line item. (See Attachments II & II-A for the required format)

**Step (3)**

Verify that the dollar amount for each component line item is supported by lead schedules (detailed documentation) *and/or HIGLAS activity reports*. Any errors or misstatements identified as a result of this analysis must be corrected prior to the submission of Forms CMS-750/751 *and/or CMS TROR, Balance Sheet and Income Statement*.

#### **Step (4)**

The sum of the components for the Non-MSP overpayments sections (See Attachments I & I-A) plus the sum of the components for the MSP sections (See Attachments II & II-A) must equal the ending balances reported on Line 7, of Form(s) CMS-H751A/B *and/or detail report activity section of the HIGLAS I worksheet Columns E, F, G, and H ( FIs/Carriers)*. The sum of the components for the Non-MSP overpayments sections must equal the ending balances reported on Line 7, of Attachments IV and IV-A *and/or detail report activity report section of the HIGLAS I worksheet Columns F and H* for the current and prior quarters. The sum of the components for the MSP sections must equal the ending balances reported on Line 7, of Form(s) CMS-M751 *and/or detail report activity section of the HIGLAS I worksheet Columns E and G (FIs/Carriers)* (See Attachments V & V-A) for the current and prior quarters.

#### **Step (5)**

Provide explanations for each component line item where the amount changed meets the threshold of +/-15 percent and the amount changed is +/- 5 percent of the components ending balance. (See Attachments I, I-A, II & II-A)

### **Supporting Analysis**

#### **Step (1)**

Ensure the current year beginning balance is the same amount as the prior year's ending balance and the beginning balance for the prior year's quarter is the same as the beginning balance of the final quarterly report for that FY (i.e., 06/30/01 and 09/30/01). Additionally, for the second through fourth quarter periods, ensure that the beginning balances are unchanged from the amount reported as the first quarter beginning balances.

***Note:** In the first quarter following a contractor's transition to HIGLAS the beginning balance will not equal the previous quarters beginning balance and/or the prior year beginning balance. The differences are related to the prior year PIP accrual and/or transition clean up (e.g. approved write-offs of non-supported debts, valid documented defense, etc.). Medicare contractors shall reconcile the CAFM and HIGLAS beginning balances and provide an explanation for identified variances.*

#### **Step (2)**

Compare the current quarter Form(s) CMS-H/M751 *and/or detail report section of the HIGLAS I worksheet Columns E, F, G and H* line items to the same line

items in the prior quarter and prior year. Calculate the dollar and percentage difference for each line item for Section A of Forms CMS-H/M751. *and/or detail report section of the HIGLAS I worksheet Columns E, F, G and H* (See Attachments IV, IV-A, V & V-A)

**NOTE:** The Medicare contractors are not required to perform trending procedures or provide variance explanations on the line items of Forms CMS-H/M751 *and/or detail report section of the HIGLAS I worksheet Columns E, F, G, and H*. However, the above steps should be used to assist the Medicare contractor in *providing an explanation* for the variances identified in Attachments I, I-A, II & II-A.

## Overall Summary

### Step (1)

Document conclusions in a summary memorandum (See Attachment VI) to be included *with HIGLAS I worksheet*, Attachments I, I-A, II, II-A, IV, IV-A, V & V-A and submit to the CFO for Medicare Operations for sign off approval. For example, the Medicare contractor must identify any external and/or internal factors that attributed to the variances.

External factors might include (1) Medicare contractor transitions from the Medicare program, (2) seasonal variances such as provider year-ends, (3) new legislation impacting reimbursement policies, MSP policies, etc., (4) current economic conditions (provider termination, bankruptcy, extended repayment schedules, etc.).

Internal factors might include (1) turnover of key personnel, (2) changes in accounting guidance or CMS priorities/initiatives, (3) reporting system modifications, (4) number of contractor processing sites.

### Step (2)

Medicare contractors shall submit a signed approved copy of the summary memorandum (See Attachment VI). In addition, HIGLAS contractors shall submit the *HIGLAS Financial Reports, Attachments I, I-A, II, II-A, IV, IV-A, V & V-A, the CMS TROR Reconciliation Worksheet (HIGLAS I), and the CMS HIGLAS Contractor Trend Analysis Checklist (Attachment H-II)*, to the regional office for final approval.

**Note:** The summary memorandum (See Attachment VI) and the analysis schedules (*HIGLAS I, Attachments I, I-A, II, II-A, IV, IV-A, V & V-A*) will be reviewed and approved by the CFO for Medicare Operations and the region's Associate Regional Administrator (ARA). The ARA will review the trend analysis submitted by the Medicare contractor and either approve or request additional explanation and/or documentation. The ARA must notify the Medicare contractor by phone, email or fax no later than February 15, May 15, August 15, and November 8 as to the approval/disapproval. The ARA must allow the Medicare contractor no less than two days (upon receipt of the request) to provide the additional documentation needed to

support their variance. Upon receiving the request, the Medicare contractor has no more than four days to provide the additional documentation to the ARA. *If the ARA's request for any additional information can not be submitted by the due dates, the ARA must notify the CO Division of Financial Reporting and Policy (DFRP) (by phone, email or fax) and provide a date when the Medicare contractor's trend analysis will be forwarded to the CO.* Upon receipt of notification that the CO review process is completed, the ARA will submit a signed approved copy of the summary memorandum to the Medicare contractors and CO, DFRP.

### III. Due Date

The analysis must be submitted to each contractor's respective regional office on February 8, May 8, August 8, and November 1 (*The third/fourth quarter due dates may change due to the accelerated time periods. Medicare contractors will be notified of these changes by a Joint Signature Memorandum (JSM)*). The ARA must review the Medicare contractors' submissions and forward them to CO by February 15, May 15, August 15, and November 8. If that date occurs on a holiday or a weekend, the report is due the following Federal workday. The Medicare contractor and the ARA may email or fax the analysis by the due dates and immediately follow up with a hard copy.

NOTE: The ARA will submit a copy of the Medicare contractors' summary memorandums and the analysis schedules to the CO/DFRP. *The CO will notify the RO by email upon receipt of the Medicare contractors' trend analysis. The CO will review the Medicare contractors' analysis schedules and may request additional documentation.* The CO is not responsible for approving or denying the Medicare contractors' trend analysis. *If additional documentation is needed, the CO will notify the RO by email within 14 days upon receipt of the Medicare contractors' analysis schedules. Upon the completion of the CO's review, CO will notify the RO by email that no additional information is needed and the CO's review process is completed. The ARA will sign and approve the Medicare contractors' summary memorandum, and submit a signed approved copy to the CO, DFRP and to the Medicare contractors.*

## CMS HIGLAS TROR Reconciliation Worksheet

### HIGLAS I (Non-Federal/Federal)

**Part I - Status of Receivables**

Section A	(Col. A)	(Col. B)	(Col. C)	(Col. D)	(Col. E)	(Col. F)	(Col. G)	(Col. H)	(Col. I)	(Col. J)	(Col. K)	HIGLAS I (Col. L)	
(Total Non-Federal/Federal)	(Col. K + L)	(Col. E+F+G+H+I+J)		List of Detailed Reports	HI - Fund 050961		SMI - Fund 050960		Interest - Fund 050720		CMS TROR		
Receivables and Collections	Report	Activity Registers	Variance	HIGLAS Source	MSP	Non-MSP	MSP	Non-MSP	MSP	Non-MSP	Non-Fed	Fed	
(1) Beginning FY Balance	2,888	76,000,000	76,000,000	0	Beginning Balance Rpt	14,000,000	25,000,000	10,000,000	25,000,000	1,000,000	1,000,000	69,750,000	6,250,000
(2) New Receivables (+)	24,632	200,000,000	200,000,000		Transaction Register	35,000,000	100,000,000	15,000,000	50,000,000	0	0	187,500,000	12,500,000
(3) Accruals (+) (New Interest Receivables)		1,576,728	1,576,728							76,728	1,500,000	1,557,546	19,182
Transaction Register (support line 3)		500,000	500,000		Transaction Register					0	500,000	500,000	0
CMS Adjustment Register (support line 3)		1,076,728	1,076,728		Adjustment Register					76,728	1,000,000	1,057,546	19,182
(4) Collections on Receivables (-)		(120,815,566)	(120,815,566)	0		(4,081,254)	(94,709,110)	(3,000,000)	(17,925,202)	(100,000)	(1,000,000)	(119,020,253)	(1,795,314)
(A) At Agency-Cash/Checks		(9,231,254)	(9,231,254)		Applied Collections	(4,081,254)	(1,000,000)	(3,000,000)	(1,000,000)	(100,000)	(50,000)	(7,435,941)	(1,795,314)
-Offsets		(111,584,312)	(111,584,312)		Applied Collections	(111,584,312)	(93,709,110)	(16,925,202)	(16,925,202)	(950,000)	(950,000)	(111,584,312)	0
(B) At Third Party		0	0										
(C) Asset Sales		0	0										
(D) Other - Must footnote		0	0										
(5) Adjustments	1,093	(5,774,224)	(5,774,224)	0	Adjustment Register	(975,538)	(4,042,637)	(296,554)	(226,534)	(59,757)	(173,204)	(5,441,262)	(332,962)
(A) Reclassified/Adjusted Amounts (+ or -)	1,093	(5,774,224)	(5,774,224)			(975,538)	(4,042,637)	(296,554)	(226,534)	(59,757)	(173,204)	(5,441,262)	(332,962)
(B) Adjustments Due to Sale of Assets (+ or -)		0	0										
(C) Consolidations (+ or -)		0	0										
(6) Amounts Written-Off (-)	152	(1,940,261)	(1,940,261)	0		(220,610)	(1,303,694)	(50,464)	(222,153)	(23,149)	(120,191)	(1,866,706)	(73,555)
(A) Currently Not Collectible (-)	146	(1,862,750)	(1,862,750)		Adjustment Register	(209,275)	(1,252,857)	(37,313)	(222,153)	(22,991)	(118,161)	(1,795,355)	(67,395)
(B) Written-Off and Closed Out (-)	6	(77,511)	(77,511)		Adjustment Register	(11,335)	(50,837)	(13,151)	0	(158)	(2,030)	(71,351)	(6,161)
<b>(7) Ending Balance (TROR/Activity Registers)</b>	<b>2,889</b>	<b>149,046,677</b>	<b>149,046,677</b>	<b>0 (x)</b>		<b>43,722,598</b>	<b>24,944,559</b>	<b>21,652,982</b>	<b>56,626,111</b>	<b>893,822</b>	<b>1,206,605</b>	<b>132,479,326</b>	<b>16,567,351</b>
<b>AR Overpayments Report:</b>					<b>HIGLAS Source</b>	<b>MSP</b>	<b>Non-MSP</b>	<b>MSP</b>	<b>Non-MSP</b>	<b>MSP</b>	<b>Non-MSP</b>	<b>Total</b>	<b>Total</b>
Cost Report Settlements		19,800,000	19,800,000		AR Overpayment Rpt		9,000,000		10,000,000		800,000	19,800,000	0
Claims Accounts Receivable		49,308,754	49,308,754		AR Overpayment Rpt		12,000,000		37,308,754		0	49,308,754	0
Credit Balances		303,621	303,621		AR Overpayment Rpt		303,621		0		0	303,621	0
Other		13,359,902	13,359,902		AR Overpayment Rpt		5,000,000		7,958,297		401,605	13,359,902	0
Physician/Supplier		0	0									0	0
Beneficiary		0	0									0	0
GHP(Data/non-Data Match)		22,322,019	22,322,019		AR Overpayment Rpt	18,822,019		3,000,000		500,000		16,741,514	5,580,505
MSP Prov/Phys/Supp/Bene		0	0									0	0
MSP Beneficiary (Liability)		40,210,579	40,210,579		AR Overpayment Rpt	22,900,000		17,010,579		300,000		30,157,934	10,052,645
Other MSP (Liability)		3,741,803	3,741,803			2,000,000		1,642,982		98,821		2,806,352	935,451
<b>Total Overpayment Reports</b>		<b>149,046,678</b>	<b>149,046,678</b>			<b>43,722,019</b>	<b>26,303,621</b>	<b>21,653,561</b>	<b>55,267,051</b>	<b>898,821</b>	<b>1,201,605</b>	<b>132,478,078</b>	<b>16,568,600</b>
<b>Difference (TROR/Activity Registers vs. Overpymnt Rpt)</b>		<b>(1) (a)</b>	<b>(1) (b)</b>			<b>579</b>	<b>(1,359,062)</b>	<b>(579)</b>	<b>1,359,060</b>	<b>(4,999)</b>	<b>5,000</b>	<b>1,248</b>	<b>(1,249)</b>

(x) = variance between the detail activity registers vs. the TROR

(a) = variance between the TROR vs. overpayments reports

(b) = variance between the detail activity registers vs. overpayments reports

Note: Contractors are required to provide variance explanations for the amounts reported on the AR Overpayments Report



# CMS Beginning Balance Report

**Attachment BBrpt**

Beginning Balance Report  
As of Date: 30-SEP-2005

Report Date: 06-JAN-06 01:06 PM  
Page: X of X  
User Name: GDH0

ORGANIZATION: Contractor ABC

As of Date: 30-SEP-05  
Workload Low: Contractor #  
Workload High: Contractor #  
Transaction Type Low:  
Transaction Type High:  
AR Number Low:  
AR Number High:  
Customer Number Low:  
Customer Number High:  
Customer Profile Class Low:  
Customer Profile Class High:  
Include CNC Receivables/Debit Memos: Y  
Show Invoices with Negative Fund Level Balances Only?:  
Open/Closed/Both:  
Type of Receivable: A  
Customer Class: NONFEDERAL  
Summary Only: Y

Totals for all Workloads

	HI Fund	SMI Fund	GEN Fund	Total
	-----	-----	-----	-----
MSP Balances	14,000,000.00	10,000,000.00	1,000,000.00	25,000,000.00
NonMSP Balances	25,000,000.00	25,000,000.00	1,000,000.00	56,000,000.00
	-----	-----	-----	-----
Total	39,000,000.00	35,000,000.00	2,000,000.00	76,000,000.00

# CMS Transaction Register

**Attachment TAln2rpt**

Transaction Register as of 31-DEC-05

Current Date 06-JAN-2006 01:08:36  
Request ID 123456

```

Support TROR Line2      Y
Fiscal Year            2006
Workload Id Low        Contractor ABC
Workload Id High       Contractor ABC
Quarter
As of Date             31-DEC-05
Type Of Receivable     A
Customer Class         NONFEDERAL
GL Date Low
GL Date High
Invoice Date Low
Invoice Date High
Transaction Type Low
Transaction Type High
Invoice Class
Co. Segment Low
Co. Segment High
    
```

CMS SET OF BOOKS

Invoice Currency : USD

No. of Lines 24632

Summary Information :

FUND	YEAR	MSP	NON MSP	Total
050960	XXXX	0.00	50,000,000.00	50,000,000.00
	XXXX	15,000,000.00	0.00	15,000,000.00
Fund Total		----- 15,000,000.00	----- 50,000,000.00	----- 65,000,000.00
050961	XXXX	0.00	100,000,000.00	100,000,000.00
	XXXX	35,000,000.00	0.00	35,000,000.00
Fund Total		----- 35,000,000.00	----- 100,000,000.00	----- 135,000,000.00
Report Total		----- 50,000,000.00	----- 150,000,000.00	----- 200,000,000.00

# CMS Transaction Register

**Attachment TAln3rpt**

Transaction Register as of 31-DEC-05

Current Date 06-JAN-2006 01:09:15  
Request ID 417123

```

Support TROR Line2          N
Fiscal Year                2006
Workload Id Low
Workload Id High
Quarter
As of Date                 31-DEC-05
Type Of Receivable        A
Customer Class            NONFEDERAL
GL Date Low
GL Date High
Invoice Date Low
Invoice Date High
Transaction Type Low      DM-INTEREST
Transaction Type High     DM-LATE FEE INTEREST
Invoice Class
Co. Segment Low
Co. Segment High
    
```

CMS SET OF BOOKS

Invoice Currency : USD

No. of Lines 375

Summary Information :

FUND	YEAR	MSP	NON MSP	Total
050720	XXXX	0.00	500,000.00	500,000.00
Fund Total		0.00	500,000.00	500,000.00
Report Total		0.00	500,000.00	500,000.00

# CMS Adjustment Register

## Attachment AdjLn3rpt

Adjustment Register as of 31-DEC-05

Report Date: 06-JAN-06 13:09:50  
Page 1 / 2 Request ID 734123

Summary Report	Y
Fiscal Year	2006
Quarter Number	
As of Date	31-DEC-05
Type Of Receivable	Administrative Receivables
Customer Class	NONFEDERAL
Receivable Activity From	
Receivable Activity To	
Include Line 3 Only	Y

TROR SUMMARY INFORMATION

-----  
3

FUND	MSP	NON MSP	TOTAL	COUNT
GEN -050720XXXX000	76,727.70	1,000,000.00	1,076,727.70	1414
	-----	-----	-----	-----
REPORT TOTAL	76,727.70	1,000,000.00	1,076,727.70	1414

# CMS Adjustment Register

**Attachment AdjLn5&6rpt**

Adjustment Register as of 31-DEC-05

Report Date: 06-JAN-06 13:09:50  
Page 1 / 2

Request ID 317123

```

Summary Report          Y
Fiscal Year            2006
Quarter Number
As of Date             31-DEC-05
Type Of Receivable     Administrative Receivables
Customer Class         NONFEDERAL
Receivable Activity From
Receivable Activity To
Include Line 3 Only    N
    
```

TROR SUMMARY INFORMATION

5A

FUND	MSP	NON MSP	TOTAL	COUNT
GEN -050720XXXX0D00	(59,756.87)	(173,204.12)	(232,960.99)	342
HI -050961XXXX0DC0	(975,538.15)	(4,042,636.65)	(5,018,174.80)	215
SMI -050960XXXX0DC0	(296,554.15)	(226,533.54)	(523,087.69)	272
REPORT TOTAL	(1,331,849.17)	(4,442,374.31)	(5,774,223.48)	829

6A

FUND	MSP	NON MSP	TOTAL	COUNT
GEN -050720XXXX0D00	(22,990.98)	(118,160.76)	(141,151.74)	65
HI -050961XXXX0DC0	(209,274.75)	(1,252,856.76)	(1,462,131.51)	38
SMI -050960XXXX0DC0	(37,313.17)	(222,153.20)	(259,466.37)	39
REPORT TOTAL	(269,578.90)	(1,593,170.72)	(1,862,749.62)	142

6B

FUND	MSP	NON MSP	TOTAL	COUNT
GEN -050720XXXX0D00	(158.36)	(2,030.22)	(2,188.58)	3
HI -050961XXXX0DC0	(11,334.88)	(50,837.02)	(62,171.90)	2
SMI -050960XXXX0DC0	(13,151.05)	0.25	(13,151.30)	2
REPORT TOTAL	(24,644.29)	(52,867.49)	(77,511.78)	7

# CMS AR Overpayment Report

**Attachment AROvrprt**

AR Overpayment Report as of 31-DEC-05

Report Date: 06-JAN-06 12:30:58  
Page 1 / 3  
Request ID: 476123

```

Workload Low.....:
Workload High.....:
Comparative Summary(Yes/No).....: N
As of Date1 Summary Only(Yes/No).....: Y
As of Date1.....: 31-DEC-05
As of Date2(Comparative).....:
Invoice Class.....:
Customer Class.....: NONFEDERAL
Transaction Type Low.....:
Transaction Type High.....:
Co. Segment Low.....:
Co. Segment High.....:
    
```

SUMMARY OF OVERPAYMENTS AS OF 31-DEC-05

MSP	OVERPAYMENT	HI -050961	SMI-050960	INT-050720	TOTAL
-----					
	BENE-LIABILITY	22,900,000.00	17,010,579.00	300,000.00	40,210,579.00
	GROUP HEALTH PLAN	18,822,019.00	3,000,000.00	500,000.00	22,322,019.00
	MSP PROV/PHY/SUPP/BENE	0.00	0.00	0.00	0.00
	OTHER-LIABILITY	2,000,000.00	1,642,982.00	98,821.00	3,741,803.00
		-----			
	MSP TOTAL	43,722,019.00	21,653,561.00	898,821.00	66,274,401.00
-----					
	NON MSP	HI -050961	SMI-050960	INT-050720	TOTAL
	BENEFICIARY	0.00	0.00	0.00	0.00
	CLAIMS ACCOUNT RECEIVABLE	12,000,000.00	37,308,754.00	0.00	49,308,754.00
	COST REPORT SETTLEMENT	9,000,000.00	10,000,000.00	800,000.00	19,800,000.00
	CREDIT BALANCES	303,621.00	0.00	0.00	303,621.00
	OTHER	5,000,000.00	7,958,297.00	401,605.00	13,359,902.00
	PIP ACCRUAL	0.00	0.00	0.00	0.00
		-----			
	NON MSP TOTAL	26,303,621.00	55,267,051.00	1,201,605.00	82,772,277.00
-----					
	MSP AND NON-MSP TOTAL	70,025,640.00	76,920,612.00	2,100,426.00	149,046,678.00
=====					

# CMS Applied Collection Register

## Attachment AppCollrpt

CMS APPLIED COLLECTIONS REGISTER As of 31-DEC-05

Report Date: 06-JAN-06 01:10 PM  
Page 2 of 8  
Request ID: 422123

```

REPORT PARAMETERS
Show Detail           :                N
Support TROR          :                Y
Fiscal Year           :                2006
As of Date            :                31-DEC-2005
GL Date From         :
GL Date To           :
Cash Receipt Batch Number From :
Cash Receipt Batch Number To   :
Cash Receipt Number From :
Cash Receipt Number To   :
Credit Memo Number From :
Credit Memo Number To   :
Invoice/Debit Memo Number From :
Invoice/Debit Memo Number To   :
Customer Name From :
Customer Name To   :
Workload ID From :
Workload ID To   :
Type of Receivable :
Customer Class   :                NONFEDERAL
    
```

TRENDING SUMMARY FOR ALL WORKLOADS			AMOUNT	SUBTOTAL/TOTAL	
<b>PRINCIPAL</b>					
GEN	Non-MSP	OFFSET			
			OTHER	8,633.00	
			Subtotal OFFSET	8,633.00	
			Total GEN Non-MSP	<u>8,633.00</u>	Total GEN
Collections				<u>8,633.00</u>	
HI	MSP	CASH			
			INSURER	31,254.00	
			EMPLOYER	150,000.00	
			BENEFICIARY	3,900,000.00	
			Subtotal CASH	<u>4,081,254.00</u>	
			Total HI MSP	<u>4,081,254.00</u>	
	Non-MSP	4A			
			PROVIDER	-3,000,000.00	
			Subtotal 4A	-3,000,000.00	
		CASH			
			PROVIDER	4,000,000.00	
			Subtotal CASH	4,000,000.00	
		OFFSET			
			PROVIDER	93,709,110.00	
			Subtotal OFFSET	<u>93,709,110.00</u>	
			Total HI Non-MSP	<u>94,709,110.00</u>	

## CMS Applied Collection Register

## Attachment AppCollrpt

Total HI Collections				<u>98,790,364.00</u>	
TRENDING SUMMARY FOR ALL WORKLOADS			AMOUNT		SUBTOTAL/TOTAL
SMI	MSP	CASH			
			EMPLOYER	100,000.00	
			BENEFICIARY	2,900,000.00	
			Subtotal CASH		3,000,000.00
	Non-MSP	4A	Total SMI MSP		3,000,000.00
			PROVIDER	-1,000,000.00	
			Subtotal 4A		-1,000,000.00
		CASH	PROVIDER	2,000,000.00	
			Subtotal CASH		2,000,000.00
		OFFSET	PROVIDER	16,925,202.00	
			Subtotal OFFSET		16,925,202.00
			Total SMI Non-MSP		17,925,202.00
			Total SMI Collections		<u>20,925,202.00</u>
			Total Collections - PRINCIPAL		<u>\$119,724,199.00</u>
					INTEREST
GEN	MSP	CASH			
			OTHER	100,000.00	
			Subtotal CASH		100,000.00
	Non-MSP	CASH	Total GEN MSP		100,000.00
			OTHER	50,000.00	
			Subtotal CASH		50,000.00
		OFFSET	OTHER	941,367.00	
			Subtotal OFFSET		941,367.00
			Total GEN Non-MSP		991,367.00
			Total GEN Collections		<u>1,091,367.00</u>
			Total Collections - INTEREST		<u>\$1,091,367.00</u>



## CMS Applied Collection Register

**Attachment AppCollrpt**

### TOTAL COLLECTIONS - Principal and Interest By Debtor Type

OTHER	708,220.00
INSURER	12,003.00
EMPLOYER	240,073.00
ROVIDER	113,794,976.00
BENEFICIARY	6,060,294.00
REPORT TOTAL	----- \$120,815,566.00 =====

CMS Medicare Accounts Receivable Non-MSP (Part A HI)  
Contractor ABC

**Attachment I**

**SOURCE: CMS AR Overpayment Report (HIGLAS I Worksheet)**

SCOPE: If percentage change is greater than +/- 15% and amount change +/- 5 % of the combined component ending balances.

	A	B	(A-B) C	(C/B x 100%) D	
	12/31/2005	9/30/2005	\$ Change	% Change	Note
Cost Report Settlements	\$ 14,000,000	\$ 17,000,000	(3,000,000)	-17.65%	1
Claims	12,000,000	13,000,000	(1,000,000)	-7.69%	NER
PIP	0	0	0	0.00%	NER
Credit Balance	303,621	0	303,621	0.00%	NER
Other	0	0	0	0.00%	NER
<b>Total Non-MSP</b>	<b>\$ 26,303,621</b>	<b>\$ 30,000,000</b>	<b>\$ (3,696,379)</b>	-12.32%	

**Total TROR**                     **\$ 24,944,560**   **\$ 29,025,250**

**Variance (Over/Under Application)**   **\$ 1,359,061**   **\$ 974,750**

5% of Combined Ending Balance             **\$ 1,315,181**   (\$26,303,621 x 5%)

No Explanation Required (NER)

- (1) Cost Report Settlements-The total variance for the Non-MSP (HI) balance for the current quarter reflects a decrease of \$3.7 million compared to the prior quarter. The bulk of this variance is a result of the change in Cost Report Settlements a decrease of \$3 million. The primary cause of this variance is due to the result of the larger hospitals with the potential for large overpayments being settled in the last quarter of the year.

CMS Medicare Accounts Receivable Non-MSP (Part A HI)  
Contractor ABC

**Attachment I-A**

**SOURCE: CMS AR Overpayment Report (HIGLAS I Worksheet) & H750A**

SCOPE: If percentage change is greater than +/- 15% and amount change +/- 5 % of the combined component ending balances.

	A	B	(A-B) C	(C/B x 100%) D	
	12/31/2005	12/31/2004	\$ Change	% Change	Note
Cost Report Settlements	\$ 14,000,000	\$ 13,000,951	999,049	7.68%	NER
Claims	12,000,000	13,000,000	(1,000,000)	-7.69%	NER
PIP	0	14,000,000	(14,000,000)	-100.00%	(4)
Credit Balance	303,621	0	303,621	0.00%	NER
Other	0	0	0	0.00%	NER
<b>Total Non-MSP</b>	<b>\$ 26,303,621</b>	<b>\$ 40,000,951</b>	<b>\$ (13,697,330)</b>	<b>-34.24%</b>	

**Total TROR** \$ 24,944,560 \$ 40,000,951

**Variance (Over/Under Application)** \$ 1,359,061 \$ -

5% of Combined Ending Balance \$ 1,315,181 (\$26,303,621 x 5%)

No Explanation Required (NER)

(4) PIP Accrual - HIGLAS Medicare contractors are no longer required to report an estimate PIP accrual.

CMS Medicare Accounts Receivable **MSP** (Part A HI)  
Contractor ABC

**Attachment II**

**SOURCE: CMS AR Overpayment Report (HIGLAS I Worksheet)**

SCOPE: If percentage change is greater than +/- 15% and amount change +/- 5 % of the combined component ending balances.

	A	B	(A-B) C	(C/B x 100%) D	
	12/31/2005	9/30/2005	\$ Change	% Change	Note
GHP(Data/non-Data Match)	18,822,019	23,050,000	(4,227,981)	-18.34%	(2)
MSP Provider/Physician/Supplier		-	-	0.00%	NER
MSP Beneficiary (Liability)	22,900,000	19,120,000	3,780,000	19.77%	(3)
Other MSP (Liability)	2,000,000	-	2,000,000	0.00%	NER
<b>Total MSP</b>	<b>\$ 43,722,019</b>	<b>\$ 42,170,000</b>	<b>\$ 1,552,019</b>	<b>3.68%</b>	

**Total TROR** **\$ 43,722,598** \$ 41,317,525

**Variance (Over/Under Application)** **\$ (579)** \$ 852,475

5% of Combined Ending Balance **\$ 2,186,101** (\$43,722,019 x 5%)

No Explanation Required (NER)

- (2) GHP-HIGLAS does not break down GHP between Data Match and Non-Data Match. GHP overall has decreased by \$4.2 million in comparison to the previous quarter. Non-Data Match receivables decreased by \$3 million, which reflects a significant decrease in the number of demands produced since the implementation of ReMas during FY 2005.

CMS Medicare Accounts Receivable **MSP** (Part A HI)  
Contractor ABC

**Attachment II-A**

**SOURCE: CMS AR Overpayment Report (HIGLAS I Worksheet) & H750A**

SCOPE: If percentage change is greater than +/- 15% and amount change +/- 5 % of the combined component ending balances.

	A	B	(A-B) C	(C/B x 100%) D	
	<b>12/31/2005</b>	<b>12/31/2004</b>	<b>\$ Change</b>	<b>% Change</b>	<b>Note</b>
GHP(Data/non-Data Match)	18,822,019	21,322,019	(2,500,000)	-11.72%	(5)
MSP Provider/Physician/Supplier		-	-	0.00%	NER
MSP Beneficiary (Liability)	22,900,000	24,000,000	(1,100,000)	-4.58%	NER
Other MSP (Liability)	2,000,000	-	2,000,000	0.00%	NER
<b>Total MSP</b>	<b>\$ 43,722,019</b>	<b>\$ 45,322,019</b>	<b>\$ (1,600,000)</b>	<b>-3.53%</b>	
<b>Total TROR</b>	<b>\$ 43,722,598</b>	<b>\$ 45,322,019</b>			
<b>Variance (Over/Under Application)</b>	<b>\$ (579)</b>	<b>\$ -</b>			
5% of Combined Ending Balance	<b>\$ 2,186,101</b>	<b>(\$43,722,019 x 5%)</b>			

No Explanation Required (NER)

- (5) Currently GHP-HIGLAS does not break out Data Match and Non-Data Match. GHP overall has decreased by \$2.5 million in comparison to the previous year. Since the implementation of ReMAS during FY 2005, the Non-Data Match receivables reflects the significant decrease.

CMS Medicare Accounts Receivable Non-MSP (Part A HI)  
Contractor ABC

Attachment IV

**SOURCE: Detail Activity Reports (HIGLAS I Worksheet)**

**Part I - Status of Receivables**

**Section A**

Receivables and Collections

	<b>HI - Fund 050961</b>		<b>\$ Change</b>	<b>%Change</b>
	<b>12/31/2005</b>	<b>9/30/2005</b>		
(1) Beginning FY Balance	25,000,000	22,613,882	2,386,118	10.55%
(2) New Receivables (+)	100,000,000	91,601,759	8,398,241	9.17%
(3) Accruals (+) (New Interest Receivables)				
(4) Collections on Receivables (-)	<b>(94,709,110)</b>	<b>(81,520,069)</b>	(13,189,041)	16.18%
(A) At Agency-Cash/Checks	(1,000,000)	(42,043,277)	41,043,277	-97.62%
-Offsets	(93,709,110)	(39,476,792)	(54,232,318)	137.38%
(B) At Third Party				
(C) Asset Sales				
(D) Other - Must footnote				
(5) Adjustments	<b>(4,042,637)</b>	<b>(3,655,694)</b>	(386,943)	10.58%
(A) Reclassified/Adjusted Amounts (+ or -)	(4,042,637)	(3,655,694)	(386,943)	10.58%
(B) Adjustments Due to Sale of Assets (+ or -)				
(C) Consolidations (+ or -)				
(6) Amounts Written-Off (-)	<b>(1,303,694)</b>	<b>(14,628)</b>	(1,289,066)	8812.32%
(A) Currently Not Collectible (-)	(1,303,694)	(14,628)	(1,289,066)	8812.32%
(B) Written-Off and Closed Out (-)	0	0	0	0.00%
<b>(7) Ending Balance (TROR/Activity Registers)</b>	<b>24,944,560</b>	<b>29,025,250</b>	(4,080,690)	-14.06%
Total Collections	94,709,110	81,520,069		
Total Adjusted Receivables	119,653,670	110,545,319		
Collection Percentage	79.15%	73.74%		

CMS Medicare Accounts Receivable Non-MSP (Part A HI)  
Contractor ABC

**Attachment IV-A**

**SOURCE: Detail Activity Reports (HIGLAS I Worksheet), H751A & M751A**

**Part I - Status of Receivables**

**Section A**

Receivables and Collections

	<b>HI - Fund 050961</b>		<b>\$ Change</b>	<b>%Change</b>
	<b>12/31/2005</b>	<b>12/31/2004</b>		
(1) Beginning FY Balance	<b>25,000,000</b>	<b>22,613,882</b>	2,386,118	10.55%
(2) New Receivables (+)	100,000,000	90,976,509	9,023,491	9.92%
(3) Accruals (+) (New Interest Receivables)		14,000,000	(14,000,000)	
(4) Collections on Receivables (-)	<b>(94,709,110)</b>	<b>(83,384,118)</b>	(11,324,992)	13.58%
(A) At Agency-Cash/Checks	(1,000,000)	(45,067,576)	44,067,576	-97.78%
-Offsets	(93,709,110)	(38,316,542)	(55,392,568)	144.57%
(B) At Third Party				
(C) Asset Sales				
(D) Other - Must footnote				
(5) Adjustments	<b>(4,042,637)</b>	<b>(4,155,694)</b>	113,057	-2.72%
(A) Reclassified/Adjusted Amounts (+ or -)	(4,042,637)	(4,155,694)	113,057	-2.72%
(B) Adjustments Due to Sale of Assets (+ or -)				
(C) Consolidations (+ or -)				
(6) Amounts Written-Off (-)	<b>(1,303,694)</b>	<b>(49,628)</b>	(1,254,066)	2526.93%
(A) Currently Not Collectible (-)	(1,303,694)	(49,628)	(1,254,066)	2526.93%
(B) Written-Off and Closed Out (-)	0	0	0	0.00%
<b>(7) Ending Balance (TROR/Activity Registers)</b>	<b>24,944,560</b>	<b>40,000,951</b>	(1,056,391)	-2.64%
Total Collections	94,709,110	83,384,118		
Total Adjusted Receivables	119,653,670	109,385,069		
Collection Percentage	79.15%	76.23%		

CMS Medicare Accounts Receivable **MSP** (Part A HI)  
Contractor ABC

**Attachment V**

**SOURCE: Detail Activity Reports (HIGLAS I Worksheet)**

**Part I - Status of Receivables**

**Section A**

Receivables and Collections

	<b>HI - Fund 050961</b>		<b>\$ Change</b>	<b>%Change</b>
	<b>12/31/2005</b>	<b>9/30/2005</b>		
(1) Beginning FY Balance	<b>14,000,000</b>	<b>18,000,000</b>	(4,000,000)	-22.22%
(2) New Receivables (+)	35,000,000	34,453,226	546,774	1.59%
(3) Accruals (+) (New Interest Receivables)				
(4) Collections on Receivables (-)	<b>(4,081,254)</b>	<b>(18,589,335)</b>	14,508,081	-78.05%
(A) At Agency-Cash/Checks	(4,081,254)	(18,589,335)	14,508,081	-78.05%
-Offsets	0	0	0	0.00%
(B) At Third Party				
(C) Asset Sales				
(D) Other - Must footnote				
(5) Adjustments	<b>(975,538)</b>	<b>12,142,077</b>	(13,117,615)	-108.03%
(A) Reclassified/Adjusted Amounts (+ or -)	(975,538)	12,142,077	(13,117,615)	-108.03%
(B) Adjustments Due to Sale of Assets (+ or -)				
(C) Consolidations (+ or -)				
(6) Amounts Written-Off (-)	<b>(220,610)</b>	<b>(4,688,443)</b>	4,467,833	-95.29%
(A) Currently Not Collectible (-)	(209,275)	(4,685,151)	4,475,876	-95.53%
(B) Written-Off and Closed Out (-)	(11,335)	(3,292)	(8,043)	244.32%
<b>(7) Ending Balance (TROR/Activity Registers)</b>	<b>43,722,598</b>	<b>41,317,525</b>	2,405,073	5.82%
Total Collections	4,081,254	18,589,335		
Total Adjusted Receivables	47,803,852	59,906,860		
Collection Percentage	8.54%	31.03%		



CMS Medicare Accounts Receivable **MSP** (Part A HI)  
Contractor ABC

**Attachment V-A**

**SOURCE: Detail Activity Reports (HIGLAS I Worksheet) & M751A**

**Part I - Status of Receivables**

**Section A**

Receivables and Collections

	<b>HI - Fund 050961</b>		<b>\$ Change</b>	<b>%Change</b>
	<b>12/31/2005</b>	<b>12/31/2004</b>		
(1) Beginning FY Balance	<b>14,000,000</b>	<b>18,000,000</b>	(4,000,000)	-22.22%
(2) New Receivables (+)	35,000,000	31,074,736	3,925,264	12.63%
(3) Accruals (+) (New Interest Receivables)				
(4) Collections on Receivables (-)	<b>(4,081,254)</b>	<b>(2,598,173)</b>	(1,483,081)	57.08%
(A) At Agency-Cash/Checks	(4,081,254)	(2,598,173)	(1,483,081)	57.08%
-Offsets	0	0	0	0.00%
(B) At Third Party				
(C) Asset Sales				
(D) Other - Must footnote				
(5) Adjustments	<b>(975,538)</b>	<b>(685,700)</b>	(289,838)	42.27%
(A) Reclassified/Adjusted Amounts (+ or -)	(975,538)	(685,700)	(289,838)	42.27%
(B) Adjustments Due to Sale of Assets (+ or -)				
(C) Consolidations (+ or -)				
(6) Amounts Written-Off (-)	<b>(220,610)</b>	<b>(468,844)</b>	248,234	-52.95%
(A) Currently Not Collectible (-)	(209,275)	(468,515)	259,240	-55.33%
(B) Written-Off and Closed Out (-)	(11,335)	(329)	(11,006)	3345.25%
<b>(7) Ending Balance (TROR/Activity Registers)</b>	<b>43,722,598</b>	<b>45,322,019</b>	(1,599,421)	-3.53%
Total Collections	4,081,254	2,598,173		
Total Adjusted Receivables	47,803,852	47,920,192		
Collection Percentage	8.54%	5.42%		

CMS Medicare Accounts Receivable (Part A HI)  
Contractor ABC  
AR Summary Memorandum  
Period Ending \_\_\_\_\_

**Attachment VI**

The following represents the summary for the changes in the accounts receivable balance for the current quarter.

- (1) Cost Report Settlements-The total variance for the Non-MSP (HI) balance for the current quarter reflects a decrease of \$3.7 million compared to the prior quarter. The bulk of this variance is a result of the change in cost report settlement a decrease of \$3 million. The primary cause of this variance is due to the result of the larger hospitals with the potential for large overpayments being settled in the last quarter of the year.
- (2) GHP-HIGLAS does not break down GHP between Data Match and Non-Data Match. GHP overall has decreased by \$4.2 million in comparison to the previous quarter. Non-Data Match receivables decreased by \$3 million, which reflects a significant decrease in the number of demands produced since the implementation of ReMas during FY 2005.
- (3) MSP Beneficiary-increased by \$3.7 million and is the result of an increase in workload for total demands.
- (4) PIP Accrual - HIGLAS Medicare contractors are no longer required to report an estimate PIP accrual.
- (5) Currently GHP-HIGLAS does not break out Data Match and Non-Data Match. GHP overall has decreased by \$2.5 million in comparison to the previous year. Since the implementation of ReMAS during FY 2005, the Non-Data Match receivables reflects the significant decrease.

Prepared by: _____	Date _____
Reviewed by: _____	Date _____
CFO for Medicare Operations approval: _____	Date _____
ARA approval: _____	Date _____

**Attachment H-II**

**CMS HIGLAS Contractor Trend Analysis Checklist**

<b>Contractor Number</b>	
<b>Contractor Name</b>	
<b>Period</b>	

Medicare Contractor has submitted the following HIGLAS reports.

- \_\_\_\_\_ CMS Report On Receivables Due From the Public (Attachment **HIGLAS I**).
- \_\_\_\_\_ CMS Beginning Balance Report (Attachment **BBrpt**).
- \_\_\_\_\_ CMS Transaction Register Report Line 2 (Attachment **TALn2rpt**).
- \_\_\_\_\_ CMS Transaction Register Report Line 3 (Attachment **TALn3rpt**).
- \_\_\_\_\_ CMS Adjustment Register Report for Line 3 (Attachments **AdjLn3rpt**).
- \_\_\_\_\_ CMS Adjustment Register Report for Lines 5 and 6 (Attachments **AdjLn5&6rpt**).
- \_\_\_\_\_ CMS AR Overpayment Report(Attachment **AROverrpt**).
- \_\_\_\_\_ CMS Applied Collections Report (Attachment **AppCollrpt**).
- \_\_\_\_\_ CMS Summary 2 Trail Balance.

\_\_\_\_\_ Date: \_\_\_\_\_  
Preparer Signature

