CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-06 Medicare Financial Management	Centers for Medicare & Medicaid Services (CMS)
Transmittal 136	Date: FEBRUARY 15, 2008
	Change Request 5875

SUBJECT: Revisions to Debt Referral Instructions

I. SUMMARY OF CHANGES: As part of ongoing operations, changes and revisions have been made to certain aspects of the debt referral process and contractor business practices. This CR updates several areas of Chapter 4, Section 70 to: (1) Remove references to the Provider Overpayment Reporting (POR) and Physician/Supplier Overpayment Reporting (PSOR) systems, (2) Revise Exhibit 1, Intent to Refer Letter to add offset of state payments to the Treasury Offset Program, and (3) Revise Exhibit 4, DCS User Guide. The subsection numbering and titles of this chapter section were also revised accordingly.

NEW/REVISED MATERIAL
EFFECTIVE DATE: *March 17, 2008
IMPLEMENTATION DATE: March 17, 2008

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	4/70 Table of Contents
R	4/70.3/Treasury Offset Program
R	4/70.6/Debt Ineligible for Referral
R	4/70.7/Intent to Refer Letter
D	4/70.7.1/Delinquent Non-MSP Fiscal Intermediary Debt Including Debt on the Provider Overpayment Reporting (POR) System
D	4/70.7.2/Delinquent Non-MSP Medicare Carrier Debt, Including Individual Debt on the Physician/Supplier Overpayment Reporting (PSOR) System Updates
D	4/70.7.3/Intermediary Claims Accounts Receivable
D	4/70.7.4/Physician/Supplier Overpayment Reporting (PSOR) System Summary Entry Debts (Carriers Only)

D	4/70.7.5/Delinquent Non-MSP Debt Previously Ineligible for Referral
R	4/70.8/Response to Intent to Refer Letter
R	4/70.9/Debt Collection System
R	4/70.10/Cross Servicing Collection Efforts
R	4/70.11/Actions Subsequent to DCS Input
R	4/70.12/Transmission of Debt
R	4/70.13/Update to DCS After Transmission
R	4/70.14/Collections
R	4/70.14.1/Background
R	4/70.14.2/Intra-governmental Payment and Collection (IPAC) System
R	4/70.14.3/Collections Posted to the Debt Collection System
D	4/70.14.3.1/Background
D	4/70.14.3.2/Intra-governmentall Payment and Collection (IPAC) System
D	4/70.14.3.3/Debt Collection System (DCS)
D	4/70.14.3.4/Collection/Refund Spreadsheet
D	4/70.14.3.5/Financial Reporting for Collection/Refund Spreadsheet
D	4/70.14.3.6/Debt Paid in Full
D	4/70.14.3.7/Extended Repayment Schedule (ERS)
D	4/70.14.3.8/Excess Collections
D	4/70.14.3.8.1/Applying Excess Collections
D	4/70.14.3.8.2/If the Debtor Has Other Outstanding Debt
D	4/70.14.3.8.3/If the Debtor Has No Other Outstanding Debt
N	4/70.14.4/Collection/Refund Spreadsheet
N	4/70.14.5/Debt Paid in Full
N	4/70.14.6/Extended Repayment Schedule (ERS)
N	4/70.14.7/Excess Collections
N	4/70.14.8/Applying Excess Collections
N	4/70.14.8.1/ If the Debtor Has Other Outstanding Debt
N	4/70.14.8.2/ If the Debtor Has No Other Outstanding Debt
R	4/70.15.1/Financial Reporting for Non-MSP Debt
R	4/70.15.3/Finnancial Reporting for Collections Received on Debts From Cross Servicing
N	4/70.16/Intermediary Claims Accounts Receivable (A/R)

R	4/70.90/Exhibit 1/Intent to Refer Letter
R	4/70.90/Exhibit 4/DCS User Guide
R	4/70.90/Exhibit 5/Treasury Cross Servicing Dispute Resolution

III. FUNDING:

SECTION A: For Fiscal Intermediaries and Carriers:
No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

SECTION B: 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

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

Attachment - Business Requirements

Pub. 100-06	Transmittal: 136	Date: February 15, 2008	Change Request: 5875

SUBJECT: Revisions to Debt Referral Instructions

EFFECTIVE DATE: March 17, 2008

IMPLEMENTATION DATE: March 17, 2008 (HIGLAS contractors will implement the revised Intent to Refer letter upon the completion of the HIGLAS system changes to modify the Intent to Refer Letter.)

I.   GENERAL INFORMATION

A.   Background:

As part of ongoing operations, changes and revisions have been made to certain aspects of the debt referral process and contractor business practices. This CR updates several areas of Chapter 4, section 70, Non-Medicare Secondary Payer (Non-MSP) Debt Referral. The CR revises this section to: (1) Remove references to the Provider Overpayment Reporting (POR) and Physician/Supplier Overpayment Reporting (PSOR) systems, (2) Update Exhibit 1, Intent to Refer Letter to add offset of state payments to the Treasury Offset Program, and (3) Revise Exhibit 4, DCS User Guide. The subsection numbering and title of this chapter section were also revised accordingly.

B.   Policy: Debt Collection Improvement Act of 1996 (DCIA).

II.   BUSINESS REQUIREMENTS TABLE
Use "Shall" to denote a mandatory requirement

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B MAC	D ME MAC	F I	C A R R I E R	R H H I	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
5875.1	Medicare contractors shall follow instructions in the Internet Only Manual, Pub. 100-6, Chapter 4, section 70 for Non-Medicare Secondary Payer (Non-MSP) debt referral activities. This CR removes references to updating the Provider Overpayment Reporting (POR) and Physician/Supplier Overpayment Reporting (PSOR) Systems for debt referral activities.	X	X	X	X	X					HIGLAS
5875.2	HIGLAS Contractors shall use the HIGLAS General Help Information Section as a reference for HIGLAS to DCS related issues.	X	X	X	X	X					HIGLAS
5875.3	Medicare contractors shall follow the revised wording	X	X	X	X	X					HIGLA S

Number	Requirement	A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
	in section 70.7, Intent to Refer Letter, that Medicare contractors shall issue the Intent to Refer Letter (IRL) timely in order to refer the debt prior to or by the time it reaches 180 days delinquency.										S
5875.4	Medicare contractors shall note the clarification contained in Exhibit 4, DCS User Guide of this section that states the only updates that are transmitted (to Treasury) are changes to the status code and collections and adjustments.	X	X	X	X	X					HIGLAS
5875.5	Medicare contractors shall not change the status code of a debt in a recalled status in DCS back to the status of "UJ." If the debt again becomes eligible for referral, a new debt shall be entered.	X	X	X	X	X					HIGLAS
5875.6	Contractors shall use the collection type of RF to post all refunds and the collection type of AD to adjust negative balances in DCS.	X	X	X	X	X					HIGLAS
5875.7	Contractors shall use the updated field specific data entry screen instructions for inputting debt into DCS.	X	X	X	X	X					HIGLAS
5875.8	Contractors shall use the DCS User Guide as a reference for updated status codes, debt types and reports.	X	X	X	X	X					HIGLAS
5875.9	Contractors shall include the reference to offset of state payments as part of the intent to refer letter language in the paragraph describing the Treasury Offset Program (TOP). New wording is included in Exhibit 1 in the Internet Only Manual, Pub. 100-6, Chapter 4, Section 70.	X	X	X	X	X					HIGLAS

III.   PROVIDER EDUCATION TABLE

Number	Requirement	A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
	None.										

IV.   SUPPORTING INFORMATION
Section 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:
	N/A

Section B: For all other recommendations and supporting information, use this space:

V. CONTACTS

Pre-Implementation Contact(s):): Deb Parzynski (Deborah.parzynski@cms.hhs.gov)
Post-Implementation Contact(s): Same

VI. FUNDING

Section A: For *Fiscal Intermediaries (FIs), Carriers, and Regional Home Health Carriers (RHHIs)* use only one of the following statements:

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

Section B: *For Medicare Administrative Contractors (MACs)*, use the following statement:

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.

Medicare Financial Management
Chapter 4 - Debt Collection

Table of Contents
(Rev. 136, 02-15-08)

70.3 - Treasury Offset Program (TOP)

(Rev. 136; Issued: 02-15-08; Effective/Implementation Date: 03-17-08)

The TOP is a program that compares Federal payments and eligible state payments with Federal debt. When a match occurs, the payment is offset to collect the debt. When the Taxpayer Identification Number (TIN) and name of the debtor match the TIN and name of a payee, the payment to the payee is offset and monies that would have gone to the payee are sent to the creditor agency to satisfy the debt. A debt may remain in TOP for offset up to ten years from date of determination. Types of payments that can be offset may include tax refunds, vendor payments, benefit payments with certain restrictions*, and eligible state payments*.

70.6 - *Debt Ineligible for Referral*

(Rev. 136; Issued: 02-15-08; Effective/Implementation Date: 03-17-08)

Non-MSP debt ineligible for referral include those: (1) in bankruptcy status, (2) in an appeal status (pending at any level), (3) at the Department of Justice, (4) where the debtor is deceased, (5) Federal entity debt where the debtor is a Federal agency, (6) where the principal balance is less than $25, or (7) debt under fraud and abuse investigation where the investigating unit has provided the contractor with specific instructions not to attempt collection.
Treasury has also approved a waiver for the mandatory referral of unfiled cost report debt for cross servicing and/or TOP and for debts less than $100 that do not have a TIN. Medicare contractors shall monitor debt previously ineligible for referral that become eligible for referral. If the status of the debt changes to an eligible status, Medicare contractors shall determine whether an IRL has been sent. If the IRL has been sent, *and at least 60 days have passed since the date of the IRL (unless the IRL was returned undeliverable),* Medicare contractors shall input the debt to the Debt Collection System (DCS) within ten calendar days of the status change making the debt eligible for referral. If the IRL has not been sent, Medicare contractors shall send the IRL within ten calendar days of the status change making the debt eligible for referral, and follow the normal debt referral process.

70.7 *- Intent to Refer Letter*

(Rev. 136; Issued: 02-15-08; Effective/Implementation Date: 03-17-08)

To comply with the DCIA requirements to provide specific notice to debtors before referring a debt for cross servicing and/or TOP*, Medicare contractors shall send an "Intent to Refer" letter (IRL) as their final demand letter for all eligible delinquent debt.*

The "final demand letter" is defined as the last letter routinely sent to debtors to request payment, and shall be sent when or before the debt is 90 days delinquent (120 days from the determination date). This letter may be sent before the debt is 90 days delinquent; however, the letter should not be sent until the contractor has placed the debtor on recoupment status for at least 30 days. A sample "Intent to Refer" letter is included in Exhibit 1 of this section.

The IRL shall be sent regardless of previous collections on the debt, unless there is an approved current extended repayment agreement in effect.

When appropriate, the IRL shall include the amount of interest due, along with the date of the last interest accrual. Medicare contractors may add additional wording to this letter that shall provide additional instructions or clarification regarding the recoupment of the overpayment.

Medicare contractors should use their own language in the opening paragraphs to explain the reason for the overpayment and the current balance, including interest accrued and the interest rate.

The IRL shall be signed by the Medicare contractor official who routinely signs the demand letters.

The IRL may be sent for debt currently ineligible for referral based on the status if the contractor believes the debt shall become eligible for referral in the future. The language in the IRL shall include a sentence that says: "If, after sixty calendar days from the date of this letter we have not received such evidence, your debt, if it is still outstanding and eligible for referral, shall be referred to the Department of Treasury or its designated Debt Collection Center for cross servicing/offset." The IRL shall not be sent if the debt is in a status that excludes it from receiving demand letters.

70.8 - *Response to Intent to Refer Letter*

(Rev. 136; Issued: 02-15-08; Effective/Implementation Date: 03-17-08)

Medicare contractors shall respond to any inquiries received as a result of the IRL within 15 calendar days of receipt. If the status of the debt changes based on the communications with the debtor, Medicare contractors shall update all appropriate systems timely.

The IRL provides debtors with 60 calendar days to respond. If, by day 61 the debtor has not responded, Medicare contractors shall input the debt to DCS. The debt shall be entered to the DCS no later than 70 calendar days from the date of the IRL. Debt for which less than full payment was received, or there is a current repayment agreement that is in default, are eligible for referral for cross servicing and/or TOP. Where there has been a partial recoupment or collection, but the collection is not the result of a current

extended repayment agreement, the balance (if principal balance is greater than or equal to $25) shall still be referred for cross servicing and/or TOP. Debts that are ineligible for referral or exempt from referral to cross servicing and/or TOP shall not be entered to the DCS.

Before inputting a debt to DCS for cross servicing, Medicare contractors shall first determine if the debt should be referred to the Regional Office (RO) for litigation rather than referral to Treasury for cross servicing. If it is determined that the debt should be litigated, contact the RO for further action.

If the IRL is returned as undeliverable, Medicare contractors shall follow established procedures to locate a better address. (See Chapter 4, Sections 10 and 80.) If a better address is obtained, the IRL shall be sent to that address with a new re-issued date. If the IRL is returned as undeliverable and a better address cannot be located, Medicare contractors shall input the debt to DCS within 10 calendar days of return of the letter.

70.9 - Debt Collection System
(Rev. 136; Issued: 02-15-08; Effective/Implementation Date: 03-17-08)

The DCS is a CMS developed system used for debt referral to Treasury or a designated Debt Collection Center (DCC) in order to comply with the provisions of the DCIA. This system is comprised of a Data Entry Screen, which houses detailed information regarding the debt, a Comments screen for users to add comments regarding the particulars of a debt, and Collection screens for posting collections to a debt once it has been transmitted to Treasury for cross servicing/TOP.

Medicare contractors shall enter debts to the DCS for referral to Treasury. Detailed user instructions are included in Exhibit 4.

The CMS developed reports are produced from this system; however, the system does not have user adhoc reporting capabilities.

70.10 - Cross Servicing Collection Efforts
(Rev. 136; Issued: 02-15-08; Effective/Implementation Date: 03-17-08)

Medicare contractors, at the time of input to DCS, shall determine IF the Non-MSP debt is currently being recouped through Medicare (claims payments/withhold), and if the anticipated recoupments shall collect the debt in full within three years. If the contractor anticipates that the debt shall be collected in full within three years of delinquency by Medicare recoupment, the debt shall not be referred to a PCA as part of the cross servicing collection process. A specific debt type has been established in the DCS for this purpose. The debt type shall alert Treasury that the debt is being recouped through Medicare and should not be forwarded to a PCA. This determination shall eliminate

many duplicate collections. Specific instructions are found in the DCS User Guide, Exhibit 4 of this section.

70.11 - *Actions Subsequent To DCS Input*
(Rev. 136; Issued: 02-15-08; Effective/Implementation Date: 03-17-08)

Once the debt is referred for cross servicing, active collection efforts by the Medicare contractors and/or CMS shall cease. However, debt referred for cross servicing and/or TOP shall still be maintained in the Medicare contractors' internal systems for financial reporting, interest accrual, and possible internal recoupment. Medicare contractors shall be responsible for updating all the applicable systems, including the DCS for the change of the status and the balance of the debt.

70.12 - *Transmission of Debt*
(Rev. 136; Issued: 02-15-08; Effective/Implementation Date: 03-17-08)

When CMS transmits debt, CMS shall generate a report of the debt transmitted that week (Transmission Report) and send the report to the Medicare contractors. The Medicare contractors shall review the report to ensure that debts transmitted remain valid and amounts are accurate. Interest amounts listed on the report are the amounts that were entered in the DCS and shall not be updated in the DCS for any interest accruals since input. The Medicare contractors shall verify the report, annotating any changes to the information on the report and updating the DCS, as appropriate. Changes for additional interest accruals are not required.

The report shall be signed by the Chief Financial Officer (CFO), or his/her designee, and returned to CO via fax within 10 calendar days of the date of the report.

70.13 - *Update to DCS after Transmission*
(Rev. 136; Issued: 02-15-08; Effective/Implementation Date: 03-17-08)

Once a debt has been referred for cross servicing and/or TOP:

If the Medicare contractors discover an error, collect (by check or recoupment), or receive information establishing that the debt is ineligible for cross servicing (i.e., bankruptcy, appeal), the Medicare contractors are responsible for updating the DCS, within ten days of the notification of the change to the debt. The CMS CO shall notify Treasury and recall the debt due to a change of status code or a full collection or shall report partial collection information. The updates in the DCS made by Medicare contractors shall be automatically transmitted to Treasury.

If Treasury or the PCA discovers an error, collects on the debt, or receives information, that would render the debt ineligible for cross servicing, Treasury shall notify CO who, in turn, shall notify the Medicare contractors via the Treasury Cross-Servicing Dispute Resolution Form or the Collection/Refund Spreadsheet.   Medicare contractors are responsible for updating their internal records, and the DCS, as appropriate. The Treasury Cross-Servicing Dispute Resolution Form or Collection/Refund Spreadsheet shall be returned to CMS within established timeframes.

If Treasury or the PCA receives a dispute from the debtor or obtains additional information regarding the debt that requires CMS or Medicare contractor intervention, a Treasury Cross-Servicing Dispute Resolution Form shall be sent to CMS. The CMS shall maintain a report of all debt in dispute and forward the information to the Medicare contractors for review and decision. Central Office, upon receipt of the Treasury Cross-Servicing Dispute Resolution Form, shall update the DCS status code to "XX" for all Non-MSP disputed cases (or status code "XO" if the DCS is updated systematically), and CMS CO shall track these codes for timely disposition by the Medicare contractors. The Medicare contractors shall have 30 calendar days to respond to Treasury and update DCS*, their internal systems* if applicable, and shall copy CMS RO and CO on their response. *If Medicare contractor determines the disputed debt shall be recalled from Treasury, the appropriate status code shall be entered to the DCS. If the Medicare contractor determines that the debt shall remain at Treasury for collection, the status code shall be changed from "XX" (or "XO") to "UX" to indicate the dispute was resolved and the debt is still valid. (See instructions in the DCS User Guide, Exhibit 4.)*

70.14 *Collections*

70.14.1 *Background*

Collections from the Department of the Treasury (Treasury) as a result of cross servicing efforts are received by CMS central office (CO) through the Intra-governmental Payment and Collection (IPAC) system. Collections may be received as a result of collection efforts by Treasury's Servicing Center or by a Treasury contracted Private Collection Agency (PCA) including installment payments on Treasury approved extended repayment schedules or from offsets from the TOP. Treasury provides the CMS CO with a collection report generated from the IPAC system through the Program Support Center (PSC) of the Department of Health & Human Service (HHS) on a monthly basis.

70.14.2 *Intra-governmental Payment and Collection (IPAC) System*

The collection report generated from the IPAC system includes a break out of principal and interest collected on individual debts; however, the report does not show the balance and the status of the debt after the collection. Due to system limitations, interest on the CMS debts that have been referred to Treasury and its PCAs does not continue to accrue on Treasury/PCA records during the entire collection process. Therefore, the amount of interest collected by Treasury or its PCAs may not equal the amount of interest shown as accrued by the Medicare contractors.

70.14.3 *Collections Posted to the Debt Collection System*

The CMS CO shall update the DCS for collection activity received from the IPAC collections reports. The principal balance reported in the DCS should reflect the principal balance being pursued by Treasury and its PCAs and should be the principal balance reflected in Medicare contractors' internal systems after posting the collection.

Note: If the principal balance in Medicare contractors' system does not agree with the principal balance reported in the DCS, Medicare contractors shall research the discrepancy by querying the DCS collection screen to compare collection/adjustment

entries to their internal systems/records to determine the difference. Any differences shall be reconciled and the appropriate systems shall be updated.

70.14.4 Collection/Refund Spreadsheet

(Rev. 136; Issued: 02-15-08; Effective/Implementation Date: 03-17-08)

Medicare contractors will receive Treasury collection information from CMS CO via the Collection/Refund Spreadsheet (Exhibits 3A and 3B).   The Collection/Refund Spreadsheet, initially prepared by CMS CO, shall be forwarded electronically to Medicare contractors within 15 calendar days of receipt of the IPAC collections. However, no Collection/Refund Spreadsheet shall be forwarded to Medicare contractors with less than 15 calendar days remaining in the quarter.

For each debt listed on the Collection/Refund Spreadsheet, Medicare contractors shall apply the collection to principal and interest amounts as indicated. For collection of interest only, Medicare contractors shall post the interest as shown on the Collection/Refund Spreadsheet. No interest adjustment is required prior to posting the collection. For collection of principal and interest, Medicare contractors shall manually adjust the amount of interest accrued to the amount of interest collected as listed on the Collection/Refund Spreadsheet. This will make the amount of the accrued interest equal to the amount of interest collected and listed on the Collection/Refund Spreadsheet. Medicare contractors shall then post the collection. If a principal balance remains after posting the collection, interest, if appropriate, shall continue to accrue on the remaining principal balance. Medicare contractors shall use the current date as the date of collection to post the Treasury collections to their systems.

Medicare contractors shall complete and return the Collection/Refund Spreadsheet within 15 calendar days of receipt.

Note: Any principal balance that remains in Medicare contractors' systems, after posting the collection activity, will be carried forward.   Medicare contractors shall continue to accrue interest, if applicable, on any outstanding principal balance until notified by CMS CO that the debt is paid in full or compromised.

70.14.5 Debt Paid in Full

(Rev. 136; Issued: 02-15-08; Effective/Implementation Date: 03-17-08)

If the principal balance of the debt in DCS after the IPAC collection is posted is zero, the status code of the debt will not be systematically changed to a paid in full status code. Sometimes a debt has been collected by Treasury and the collection received in one IPAC, but a reversal of the collection occurs in a subsequent IPAC. Medicare contractors shall not initiate any case "close out" activity on the debt when the collection is posted.

CMS will provide separate instructions on debts returned by Treasury as paid in full or closed.

Note: If Medicare contractors' system does not reflect a zero principal balance after posting the collection, Medicare contractors shall research the discrepancy by querying the DCS collection screen to compare collection/adjustment entries to their internal systems/records, and update all the applicable systems to reflect the appropriate adjustment.

70.14.6 Extended Repayment Schedule (ERS)

(Rev. 136; Issued: 02-15-08; Effective/Implementation Date: 03-17-08)

Treasury and its PCAs have authority to approve extended repayment schedules (ERS) up to 60 months without requesting CMS approval. The ERS requests in excess of 60 months shall be referred to CMS CO for consideration.

When Treasury notifies CMS CO of an approved ERS, CMS CO shall update the DCS with the DCS status code of UR. The periodic payments on the approved ERS received by Treasury or its PCAs will be forwarded to CMS CO on an IPAC collections report. When CMS CO receives the IPAC collections on the approved ERS, CMS CO shall indicate the ERS status on the Collection/Refund Spreadsheet to notify Medicare contractors of such status. Upon receipt of the collection on the approved ERS on the Collection/Refund Spreadsheet from CMS CO, Medicare contractors shall remove the debt from any internal withhold/recoupment status.

Medicare contractors shall apply each collection to principal and interest based on the breakout as indicated on the Collection/Refund Spreadsheet and follow Collection/Refund Spreadsheet instructions as outlined in section 70.14.3.4.   Medicare contractors shall continue to accrue interest, if applicable, on any outstanding principal balance until notified by CMS CO that the debt is paid in full.

Debts that are in a Treasury approved ERS shall be reported as current on the Form CMS H 751. Debts in CNC classification shall remain in CNC and continue to be reported as delinquent on the Form CMS C 751. For those Medicare contractors who have transitioned to HIGLAS, debts that are in a Treasury approved ERS shall be reported as current unless they are already classified as CNC. Debts in CNC classification shall remain in CNC and continue to be reported as delinquent.

70.14.7 Excess Collections

(Rev. 136; Issued: 02-15-08; Effective/Implementation Date: 03-17-08)

Amounts collected may exceed the amount of the debt that was referred for cross servicing/TOP.   As an example, an excess collection may result from Treasury and its PCAs receiving a collection and Medicare contractors recouping the same debt by internal withhold.

Excess collections are identified on the Collection/Refund Spreadsheet by showing a negative principal balance in the DCS Principal Balance column.

70.14. 8 Applying Excess Collections
(Rev. 136; Issued: 02-15-08; Effective/Implementation Date: 03-17-08)

Medicare contractors shall apply the portion of the collection to the debt listed on the Collection/Refund Spreadsheet in order to bring the balance to zero. Medicare contractors shall then determine if the debtor has any other outstanding debts including interest to which the excess collection may be applied.

70.14.8.1 If the Debtor Has Other Outstanding Debt
(Rev. 136; Issued: 02-15-08; Effective/Implementation Date: 03-17-08)

If the debtor has other outstanding debt, the excess collection shall then be applied to the oldest debt first (then next oldest), in accordance with established procedures for applying excess collections against a debtor's overpayments. The breakout of principal and interest on the Collection/Refund Spreadsheet does not apply when the excess collection is applied to another outstanding debt. Medicare contractors shall indicate on the Collection/Refund Spreadsheet the action taken and the way the collection was allocated to principal and interest on the other debt, and return the completed spreadsheet to CMS CO.   If the collection is applied to other debts, the Medicare contractors shall first update the DCS with the DCS Collection Type Code of AD to zero the negative balance of the debt where the excess collection is identified. If the excess collection is applied to another debt currently at Treasury, Medicare contractor shall use AD to post the excess collection to the other debts.

70.14.8.2 If the Debtor Has No Other Outstanding Debt
(Rev. 136; Issued: 02-15-08; Effective/Implementation Date: 03-17-08)

If there are no other outstanding debts, the excess portion of the collection, after bringing the debt listed on the spreadsheet to a zero balance, shall be refunded. The amount of the refund shall be annotated on the Collection/Refund Spreadsheet. If the refund cannot be processed within the timeframe allotted for returning the Collection/Refund Spreadsheet, Medicare contractor shall annotate the spreadsheet as partially complete and return to CMS CO timely. An additional 15 days shall be allowed for processing refunds. Once

the refunds are processed, the completed Collection/Refund Spreadsheet shall be forwarded to CMS. A copy of the spreadsheet, with the appropriate annotations regarding the refund, shall be kept in the debtor file for audit trail purposes. The contractor shall make appropriate adjustments in DCS, as well as internal systems to reflect the refund activity. The DCS shall be updated to reflect the refund and bring the principal balance of the debt to zero. Instructions are found in Exhibit 4, DCS User Guide, of this section.

70.15.1 - Financial Reporting for Non-MSP Debt

(Rev. 136; Issued: 02-15-08; Effective/Implementation Date: 03-17-08)

Medicare contractors shall continue to report the debt at their location for financial reporting purposes. Debt referred to Treasury for cross servicing shall not be transferred out on the Form CMS 751 (Status of Accounts Receivable). See Chapter 5 for Financial Reporting instructions.

Medicare contractors shall continue to accrue and report interest in internal systems as well as the POR, if applicable, on a debt after the debt has been referred for cross servicing. The DCS shall not reflect this additional interest unless/until DCS is updated with a collection.

Medicare contractors shall follow the instructions outlined in Chapter 5, Section 270. Medicare contractor shall report and post all activities related to these debts according to CMS guidelines and instructions.

70.15.3 Financial Reporting for Collections Received on Debts from Cross Servicing

(Rev. 136; Issued: 02-15-08; Effective/Implementation Date: 03-17-08)

Medicare contractors shall follow the instructions outlined in Chapter 5, Section 270. Medicare contractor shall report and post all activities related to these debts according to CMS guidelines and instructions.

Collections posted to the debts listed on the Collection/Refund Spreadsheet shall be reported in Section A, Line 4C, Collections Deposited at Other Location, and Section C, Line 4C, Collections Deposited at Another Location, of Forms CMS H 751. If the debt is in a Currently Not Collectible (CNC) status, the amounts collected shall be reported in Section A, Line 4A, Re-established as Active A/R, and Section C, Collections on CNC

Debt, of the Forms CMS C 751 and in Section A, Line 6B, Transfers In From CNC, and Line 4C, Collections Deposited at Other Location on Forms CMS H 751.

The amount of accrued interest that is adjusted in order to equal the amount of interest collected and posted to the debt shall be reported on Line 5A, Adjusted Amounts, Internal Adjustments, of Forms CMS H 751 or Line 4E, Other, of Forms CMS C 751, if the debt is in CNC status.   Medicare contractors shall separately track interest adjustment amounts reported on the "Adjusted Amounts" line on Forms CMS H 751 or reported on the "Other" line on the Forms CMS C 751. The interest adjustment amounts shall be reported in the "Remarks" section of the Forms CMS 751.

For Medicare contractors who have transitioned to the Healthcare Integrated General Ledger Accounting System (HIGLAS), collections reported and posted to the debts on the Collection/Refund Spreadsheet shall be reported on the Treasury Report on Receivables and Debt Collection Activities Report (TROR), Part I, Section A, Line (4)(D), Collections by Treasury through Offset and Cross-Servicing and in Part II, Section C, Line (1)(G), By Treasury/Designated Debt Collection Center Cross-Servicing. If the debt is in a Currently Not Collectible (CNC) status, the amounts collected shall be reported in Part I, Section A, on Line(4) (D), Collections by Treasury Through Offset and Cross-Servicing, and Line (5) (E), Written-Off Debts Reinstated for Collections and also in Part II, Section C, Line (1) (G), By Treasury/Designated Debt Collection Center Cross-Servicing.

70.16 - Intermediary Claims Accounts Receivable (A/R)

(Rev. 136; Issued: 02-15-08; Effective/Implementation Date: 03-17-08)

Intermediary claims A/R arises from adjustments in the intermediary's claim processing systems (this type of adjustment may also be referred to as a carryover adjustment). The adjustments may be the result of duplicative processing of a claim, payment of a claim at the wrong Diagnostic Related Group (DRG) rate, a request from a provider, or for any reason an intermediary adjusts a claim payment. These adjustments are usually recovered through recoupment and the recovered amounts are included in the remittance advices to the providers. If the overpayment has not been recouped, the balance remains outstanding and is reported on the intermediary's financial records.
The CMS has determined that these types of debt are eligible for referral for cross servicing/Treasury Offset Program (TOP). The following outlines procedures for referral/collection/termination of collection action and write-off closed of these debts. Intermediaries shall use these procedures to:

- *Address the current inventory of intermediary claims A/R.*
- *Demand and refer delinquent intermediary claims A/R as part of their on-going debt collection procedures.*
-

To identify and address the current inventory of outstanding intermediary claims A/R and to identify, on an ongoing basis, claims A/R to be demanded or recommended for

termination of collection action and write-off closed, intermediaries' shared system shall be able to separately identify the following:

- *Claims A/R, of any amount, regardless of age, that cannot be validated.*
- *Claims A/R, for an individual provider, totaling less than $25 for the aggregated principal balance, where no adjustment/recoupment has occurred in the past 60 days.*
- *Claims A/R for an individual provider, greater than 10 years old, regardless of amount.*
- *Claims A/R, for an individual provider, with an aggregate principal balance greater than or equal to $25, which is less than 10 years old, and no adjustment/recoupment has occurred in the past 60 days.*

After these separations are made, the following procedures shall be followed:
For Recommendation of Write-Off (Termination of Collection Action):
When recommending write-off (termination of collection action), intermediaries shall follow instructions as outlined in the overpayment section of this manual, which begins at Section 100, or contact their regional office (RO) for guidance.

- *Claims A/R for an individual provider, totaling less than $25 for the aggregated principal balance, where no recoupment has occurred in the past 60 days, should be recommended for termination of collection action and write-off closed. A listing should be forwarded to the RO which contains the following information:*

  - *Provider number;*
  - *Provider name;*
  - *Amount of claims A/R being requested for termination of collection action and write-off closed;*
  - *Date of claims A/R;*
  - *Date of last activity; and*
  - *Reason for requesting/recommending termination of collection action and write-off closed.*

- *Claims A/R, of any amount, regardless of age that cannot be validated, should be recommended for termination of collection action and write-off closed. This could include claims A/R received as a result of a Medicare contractor transition where no remittance advices are available, and other claims A/R where no remittance advice is available to support the balances. The intermediary shall make a concerted effort to validate the claims A/R before selecting this option. A listing of this claims A/R shall be forwarded to the RO for approval. The list should contain the same information as above, with the reason for termination of collection action and write-off recommendation that provides reasonable evidence to substantiate that the claim is no longer available.*

- *Claims A/R for an individual provider greater than 10 years old, regardless of amount, shall be recommended and submitted to the RO for termination of collection action and write-off closed.*

Intermediaries shall submit, at least quarterly, recommendations for write-off and termination of collection action of outstanding claims A/R meeting the above criteria. Requests shall be submitted to the RO no later than 30 days after the end of each calendar quarter. ROs shall have 30 days after receipt of the request to respond, except for cases exceeding the RO's delegated authority. For those cases exceeding the RO authority, the RO shall forward the case to CO with the RO's recommendation, within 30 days of receipt of the contractor's request.

For issuing an initial demand letter:

This instruction supercedes any other instructions for issuing demand letters for claims A/R, including those found in FMM Section 130. These instructions, however, do not apply to medical review and fraud overpayments. Claims A/R that are demanded shall age and accrue interest and the aging and interest accrual shall be reported in accordance with chapter 5, section 200.

Claims A/R for an individual provider with an aggregate principal balance greater than or equal to $25 and less than 10 years old, and where no recoupment has occurred in the past 60 days, shall be validated and intermediaries shall send an initial demand letter for the outstanding amount claim A/R balance. The demand letter shall have a determination date equal to the date of the demand letter. In accordance with the intermediary's established demand process, the provider shall have 15 days to respond to the demand letter. In addition, the demand letter shall contain the following:

- *The letter shall explain the reason for the overpayment, provide the debtor with the opportunity to repay the debt, and explain that interest shall begin to accrue if the debt is not paid in full within 30 days. The letter shall provide the debtor with appeal rights and contain all provisions of a standard initial demand letter. The letter shall also contain language that explains how the overpayment was determined and that the claims A/R have been outstanding as an adjustment, with no recoupment activity in the last 60 days. Intermediaries shall include the date(s) of the remittance advice and original amount(s) of the claims A/R.*
- *If the initial demand letter is returned as undeliverable, the intermediary shall attempt to locate a valid address. If a valid address is found, or it is determined that there was a change of ownership, the intermediary shall send the demand letter to the valid address/owner.*
- *If a current address cannot be located, the intermediary shall send the Debt Collection Improvement Act of 1996 (DCIA) intent to refer letter (IRL), and follow established debt referral procedures.*

o *If the initial demand letter is not returned undeliverable, the intermediary shall follow established debt collection procedures similar to other accounts receivable overpayments as outlined in chapter 3, sections 20 and 40, with the exception that withhold does not stop for claims A/R for fifteen days from the initial demand letter. The claims A/R debt collection process shall include sending the DCIA IRL if the overpayment is not recouped. The DCIA IRL shall be sent no later than 120 days from the date of the initial demand letter.*

- *Each demanded claim A/R shall be considered a separate identifiable debt and shall not be aggregated with other demanded claim A/R.*

- *The contractors' shared system must be able to properly report these claims A/R in accordance with financial reporting requirements outlined in Pub. 100-6, Chapter 5, Sections 200 through 400.*

Exception to above procedures for issuing the initial demand letter:

If the intermediary has knowledge that the letter to a debtor shall be returned undeliverable, based on prior attempts to contact the debtor, and where the intermediary cannot obtain a current address, the initial demand letter may be expanded to include the DCIA IRL language. The intermediary shall send the initial demand letter with the DCIA IRL language and follow established debt referral procedures. The date of the initial demand letter shall be the determination date for aging, interest accrual and DCIA referral purposes.

Claims A/R that are outstanding, but have not yet been demanded because they have not met the timeframe for issuing an initial demand letter or do not meet the dollar threshold for being demanded should be considered in cost report settlements if collection by withhold from interim payments or through the claims accounts receivable demand process is doubtful. Claims A/R that have been demanded, in accordance with these instructions, shall not be included in the cost report settlement process, as these are now considered as separate receivables.

If the intermediary determines that the provider has filed bankruptcy, established procedures regarding bankruptcy in Chapter 3, Section 140 shall be followed, including administrative freezes on recoupment, exemption to DCIA, and issuance of letters regarding the overpayment. This instruction does not change any of the procedures to be followed for bankrupt providers.

Exhibit 1

Intent to Refer Letter

Background

The DCIA requires Federal agencies to refer debt that is 180 days delinquent to the Department of Treasury or a Treasury designated Debt Collection Center for cross servicing.

Prior to debt transfer, the DCIA requires agencies to inform the debtor of the agency's intent to refer the debt, and to provide debtor information regarding the referral process.

Attached are specific paragraphs that explain the process and debtor rights. These paragraphs shall be included in the intent to refer letter sent to the debtor.

Medicare contractors should use their own language in the opening paragraphs to explain the reason for the overpayment and the current balance, including interest accrued and the interest rate.

Subject in Bold: **Notice of Intent to Refer Debt to the Department of Treasury's Debt Collection Center for Cross Servicing and Offset of Federal Payments and Certain Eligible State Payments**

Contractor opening paragraphs concerning the reason for the overpayment, date of determination and amount due. May refer to previous demand letters or other forms of contact regarding the debt.

Your debt to the Medicare Program is delinquent and, by this letter, we are providing notice that your debt will be referred to the Department of Treasury's Debt Collection Center (DCC) for Cross Servicing and Offset of Federal Payments. Your debt will be referred under provisions of Federal law, title 31 of the United States Code, Section 3720A and the authority of the Debt Collection Improvement Act of 1996.

The Debt Collection Improvement Act of 1996 (DCIA) requires Federal agencies to refer delinquent debts to the Department of Treasury and/or a designated Debt Collection Center (DCC) for collection through cross servicing and/or the Treasury Offset Program. Under the offset program, delinquent Federal debts are collected through offset of other Federal agency payments you may be entitled to, including the offset of your income tax return through the Internal Revenue Service (IRS). *The TOP offsets can also be taken from eligible state payments to which you are entitled.*

The Debt Collection Center will use various tools to collect the debt, including offset, demand letters, phone calls, referral to a private collection agency and referral to the Department of Justice for litigation. Other collection tools available, which may be used, include Federal salary offset and administrative wage garnishment. If the debt is discharged, it may be reported to the IRS as potential taxable income.

During the collection process, interest will continue to accrue on the debt and you will remain legally responsible for any amount not satisfied through the collection efforts.

For Individual Debtors Filing a Joint Federal Income Tax Return

The Treasury Offset Program automatically refers debts to the IRS for offset. Your Federal income tax refund is subject to offset under this program. If you file a joint income tax return, you should contact the IRS before filing your tax return to determine the steps to be taken to protect the share of the refund which may be payable to the non-debtor spouse.

Federal Salary Offset

If the facility ownership is either a sole proprietorship or partnership, your individual salary(s) may be offset if you are or become a federal employee.

Medicaid Offset

As authorized at 42 CFR 447.30, (Subsection 1885 of the Social Security Act), CMS may instruct the State Medicaid Agency to offset the Federal share of any Medicaid payment due you, your agency and/or related facilities. At that time, the offset will remain in effect until the Medicare overpayment is paid in full.

Please read the following instructions carefully to determine what action you may take to avoid referral for cross servicing/offset.

Due Process

You have the right to request an opportunity to inspect and copy records relating to the debt. This request must be submitted in writing to the address listed below. You have a right to present evidence that all or part of your debt is not past due or legally enforceable. In order to exercise this right, this office must receive a copy of the evidence to support your position, along with a copy of this letter. You must submit any evidence that the debt is not owed or legally enforceable within 60 days of the date of this letter. If, after sixty days from the date of this letter, we have not received such evidence, your debt, if it is still outstanding and eligible for referral, will be referred to the Department of Treasury or its designated Debt Collection Center for cross servicing/offset.

Repayment

Your debt will not be referred to the Department of Treasury if you make payment in full. The past due amount of $_____owed to the Medicare Program as of _____ includes interest accrued through _____. **(Note: Medicare contractors may alter this sentence to read: The past due amount owed to the Medicare Program as of the date of this letter includes current accrued interest. This sentence may be omitted for debts that do not accrue interest.)** Interest is accrued monthly and is added to the balance of the debt.

Your check or money order for the amount due should be made payable to:

> Medicare
> Contractor Address
> 000 Street
> Anywhere, USA 00000-0000.

Include a copy of this letter with your payment.

If you cannot make payment in full, you may be allowed to enter into an extended repayment agreement. If you are interested in an extended repayment agreement, please contact this office.

Bankruptcy

If you have filed for bankruptcy and an automatic stay is in effect, you are not subject to offset while the automatic stay is in effect. Documentation supporting your bankruptcy status, along with a copy of this notice, must be forwarded to this office at the above address.

If you have any questions concerning this debt, please contact_____ at_____.

Sincerely,

_____
Signature of Certifying Official
Official Position

Exhibit 5

(Rev. 136; Issued: 02-15-08; Effective/Implementation Date: 03-17-08)

Treasury Cross-Servicing Dispute Resolution

DMS Request Date: *Total Number of Pages:* _____
SBU

FedDebt Case ID.:   *Principal Amt: $*

Creditor Agency Debt ID: *PCA Code:*

Debtor:

Program: *For CMS Use Only:*

Creditor Agency Contact Name: *HIC:*

Creditor Agency Contact Phone: *Beneficiary Name:*

Creditor Agency Facsimile:

Dispute Number:

Dispute request reason: *Miscellaneous Dispute*

Additional comments:

If you have any questions regarding the dispute, please call Valencia Thompson at 205-912-6327.

Creditor Agency must return response to Bosch Stanley via facsimile 205-912-6374 with 60 days of request date.

Creditor Agency (CA) Dispute Resolution Section:

Please indicate a response by checking one of the following reasons: Please attach supporting documentation.

DAIC   ___   CA agrees. Debt amount is incorrect. Requires financial adjustment.

DACC   ___   CA disagrees. Debt amount is correct. Continue collection efforts.

MDAA   ___   CA agrees. Miscellaneous dispute, stop collection activity.

MDFF   ___   CA agrees. Miscellaneous dispute. Requires financial adjustment, continue collection efforts.

MDDD   ___   CA disagrees. Miscellaneous dispute. Continue collection efforts.

VDWD   ___   CA agrees. Wrong debtor, stop collection activity.

VDRD   ___   *CA disagrees. This is not the wrong debtor, continue collection efforts.*

VDPP   ___   *CA agrees. Previously paid, stop collection activity.*

VDNP   ___   *CA disagrees. Not previously paid, continue collection efforts.*

VDPR   ___   *CA agrees. Previously resolved, stop collection activity.*

VDNR   ___   *CA disagrees. Not previously resolved, continue collection efforts.*

Financial Adjustment Information (To Be Completed By Creditor Agency):

Principal Amount $_____

Interest Amount $_____

Penalty Amount $_____

Admin Cost Amount $_____

Total Balance Owed $_____

Please check one of the following:

□ *Adjustment reflects the total balance currently owed by the debtor, and has been made by our Agency.*

□ *Adjustment has not been made in FedDebt by the Agency, and should be made by DMS.*

Creditor Agency Response Date: _____   *Creditor Agency Response Contact:*   _____

Additional Comments By Creditor Agency:

_____
_____
_____
_____

SECTION ONE:

ACCESSING DCS

USER INSTRUCTIONS FOR DEBT COLLECTION SYSTEM (DCS)

TO ACCESS DCS

1. The DCS is housed within the Customer Information Control System (CICS) region of the CMS Data Center. Users must have a CMS User ID for system access. For additional information, contact your system administrator.

2. The CMS Data Center screen will appear. From this screen Hit Enter.
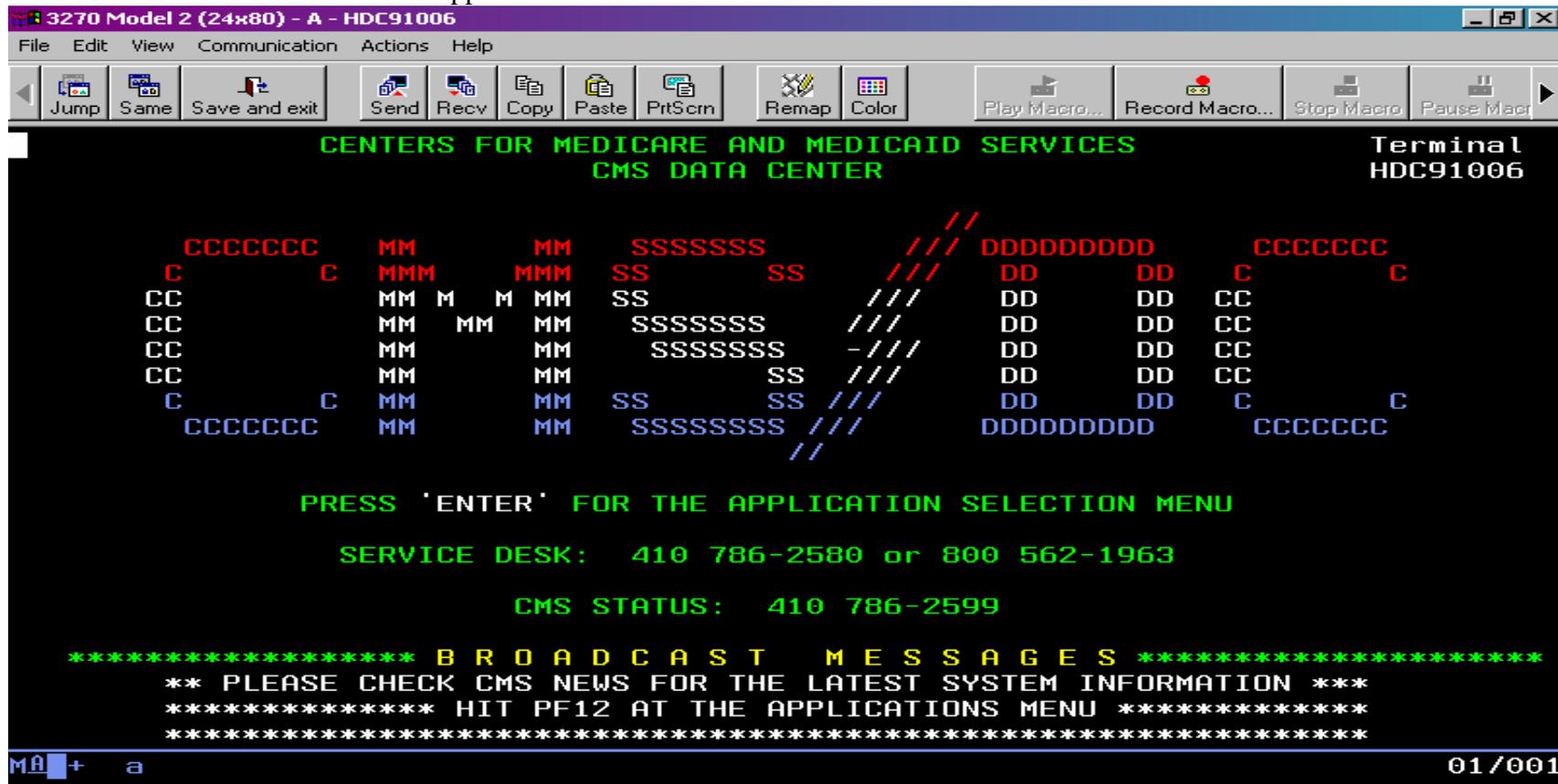
3. The next screen will be the application menu. From this screen Type "3" and Hit Enter.

```
3270 Model 2 (24x80) - A - HDC91368                                    _ □ ×

File  Edit  View  Communication  Actions  Help

 Jump  Same  Exit    Send  Recv  Copy  Paste  PrtScrn   Remap  Color   Play Macro...  Record Macro...  Stop Macro  Pause Macro   Run Ap

PAGE 1 of 3 ......... A P P L I C A T I O N    M E N U ...............
08/29/02 11:38                                      TERMINAL - HDC91368

      ** PLEASE CHECK CMS NEWS FOR THE LATEST SYSTEM INFORMATION ***
      ************** HIT PF12 AT THE APPLICATIONS MENU **************
      *******************************************************************

.............................................................................

            1    TSO        ACTIVE      Application Development
            2    RESERVED   INACTIVE    Future CICS System
            3    CICS41     ACTIVE      CICS41 System
            4    M204PRD1   ACTIVE      MODEL204 Production Region
            5    M204PRD2   ACTIVE      MODEL204 Version 2 Production
            6    WYLBUR     ACTIVE      WYLBUR Online System
            7    IDMSTEST   ACTIVE      IDMS/CV100 Database System
            8    NIHTITAN   ACTIVE      NIH Application Menu
            9    M204PRD3   ACTIVE      Oscar/Cafm/Casr/Crowd/Clia

         Select application ==>  ▮
                                                            more . . .
.............................................................................
 PFK  1    H E L P            PFK 12    ** HDC NEWS**      PFK   3    HDC LOGO
 PFK  7    PAGE BACK                                      PFK   8    PAGE FORWARD
 PFK  2    APPLICATION INFO                               PFK  11    UTILITIES
MA ▮ +   a                                                        19/040

                                          ◄│  ⊥  158.73.207.36:7723  🔒
```

4. Next will be the HCFA Production CICS Environment screen. Type in your CMS User ID and Password. For additional information, contact your system administrator.

Welcome to the Health Care Financing Administration
Production CICS Environment

TERMID   HDC91368   Date   08-29-2002
APPLID   HDCPGNA1   Time   11:43:24

        Type your userid and password, then press ENTER:

                    Userid . . . . ▮
                    Password . . .

            New Password . . .

            PF3 ==> Logoff
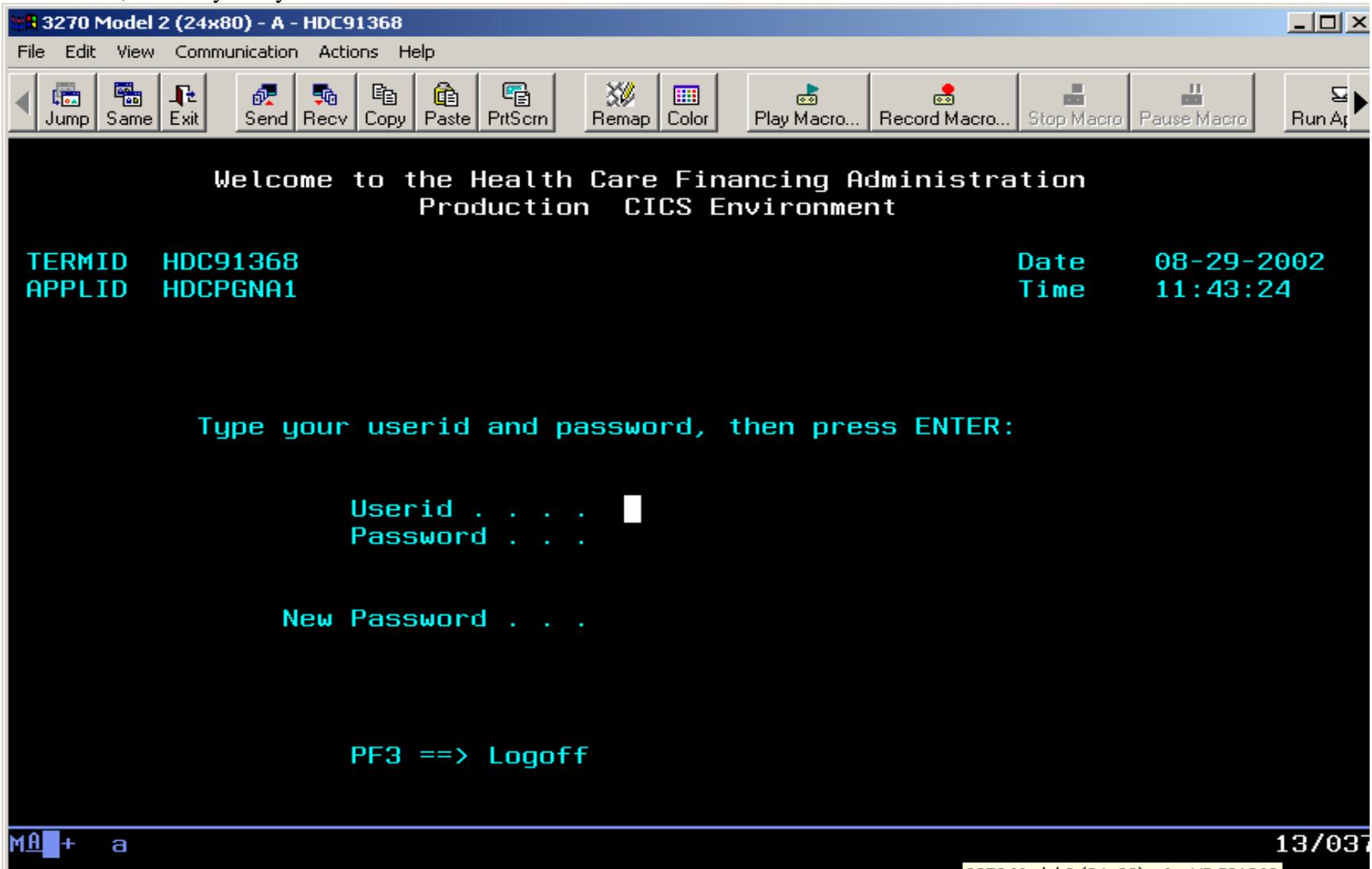
5. Next will be a menu option screen. Type in the corresponding number for Debt Collection and Hit Enter.

```
3270 Model 2 (24x80) - A - HDC91368                                    _ □ ×

File   Edit   View   Communication   Actions   Help

 Jump  Same  Exit   Send  Recv  Copy  Paste  PrtScrn   Remap  Color   Play Macro...  Record Macro...  Stop Macro  Pause Macro   Run A

          Welcome  to  the  Health  Care  Financing  Administration
                       Production   CICS  Environment

  TERMID   HDC91368                                    Date      08-29-2002
  APPLID   HDCPGNA1                                    Time      11:45:31

                      1 Provider Overpayment Recovery
                      2 Physicians Supplier  Recovery
                      3 Debt Collection
                      4 POR Provider File Maintenance
                      5 Exit CICS

  Please enter an Option Number ===>  ▮                 Hit F1 for Help

MA▮+   a                                                            22/038
```

SECTION TWO:

ENTERING DEBTS INTO DCS

TO ENTER A DEBT INTO DCS

1. The next screen will be the Cross Servicing Production System Search Screen.
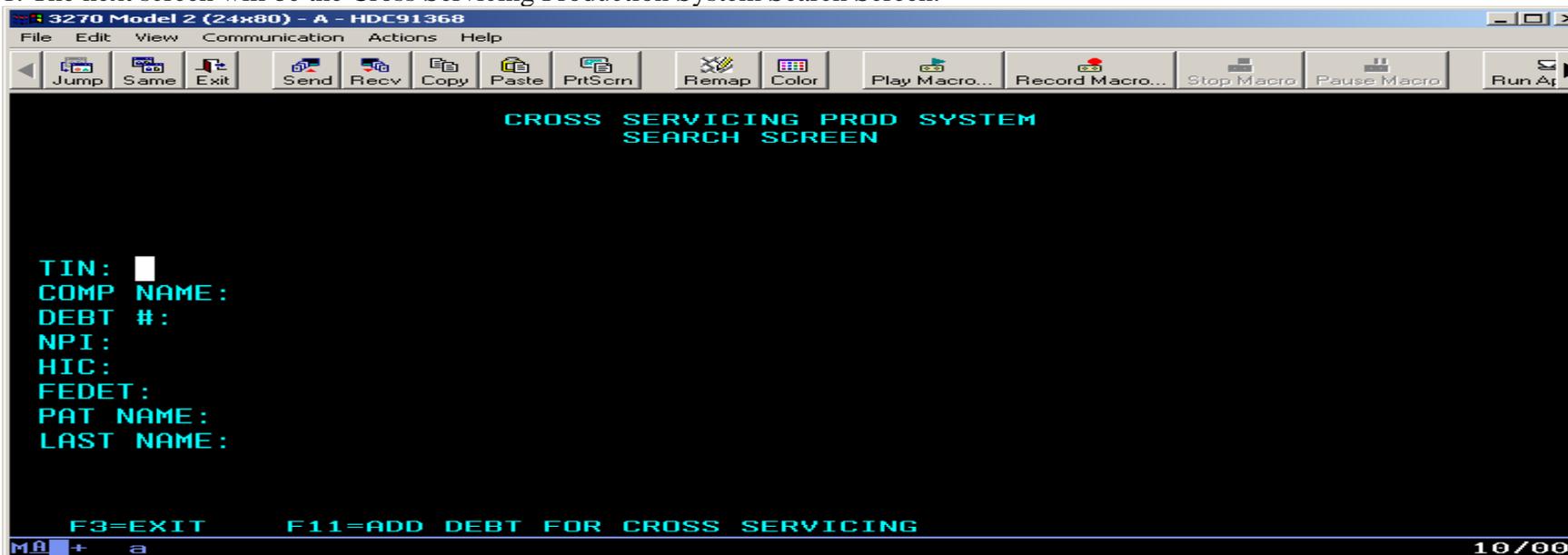
From this screen you may query a particular debt by entering data into any of the fields listed. If you do not have the complete TIN (Taxpayer Identification Number), the system will allow you to enter a minimum of five characters. If you do not have the complete COMP NAME (Company Name), the system will allow you to enter a minimum of six characters. If you do not have the complete Debt #, the system will allow you to enter a minimum of four characters. *If you do not have the complete NPI (National Provider Identifier), the system will allow you to enter a minimum of six characters. If you do not have the complete HIC (Health Insurance Claim) Number, the system will allow you to enter a minimum of four characters. If you do not have the complete FEDET (FedDebt Number), the system will allow you to enter a minimum of five characters. If you do not have the complete PAT NAME (Patient Name), the system will allow you to enter a minimum of six characters. If you do not have the complete LAST NAME, the system will allow you to enter a minimum of four characters.* The system will then bring up all debts related to the information provided. You may then select the correct debt by using the F8 key to scroll forward through the debts.

IMPORTANT: This query shall be used before entering a debt into the system so that you can check for a duplicate entry. Once you have determined that the debt is not currently in the system, Hit F11 to insert a new debt.

2. If you chose F11 to insert a new debt, the next screen to appear will be the Cross Servicing Production System Data Entry Screen. At this screen, you may begin data entry. Once all information has been entered Hit Enter to save.

FIELD SPECIFIC INSTRUCTIONS FOR DATA ENTRY SCREEN

Field #   Description/Instruction

1.   DEBT NUMBER - Enter the associated debtor number. *This number will be to provide updates to the debt or to query the debt.* For Part B debt types use the Physician/Supplier number. For Part A debt types use the Provider number. For MSP debt type use the report ID for a data match case or HIC number for a non-data match case. For all other debts, use a specific identifying debtor number. When entering this number, enter from left to right, DO NOT use spaces and DO NOT use dashes.

2.   DEBT TYPE - Enter the appropriate debt type. Debt types are as follows:
PTA (Part A, includes referral to a Private Collection Agency (PCA) and the Treasury Offset Program (TOP)); PTB (Part B, includes referral to PCA and TOP); TPA (Part A, includes referral to TOP only, will not be referred to a PCA); TPB (Part B, includes referral to TOP only, will not be referred to a PCA); MSP (Medicare Secondary Payer); HMO; FOI (Freedom of Information Act); RRB (Railroad Retirement Board); OTH (other); PUB (Public Invoices); LTC (Long Term Care); OIG (Office of the Inspector General); CBC (Centers for Beneficiary Choice) ; CLA (Intermediary Claims A/R); HAT (Part A HIGLAS, includes referral to a PCA and TOP); HBT (Part B HIGLAS, includes referral to PCA and TOP); HMS (HIGLAS Medicare Secondary Payer); HPA (Part A HIGLAS, includes referral to TOP only, will not be referred to a PCA); HPB (Part B HIGLAS, includes referral to TOP only, will not be referred to a PCA) Debt types PUB, OIG and CBC are used by Central Office only.
It is important that the appropriate debt type be used. If the debt is expected to be recouped in full within three years through internal offset, the debt should not be referred to a PCA.

3.   TIN (Taxpayer Identification Number) - Enter the TIN (Social Security Number (SSN) or Employer Identification Number (EIN). Do not use dashes between numbers. This field is required for all Non MSP debts and must be entered on MSP debts if available. For MSP debts, use the beneficiary SSN as the TIN when the beneficiary is the debtor. Use the EIN for company debt. Do not enter a pseudo TIN.

4.   SA CODE - Enter IND for an individual or COR for a corporate debtor or a partnership. This code is used for TOP referral. *The debt will be rejected if the SA Code and name of the debtor are not in agreement.*

5.   F NAME (First Name) - Enter the first name of the debtor. This field should not be used for corporate debtors.

6.   L NAME (Last Name) - Enter the last name of the debtor. This field is required when the SA Code is IND. This field should not be used for corporate debtors.

7. RG CD (Regional Code) - Enter the Regional Office number (i.e. 01).

8. COMP NAME (Company Name) - Enter the corporate name of the debtor. *For debt type LTC this will be the name on the provider agreement.* This field is required when the SA Code is COR.

9. *FED DEBT - This field will be entered by Central Office. It will contain the FedDebt number once it is supplied by the Department of Treasury.*

10. *NPI – Enter the National Provider Identifier (NPI) number for the debt. This is a 10 character alpha numeric field.*

11. *HIC – Enter the Health Insurance Claim (HIC) number for the debt. This field is for MSP debt only. This is a 14 character alpha numeric field.*

12. STREET ADR (Street Address) - Enter the street address of the debtor.

13. CITY - Enter the city of the debtor.

14. ST (State) - Enter the state of the debtor.

15. ZIP - Enter the five numeric digit zip code of the debtor. DO NOT MAKE THIS FIELD ALL ZEROS.

16. PATIENT NAME - This field is ONLY for MSP debts. Enter the beneficiary's first and last name.

17. PRIN REFERRED AMT (Principal Referred Amount) - Enter the amount of the principal that is outstanding and is to be referred. This will be the principal amount due as stated in the intent letter minus any adjustments, reductions due to a valid documented defense, partial payments, etc which are made before the debt is referred. *If this is an interest only MSP debt, enter 1.01.* This figure must be entered in as dollars and cents (xxx.xx).

18. INT REFERRED AMT (Interest Referred Amount) - Enter the amount of interest due as of the date entered into field 19 (interest accrued thru date). This figure must be entered in as dollars and cents (xxx.xx). If there is no interest due at the time of referral enter .01 in this field.

19.   INT RATE (Interest Rate) - Enter the interest rate for the debt. It must be entered as a whole number and be three decimal places (13 1/2% would be 13.500). This field is required if there is an interest referred amount. If the debt will not accrue interest this field must be 00.000.

20.   *ACCR THRU DT (Interest Accrued Thru Date) - Enter the date the interest is accrued through. This must be entered as MM/DD/YYYY (slashes must be included).   This can not be a future date.*

21.   CONTR # (Contractor Number) - Enter the Medicare contractor number. This field must be five numeric digits.

22.   *BSI – This is to be used for the future implementation of the Business Segment Identifier.*

23.   PR TY (Provider Type) - Enter the appropriate provider type for the debt. This field is required for debt types PTA/TPA/MSP/CLA/TAO/PAO. For MSP debt this field will correlate to the type of MSP case being entered into the system. MSP case codes are as follows: 12 (Working Aged); 13 (ESRD – End Stage Renal Disease); 14 (Auto / No Fault); 15 (Workers' Compensation); 41 (Black Lung); 42 (VA – Veterans); 43 (Disability); 47 (Liability). This is a two digit numeric field (i.e. 10).

24.   CLAIM (Claim Number) - Enter the fifteen-digit claim number or document control number. This field is required for debt types PTB/TPB/TBO/PBO/CLA. This is not required for MSP. This field is fifteen digits entered from left to right. *For debt type LTC, this will be the twelve digit LTC number.*

25.   A/R LOC (Accounts Receivable Location) - Enter the appropriate location of the receivable. H - Central Office, R – Regional Office or C - Contractor. This field represents the reporting responsibility for financial statements (Form CMS-751).

26.   COST REPORT DT (Cost Report Date) - This field is required for Part A debts. For MSP debts enter the date of the intent letter. This must be entered as MM/DD/YYYY (slashes must be included). This field cannot be greater than today's date.

27.   DET DATE (Determination Date) - Enter the overpayment determination date for the debt. If it is an MSP debt, enter the date of the demand letter to the identified debtor. This must be entered as MM/DD/YYYY (slashes must be included). This field cannot be greater than today's date.

28. CL PD DT (Claim Paid Date) - This field is required for debt types PTB/TPB/TBO/PBO. This must be entered as MM/DD/YYYY (slashes must be included). This field cannot be greater than today's date. This is not required for MSP.

29. CERT BY (Certified By) - Enter the name of the contact person certifying the debt as valid and legally enforceable.

30. PHONE - Enter the phone number of the certifying/contact person. If possible, please use direct line numbers.

31. FAX NUMBER - Enter the fax number of the certifying/contact person.

32. RO/CONTR NAME (Regional Office/Contractor Name) - Enter the location of the certifying office of the debt prior to referral. This will be the Regional Office (i.e. Dallas Regional Office) or the Contractor name (i.e. Trailblazers). For HIGLAS contractors this will be: transaction number – workload number – customer number

33. LTR (Letter) - Enter Y to indicate that the intent to refer letter containing the DCIA language has been sent.

34. DT LTR (Date of Letter) - Enter the date the intent to refer letter was sent. This date is used to calculate the 60 days' notice the debtor is given prior to referral. This must be entered as MM/DD/YYYY (slashes must be included). This field cannot be greater than today's date.

35. STAT CD (Status Code) - Enter UU to indicate initial input. If the intent to refer letter was returned undeliverable use the status code UN instead of UU. When the debt is sent to Treasury, the status code will be changed by Central Office to UJ to indicate that the debt was referred for cross servicing.

36. STAT DT (Status Date) - This is a system-generated field. It will update each time the status code changes.

37. OPER-ID (Operator ID) - This field is system generated and shows the User ID.

38. LAST UPDATE DATE - This field is system generated and shows the date of the last change made to the data entry screen of the debt

39. TRANSMIT DATE - This field is system generated when the debt is transferred to Treasury.

SECTION THREE:

UPDATING A DEBT

UPDATING A DEBT

Updates to a debt are made on the Data Entry Screen. Debts already added to DCS cannot be deleted. However, the system will allow users to update/edit information.

The status code for Non MSP debts that require a status change prior to being transferred to Treasury begin with the number "1". The status code for Non MSP debts that require a status change after being transferred begin with the number "2". The status code for MSP debts that require a status change prior to being transferred to Treasury begin with the number "3".   The status code for MSP debts that require a status change after being transferred begin with the number "4".

For debts transmitted to Treasury, **do not update principal and interest amounts on the data entry screen.** Medicare Contractors should post all changes on the collection screen. Be advised that the amounts on the data entry screen will not change once these updates are made. These fields must stay in their original amounts so that Central Office can keep track of the dollar amount of debt referred to Treasury. To see the balance of the debt, press F5 to go to the collection screen.

The Contractor may make any necessary changes to the Data Entry Screen as long as the status code is UU, UN, or UJ and the transmit date field is blank. If an error is discovered in one of these fields after the status code is UJ and the transmit date field is filled, the Contractor will need to recall the debt with the incorrect information and re-enter a new debt with the corrected information. *Only the status code field should be changed on the data entry screen after the debt has been transmitted.* If the principal or interest referred amounts need to be adjusted downward, make the necessary changes on the collection screen. If the principal or interest referred amounts need to be adjusted upward, these debts shall be recalled and re-entered with the correct information.

Once a debt has been recalled using a 2 or 4 code it shall not be updated back to UJ. If the debt needs to go back to Treasury it must be entered and referred as a new debt.

To change information for a debt, you must first query the debt and be at the Data Entry Screen. If there is more than one debt for the queried information, use F8 to scroll to the correct debt. Once on the Data Entry Screen, Hit F9. At this point all information that can be updated will appear in red.

```
3270 Model 2 (24x80) - A - CMS13450                                   _ 🗗 ×

File   Edit   View   Communication   Actions   Help

Jump  Same  Save and exit   Send  Recv  Copy  Paste  PrtScrn  Remap  Color   Play Macro...  Record Macro...  Stop Macro  Pause Macro  Run Ap


                        CROSS  SERVICING  TEST  SYSTEM
                           DATA  ENTRY  SCREEN
DEBT #:  000056754              DEBT  TYPE: PTB  TIN: 631029219 SA CODE: COR
F NAME:                         L NAME:                           RG CD:  04
COMP NAME: M M ST CLAIR AMBULANCE CARE DEKALB
FED DEBT:               NPI:              HIC:
STREET ADR: 1610 COGSWELL AVE
CITY: PELL CITY             ST: AL ZIP: 35125-1671
PATIENT NAME:  CLARENCE PATTON
PRIN REFERRED AMT:            162.82   INT REFERRED AMT:            6.80
INT RATE: 12.500 ACCR THRU DT: 05/31/2007
CONTR #: 00510 BSI:      PR TY:     CLAIM: 007507025143127 A/R LOC: C
COST REPORT DT:             DET DATE: 01/25/2007 CL PD DT: 10/10/2003
CERT BY: PAT GIBSON                         PHONE: 205-220-1304
FAX NUMBER:  205-220-1268 RO/CONTR NAME: CAHABA GBA AL
LTR: Y DT LTR: 05/25/2007 STAT CD: UJ STAT DT: 06/08/2007
OPER-ID: NE1Z     LAST UPDATE DATE: 06/08/2007 TRANSMIT DATE: 06/08/2007

PAGE    3666   OF    3676




   F3=EXIT       F7=UP    F8=DOWN
   F9=UPDATE F11=ADD F5=COLLECTIONS F6=COMMENTS
```

NOTE: Any changes to this screen after transmission other than a status code change will not be sent to Treasury. Therefore, the debt must be recalled and re-entered with the correct information for it to be sent to Treasury.

If the debt has not yet been transmitted to Treasury, and a change to one or several fields is necessary, tab to the field to be updated and insert the correct information. Once all corrections have been made, hit Enter. A message will appear at the bottom of the screen stating that the record has been updated.

```
3270 Model 2 (24x80) - A - CMS13450                                    _ 8 X
File   Edit   View   Communication   Actions   Help

 Jump  Same  Save and exit  Send  Recv  Copy  Paste  PrtScrn  Remap  Color  Play Macro...  Record Macro...  Stop Macro  Pause Macro  Run Ap

                      CROSS SERVICING TEST SYSTEM
                         DATA ENTRY SCREEN
 DEBT #: 000056754              DEBT TYPE: PTB TIN: 631029219 SA CODE: COR
 F NAME:                        L NAME:                          RG CD: 04
 COMP NAME: M M ST CLAIR AMBULANCE CARE DEKALB
 FED DEBT:              NPI:              HIC:
 STREET ADR: 1610 COGSWELL AVE
 CITY: PELL CITY           ST: AL ZIP: 35125-1671
 PATIENT NAME: CLARENCE PATTON
 PRIN REFERRED AMT:            162.82   INT REFERRED AMT:            6.80
 INT RATE: 12.500 ACCR THRU DT: 05/31/2007
 CONTR #: 00510 BSI:      PR TY:     CLAIM: 007507025143127 A/R LOC: C
 COST REPORT DT:             DET DATE: 01/25/2007 CL PD DT: 10/10/2003
 CERT BY: PAT GIBSON                         PHONE: 205-220-1304
 FAX NUMBER:  205-220-1268 RO/CONTR NAME: CAHABA GBA-AL
 LTR: Y DT LTR: 05/25/2007 STAT CD: UJ STAT DT: 06/08/2007
 OPER-ID: M145      LAST UPDATE DATE: 06/22/2007 TRANSMIT DATE: 06/08/2007

 PAGE     3666  OF     3676

   RECORD UPDATED


   F3=EXIT       F7=UP     F8=DOWN
   F9=UPDATE F11=ADD F5=COLLECTIONS F6=COMMENTS
```

NOTE: A change to one field may require changes to other fields, based on system edits. For example, changing the Debt Type from PTA to PTB will require changes to fields required for Part B debts. The Status Date, Operator ID, Last Update Date, and Transmit Date fields are system protected and cannot be updated.

SECTION FOUR:

COMMENTS SCREEN

COMMENTS SCREEN

When F6 is chosen for comments, this is the screen that will appear if there are no current comments for that debt.
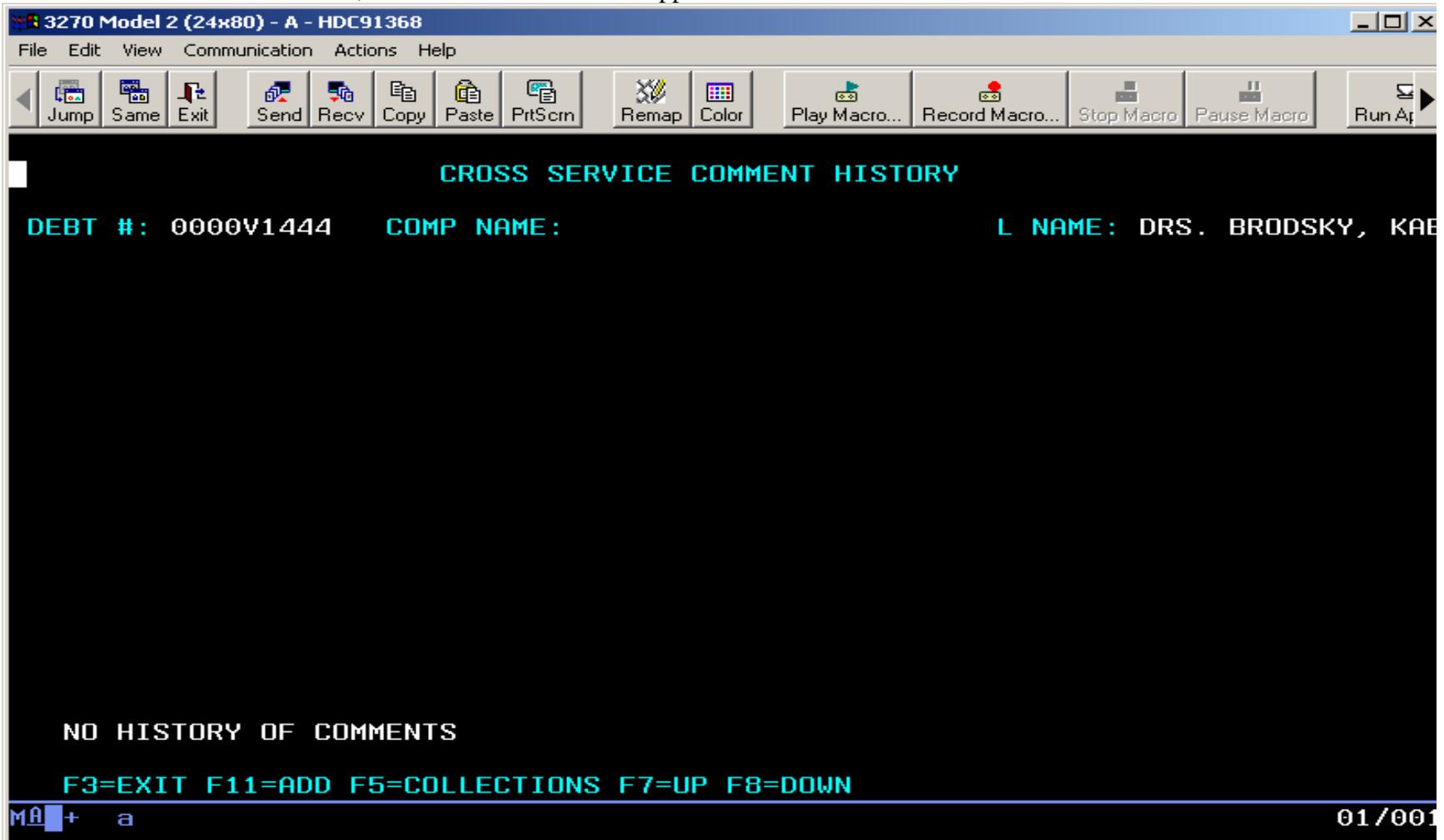
When F6 is chosen for comments, this is the screen that will appear if there are previous comments for that debt.

```
                    CROSS SERVICE COMMENT HISTORY

  DEBT #: 000033443    COMP NAME: FAMILY PLUS MEDICAL CE L NAME: LAZO



  DATE:   05/29/2002 PREV STAT CD:        UU
  USERID: GDS6         PREV STAT DT:        05/23/2002




  DATE:   05/23/2002 PREV COMP NAME:        FAMILY PLUS MEDICAL CETNE
  USERID: GDS6




  PAGE    █    1  OF       2




   F3=EXIT F11=ADD F5=COLLECTIONS F7=UP F8=DOWN
```

When F11 is chosen to add a new comment, the comment screen will appear as below. (NOTE: The new comment screen will only allow for four lines of text. Also, the text does not wrap from line to line. Once you near the end of the text line you must hit tab to proceed to the next line.)


```
3270 Model 2 (24x80) - A - HDC91368                              _ □ X
File   Edit   View   Communication   Actions   Help

Jump  Same  Exit   Send  Recv  Copy  Paste  PrtScrn   Remap  Color   Play Macro...  Record Macro...  Stop Macro  Pause Macro    Run A


                    CROSS SERVICE COMMENT HISTORY

    DEBT #:  000033443    COMP NAME: FAMILY PLUS MEDICAL CE L NAME: LAZO



    DATE:    08/29/2002 ▋
    USERID:  M145












       F3=EXIT F11=ADD F5=COLLECTIONS F7=UP F8=DOWN
MA  +    a                                                      07/021
```

Once all new comment information has been entered, Press Enter. The system will provide a message to Hit F9 to add the comment.

3270 Model 2 (24x80) - A - HDC91368

File   Edit   View   Communication   Actions   Help

Jump | Same | Exit | Send | Recv | Copy | Paste | PrtScrn | Remap | Color | Play Macro... | Record Macro... | Stop Macro | Pause Macro | Run A|

CROSS SERVICE COMMENT HISTORY

DEBT #: 000033569   COMP NAME: HEALTH MEDICAL GROUP   L NAME: PEREZ

DATE: 08/29/2002 THIS IS A TEST
USERID: M145

     HIT F9 TO ADD A COMMENT

     F3=EXIT F11=ADD F5=COLLECTIONS F7=UP F8=DOWN

MA +   a   07/021

Hit F9 and the message "Record Inserted" will appear.

```
3270 Model 2 (24x80) - A - HDC91368                                    _ □ X
File   Edit   View   Communication   Actions   Help

[Jump] [Same] [Exit]  [Send] [Recv] [Copy] [Paste] [PrtScrn]  [Remap] [Color]  [Play Macro...] [Record Macro...] [Stop Macro] [Pause Macro]  [Run Ap]

               CROSS SERVICE COMMENT HISTORY

    DEBT #: 000033569    COMP NAME: HEALTH MEDICAL GROUP    L NAME: PEREZ



    DATE:    08/29/2002 THIS IS A TEST
    USERID: M145




    DATE:    04/17/2001 IT'S CLOSED IN PSOR BY ROA WITH STATUS CODE N ON
    USERID: AS41            05/29/97.




    PAGE     █    1   OF       2

      RECORD INSERTED

    F3=EXIT F11=ADD F5=COLLECTIONS F7=UP F8=DOWN
MA   +   a                                                        20/009
```
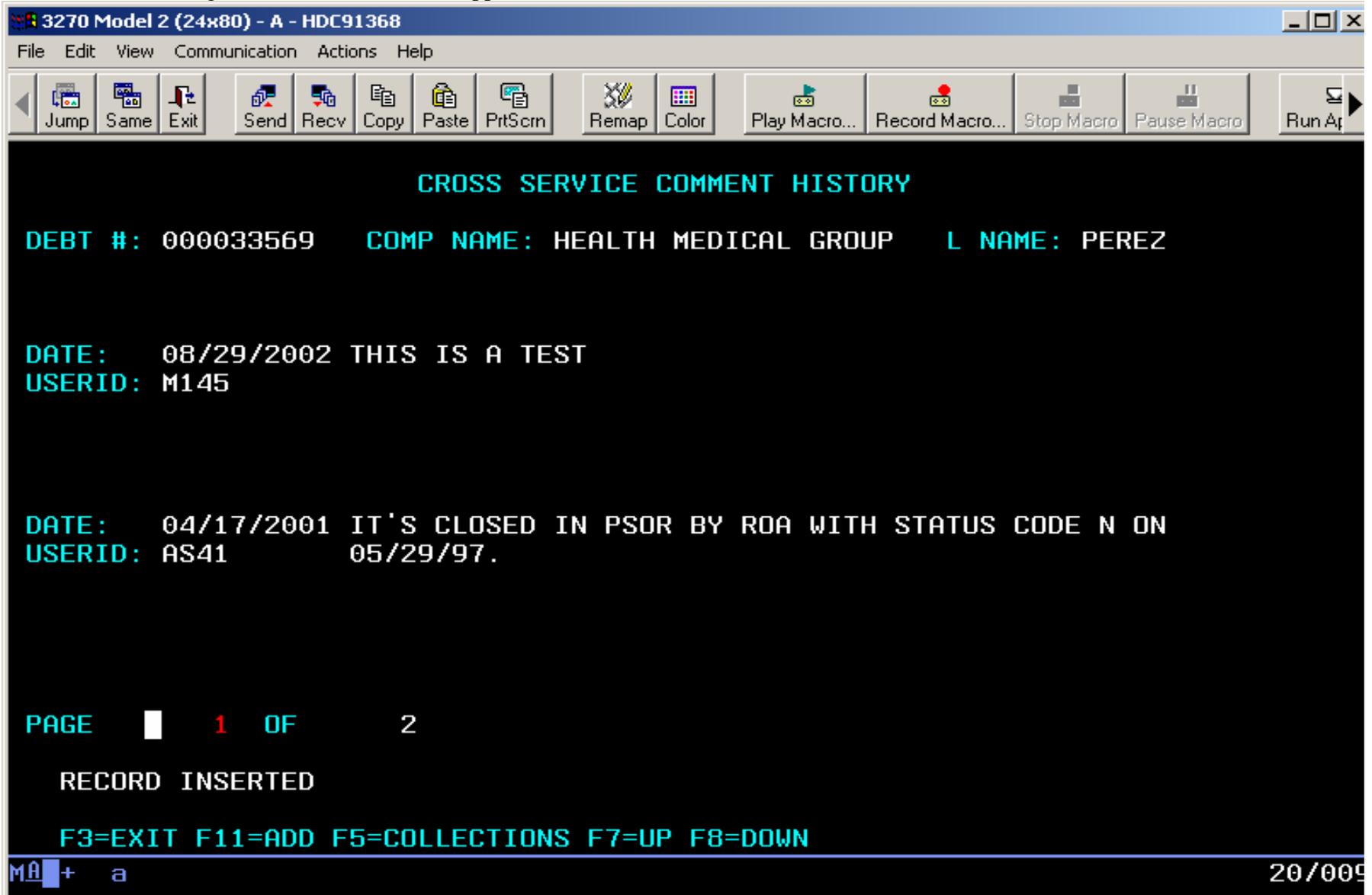
The comments section may be used for two purposes.

First, the comments area is used as an update log. Each time the debt is updated a system generated entry is made in the comments screen. The entry will show the date of the change, user ID of the person making the change and the previous information that has now been updated. (NOTE: To have a history of all changes made to a debt, limit them to four at a time. This is because the system will only note the first four updates made on a record.)

Second, it can be used to enter important information that may clarify issues concerning the debt. Some examples of this type of information could include items not on the data entry screen, changes in company ownership, contractor transitions or dispute resolution.

NOTE: All users must enter a comment whenever there is an update or additional information on a debt.

SECTION FIVE:

COLLECTIONS SCREEN

General Collections Information:

Central Office staff, Regions and Contractors will use the Collection Screen to enter all types of collections and offsets applied to a debt.

The status code of a debt may or may not change, based on a collection. If a debt is offset at the contractor location, but is not paid in full, and that debt is already at Treasury, the debt will remain there for further collection and the status code will remain UJ *or UX*. If a debt is collected in full the status code should be changed to the appropriate code. Treasury will be notified of this reduction in the amount to be collected by an electronic file sent by CO.

Central Office, Regional Offices, and Contractors will use the Comments Screen in conjunction with the Collections Screen to add any particular information regarding the collection.

If a debt has a negative balance that is being refunded, use collection type RF to adjust DCS to a zero balance. If a debt has a negative balance that is being applied to another debt, use collection type AD to adjust the negative balance to zero and to post the collection to another debt.

The only updates that are transmitted to Treasury are status code changes, collections, and adjustments.

COLLECTIONS SCREEN

When F5 is chosen for Collections, this is the screen that will appear if there is no current payment history for that debt. (Note: The system states that there is no history of payments.)


```
3270 Model 2 (24x80) - A - HDC91008                                    _ 日 ×

File   Edit   View   Communication   Actions   Help

Jump Same Exit   Send Recv Copy Paste PrtScrn   Remap Color   Play Macro... Record Macro... Stop Macro Pause Macro   Run Ap
```

```
                    CROSS SERVICE COLLECTIONS HISTORY
DEBT #: 000033443    COMP NAME: FAMILY PLUS MEDICAL CE L NAME: LAZO

TOTAL DEBT AMOUNT:         520,111.41   TOTAL NET CASH:                    .00
TOTAL AMT REFERRED:        520,111.41   TOT BALANCE OUTSTANDING:    520,111.41
AMT REFERRED(PRIN):        292,814.37   TOT BALANCE (PRIN):         292,814.37
AMT REFERRED(INT):         227,297.04   TOT BALANCE(INT):           227,297.04
ADDTL INT AMOUNT:                 .00   AMT COLLECTED(PRIN):               .00
TOT FEE AMT:                      .00   AMT COLLECTED(INT):                .00




   NO HISTORY OF PAYMENTS
   F11=ADD F3=EXIT F6=COMMENTS F7=UP F8=DOWN
MA   +   a                                                              01/001
```

```
                                                        158.73.207.36:7723
```

When F5 is chosen for Collections, this is the screen that will appear if there are previous payments for that debt.

```
3270 Model 2 (24x80) - A - HDC91008
File  Edit  View  Communication  Actions  Help

  Jump Same Exit   Send Recv Copy Paste PrtScrn   Remap Color   Play Macro... Record Macro... Stop Macro Pause Macro   Run Ap

                        CROSS SERVICE COLLECTIONS HISTORY
    DEBT #: 0000V1841     COMP NAME: DIAGNOSTIC CARDIOLINE   L NAME: TURTURO

    TOTAL DEBT AMOUNT:        1,616,932.00   TOTAL NET CASH:                  99,733.00
    TOTAL AMT REFERRED:       1,616,932.00   TOT BALANCE OUTSTANDING:      1,517,199.00
    AMT REFERRED(PRIN):       1,616,932.00   TOT BALANCE (PRIN):           1,517,199.00
    AMT REFERRED(INT):                 .00   TOT BALANCE(INT):                      .00
    ADDTL INT AMOUNT:                  .00   AMT COLLECTED(PRIN):             99,733.00
    TOT FEE AMT:                       .00   AMT COLLECTED(INT):                    .00

    DATE:      04/17/2001                    AMT COLLECTED(PRIN):             99,733.00
    USERID:    AS41                          AMT COLLECTED(INT):                    .00
    COLL TYP:  AD                            FEE AMT:                               .00
    ACCT DATE: 04/17/2001                    NET CASH RECEIVED:               99,733.00




    PAGE      █    1   OF        1



     F11=ADD F3=EXIT F6=COMMENTS F7=UP F8=DOWN
 MA █ +   a                                                                    21/009

                                                              158.73.207.36:7723
```

When F11 is chosen to add a payment entry, this is how the screen will appear. (See attached collection screen field specific instructions)

CROSS SERVICE COLLECTIONS HISTORY

DEBT #: [1] 00V1841   COMP NAME: [2] IGNOSTIC CARDIOLINE   L NAME: [3] RTURO

TOTAL DEBT AMOUNT [4]   1,616,932.00   TOTAL NET CASH [5]   99,733.00
TOTAL AMT REFERRED [6]   1,616,932.00   TOT BALANCE OUTSTANDING: [7]   1,517,199.00
AMT REFERRED(PRIN): [8]   ,616,932.00   TOT BALANCE (PRIN): [9]   1,517,199.00
AMT REFERRED(INT) [10]   .00   TOT BALANCE(INT) [11]   .00
ADDTL INT AMOUNT [12]   .00   AMT COLLECTED(PRIN): [13]   99,733.00
TOT FEE AMT: [14]   .00   AMT COLLECTED(INT) [15]   .00

DATE: [16]   08/29/2002   AMT COLLECTED(PRIN): [17]
USERID: [18] M145   AMT COLLECTED(INT) [19]
COLL TYP: [20]   FEE AMT [21]
ACCT DATE: [22]   NET CASH RECEIVED: [23]

    ENTER AMOUNTS AS DOLLARS AND CENTS
    F11=ADD F3=EXIT F6=COMMENTS F7=UP F8=DOWN

After all collection information has been added, Hit Enter. The system will provide a message to Hit F9 to add the collection.

```
3270 Model 2 (24x80) - A - HDC91008                                    _ 8 X

File  Edit  View  Communication  Actions  Help

 Jump  Same  Exit  Send  Recv  Copy  Paste  PrtScrn  Remap  Color  Play Macro...  Record Macro...  Stop Macro  Pause Macro  Run Ap
```

```
                    CROSS SERVICE COLLECTIONS HISTORY
    DEBT #: 000000718      COMP NAME: GALITZ WEISS & ASSOC.   L NAME: GALITZ


    TOTAL DEBT AMOUNT:          979.00  TOTAL NET CASH:                    .00
    TOTAL AMT REFERRED:         979.00  TOT BALANCE OUTSTANDING:        979.00
    AMT REFERRED(PRIN):         979.00  TOT BALANCE (PRIN):             979.00
    AMT REFERRED(INT):             .00  TOT BALANCE(INT):                  .00
    ADDTL INT AMOUNT:              .00  AMT COLLECTED(PRIN):               .00
    TOT FEE AMT:                   .00  AMT COLLECTED(INT):                .00


    DATE:       08/29/2002               AMT COLLECTED(PRIN):          103.35
    USERID:     M145                     AMT COLLECTED(INT):            21.79
    COLL TYP:   CO                       FEE AMT:                         .00
    ACCT DATE:  05/21/2002               NET CASH RECEIVED:





       HIT F9 TO ADD A PAYMENT
       F11=ADD F3=EXIT F6=COMMENTS F7=UP F8=DOWN

   MA   +    a                                                      11/064
```

Depress F9 and the message "Record Inserted" will appear.

```
                    CROSS SERVICE COLLECTIONS HISTORY
   DEBT #: 000000718     COMP NAME: GALITZ WEISS & ASSOC.   L NAME: GALITZ


   TOTAL DEBT AMOUNT:          1,000.79   TOTAL NET CASH:              125.14
   TOTAL AMT REFERRED:           979.00   TOT BALANCE OUTSTANDING:     875.65
   AMT REFERRED(PRIN):           979.00   TOT BALANCE (PRIN):          875.65
   AMT REFERRED(INT):               .00   TOT BALANCE(INT):               .00
   ADDTL INT AMOUNT:              21.79   AMT COLLECTED(PRIN):         103.35
   TOT FEE AMT:                     .00   AMT COLLECTED(INT):           21.79


   DATE:        08/29/2002                AMT COLLECTED(PRIN):         103.35
   USERID:      M145                      AMT COLLECTED(INT):           21.79
   COLL TYP:    CO                        FEE AMT:                        .00
   ACCT DATE: 05/21/2002                  NET CASH RECEIVED:           125.14






   PAGE     █    1   OF         1


      RECORD INSERTED
      F11=ADD F3=EXIT F6=COMMENTS F7=UP F8=DOWN
   MA█+   a                                                          21/009
```

FIELD SPECIFIC INSTRUCTIONS FOR COLLECTION SCREEN

Field #	Description/Instruction
1.	DEBT # (Debt Number) - This field is carried over from the Data Entry Screen.
2.	COMP NAME (Company Name) - This field is carried over from the Data Entry Screen
3.	L NAME (Last Name) - This field is carried over from the Data Entry Screen. For MSP this field will be blank.
4.	TOTAL DEBT AMOUNT - This is a system calculated field and is principal referred + interest referred + any additional interest.
5.	TOTAL NET CASH - This is a system calculated field and is total principal collected + total interest collected - total fees collected.
6.	TOTAL AMT REFERRED (Total Amount Referred) - This is a system calculated field and is principal referred + interest referred.
7.	TOT BALANCE OUTSTANDING (Total Balance Outstanding) - This is a system calculated field and is principal balance + interest balance.
8.	AMT REFERRED PRIN (Principal Amount Referred) - This field is carried over from the Data Entry Screen and is the principal amount referred to PSC/Treasury.
9.	TOT BALANCE PRIN (Total Principal Balance) - This is a system calculated field and is the remaining unpaid principal after posted collections and adjustments. (Amount Referred Principal - Total Principal Collected)
10.	AMT REFERRED INT (Interest Amount Referred) - This field is carried over from the Data Entry Screen and is the interest amount referred to PSC/Treasury.

11. TOT BALANCE INT (Total Interest Balance) - This is a system calculated field and is the remaining unpaid interest *referred* after posted collections and adjustments.

12. ADDTL INT AMOUNT (Additional Interest Amount) - This is a system calculated field and is for any additional interest collected *or adjusted* over the initial referred interest amount.

13. AMT COLLECTED PRIN (Principal Amount Collected) - This is a system calculated field and is the total principal amounts that have been collected *or adjusted* to date.

14. TOT FEE AMT (Total Fee Amount) - This is a system calculated field and is the total fee amounts that have been paid to PSC/Treasury to date.

15. AMT COLLECTED INT (Interest Amount Collected) - This is a system calculated field and is the total interest amounts that have been collected *or adjusted* to date.

16. DATE - This field is system generated and shows the date of the entry.

17. AMT COLLECTED PRIN (Principal Amount Collected) - This is a data entry field. Enter the amount of the collection received that is being applied to principal. This figure must be entered as dollars and cents (xxx.xx). *If the amount is a negative, the minus sign must be entered after the amount (100.00-).*

18. USER ID - This field is system generated and shows the User ID of the user posting the collection.

19. AMT COLLECTED INT (Interest Amount Collected) - This is a data entry field. Enter the amount of the collection received that is being applied to interest. This figure must be entered as dollars and cents (xxx.xx). *If the amount is a negative, the minus sign must be entered after the amount (100.00-).* If the collected interest amount is greater than the interest referred amount, the system will calculate the difference and apply it to the additional interest field.

20. COLL TYP (Collection Type) - This is a data entry field. Enter the appropriate collection type code for the payment that was received. Collection type codes will be used for recording all collections *and adjustments including reversals for previous collections or refunds.* For MSP, the contractor could use any one of these codes but CC, AD, or PC will be used in most instances. (Refer to the end of this section for collection type codes.)

21. FEE AMT (Fee Amount) - This is a data entry field based on the IPAC. Enter the fee charged by PSC or Treasury to process the debt. This amount will be stated on the Intergovernmental Online Payment and Collection (IPAC) Report. This field is used by Central Office only.

22. ACCT DATE (Accounting Date) - This is a data entry field. Enter the date the collection was received. For MSP Contractor collections by check, use the date of the postmark on the envelope if available or the date of the check if the envelope is not available. (Contractors should routinely retain the envelope for all checks.)

23. NET CASH RECEIVED - This is a system generated field. This amount is principal collected plus interest collected minus any fees that apply.

Rules for Edits:

If Collection Type = TO, TC, PC, JC, AO, SS, then the Fee Amount must be Greater than Zero.

If Collection Type = CO, CC, CU, RC, HC, MO, AD, XT, XP, XC, XR, XH, RF then the Fee Amount must be blank.

COLLECTION TYPES

AD   Adjustments
AO   HHS Administrative Offset
CC   Contractor Collection
CO   Contractor Offset
CU   Contractor Underpayment (Underpayment Applied to Overpayment)
HC   Central Office Collection
JC   Dept of Justice Collection
MO   Medicaid Offset
PC   PSC Collection (includes collections by any entity under contract to the PSC)
RC   Regional Office Collection
RF   Refund
SS   SSA Offset
TC   Treasury Collection
TO   TOP Offset
XH   Central Office Compromise
XP   PSC Compromise
XR   Region Compromise
XT   Treasury Compromise

Certain fields on the Collection Screen are automatically system generated.   When the debt is entered into the Data Entry Screen and the Amount Referred Principal and Amount Referred Interest fields are completed, this will automatically fill in on the collection screen and the system will automatically total the amount of the debt being referred. Total Amount Referred, Total Debt Amount, Total Balance Outstanding, Total Principal Balance and Total Interest Balance fields are system generated.

When the contractor enters a collection the following fields on the Collection Screen must be entered:
-        the amount collected principal
-        the amount collected interest
-        the collection type status code
-        and the accounting date

When reviewing a debt for a current balance, always check the total balance principal, total balance interest and total balance outstanding fields on the collection screen. (NOTE: Interest balance will not reflect actual current accrued interest as reflected in the contractor's system.)

Examples:
1) If a contractor receives a partial payment or documentation such as a valid documented defense to reduce the debt prior to entering it into DCS, the contractor must make these adjustments before entering it into the system. Where there is partial payment, the contractor must adjust the interest amount and the principal amount to reflect the amount of payment applied to interest and principal. The remaining balance is the amount entered into DCS. The contractor must also annotate the Comments Screen. The annotation must show: how much the debt was prior to the reduction and/or partial payment, the amount of any payment or the amount of reduction and the basis of any reduction. These figures must reflect the principal amount and interest amount separately.

2) If the debt has been referred to the PSC and the contractor receives a check (full or partial payment), this information must be entered onto the DCS Collection Screen. In addition, the contractor will note this on the DCS Comments Screen. If the collection is for a partial recovery the DCS status code on the data entry screen stays as a UJ *or UX*. If the collection is for a full recovery the DCS status code on the data entry screen must be changed to the appropriate code.

3) If the contractor receives documentation which will reduce the amount due Medicare and/or close the case after it has been referred to PSC, this information should be entered onto the DCS Collection Screen. If the documentation closes the case, update the Collection screen with an AD status code and update the DCS data entry screen with the appropriate status code. If the documentation reduces the amount due Medicare leaving a balance on the case, update the Collection Screen with a status code of AD but do not change the status code on the data entry screen.

4) If the contractor receives notification that the debtor is in bankruptcy, appeals, etc, and the debt has already been sent to PSC, enter the appropriate DCS status code on the data entry screen in order to pull back (recall) the debt from PSC.

5) If the contractor receives a collection on a debt in the DCS, which has a status code of UU or UJ with no transmission date, update the data entry screen with the new principal referred amount and interest referred amount (old amount – collection = new amount that is entered into the DCS). In this situation, the collection would not need to be posted to the Collection Screen. *A comment should be added to the comment screen.*

6) If the contractor reduces a debt for part of the debt and a check for all or part of the remaining debt that has already been sent to the PSC, the information would be entered on the collection screen as follows:
  1st the reduction amount and appropriate collection code.
  2nd the collections/check received and/or fee amt if applicable with the appropriate collection code.
If the debt is paid in full, update the data entry screen with the appropriate status code. . If there is a remaining balance, the status code on the data entry screen would stay UJ *or UX* so PSC can continue recovery of the debt.

7) If the contractor has a Non MSP debt with a negative principal balance, the debt will require your research to determine if it has been over collected. If there is another debt that the excess collection can be applied to, adjust the negative balance on the over collected debt by using the collection type of AD. (Reminder: the negative sign always goes after the dollar amount). If the debt the excess collection is being applied to is also in the DCS, post this collection using the collection type of AD. If a refund will be issued, post the refund to the DCS using the collection type of RF. Remember to post a comment to the comments screen explaining your adjustment or refund.

SECTION SIX:

REPORTS

REPORTS

The Central Office will be responsible for generating reports and sending them to the Regional Offices. Non MSP reports will be sent to Regional Offices and Contractors. MSP reports will be sent to the Regional Offices or the Central Office MSP Project Officer and it will be their responsibility to forward these reports to the appropriate Contractors.

Last Debts Transmitted to PSC - This report lists all debts that were sent to PSC during the last transmittal. Each Region and Contractor will receive reports for their area. *There are a total of 12 transmittal reports: two are for Non MSP Part A Non HIGLAS debts, two are for Non MSP Part B Non HIGLAS debts, one is for Claims A/R debts, one is for MSP Non HIGLAS debts, two are for Non MSP Part A HIGLAS debts, two are for Non MSP Part B HIGLAS debts, one is for MSP HIGLAS debts, and one is for Long Term Care.*

MSP/DCS Snapshot – This is a MSP report only. It lists all referred MSP debts in DCS by Contractor. It is used by the MSP Contractors to reconcile their internal systems with DCS.

Dispute Report – This report lists all debts with an "X" status code, which represents an outstanding dispute. It is sent to the Regional Offices and Central Office MSP Project Officer to use as a monitoring tool for all disputes that have not been answered in a timely manner.

TT Report – This report lists all debts with a TT status, which represents a transmittal hold. A transmittal hold is the result of a debt not meeting referral standards. These debts should be corrected in order to be transmitted on the following weeks report. This report is sent out on a weekly basis to the regional offices whose contractors have debts listed on the report.

SECTION SEVEN:

CODES/FUNCTION COMMANDS

DCS STATUS CODES - Non MSP

UN - Undeliverable Letter
UU - Initial Entry
UJ - Sent to PSC for Cross Servicing
UR - Extended Repayment Plan
XX – Dispute
UX – Dispute resolved, debt to stay at Treasury
RD - Refund Issued by CO
RT - Returned from Treasury

NOT TRANSFERRED TO DCC		RECALLED FROM DCC	
1A	Appeal	2A	Appeal
1B	Bankruptcy	2B	Bankruptcy
1C	Compromise	2C	Compromise
1D	Deceased	2D	Deceased
1E	Error	2E	Error
1F	Cost Report Filed	2F	Cost Report Filed
1G	Fraud	2G	Fraud
1L	Litigation	2L	Litigation
1O	Contractor Offset	2O	Contractor Offset/Paid in Full
1P	Voluntary Payment	2P	Voluntary Payment
1R	Repayment Agreement	2Q	Cross Servicing Collection/Paid in Full
1T	Under $600	2R	Reconciliation Issue
1W	Write Off	2T	Treasury Offset / Paid in Full
		2W	Write Off

DCS STATUS CODES - MSP

UN	Undeliverable Letter	XV	Dispute/Valid Defense
UU	Initial Entry	XB	Dispute/Bankruptcy
UJ	Sent to PSC for Cross Servicing	XW	Dispute/Wrong debtor
UR	Extended Repayment Plan	XD	Dispute/Additional documentation requested
XA	Dispute/Amount of Debt	XS	Dispute/Statue of Limitations
XP	Dispute/Paid in Full (excludes Treasury/PSC/PCA Collections)	XO	Dispute/Other
XG	Dispute/Part of Global Settlement	*RD*	*Refund Issued by CO*
RT	*Returned from Treasury*	*UX*	*Dispute resolved, debt to stay at Treasury*

NOT TRANSFERRED TO DCC   RECALLED FROM DCC

3A	Appeal	4A	Appeal
3B	Bankruptcy	4B	Bankruptcy
3C	Compromise	4C	Compromise
3D	Deceased	4D	Deceased
3E	Error	4E	Error
3F	Full Valid Documented Defense	4F	Full Valid Documented Defense
3L	Litigation/Negotiation	4L	Litigation/Negotiation
3O	Contractor Offset/Paid in Full	4O	Contractor Offset/Paid in Full
3P	Voluntary Payment	4P	Voluntary Payment
3R	Repayment Agreement	4Q	Cross Servicing Collection/Paid in Full
3W	Write Off - Closed	4R	Repayment Agreement
		4V	*1870 Waiver of Recovery*
		4W	Write Off-Closed
		4X	*Closed Backlog Collections*
		4Z	Valid Defense & Check/Paid in Full

FUNCTION KEY COMMANDS

F3 Exit - If you are in one of the DCS screens, this will exit you out of the current screen and take you back to the previous screen. If you are at the search screen, it will exit you completely out of the system.

F5 Collections - This will take you to the Collections screen.

F6 Comments - This will take you to the comments screen.

F7 Up - This will allow you to scroll backwards through the screens when there is more than one page to a debt or more than one debt.

F8 Down - This will allow you to scroll forward through the screens when there is more than one page to a debt or more than one debt.

F9 Update - This will allow you to make changes to debt information on the data entry screen.

F9 Add - This confirms the addition of a comment or collection when in the comments or collection screens.

F11 Add - This will allow you to add a new blank entry screen to a debt.

SECTION EIGHT:

NON MSP GENERAL HELP INFORMATION

NON MSP GENERAL HELP INFORMATION

Treasury Requests/*Debtor Disputes*
All debts are transmitted through the Program Support Center (PSC) and are forwarded to the Department of Treasury for cross servicing. All debts *with a TIN* are sent to the Treasury Offset Program.

Based on the debt type entered into DCS, Treasury forwards debts to Private Collection Agencies (PCA) as part of their cross servicing procedures. As the PCA works the debts and contacts the debtors, questions arise or additional information may be needed.

Treasury sends a "Debt Management Services Action Form" to Central Office, which requests additional information and/or requires some type of action on the part of CMS. To maintain control over these requests, Central Office will update the debt in DCS with a status code of "XX" or ("XO" if the dispute is systematically updated in DCS). These status codes will be used as "Suspense" codes meaning "Treasury Request – Needs Action". Central Office then forwards these forms to the individual who certified the debt. A report will be generated on debts with these status codes and used for follow up action. Contractors shall update the DCS appropriately when the dispute is resolved. (Status Code "UX" shall be used when the dispute has been resolved and the debt should remain at Treasury for collection.)

General Information
The debt will reflect a DCS status code of UU or UN when the debt is initially entered. If a debt has been transmitted to Treasury the status code will be UJ (Debt sent for cross servicing) *or UX (Dispute resolved, debt to remain at Treasury).* The Contractor may make any necessary changes to the Data Entry Screen as long as the status code is UU, UN, UJ or *UX* and the transmit date field is blank. If an error is discovered in one of these fields after the status code is UJ *or UX* and the transmit date field is filled, the Contractor will need to recall the debt with the incorrect information and re-enter a new debt with the corrected information. If the principal or interest referred amounts need to be adjusted downward, make the necessary changes on the collection screen. If the principal or interest referred amounts need to be adjusted upward, these debts shall be recalled and re-entered with the correct information.

If a change to a debt is a result of a partial or full payment, this must be documented by the contractor on the collection screen. Do not change the principal and interest amounts on the data entry screen. These shall stay at their original amounts so that Central Office can track amounts referred to Treasury. If the change is because of a valid documented defense, bankruptcy, appeal, etc., the contractor shall also make the appropriate changes to the DCS as part of the required activity to recall the debt.

Note: Contractors shall be aware of the current status code of a debt on the DCS before entering collections, adjustments, etc. The status code is important in identifying exactly where a debt is in the process of referral and/or collection. Knowing the status of a debt is critical in making a determination regarding what the next step will be.

Debts are transmitted weekly to PSC by Central Office.

Explanation of Debt Types

PTA – is used for intermediary Part A debts where cross servicing will include referral to a Private Collection Agency (PCA) for further collection activity and the debt will continue to be referred to TOP.
If a debtor is no longer participating in Medicare, the contractor should use this status code. This code should also be used for a provider who is still participating in Medicare, but the contractor does not believe that future internal offsets/withholding will be sufficient to collect the debt in full within three years of the date that the debt became delinquent.

PTB – is used for carrier Part B debts where cross servicing will include referral to a PCA for further collection activity and the debt will continue to be referred to TOP.
If a debtor is no longer participating in Medicare, the contractor should use this status code. This code should also be used for a physician/supplier who is still participating in Medicare, but the contractor does not believe that future internal offsets/withholding will be sufficient to collect the debt in full within three years of the date that the debt became delinquent.

TPA – is used for intermediary Part A debts where cross servicing will not include referral to a PCA though they will continue to be referred to TOP.
If the debtor is currently participating in Medicare, is currently in offset/withhold status and the contractor believes the debt can be collected through internal offset within three years of the date that the debt became delinquent, the contractor should use this code.

TPB – is used for carrier Part B debts where cross servicing will not include referral to a PCA though they will continue to be referred to TOP.
If the debtor is currently participating in Medicare, is currently in offset/withhold status and the contractor believes the debt can be collected through internal offset within three years of the date that the debt became delinquent, the contractor should use this code.

CLA - is used for intermediary Claims A/R debts where cross servicing will include referral to a Private Collection Agency (PCA) for further collection activity and the debt will continue to be referred to TOP.
If a debtor is no longer participating in Medicare, the contractor should use this status code. This code should also be used for a provider who is still participating in Medicare, but the contractor does not believe that future internal offsets/withholding will be sufficient to collect the debt in full within three years of the date that the debt became delinquent.

HAT – is used for intermediary Part A debts on HIGLAS where cross servicing will include referral to a Private Collection Agency (PCA) for further collection activity and the debt will continue to be referred to TOP.

If a debtor is no longer participating in Medicare, the contractor should use this status code. This code should also be used for a provider who is still participating in Medicare, but the contractor does not believe that future internal offsets/withholding will be sufficient to collect the debt in full within three years of the date that the debt became delinquent.

HBT – is used for carrier Part B debts on HIGLAS where cross servicing will include referral to a PCA for further collection activity and the debt will continue to be referred to TOP.

If a debtor is no longer participating in Medicare, the contractor should use this status code. This code should also be used for a physician/supplier who is still participating in Medicare, but the contractor does not believe that future internal offsets/withholding will be sufficient to collect the debt in full within three years of the date that the debt became delinquent.

HPA – is used for intermediary Part A debts on HIGLAS where cross servicing will <u>not</u> include referral to a PCA though they will continue to be referred to TOP.

If the debtor is currently participating in Medicare, is currently in offset/withhold status and the contractor believes the debt can be collected through internal offset within three years of the date that the debt became delinquent, the contractor should use this code.

HPB – is used for carrier Part B debts on HIGLAS where cross servicing will <u>not</u> include referral to a PCA though they will continue to be referred to TOP.

If the debtor is currently participating in Medicare, is currently in offset/withhold status and the contractor believes the debt can be collected through internal offset within three years of the date that the debt became delinquent, the contractor should use this code.

LTC – is used for Long Term Care debts on the Civil Monetary Penalties Tracking System where cross servicing will include referral to a PCA for further collection activity and the debt will continue to be referred to TOP.

The following debt types are no longer used, but are included here for reference purposes only.

PAO - is used for intermediary other Part A debts where cross servicing will include referral to a Private Collection Agency (PCA) for further collection activity and the debt will continue to be referred to TOP.
If a debtor is no longer participating in Medicare, the contractor should use this status code. This code should also be used for a provider who is still participating in Medicare, but the contractor does not believe that future internal offsets/withholding will be sufficient to collect the debt in full within three years of the date that the debt became delinquent.

PBO - is used for carrier other Part B debts where cross servicing will include referral to a PCA for further collection activity and the debt will continue to be referred to TOP.
If a debtor is no longer participating in Medicare, the contractor should use this status code. This code should also be used for a physician/supplier who is still participating in Medicare, but the contractor does not believe that future internal offsets/withholding will be sufficient to collect the debt in full within three years of the date that the debt became delinquent.

TAO - is used for intermediary other Part A debts where cross servicing will <u>not</u> include referral to a PCA though they will continue to be referred to TOP.
If the debtor is currently participating in Medicare, is currently in offset/withhold status and the contractor believes the debt can be collected through internal offset within three years of the date that the debt became delinquent, the contractor should use this code.

TBO - is used for carrier other Part B debts where cross servicing will <u>not</u> include referral to a PCA though they will continue to be referred to TOP.
If the debtor is currently participating in Medicare, is currently in offset/withhold status and the contractor believes the debt can be collected through internal offset within three years of the date that the debt became delinquent, the contractor should use this code.

SECTION NINE:

RECALLS / ADJUSTMENTS

RECALLS / ADJUSTMENTS

Recall/Adjustment Process
1. The Contractor will update DCS with the appropriate recall codes & information.
2. Central Office will send a weekly report to PSC of all recalls, collections and adjustments.
3. PSC will then recall the debt.

RULES FOR RECALLS OR ADJUSTMENTS
Example 1: If a debt was incorrectly transmitted at $1000 but should have been $100, do an adjustment for this debt.
Example 2: If a debt was incorrectly transmitted at $100 but should have been $1000, do a recall for this debt. (This is because Treasury will not allow the upward adjustment of debts.)

SECTION TEN:

MSP GENERAL HELP INFORMATION

MSP General Information

The debt will reflect a DCS status code of UU or UN when the debt is initially entered. If a debt has been transmitted to Treasury the status code will be UJ (Debt sent for cross servicing) *or UX (Dispute resolved, debt to remain at Treasury)*. The Contractor may make any necessary changes to the Data Entry Screen as long as the status code is UU, UN, or UJ and the transmit date field is blank. If an error is discovered in one of these fields after the status code is UJ *or UX* and the transmit date field is filled, the Contractor will need to recall the debt with the incorrect information and re-enter a new debt with the corrected information. If the principal or interest referred amounts need to be adjusted downward, make the necessary changes on the collection screen. If the principal or interest referred amounts need to be adjusted upward, these debts shall be recalled and re-entered with the correct information.

If a change to a debt is a result of a partial or full payment, this shall be documented by the contractor on the collection screen. Do not change the principal and interest amounts on the data entry screen. These must stay at their original amounts so that Central Office can track amounts referred to Treasury. If the change is because of a valid documented defense, bankruptcy, appeal, etc., the contractor shall also make the appropriate changes to the DCS as part of the required activity to recall the debt.

Note: Contractors shall be aware of the current status code of a debt on the DCS before entering collections, adjustments, etc. The status code is important in identifying exactly where a debt is in the process of referral and/or collection. Knowing the status of a debt is critical in making a determination regarding what the next step will be.

Debts are transmitted weekly to PSC by Central Office. Debts to be transmitted are set to a UJ status on the data entry screen on Monday morning of each week. These debts are then transmitted to the PSC on Friday morning of the same week.

Contractors must use the appropriate interest rate as of the date of the original demand letter. This interest rate will not change for the life of the debt.

If the intent to refer letter was returned undeliverable and the contractor has been unsuccessful in identifying a more appropriate address, the contractor should immediately enter the debt into DCS with a status code of "UN".

MSP STATUS CODES
Upon initial DCS entry, Contractors will, with one exception use the status code UU, which means initial entry. If any subsequent activity occurs on the debt, the status code must be updated. Where the intent letter is returned undeliverable, the contractor will proceed with the normal MSP research to obtain a better address in order to resend the intent letter. If no additional information is found or the intent letter is returned a second time after being issued with a new mailing address, enter the debt into the DCS with a status code of UN (undeliverable). Both UU and UN allow the debt to be transmitted to Treasury.

Status Codes Defined:
There are two lists of DCS status codes: codes beginning with 3 are used for debts entered into DCS but not transmitted due to information received prior to Central Office transmission of the debt (debts can not be deleted from DCS) and codes beginning with 4 are for debts recalled from Treasury due to subsequent activity or information. In most cases Contractors will use the recall codes that begin with 4.

4E - Error: Duplicate, entered incorrectly or by mistake

4F - Full valid documented defense

4L - Litigation/Negotiation: Debt which was referred is in litigation/negotiations with CMS

4O - Contractor offset/Paid in full: This can mean two things: contractor offset has resulted in a payment in full or payment in full by check to the contractor from the debtor has occurred.

4Q - Cross Servicing Collection (PSC) / Paid in Full: Contractors will use this code when PSC has received full recovery on a debt.

4P - Voluntary Payment: This is a voluntary payment from the debtor

4W - Write Off: CMS has decided to write off the debt as write off closed, no longer pursing debtor.

4X – Closed Backlog Collections – This is a CMS Central Office status code used to indicate the debt shall be closed due to Treasury collections.

4Z - Valid Defense & Check/Paid in Full: The contractor receives both a valid documented defense and a check that covers full payment of the debt.

SECTION ELEVEN:

HIGLAS GENERAL HELP INFORMATION

HIGLAS LOAD TO DCS

The process for transmitting data from HIGLAS to the Debt Collection System (DCS) is as follows:

1) Each contractor sends a file to Central Office through their data center via the Network Data Mover (NDM).

2) Each business day CMS checks to see if files were received from one of the HIGLAS contractors. If a file is received it is verified for proper format. A duplicate check is run for the file to be loaded by checking the first and last record in the file. If a duplicate exists the file is rejected and not loaded to DCS. A duplicate check is also run for each individual new debt in the file. If the first 20 characters of the HIGLAS A/R Reference Number (in DCS this is the RO/CONTR NAME field) of an individual debt matches one already in DCS or in the file to be loaded, the individual debt is rejected and not loaded to DCS.

3) A job is run to process the file and update DCS.

4) An NDM file is sent back to the contractor's data center. This file includes all debts accepted into DCS. It also includes all debts rejected and the reason for rejection. Debts rejected need to be verified by the contractor for validity and to ensure that they are not duplicates. If the debt is not a duplicate it will need to be manually entered into DCS. It is the contractor's responsibility to check that the file is returned from CMS.

DEBTS SYSTEMATICALLY LOADED TO DCS

Contractors need to verify the following:
• Manually enter ACCR THRU DT if it does not load with the debt (this is the last debit memo applied to the debt).
• Manually enter PATIENT NAME for MSP if it does not load with the debt.
• If the debt is under $100 and has no TIN, update the status code (1E for Non MSP or 3E for MSP) so that the debt does not transmit.
• If the debt is NON MSP and the principal is under $25, update the status code so that the debt does not transmit.
• If the debt is MSP and the principal plus interest is under $25, update the status code so that the debt does not transmit.
• All HIGLAS debts load as SA CODE COR. If it is an individual debtor, change the SA CODE to IND and update all appropriate fields based on system edits.
• If the debt is NON MSP Part A and the debt should only go to the Treasury Offset Program (TOP), update the debt type from HAT to HPA.
• If the debt is NON MSP Part B and the debt should only go to TOP, update the debt type from HBT to HPB.
•Generally, recalls and collections are posted systematically to DCS from HIGLAS. If they are not, then they must be entered manually. An example of where this may occur is if there is only one debt in HIGLAS but two duplicate debts in DCS. Under these circumstances, one of the duplicate debts must be manually recalled from DCS in order to prevent over collection from Treasury.

MANUAL ENTRY OF HIGLAS DEBT TO DCS

• *Contractors should follow the same process as manual entry for non HIGLAS debt (see Section Two: Entering Debts Into DCS).*

• *Be sure to use HIGLAS debt types (HAT, HBT, HPA, HPB, HMS).*

• *Use the enter key to go through fields, the debt type will prompt for the required fields.*