CMS Manual System	**Department of Health & Human Services (DHHS)**
Pub 100-20 One-Time Notification	**Centers for Medicare & Medicaid Services (CMS)**
Transmittal 1444	**Date: November 14, 2014**
	Change Request 8934

SUBJECT: Analysis and Design to Automate Adjustments That Are Completed In The Common Working File (CWF) When Inpatient (INP) Or Skilled Nursing Facility (SNF) Claims Are Processed Out Of Sequence

I. SUMMARY OF CHANGES: L1001 and L1002 are auto adjustments that are done in CWF when INP/SNF claims are processed out of sequence. CWF has a process where claims get canceled and/or adjusted when an out of sequence claim is submitted. The out of sequence claim causes individual spells to be merged and when that happens spell days and deductible needs to be adjusted.

The L1001/L1002 report provides the Medicare Administrative Contractor (MAC) with claim information that must be adjusted on their end because CWF made the auto adjustment.

CWF, in the spell merge process actually completes the adjustment in CWF and the L1001/L1002 lets the Part A MAC know that they must complete the exact adjustment , in the Fiscal Intermediary Shared System (FIS)S only.

By the MAC completing the adjustment in FISS, FISS and CWF are then in sync.

The current process is that CWF NDM's the L1001/L1002 report to the MAC and then they must manually complete the adjustment. This Change Request (CR) would automate this and CWF would merge the spells, complete the cancel or adjustment, send a IUR to FISS and FISS would take the action of canceling or adjusting. The transaction would be sent back to the MAC like all other IURS.

Example : There are three spells in CWF, then CWF receives a claim with DOS:

11/30 – 01/20 – this claim causes spell 1 and 2 to be merged and CWF will re-organize the days utilized and correct the over applied deductibles, then produce the report for the MAC to complete the same adjustment in FISS.

In this example, the deductible was taken in spell 2 and 1, the L1001 will correct the deductible taken in 2014 because the beneficiary really only owes the deductible in 2013. Days utilized will also be adjusted so the beneficiary does not exceed 60,30,20,80 with the spell merge.

01 45 30 0 41 0.0 01/25/14 06/14/14

02 57 30 20 80 0.0 11/05/13 11/08/13

03 44 30 0 80 0.0 03/27/12 07/09/12

EFFECTIVE DATE: April 1, 2015
**Unless otherwise specified, the effective date is the date of service.*
IMPLEMENTATION DATE: April 6, 2015

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)
R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	N/A

III. FUNDING:
For Medicare Administrative Contractors (MACs):
The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC statement of Work. The contractor is not obliged to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

One Time Notification

Attachment - One-Time Notification

Pub. 100-20	Transmittal: 1444	Date: November 14, 2014	Change Request: 8934

SUBJECT: Analysis and Design to Automate Adjustments That Are Completed In The Common Working File (CWF) When Inpatient (INP) Or Skilled Nursing Facility (SNF) Claims Are Processed Out Of Sequence

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I. GENERAL INFORMATION

A. Background: L1001 and L1002 are auto adjustments that are done in CWF when INP/SNF claims are processed out of sequence. CWF has a process where claims get canceled and/or adjusted when an out of sequence claim is submitted. The out of sequence claim causes individual spells to be merged and when that happens spell days and deductible needs to be adjusted.

The L1001/L1002 report provides the MAC with claim information that must be adjusted on their end because CWF made the auto adjustment.

B. Policy: CWF, in the spell merge process actually completes the adjustment in CWF and the L1001/L1002 lets the Part A MAC know that they must complete the exact adjustment, in FISS only.

By the MAC completing the adjustment in FISS, FISS and CWF are then in sync.

CWF will ship a report to the MAC and they must manually complete the adjustment. This CR would automate this and CWF would merge the spells, complete the cancel or adjustment, send an IUR to FISS and FISS would take the action of canceling or adjusting. The transaction would be sent back to the MAC like all other IURS.

This Change request (CR) will be for the analysis and design for this functionality.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
8934.1	Contractors shall participate in 3 conference calls to discuss how to replace the L1001/L1002 reports and fully automate the process of correcting the claim/s that are processed out of sequence for INP/SNF claim/s that are processed out of sequence.	X				X			X	
8934.2	Contractors shall generate an analysis document based on the discusssion to be used in creating the CMS CR					X			X	

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	for implementation.									

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			DME MAC	CEDI
		A	B	HHH		
	None					

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

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

V. CONTACTS

Pre-Implementation Contact(s): Valeri Ritter, 410-786-8652 or valeri.ritter@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):
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ATTACHMENTS: 0