

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-06 Medicare Financial Management	Centers for Medicare & Medicaid Services (CMS)
Transmittal 246	Date: November 26, 2014
	Change Request 8973

SUBJECT: Recovery Auditor Appeal Adjustments with “RI” Indicator

I. SUMMARY OF CHANGES: As directed in previous communications the Medicare Administrative Contractors (MACs) shall append specific Adjustment Reason Codes to claim adjustments related to Recovery Auditor post-payment review activities, including those resulting from appeal decisions that result in full or partial overturns of Recovery Auditor decisions. This information is critical for the Centers for Medicare & Medicaid Services (CMS) to track appeal outcomes for reporting purposes, as well as impacts for both provider and contractor payment purposes.

EFFECTIVE DATE: December 29 2014

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

IMPLEMENTATION DATE: December 29, 2014

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
D	4/100.9.2/ Tracking Appeals and Reopenings

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:

Business Requirements

Attachment - Business Requirements

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SUBJECT: Recovery Auditor Appeal Adjustments with “RI” Indicator

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IMPLEMENTATION DATE: December 29, 2014

I. GENERAL INFORMATION

A. Background: As directed in previous communications the Medicare Administrative Contractors (MACs) shall append specific Adjustment Reason Codes to claim adjustments related to Recovery Auditor post-payment review activities, including those resulting from appeal decisions that result in full or partial overturns of Recovery Auditor decisions. Specifically, MACs shall append Adjustment Reason Code “RI,” which denotes a Recovery Auditor claim adjustment, to all Part A (FISS) claim adjustments related to Recovery-Auditor post-payment review activities, including those resulting from appeal decisions that result in full or partial overturns of RA decisions. Additionally, MACs shall use a plus sign (+) in the second position of the Reason/Discovery code to identify all Part B (MCS) claim adjustments related to Recovery-Auditor post-payment review activities, including those resulting from appeal decisions that result in full or partial overturns of RA decisions. This information is critical for the Centers for Medicare & Medicaid Services (CMS) to track appeal outcomes for reporting purposes, as well as impacts for both provider and contractor payment purposes.

B. Policy: Section 302 of the Tax Relief Act and Health Care Act of 2006.

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	
8973.1	The MAC shall append Adjustment Reason Code “RI,” which denotes a Recovery Auditor claim adjustment, to all Part A (FISS) claim adjustments related to Recovery Auditor post-payment review activities, including those resulting from appeal decisions that result in full or partial overturns of Recovery Auditor decisions.	X		X						
8973.2	The MAC shall use a plus sign (+) in the second position of the Reason/Discovery code to identify all Part B (MCS) claim adjustments related to Recovery Auditor post-payment review activities, including those resulting from appeal decisions		X							

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	that result in full or partial overturns of Recovery Auditor decisions.									

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): Ashley Ford, 410-786-0828 or Ashley.Ford@cms.hhs.gov

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

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

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

ATTACHMENTS: 0