CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-08 Medicare Program Integrity	Centers for Medicare & Medicaid Services (CMS)
Transmittal 257	Date: May 9, 2008
	Change Request 5908

NOTE: Transmittal 254, dated April 29, 2008, is being rescinded and replaced by Transmittal 257, dated May 9, 2008. The only change is the effective and implementation dates. All other material remains the same.

This change request (CR) shall be implemented over the July and October 2008 releases. The design and analysis phases of this CR shall be implemented with the July 2008 release and the coding, testing and implementation phases shall be implemented with the October 2008 release.

SUBJECT: Implementation of a PIMR Edit Effectiveness Report For Program Safeguard Contractors (PSCs)

I. SUMMARY OF CHANGES: CMS has developed a system for the management of cost, savings, and workload data relative to the medical review (MR) unit. Mainly, PIMR data relates to how contractors resolve billing problems. CMS obtains PIMR information through interfaces with the shared systems. Those interfaces are operated through contractor data centers and Enterprise Data Centers (EDCs) transferring data directly from contractor shared system implementation to the central office computer within 15 calendar days following the end of each month.

Section 4.28, of Pub. 100-8, requires affiliated contractors (ACs), i.e., carriers, fiscal intermediaries (FIs), durable medical equipment (DME) Medicare administrative contractors (MACs), and A/B MACs, to provide information on the effectiveness of PSC edits to PSCs. Many ACs have been unable to meet this requirement because of the large volume of claims that PSC edits process. This CR makes revisions to PIMR to allow PSCs to produce the report.

NEW/REVISED MATERIAL
EFFECTIVE DATE: July 1, 2008 for FISS and MCS and October 1, 2008 for VMS
IMPLEMENTATION DATE: July 7, 2008 for FISS and MCS and October 6, 2008 for VMS

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

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

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:

One-Time Notification

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

Attachment – One Time Notification

Pub. 100-08	Transmittal: 257	Date: May 9, 2008	Change Request: 5908

NOTE: Transmittal 254, dated April 29, 2008, is being rescinded and replaced by Transmittal 257, dated May 9, 2008. The only change is the effective and implementation dates. All other material remains the same.

SUBJECT: Implementation of a PIMR Edit Effectiveness Report For Program Safeguard Contractors (PSCs)

This change request (CR) shall be implemented over the July and October 2008 releases for the VIPS Medicare System (VMS) only. The VMS design and analysis phases of this CR shall be implemented with the July 2008 release and the VMS coding, testing and implementation phases shall be implemented with the October 2008 release.

EFFECTIVE DATE: July 1, 2008 for FISS and MCS and October 1, 2008 for VMS
IMPLEMENTATION DATE: July 7, 2008 for FISS and MCS and October 6, 2008 for VMS

I.   GENERAL INFORMATION

A.   Background: The CMS has developed a system for the management of cost, savings, and workload data relative to the medical review (MR) unit. Mainly, PIMR data relates to how contractors resolve billing problems. CMS obtains PIMR information through interfaces with the shared systems. Those interfaces are operated through contractor data centers and Enterprise Data Centers (EDCs) transferring data directly from contractor shared system implementation to the central office computer within 15 calendar days following the end of each month.

Section 4.28 of Pub. 100-8, requires affiliated contractors (ACs), i.e., carriers, fiscal intermediaries (FIs), durable medical equipment (DME) Medicare administrative contractors (MACs), and A/B MACs, to provide information on the effectiveness of PSC edits to PSCs. Many ACs have been unable to meet this requirement because of the large volume of claims that PSC edits process. This CR revises PIMR to allow PSCs to extract data on the effectiveness directly from PIMR.

B.   Policy: The PIMR system reporting requirements for medical review (MR) are in Pub. 100-8, Chapter 7 (MR and BI Reports). They require that Medicare contractors that process Medicare claims report savings and workload through the PIMR system monthly.

II.   BUSINESS REQUIREMENTS TABLE

Use "Shall" to denote a mandatory requirement

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
5908.1	The shared system maintainer shall revise the PIMR system to provide the capability to enter an edit number for each PSC payment edit that identifies PSC edits for						X	X	X	

Number	Requirement	A/B MAC	DME MAC	FI	CARRIER	RHHI	FISS	MCS	VMS	CWF	OTHER
								Shared-System Maintainers			
	the purpose of tracking claims processing activities that the edit performs.										
5908.2	The edit module described in requirement 5908.1 shall uniquely identify PSCs and task orders.						X	X	X		
5908.3	The shared system maintainer shall revise the PIMR system to provide PSCs with the data needed to produce an edit effectiveness report for prepayment edits that the PSCs have ACs install in the shared system, i.e., the data elements included in Section 7.2.8.2.1 of the PIM (100-08).						X	X	X		
5908.4	The capability shall summarize PSC edit data activities using the following new activity types						X	X	X		
5908.4.1	2101LP = PSC Automated Locally Developed						X	X	X		
5908.4.2	2101NP = PSC Automated National Edit						X	X	X		
5908.4.3	21002P = PSC Manual Routine Review						X	X	X		
5908.4.4	21017P = PSC Directed OIG Review						X	X	X		
5908.4.5	21018P = PSC Directed Law Enforcement Review						X	X	X		
5908.4.6	21019P = PSC Review Directed by PRO						X	X	X		
5908.4.7	21201P = PSC Prepay Complex Probe Review						X	X	X		
5908.4.8	21202P = PSC Prepay Complex Provider Specific Review						X	X	X		
5908.4.10	21221P = PSC Prepay Complex Manual Review						X	X	X		
5908.5	The capability shall summarize PSC edit data activities using the provider types and bill/subtypes defined in section 7.2.8.2.1 of the PIM (IOM 100-08).						X	X	X		
5908.6	The capability shall allow reporting of the following measures for each edit, activity type, contractor, year/month, and provider type/subtype						X	X	X		
5908.6.1	Number of Manual Reviews						X	X	X		
5908.6.2	Number of Claims Denied						X	X	X		
5908.6.3	Number of Line Items Denied						X	X	X		
5908.6.4	Dollars Allowed Before Medical						X	X	X		
5908.6.5	Dollars Allowed After Medical Review						X	X	X		
5908.6.6	Number of Claims Reversed						X	X	X		
5908.6.7	Number of Line Items Reversed						X	X	X		
5908.6.8	Dollars Reversed						X	X	X		
5908.7	The module shall only allow use of the activity types specified in requirements 5908.4 for PSCs.						X	X	X		
5908.8	The module shall summarize PSC denial activities using the following new denial reason codes 100101 = Documentation does not support service (PSC only), 100102 = Investigational/experimental (PSC only)						X	X	X		

Number	Requirement	A / B MAC	DME MAC	FI	CARRIER	RHHI	FISS	MCS	VMS	CWF	OTHER
	100103 = Items/services excluded from Medicare coverage (PSC only), 100104 = Requested information not received (PSC only), 100105 = Services not billed under the appropriate revenue or procedure Code, (PSC only) 100106 = Services not documented in record (PSC only), 100107 = Services not medically reasonable and necessary (PSC only), 100108 = Skilled nursing facility demand bills (PSC only), 100109 = Daily nursing visits are not intermittent/part time (PSC only), 100110 = Specific visits did not include personal care services (PSC only), 100111 = Home health demand bills (PSC only), 100112 = Ability to leave home unrestricted (PSC only), 100113 = Physician's order not timely (PSC only), 100114 = Service not ordered/not included in treatment plan (PSC only), 100115 = Services not included in plan of care (PSC only), 100116 = No physician certification (PSC only), 100117 = Incomplete physician order (PSC only), 100118 = No individual treatment plan (PSC only), and 100119 = Other (PSC only).										
5908.9	The module shall only allow use of the activity types specified in requirements 5908.8 for PSCs.						X	X	X		
5908.10	Contractor data centers (CDCs) and/or Enterprise data centers EDC shall insure that the modifications to the PIMR system required by requirements 5908.1 through 5908.8 are implemented in time to meet the implementation date of this CR.										CDCs and EDCs
5908.11	Contractors and PSCs shall insure that the modifications to the PIMR system required by requirements 5908.1 through 5908.8 are operational at the contractor data center or EDC by the implementation date of the CR.	X	X	X	X	X					PSCs

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B MAC	D M E MAC	F I	C A R R I E R	R H H I	FISS	MCS	VMS	CWF	OTHER
	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): John.Stewart@cms.hhs.gov

Post-Implementation Contact(s): John.Stewart@cms.hh.gov

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.