

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 3010	Date: August 1, 2014
	Change Request 8710

SUBJECT: Preventing Payment on Requests for Anticipated Payment (RAPs) When Home Health Beneficiaries are Enrolled in Medicare Advantage (MA) Plans

I. SUMMARY OF CHANGES: This Change Request will modify Original Medicare systems to ensure RAPs are not paid when the final claim for a home health episode will not be payable due to an MA enrollment.

EFFECTIVE DATE: January 1, 2015

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

IMPLEMENTATION DATE: January 5, 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
R	10/10.1.12/Request for Anticipated Payment (RAP)

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
Manual Instruction**

Attachment - Business Requirements

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I. GENERAL INFORMATION

A. Background: Original Medicare claims for home health services are not payable when the home health episode dates fall entirely within a Medicare Advantage enrollment period. Current Medicare systems edits prevent claims for such episodes from receiving payment. However, Requests for Anticipated Payment (RAPs) for such episodes are currently being paid. Since these RAP payments will be recovered in full when the final claim is received and rejected or when no final claim is received after 120 days, the RAP payments create an avoidable 'pay and chase' situation.

The requirements below revise Original Medicare systems to ensure that RAPs with "From" dates falling within Medicare Advantage enrollment periods are processed but are paid at zero percent. This will allow the final claim to be received and rejected appropriately, but will prevent any program vulnerability. Additionally, the requirements add remittance advice coding to zero-paid RAPs processed in Medicare Secondary Payer situations, so that the two situations can be distinguished. In the future, CMS will seek a new alert remittance advice remark code to specifically identify the Medicare Advantage cases also.

B. Policy: Home health RAPs will be paid at zero percent if their service dates fall within Medicare Advantage enrollment periods.

II. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared- System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
8710.1	The contractor shall reject home health RAPs (type of bill 0322) when: <ul style="list-style-type: none"> • the RAP contains a payment amount greater than zero, and • the RAP "From" date falls on or after the start date of a Medicare Advantage (MA) enrollment period, and • the RAP "From" date falls before the end date of that enrollment period. 							X		

Number	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared- System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
8710.1.1	The contractor shall create an override capability for this edit.								X	
8710.2	The contractor shall process any RAPs rejected under the conditions of the requirement 8710.1 using a zero percentage payment.					X				
8710.2.1	The contractor shall apply the CWF override and return the RAP to CWF.					X				
8710.3	The contractor shall apply the following remittance advice code when processing zero-paid RAPs due to MSP involvement: RARC N360: Alert: Coordination of benefits has not been calculated when estimating benefits for this pre-determination. Submit payment information from the primary payer with the secondary claim.					X				

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E M A C	CEDI
		A	B	H H H		
8710.4	MLN Article: A provider education article related to this instruction will be available at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/ shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web sites and include information about it in a listserv message within one week of the availability of the provider education article. In addition, the provider education article shall be included in the contractor's next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.			X		

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

V. CONTACTS

Pre-Implementation Contact(s): Wil Gehne, wilfried.gehne@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR) or Contractor Manager, as applicable.

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

10.1.12 - Request for Anticipated Payment (RAP)

(Rev. 3010, Issued: 08-01-14, Effective: 01-01-15, Implementation: 01-05-15)

The *HHA submits a* RAP to their Medicare contractor to request the initial split percentage payment for an HH PPS episode. *The RAP may be submitted* after receiving verbal orders and delivering at least one service to the beneficiary. Though they are submitted on standard institutional claim formats, the RAP is not considered a Medicare home health claim and is not subject to many of the stipulations applied to claims in regulations. (**NOTE:** RAPs may be considered claims for purposes of other Federal laws and regulations.) In particular, RAPs are not subject to *the* payment floor, are not subject to interest payment if delayed in processing, and do not have appeal rights. Appeal rights for the episode are attached to claims submitted at the end of the episode.

In addition to a split percentage payment (see §10.1.6), RAPs may be paid zero percent if:

- Medicare is the secondary payer (see §30.10), or
- a provider has lost the privilege of receiving RAP payment, or
- *the beneficiary is enrolled in a Medicare Advantage plan.*