CMS Manual System	**Department of Health & Human Services (DHHS)**
Pub 100-20 One-Time Notification	**Centers for Medicare & Medicaid Services (CMS)**
Transmittal 883	**Date: April 22, 2011**
	Change Request 7327

SUBJECT: HITECH Overpayment Data Collection Coordination between FISS, MCS and the NLR

I. SUMMARY OF CHANGES: The purpose of this CR is to request the shared system maintainers (FISS and MCS) to provide additional data to the NLR. This data will be populated on the monthly payment file within the NLR and are necessary to the PFDC to ensure payment integrity and to have the correct demand address and contact information for overpayment collections.

EFFECTIVE DATE: October 1, 2011
IMPLEMENTATION DATE: October 3, 2011

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	

III. FUNDING:
For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs) and/or Carriers:
No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

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. 100-20	Transmittal: 883	Date: April 22, 2011	Change Request: 7327

SUBJECT: HITECH Overpayment Data Collection Coordination between FISS, MCS and the NLR

Effective Date: **October 1, 2011**

Implementation Date: October 3, 2011

I. GENERAL INFORMATION

A. Background:

Title IV of Division B of the American Recovery and Reinvestment Act of 2009 (ARRA) (Pub. L. 111-5) amends Titles XVIII and XIX of Social Security Act (the Act) by establishing incentive payments for Eligible Providers (EPs) and hospitals to promote the adoption and meaningful use of Health Information Technology (HIT) and qualified Electronic Health Record (EHRs). The expanded use of HIT and EHRs is considered essential in order to significantly improve both the quality and value of American health care. Collectively, these provisions, together with Title XIII of Division A of ARRA, are termed the Health Information Technology for Economic and Clinical Health Act (HITECH Act).

The incentive payments are part of a broader effort under the HITECH Act to accelerate the adoption of HIT and the utilization of qualified EHRs; importantly, the incentive programs outlined in Division B Title IV of the HITECH Act are considered to be the keys to inducing providers to actively utilize HIT. EPs and eligible hospitals are eligible for the EHR incentive payments if, among other requirements, they "meaningfully use" certified EHR technology. Meaningful use is a term defined by CMS and describes the use of HIT that furthers the goals of information exchange among health care professionals.

CMS estimates that the total number of Medicare EPs that will register as meaningful users of HIT will be 33,800 to 115,800; up to 50,000 Medicare EPs may register to participate in the first year of the HITECH initiative. CMS further estimates that the total number of participating hospitals and Critical Access Hospitals (CAHs) will be approximately 4600 with up to 2136 participating in the first year.

B. Policy:

Due to the need for CMS to maintain separate accounting for all appropriated HITECH funds, CMS has determined that HITECH payments will be made through a Payment File Development Contractor (PFDC) in coordination with one of the two current Medicare banks. Tasking the PFDC and the Medicare bank with making HITECH payments eliminates the need to make shared system changes to manage and account for these funds. In addition, it consolidates payment, tracking, and HITECH fund management/accounting into a single source which is necessary to effectively manage and disburse these appropriations.

The provider registration and verification of eligibility for HITECH incentive payments will be managed through the CMS National Level Repository (NLR); the NLR will be hosted at a CMS Enterprise Development Center (EDC). The NLR is the designated system of records for the HITECH initiative that will contain all provider registration/attestation documentation, banking information for each recipient, calculate the recipient payments amounts, verify meaningful use, check for duplicate payments, and maintain the incentive payment history files.

The Fiscal Intermediaries (FIs), Carriers, Medicare Administrative Contractors (MACs), and various Medicare systems will interface with the NLR to provide information related to allowed charges, hospital payment amounts, the recipient name, National Provider Identifier (NPI)/CMS Certification Number (CCN)/Taxpayer

Identification Number (TIN), and banking/payment details for each recipient [account/routing numbers for Electronic Funds Transfer (EFT) deposits and an address for paper checks]. The NLR will compile a single file from these data with complete payment information on all eligible recipients for each monthly payment cycle in an agreed upon format that can be downloaded from the NLR.

The PFDC will develop two separate files from this NLR file: 1) the National Automated Clearinghouse Association (NACHA) standard 820 format (ASC X12 820 Payment Order/Remittance Advise) payment file that shall be sent to the Medicare bank for processing EFT payments; and 2) a positive pay paper check payment file that the PFDC shall use to disburse paper checks. CMS estimates that approximately 25,000 of the 50,000 Medicare EPs registering in the first year do not have electronic banking information on file with CMS and are currently receiving Medicare payments by paper check. CMS is requiring the PFDC to issue paper check payments to providers that do not receive their HITECH payments through EFT deposits during the first year of eligibility.

The PFDC will make payments on a monthly cycle (scheduled to occur on or about the 15th day of each month) to all eligible Medicare hospitals, CAHs, and EPs that are listed on the payment file downloaded from the NLR. After the payments are made, the PFDC will update the payment history file in the NLR with the payment status for all recipients on the monthly payment file.

The purpose of this CR is to request the shared system maintainers (FISS and MCS) to provide additional data to the NLR. These data shall be populated on the monthly payment information file within the NLR and are necessary to the PFDC to both ensure payment integrity and to have the correct demand address and contact information for overpayment collections.

II. BUSINESS REQUIREMENTS TABLE

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	
7327.1	The Shared Systems Maintainers shall provide additional information that is sent back to the NLR when the Medicare Contractors receive an EHR Incentive MU file from the NLR identifying EPs and hospitals who are meaningful users of EHR technology.							X			
7327.1.1	The Shared Systems Maintainers shall send the following correspondence data as available to the NLR: Correspondence Address 1 Correspondence Phone Number Practice Fax Number Practice Email							X			
7327.1.2	The Shared Systems Maintainers shall send the Payee Demand Letter Address to the NLR following the 'G' flag hierarchy in determining where to address demand							X			

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	
	letters.										
7327.1.2.1	The MCS system shall first read the Pay-to-Address section on the Provider Master file for the 'G' flag and performs the following logic: When the 'G' flag contains the value of 1 on the Pay-to-Address, print the Pay-to-Address on the TACS letter in the Provider Address section. When the 'G' flag contains the value of spaces on the Pay-to-Address and the Physical/Practice contains the value of 1, print the Physical/Practice Address on the Provider Master file. When the 'G' flag contains the value of spaces, on both the Physical/Practice Address and the Pay-to-Address, print the Physical/Practice Address on the TACS letter in the Provider Address section.							X			
7327.1.3	The Shared Systems Maintainers shall send the following data to be sent to the NLR: Do Not Forward (DNF) indicator							X			
7327.1.3.1	The MCS system shall send a Y/N flag to the NLR for DNF files. Y- Provider on DNF N- Provider not on DNF							X			
7327.2	The Shared Systems Maintainers shall add the following statuses to the payment type field to be sent to the NLR: I - Initial A – Adjustment F - Final R – Reopen P - Appeal Reopen						X				

III. PROVIDER EDUCATION TABLE

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:

X-Ref Requirement Number	Recommendations or other supporting information:
7327.1	An updated schema will be provided to the SSM prior to development.
7327.1.1 7327.1.2	Address Line 1 – X(55) – Required - Minimum 1 character Address Line 2 – X(55) – Optional - If entered minimum 1 character City Name – X(30) – Required – Minimum 1 character State – X(2) – Required – 2 character State abbreviation Zip5 – X(5) – Required – 5 character Zip Code Zip4 – X(4) – Optional – If entered require 4 characters Phone Number – Optional – Maximum 15 characters Phone Number Extension – Optional – Maximum 15 characters
7327.1.3	DNF – X(1) – Required – 1 character

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

V. CONTACTS

Pre-Implementation Contact(s):
Theresa Jones-Carter, HITECH Overpayment Lead
theresa.jones-carter@cms.hhs.gov
410-786-7482
Wayne A. Slaughter, PFDC COTR/PO
wayne.slaughter@cms.hhs.gov
(410) 786-0038

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

VI. FUNDING

Section A: For *Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs),* and/or *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),*** **include 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.