

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-20 One-Time Notification</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 988</b>	<b>Date: October 28, 2011</b>
	<b>Change Request 7602</b>

**SUBJECT: Enhancements to the Recovery Audit Mass Adjustment/Reporting Process in the Multi-Carrier System (MCS)**

**I. SUMMARY OF CHANGES:** The CMS directed implementation of a file-based Recovery Audit mass adjustment/reporting process in the Multi-Carrier System (MCS) via Change Request 6554 (April 2010); this CR directs a variety of utility and usability enhancements that have been identified since that process was introduced.

**EFFECTIVE DATE: April 1, 2012**

**IMPLEMENTATION DATE: April 2, 2012**

*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/revise 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-

<b>R/N/D</b>	<b>CHAPTER / SECTION / SUBSECTION / TITLE</b>
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. ATTACHMENT:**

##### **One-Time Notification**

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

# Attachment – One-Time Notification

Pub. 100-20	Transmittal: 988	Date: October 28, 2011	Change Request: 7602
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**SUBJECT: Enhancements to the Recovery Audit Mass Adjustment/Reporting Process in the Multi-Carrier System (MCS)**

**Effective Date: April 1, 2012**

**Implementation Date: April 2, 2012**

## I. GENERAL INFORMATION

**A. Background:** The CMS directed implementation of a file-based Recovery Audit mass adjustment/reporting process in the Multi-Carrier System (MCS) via Change Request 6554 (April 2010); this CR directs a variety of utility and usability enhancements that have been identified since that process was introduced.

**B. Policy:** The nationwide Recovery Audit program was mandated under Division B, Title III, Section 302 of the Tax Relief and Healthcare Act of 2006. All references to the mass adjustment process in the business requirements table refer to the file-based process, not the co-existing online process.

## II. BUSINESS REQUIREMENTS TABLE

Number	Requirement	Responsibility									
		A / B  M A C	D M E  M A C	F I	C A R R I E R	R H H I	Shared-System Maintainers				OTHER
						F I S S	M C S	V M S	C W F		
7602.1	<p>MCS shall identify crosswalked ICNs on the mass adjustment input file (ICNs that have been modified to ensure uniqueness in merged processing environments, or where the plan code has changed due to a workload split) and shall proceed with the requested adjustment against the current ICN.</p> <p>Note: The workload ID description in the file headers has been changed to ‘Primary workload ID of EDC processing region’ for clarity; date references have been similarly updated to YYYYMMDD (actual values/formats are unchanged).</p>						X				
7602.2	<p>MCS shall return both the submitted ICN and the crosswalked ICN on the mass adjustment error file, along with the existing C150 informational code. The description of the existing ‘Adjustment ICN’ field on the error file shall be modified to ‘Adjustment/Crosswalk ICN’.</p>						X				
7602.2.1	<p>If the submitted ICN has been crosswalked AND adjusted, MCS shall cancel the adjustment request and shall return both the submitted ICN and the most recent crosswalked/adjusted</p>						X				

Number	Requirement	Responsibility									
		A / B  M A C	D M E  M A C	F I	C A R R I E R	R H I	Shared-System Maintainers				OTHER
							F I S S	M C S	V M S	C W F	
	ICN with a new code to be identified by the maintainers.										
7602.2.2	MCS shall continue utilizing the C140 error code to return ICNs that have not been crosswalked but that have been adjusted since initial payment.							X			
7602.2.3	MCS shall return the submitted ICN in the 'Original ICN' field of the mass adjustment outcome file, even if that ICN has been crosswalked.							X			
7602.3	MCS shall utilize the submitted MTUS count to allow cutbacks of the number of covered and non-covered lines and calculate a revised charge based on the submitted MTUS.							X			
7602.3.1	MCS shall assign the appropriate H**TRACN denial message to the non-covered line and/or the cutbacks in the covered lines.							X			
7602.3.2	Contractors shall ensure that the H**TRACN table contains appropriate MCS message codes for denials and non-denials.	X			X						
7602.4	The MCS maintainers shall retain all denials and denial messages as originally applied to all claim lines that are not being specifically adjusted by the Recovery Auditor.							X			
7602.5	MCS shall allow Recovery Auditors to cancel/readjust previous submissions, restoring the most recent claim iteration to MCS and CWF history files. These adjustments shall be treated similarly to appeal-related readjustments under CR 7268 and shall not appear on the error file. These adjustments shall suspend for manual intervention by the MAC to determine payment needs.  Note: Recovery Auditors may not cancel adjustments initiated by other entities, including other Recovery Auditors.							X			
7602.6	The 'Overpayment/Underpayment/No Change' field on the mass adjustment outcome layout shall be renamed to 'Adjustment Outcome', with the following valid codes: O = Overpayment U = Underpayment N = No change in payment R = Recovery Auditor-initiated cancellation of previous adjustment							X			
7602.7	MCS shall include the billing provider NPI and legacy identifier on the adjustment outcome report/file.							X			

### III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility									
		A / B  M A C	D M E  M A C	F I	C A R R I E R	R H H I	Shared-System Maintainers				OTHER
						F I S S	M C S	V M S	C W F		
	None.										

### IV. SUPPORTING INFORMATION

**Section A: For any recommendations and supporting information associated with listed requirements:**

X-Ref Requirement Number	Recommendations or other supporting information:
N/A	

**Section B: For all other recommendations and supporting information:** N/A

### V. CONTACTS

**Pre-Implementation Contact(s):** LCDR Terrence Lew, USPHS ([terrence.lew@cms.hhs.gov](mailto:terrence.lew@cms.hhs.gov) or 410-786-9213); Connie Leonard ([Connie.Leonard@cms.hhs.gov](mailto:Connie.Leonard@cms.hhs.gov)); or Jennifer Elmezzi ([Jennifer.Elmezzi@cms.hhs.gov](mailto:Jennifer.Elmezzi@cms.hhs.gov) or 410-786-1023)

**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)*:** 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.

Attachment

## Revised MCS outcome files (header)

Field #	Field Name	Start	End	Length	Values/comments
1	File type	1	10	10	“MCS-OUTPUT”
2	Filler	11	11	1	
3	File format version	12	14	3	“ <b>002</b> ”
4	Filler	15	15	1	
5	Record count	16	21	6	Number of records in file, not including header; zero fill
6	Filler	22	22	1	
7	Record length	23	28	6	“ <b>000607</b> ”
8	Filler	29	29	1	
9	File creation date	30	37	8	“ <b>YYYYMMDD</b> ”
10	Filler	38	38	1	
11	Source ID	39	43	5	<b><i>Primary workload ID of EDC processing region</i></b>
12	Filler	44	44	1	
13	Region	45	45	1	Blank; not applicable to claims processors
14	Filler	46	<b>607</b>	<b>562</b>	

**Note 1: All fields in all layouts are left justified/space filled unless otherwise indicated.**

**Note 2: Input and outcome files shall be space filled – record lengths will not vary with line counts.**

**Note 3: *Red/bold/italic* represents changes from the existing CR 6554 layout.**

## Revised MCS outcome files (content)

Field #	Field Name	Start	End	Length	Comments
1	<i>Adjustment outcome</i>	1	1	1	O = Overpayment U = Underpayment N = No change in payment <b>R = Recovery Auditor-initiated cancellation of previous adjustment</b>
2	Carrier/MAC workload number	2	6	5	Workload ID of the contractor processing the adjustment.
3	Original contractor workload number	7	11	5	The workload ID of the contractor that originally processed the claim, which may differ from that of the contractor that is processing the adjustment (i.e., MAC #12345 adjusts a claim originally processed by Carrier #54321).
4	Business Segment Identifier	12	15	4	
5	Original ICN	16	30	15	Include Plan Code; <b>report submitted ICN even if crosswalked to another</b>
6	Adjustment ICN	31	45	15	Include Plan Code
<b>7</b>	<b>Billing provider NPI</b>	<b>46</b>	<b>55</b>	<b>10</b>	
<b>8</b>	<b>Billing provider legacy ID</b>	<b>56</b>	<b>68</b>	<b>13</b>	
<b>9</b>	Original claim paid date	<b>69</b>	<b>76</b>	8	<b>YYYYMMDD</b>
<b>10</b>	Adjustment finalization date	<b>77</b>	<b>84</b>	8	<b>YYYYMMDD</b>
<b>11</b>	Original claim paid amount	<b>85</b>	<b>96</b>	12	Display decimals; NNNNNNNNNN.DD
<b>12</b>	Adjusted claim paid amount	<b>97</b>	<b>108</b>	12	Display decimals; NNNNNNNNNN.DD
<b>13</b>	AR initiation date	<b>109</b>	<b>116</b>	8	Date AR is created; blank for underpayments or no change; <b>YYYYMMDD</b>
<b>14</b>	AR number	<b>117</b>	<b>129</b>	13	AR number; blank if underpayment or no change
<b>15</b>	AR amount	<b>130</b>	<b>141</b>	12	Amount of overpayment from claim adjustment; NNNNNNNNNN.DD
<b>16</b>	Internal document (check) number	<b>142</b>	<b>150</b>	9	Displays for all adjustments
<b>17</b>	Count of claim lines	<b>151</b>	<b>152</b>	2	Include all claim details
<b>18</b>	Detail indicator	<b>153</b>	<b>153</b>	1	Space = RAC requested detail; Asterisk = Non-RAC requested detail
<b>19</b>	Original HCPCS	<b>154</b>	<b>158</b>	5	
<b>20</b>	Adjusted HCPCS	<b>159</b>	<b>163</b>	5	
<b>21</b>	Original amount paid	<b>164</b>	<b>175</b>	12	Original amount paid for the specific service; NNNNNNNNNN.DD
<b>22</b>	Adjusted amount paid	<b>176</b>	<b>187</b>	12	Revised amount paid for the specific service; NNNNNNNNNN.DD.
<b>23</b>	Filler		<b>607</b>		Space fill to total record length (up to 13 claim line groups)