



CSR Inquiry Assistance

Related Medlearn Matters Article #: MM2951

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Related CR #: CR 2951

Financial Management Manual: Section 420 – Procedures for Re-issuance and Stale Dating of Medicare Checks

Key Words

Updates, Medicare, Financial, Management, Manual, Reissuing, Medicare, Check, Stale, Dated, Outstanding, 42 CFR 424.352, Fiscal, Intermediary, Carrier, Tasks, MM2951, CR 2951

Provider Types Affected

Physicians, suppliers, and providers

Key Points

- The effective date for this instruction is August 16, 2004.
- This instruction updates the Medicare Financial Management Manual (Pub. 100-06) and incorporates Change Request (CR) 1364 (Transmittal AB-01-122, September 10, 2001) regarding the CMS procedures for re-issuing and stale dating of Medicare checks which expired in September 2002.
- All Medicare contractors must re-issue checks in accordance with 42 CFR 424.352.
- Regulation 42 CFR 424.352 requires that a Medicare fiscal intermediary or carrier perform certain tasks upon notification by a payee that a check has been lost, stolen, defaced, mutilated, destroyed, or paid on forged endorsements.
- This list of task may be found on pages 2 and 3 of Medlearn Matters article MM2951, by accessing the article link listed below.
- 42 CFR 424.352 applies *only* to checks that have been lost, stolen, defaced, mutilated, destroyed, or paid on a forged endorsement.
- Medicare checks that are in the physical possession of the payee, have not been defaced or mutilated, and have not been negotiated are not subject to the 1 year time limit for reissuance of 42 CFR 424.352 (d). CR 2951 specifies conditions when these checks may be re-issued.
- Outstanding checks are checks that have been issued as payment for Medicare benefits and have not been presented for payment to a financial institution and subsequently drawn from the Medicare trust fund.

- Stale dated checks are checks that have reached a specific age from date of issue (e.g., one year from the date of issuance) and have not been presented for payment to a financial institution and subsequently drawn from the Medicare trust funds.
- In the event that a Medicare contractor must stale date checks in less than 1 year (due to State or local banking regulations), that Medicare contractor must recognize and report the value of these checks as an Other Liability-Other until 1 year from the date of issue since the payee has the right to reclaim the funds.

Important Links

<http://www.cms.hhs.gov/medlearn/matters/mmarticles/2004/MM2951.pdf>

http://www.cms.hhs.gov/manuals/pm_trans/R49FM.pdf