

MLN Matters Number: MM5047

Related Change Request (CR) #: 5047

Related CR Release Date: May 10, 2006

Effective Date: September 22, 2006

Related CR Transmittal #: R944CP

Implementation Date: July 3, 2006

## Full Replacement of CR4349, Hold on Medicare Payments. CR4349 Is Rescinded

**Note:** This article was revised on May 11, 2006, to reflect a new CR release date, transmittal number, and CR5047 web address. These were changed to reflect that CR5047 was revised by CMS on May 10. All other information in the article remains the same.

### Provider Types Affected

Providers and physicians who bill Medicare contractors (fiscal intermediaries (FIs) including regional home health intermediaries (RHHIs), and carriers) for their services

### Key Points

- A brief hold will be placed on Medicare payments for ALL claims (e.g., initial claims, adjustment claims, and Medicare Secondary Payer (MSP) claims) for the last 9 days of the Federal fiscal year, i.e., September 22, 2006-September 30, 2006.
  - In essence, no payments on claims will be made from September 22-30, 2006. Providers need to be aware of these payment delays, which are **mandated by section 5203 of the Deficit Reduction Act (DRA) of 2006.**
  - Accelerated payments using normal procedures will be considered
- No interest will be accrued or paid, and no late penalty will be paid to an entity or individual for any delay in a payment by reason of this one-time hold on payments.
- **All claims held as a result of this one-time policy that would have otherwise been paid on one of these 9 days will be paid on October 2, 2006.**

#### Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents.

## Additional Information

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**This policy applies only to claims subject to payment.** It does not apply to full denials and no-pay claims. It also does not apply to periodic interim payments, home health request for anticipated payments, cost reports settlements, and other non-claim payments.

Additionally, Medicare contractors will continue to apply the fourteen day electronic claim payment floor and the 29-day paper claim payment floor. On a case-by-case basis, Medicare FIs, RHHIs or carriers may make adjustments, after October 1, 2006, for extenuating circumstances raised by a provider. For example, adjustments may be made to not charge a provider interest on an overpayment for those days for which offsets could not be made due to the hold of payments required by this DRA provision.

Please note that:

- Payments will not be staggered; and
- No advance payments during the 9-day hold will be allowed.

CR5047 is the official instruction issued to your FI, RHHI, or carrier regarding changes mentioned in this article. CR5047 may be found by going to <http://www.cms.hhs.gov/Transmittals/downloads/R944CP.pdf> on the CMS website.

Please refer to your local FI/RHHI or carrier if you have questions about this issue. To find their toll free phone number, go to <http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

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