

CMS Manual System

Pub 100-08 Medicare Program Integrity

Transmittal 122

Department of Health &
Human Services (DHHS)

Center for Medicare &
Medicaid Services (CMS)

Date: SEPTEMBER 16, 2005
CHANGE REQUEST 4091

SUBJECT: Medical Review Collection Number Requirements

I. SUMMARY OF CHANGES: Requires contractors to put the OMB approved paperwork collection number on all medical review additional documentation requests (ADRs)

NEW/REVISED MATERIAL

EFFECTIVE DATE: September 16, 2005 OMB is mandating this effective upon the publication date of the PRA package, which has just occurred.

IMPLEMENTATION DATE: October 17, 2005

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:

R = REVISED, N = NEW, D = DELETED

R/N/D	CHAPTER/SECTION/SUBSECTION/TITLE
R	3/Table of Contents
N	3/3.4 Overview of Prepayment and Postpayment Review for MR Purposes

III. FUNDING:

No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2005 operating budgets.

IV. ATTACHMENTS:

Business Requirements

Manual Instruction

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

Attachment - Business Requirements

Pub. 100-08	Transmittal: 122	Date: September 16, 2005	Change Request 4091
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SUBJECT: Medical Review Collection Number Requirements

I. GENERAL INFORMATION

A. Background: This collection number is newly assigned by the Office of Management and Budget (OMB). Since additional documentation requests (ADRs) or any other written request for additional documentation for medical review are for audit purposes, they are technically excluded from needing a Paperwork Reduction Act (PRA) approval and collection number. However, to avoid confusion, OMB has decided to issue a collection number to be used going forward.

B. Policy: This collection number, 0938-0969, is required for all ADR letters or any other requests for additional documentation for medical review from this point forward.

II. BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement

"Should" denotes an optional requirement

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
4091.1	Contractors shall place the Office of Management and Budget (OMB) collection number, 0938-0969, on every medical review additional documentation request (ADR) or any other written request for additional documentation for medical review in the header, footer or body of the ADR.	X	X	X	X					PSCs sending ADRs for medical review

III. PROVIDER EDUCATION

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)							
		F I	R H H I	C a r r i e r	D M E R C	Shared System Maintainers			
F I S S	M C S					V M S	C W F		
	None.								

IV. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions: N/A

X-Ref Requirement #	Instructions

B. Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

C. Interfaces: N/A

D. Contractor Financial Reporting /Workload Impact: N/A

E. Dependencies: N/A

F. Testing Considerations: N/A

V. SCHEDULE, CONTACTS, AND FUNDING

<p>Effective Date*: Upon Issuance Implementation Date: 30 days from issuance</p> <p>Pre-Implementation Contact(s): Dan Schwartz (daniel.schwartz@cms.hhs.gov) and Marie Casey (Marie.Casey@cms.hhs.gov)</p> <p>Post-Implementation Contact(s): Your regional office</p>	<p>No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2005 operating budgets.</p>
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Medicare Program Integrity Manual

Chapter 3 - Verifying Potential Errors and Taking Corrective Actions

Table of Contents
(Rev.122, 09-16-05)

3.4 - Overview of Prepayment and Postpayment Review for MR Purposes

3.4 - Overview of Prepayment and Postpayment Review for MR Purposes

(Rev. 122, Issued: 09-16-05, Effective: 09-16-05, Implementation: 10-17-05)

The instructions listed in this section (section 3.4) apply only to reviews conducted for MR purposes unless otherwise noted. When MR staff are performing BI-directed prepay or postpay claims review, the MR staff should seek direction from the BI staff. For example, if the provider calls the MR staff and requests feedback on the review results pursuant to the requirements for progressive corrective action, the MR staff should seek guidance from the BI unit.

Prepayment MR of claims requires that a benefit category review, statutory exclusion review, reasonable and necessary review, and/or coding review be made BEFORE claim payment. Prepayment MR of claims always results in an "initial determination." *See Pub. 100-04, chapter 29, section 30.3*, for a complete definition of "initial determination."

Postpayment MR of claims requires that a benefit category review, statutory exclusion review, reasonable and necessary review, and/or coding review be made AFTER claim payment. These types of review allow the contractor the opportunity to make a determination to either pay a claim (in full or in part), deny payment or assess an overpayment. Postpayment MR of claims may result in no change to the initial determination or may result in a "revised determination." See 42 CFR 405.841 and 42 CFR 405.750 for a complete definition of "revised determination."

When initiating prepay or postpay review (provider specific or service-specific), contractors must notify providers of the following:

- That the provider has been selected for review and the specific reason for such selection. If the basis for selection is comparative data, contractors must provide comparative data on how the provider varies significantly from other providers in the same specialty payment area or locality. Graphic presentations may help to communicate the perceived problem more clearly;
- Whether the review will occur on a prepayment or postpayment basis;
- If postpayment, the list of claims that require medical records; *and*
- *The OMB Paperwork Reduction Act collection number, which is 0938-0969. This number needs to be on every additional documentation request (ADR) or any other type of written request for additional documentation for medical review. It can be in the header, footer or body of the document. We suggest the information read "OMB #: 0938-0969" or "OMB Control #: 0938-0969."*

This notice must be in writing and may be issued separately or in the same letter that lists the additional documentation that is being requested. Contractors may (but are not required to) make this notification via certified letter with return receipt requested. In

addition, the contractor may include information on its Web site explaining that service-specific review will be occurring and the rationale for conducting such review.