

CMS Manual System	Department of Health & Human Services
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services
Transmittal 1313	Date: JULY 23, 2007
	Change Request 5658

SUBJECT: Response to Competitive Acquisition for Part B Drugs and Biologicals (CAP) Claims When the Common Working File (CWF) 69XD Error Code is Received

I. SUMMARY OF CHANGES: This Change Request (CR) eliminates the instructions to contractors in Business Requirements 4309.5 and 4309.5.1 found in CR 4309, Transmittal 866, reissued in final on February 17, 2006. This CR also provides instructions on how contractors are to respond to 69XD error codes received for CAP claims.

NEW / REVISED MATERIAL

EFFECTIVE DATE: August 23, 2007

IMPLEMENTATION DATE: August 23, 2007

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
R	17/100.2.9/Submission of Claims With the Modifier JW, "Drug Amount Discarded/Not Administered to Any Patient"

III. FUNDING:

No additional funding will be provided by CMS; Contractor activities are to be carried out within their FY 2007 operating budgets.

IV. ATTACHMENTS:

One-Time Notification

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

Attachment - Business Requirements

Pub. 100-04	Transmittal: 1313	Date: July 23, 2007	Change Request: 5658
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SUBJECT: Response to Competitive Acquisition for Part B Drugs and Biologicals (CAP) Claims When the Common Working File (CWF) 69XD Error Code is Received

Effective Date: August 23, 2007

Implementation Date: For claims processed on or after August 23, 2007

I. GENERAL INFORMATION

A. Background: Contractors are currently receiving the CWF error code 69XD when a prescription order number is submitted more than one time on a CAP claim. Providers may be incorrectly coding duplicate prescription order numbers on the same claim for several reasons. For example, the error code may occur because: A) the provider is coding wastage of the drug using the JW modifier, and has repeated the prescription order number on the wastage line; B) the units provided for the drug exceed 999 and the balance of the units are coded on an additional line with a repeat of the prescription order number; or C) the provider has submitted more than one line on the same claim with the same or different dates of service using the same prescription order number, and the units do not exceed 999.

In order to resolve the issue of units that exceed 999, CMS will be working with the approved CAP vendor, to have them issue additional prescription order numbers when the units of the drug exceed 999.

In order to prevent future problems with duplicate prescription order numbers, claims for wastage related to drugs furnished under the CAP will no longer be accepted as described in the corresponding Manual change.

In addition, this Change Request (CR) eliminates the instructions to contractors in Business Requirements 4309.5 and 4309.5.1 found in CR 4309, Transmittal 866, reissued in final on February 17, 2006.

Contractors are to implement this CR 30 days from issuance for claims processed on or after that date. This includes all claims with dates of service on or after July 1, 2006. Contractors shall not search for and adjust claims that have been processed prior to the implementation date. However contractors shall adjust claims brought to their attention.

Per this CR, when contractors receive the 69XD error code from CWF they shall return the claims as unprocessable as instructed. The claims must then be corrected by the submitter to remove duplicate prescription order numbers and resubmitted for processing.

B. Policy: This instruction describes the procedure for processing CAP claims that receive a CWF error code of 69XD.

II. BUSINESS REQUIREMENTS TABLE

“Shall” denotes a mandatory requirement

Number	Requirement	Responsibility (place an “X” in each applicable column)											
		A	D	F	C	D	R	E	Shared-System Maintainers	V	C	OT	
		/	M	I	A	M	H	D					F
B	E		R	E	I	C	S	S	S	F			
5658.1	Contractors shall disregard instructions in BR 4309.5 and 4309.5.1 in CR 4309, Transmittal 866, reissued in final on February 17, 2006.	X			X								
5658.2	When contractors receive the 69XD error code from CWF for a CAP claim due to duplicate prescription order numbers, they shall return the entire claim as unprocessable.	X			X								
5658.2.1	Contractors shall apply this action to all CAP claims regardless of the date of service.	X			X								
5658.2.2	<p>Contractors shall return the following Remittance Advice Claim Adjustment Reason Code (CARC) and Remittance Advice Remark Code (RARC):</p> <p>CARC 16 – Claim/service lacks information which is needed for adjudication. Additional information is supplied using remittance advice remarks codes whenever appropriate. This change to be effective 4/1/2007: At least one Remark Code must be provided (may be comprised of either the Remittance Advice Remark Code or NCPDP Reject Reason Code.)</p> <p>RARC MA130: Your claim contains incomplete and/or invalid information, and no appeal rights are afforded because the claim is unprocessable. Please submit a new claim with the complete/correct information.</p> <p>New RARC N389 – Duplicate prescription number submitted.</p>	X			X								

Number	Requirement	Responsibility (place an "X" in each applicable column)											
		A / B	D M E	F I	C A R R I E R	D M R C	R E H I	E D C	Shared-System Maintainers				OT
									F I S S	M C S	V M S	C W F	
	RARC M16 – Please see our website, mailings, or bulletins for more details concerning this policy/procedure/decision.												
5658.3	Contractors shall not search for and adjust claims that have been processed prior to the implementation date. .	X			X								
5658.3.1	Contractors shall adjust claims brought to their attention	X			X								

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)												
		A / B	D M E	F I	C A R R I E R	D M R C	R E H I	E D C	Shared-System Maintainers				OT	
									F I S S	M C S	V M S	C W F		
5658.4	A provider education article related to this instruction will be available at http://www.cms.hhs.gov/MLNMattersArticles/ shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within one week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.	X			X									C De at Ca

IV. SUPPORTING INFORMATION

A. Recommendations and supporting information associated with listed requirements:

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
4309.5	No longer in effect
4309.5.1	No longer in effect

B. All other recommendations and supporting information:

V. CONTACTS

Pre-Implementation Contact(s): Edmund Kasaitis, (410) 786-0477, Edmund.Kasaitis@cms.hhs.gov. For claims processing, contact Leslie Trazzi, Leslie.Trazzi@cms.hhs.gov

Post-Implementation Contact(s): Appropriate Regional Office.

VI. FUNDING

A. For Fiscal Intermediaries, Carriers, and the Durable Medical Equipment Regional Carrier (DMERC):

No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2007 operating budgets.

B. For Medicare Administrative Contractors (MACs):

The contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the Statement of Work (SOW). The contractor is not obligated to incur costs in excess of the amounts specified 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.

100.2.9 - Submission of Claims With the Modifier JW, “Drug Amount Discarded/Not Administered to Any Patient”

(Rev. 1313; Issued: 07-23-07; Effective/Implementation Dates: 08-23-07)

The JW modifier must not be used on Medicare Part B Drug CAP claims; providers shall not code for wastage for drugs furnished under the CAP. Claims for drugs provided under CAP submitted with the JW modifier will be treated as unprocessable.