



Medicare Administrative Contractor Audit & Reimbursement Update

Tom Hansen

Audit & Reimbursement Manager

Tel: 207-253-3315

Email: Tom.Hansen@Anthem.com

December 11, 2009



Audit Discussion Topics

- Overview of Audit & Reimbursement
- Redesign PS&R
- SSI Update
- FY 2011 Wage Index Review
- Interns & Residents Tracking
- Operational Medicare Bad Debts
- Maine Crossover Bad Debts
- Quick Hits
- Question & Answers

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<http://www.medicarenhic.com/index.shtml>



Audit & Reimbursement Overview

Audit & Reimbursement

Where will A&R work be performed?

Primary:

South Portland, ME

Lynnfield, MA – Closing January 31, 2010

Manchester, NH

Syracuse, NY

Secondary:

Resources from other NGS offices throughout the country may be used – (30 - 09/30/08 MA Desk Reviews have been sent to the Midwest for completion)

Note - A&R work, including appeals, may not be done by staff located in the provider's state. However all auditors follow the same audit procedures.

Audit & Reimbursement

A&R Responsibilities that will be completed in the Syracuse, NY office will include:

- **Cost Report Reminder and Past Due Letters**
- **Cost Report receipt and processing**
- **Payment suspension and releases**
- **Interim Rate Setting**
- **Tie-In Notices (change of ownership, mergers, etc.)**
- **Final Settlements**
- **Provider Specific File Updates**

Audit & Reimbursement (cont)

- PS&R (for prior to 2009)
- Mammography, Diabetes updates (fax to Katrina Jones at 315-442-4365)
- Accelerated Payments
- IRF Annual Review (75% rule)
- Provider Based Determinations
- MDH/SCH determinations and low volume requests
- TEFRA Exceptions
- Hospice Cap Reviews

General Reimbursement and Cost Report Questions

The following individuals in the Syracuse office are primary contacts for cost report acceptance and reimbursement related issues:

Angela Tyson

Medicare A&R Manager

Tel: (315) 442-4759

Fax: (315) 442-4980

Angela.Tyson@empireblue.com

Christine Chamberlain

Medicare Provider Reim Lead

Tel: (315) 442-4039

Fax: (315) 442-4371

Christine.Chamberlain@empireblue.com

Cost Report Submissions

- Cost report submissions should be addressed to the **Cost Report Processing Unit** to ensure timely processing
- Early submissions may alleviate potential payment interruptions

Standard Mail

NHIC, Corp.
C/O National Government Services, Inc.
Cost Report Processing Unit
P.O. Box 4846
Syracuse, NY 13221-4846

Overnight Mail (USPS Express Mail)

NHIC, Corp.
C/O National Government Services, Inc.
Cost Report Processing Unit
400 S. Salina Street
Syracuse, NY 13202

Ways to Minimize Risk of Payment Suspensions

Submit the cost report early

Cost Report Submission Reminders

- **Original Signature on the cost report and the 339 (Signature using Blue Pen is Preferred since it enables distinction of the original signature from a photo copy)**
- **Use the most updated cost report software**
- **Ensure all Level I Errors are resolved**
- **Confirm that the diskette submitted contains the ECR and/or the Print Image files**

Note: Cost reports are reviewed under the FIFO method (first in, first out) to ensure compliance with Medicare requirements (30 days to accept from time of receipt)

Ways to Minimize Risk of Payment Suspensions (cont.)

Submit Quarterly Credit Balance Reports timely

Due 30 Days after the end of the quarter

Submit to:

NHIC, Corp.

c/o Cash Accounting – Credit Balance Report

75 Sgt William B Terry Drive

Hingham, MA 02043

Fax Number for Submission

414-459-5700

Audit & Reimbursement Correspondence

Correspondence and all other information to Audit and Reimbursement should be mailed to:

Standard Mail

NHIC, Corp
C/O National Government Services, Inc.
Attn: Medicare Audit & Reimbursement
P.O. Box 4846
Syracuse, NY 13221-4846

Overnight Mail (USPS Express Mail)

NHIC, Corp
C/O National Government Services, Inc.
Attn: Medicare Audit & Reimbursement
400 S. Salina Street
Syracuse, NY 13202

Specific Payment Questions

Questions pertaining to payment issues such as the status, receipt or application of a payment should be directed to:

Part A (877) 757-7783

RHHI (866)289-0423

Mailing Medicare Payments

A check and a letter of explanation for determined overpayments and / or voluntary refunds should be mailed to the following lockbox address:

**NHIC Medicare – 180
PO Box 5896
New York, NY 10087-5896**



Accessing Redesign PS&R Reports Using CMS IACS System



Accessing Redesign PS&R Reports Using CMS IACS System

- **CMS initiated a total redesign of the PS&R system which is now complete.**
- **New system is a Web-based system with on-line request capability (i.e. providers register with CMS-IACS system to order own reports)**
 - **Two report formats (PDF and CSV)**
 - **On-line retrieval**
 - **Enhanced security**
 - **Faster turnaround times**
 - **Reports includes more claim data (i.e., 'real-time' system) versus legacy PS&R where contractor loaded monthly paid history.**

Accessing Redesign PS&R Reports Using CMS IACS System

- **Providers and FI/MAC's are directed to a CMS web site for additional information regarding the redesigned PS&R system at www.cms.hhs.gov/psrr/**
- **CMS link above includes all pertinent information on new IACS system, including:**
 - **Registration Tips**
 - **Link to IACS Log-In screen**
 - **PS&R Users Manual**
- **First impacted cost reports are FYE 1/31/09.**
- **Cost Report FYEs prior to 1/31/09 will be settled on old (legacy) PS&R System. (Note – previous claim history was not 'moved' to new system.)**

Accessing Redesign PS&R Reports Using CMS IACS System (cont)

- **CMS allowed providers to Register in IACS system on a phased-in basis based on FYE (starting with FYE 1/31/09 providers back in March 2009).**
- **IACS stands for Individuals Authorized Access to CMS Computer Services.**
- **As of 10/1/09, all FYE providers allowed to Register in new system.**
- **Providers need to be signed up in IACS in time to get the PS&R for cost report filing purposes.**

Accessing Redesign PS&R Reports Using CMS IACS System (cont)

- **With IACS Registration Process, Providers can make decisions on who is going to be the Security Official, User Group Administrator & End Users.**
- **Once Provider's primary Security Official is registered, then additional users (at provider) can be registered. (Note- consultants cannot be Registered as a Provider)**

Accessing Redesign PS&R Reports Using CMS IACS System (cont)

- The following slides provide a walk through of the new PS&R system.
- It starts with the 'Log-in' screen available on CMS PS&R Redesign home page: www.cms.hhs.gov/psrr/

Accessing Redesign PS&R Reports Using CMS IACS System

IACS Web Access Management (Login) - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address <https://am.cms.hhs.gov/amservlet/UI/Login?goto=%2Famservlet%2Fcdcervlet%3FTARGET%3Dhttps%253A%252F%252Fpsr-ui.cms.cmsnet%253A443%252Fpsr-ui%252F...> Go Links >>

U.S. Department of Health & Human Services www.hhs.gov

CMS Centers for Medicare & Medicaid Services

Individuals Authorized Access to the CMS Computer Services (IACS)

Login to IACS

The Federal Information Security Management Act (FISMA) of 2002 requires that the local system used to access CMS Computer Systems has up-to-date operating system patches and is running anti-virus software.

You must have an IACS User ID and Password to login.
If this is your first time logging in, please use the User ID and the one-time password that was e-mailed to you by IACS.

Effective September 29, 2006, your password will be set to expire every sixty days. In the event your password does expire, you will be prompted to change your password. For further assistance, contact your CMS help desk.

Enter your User ID and password, and then click **Login**. If you can't remember your password, click **Forgot your password?**

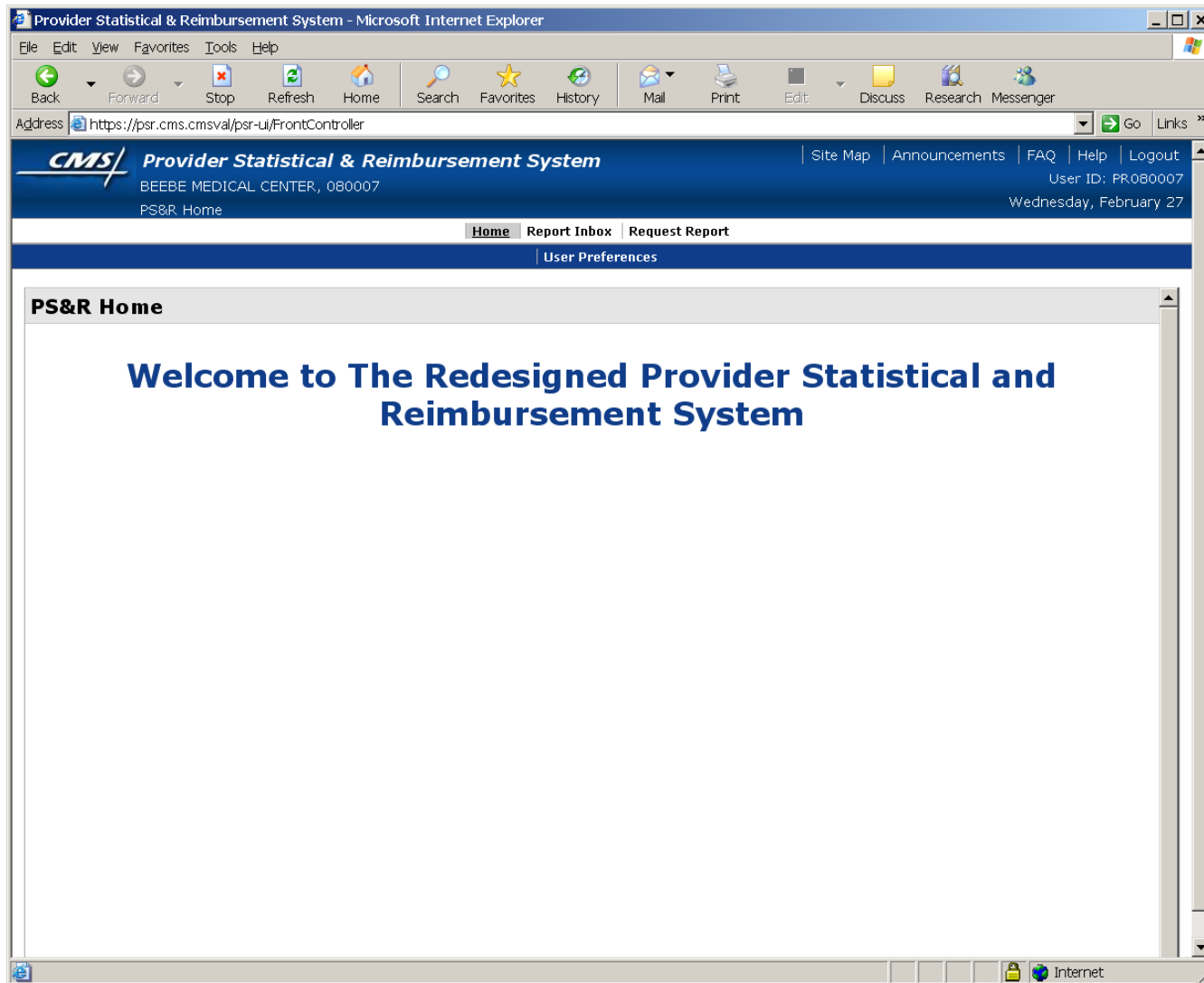
User ID

Password

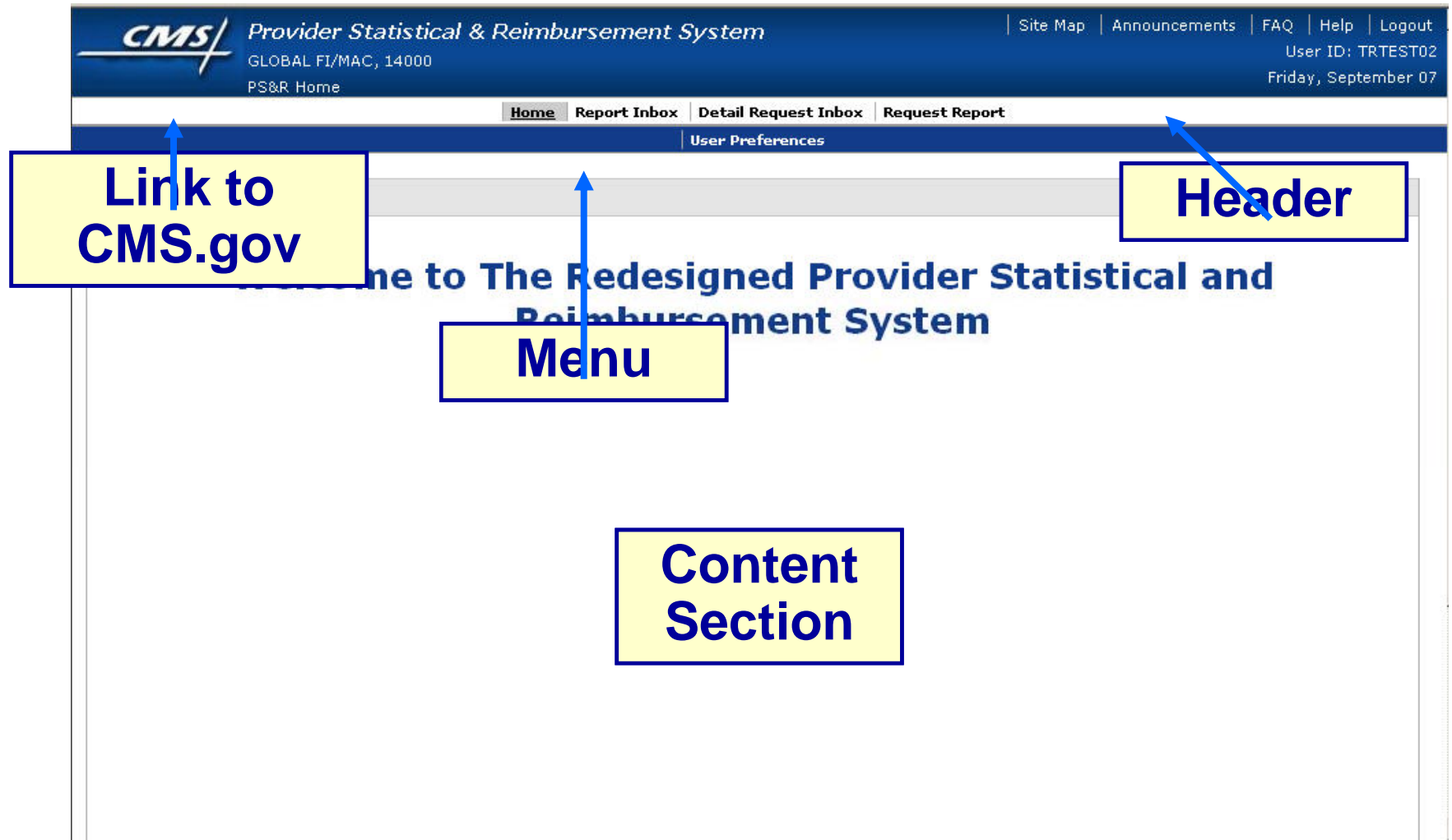
[Forgot your password?](#)

<http://www.hhs.gov/> Internet 4:40 PM

Accessing Redesign PS&R Reports Using CMS IACS System



PS&R Page Layout



Requesting Summary Reports

The screenshot displays the CMS Provider Statistical & Reimbursement System interface. At the top, the CMS logo is on the left, and navigation links for Site Map, Announcements, FAQ, Help, and Logout are on the right. The user ID is TRTEST00 and the date is Friday, September 21. Below this is a main menu with 'Home', 'Report Inbox', and 'Request Report' (highlighted with a red box). A 'User Preferences' link is also visible. The main content area shows a welcome message and a sub-menu with 'Favorite Requests', 'Request Summary', and 'Request Detail'. A blue arrow points from a yellow callout box to the 'Request Summary' link. The callout box contains the text: 'Click on Request Report in Main Menu' and 'Click on Request Summary in Sub Menu'.

PS&R Home

Welcome to The Redesigned Provider Statistical and Reimbursement System

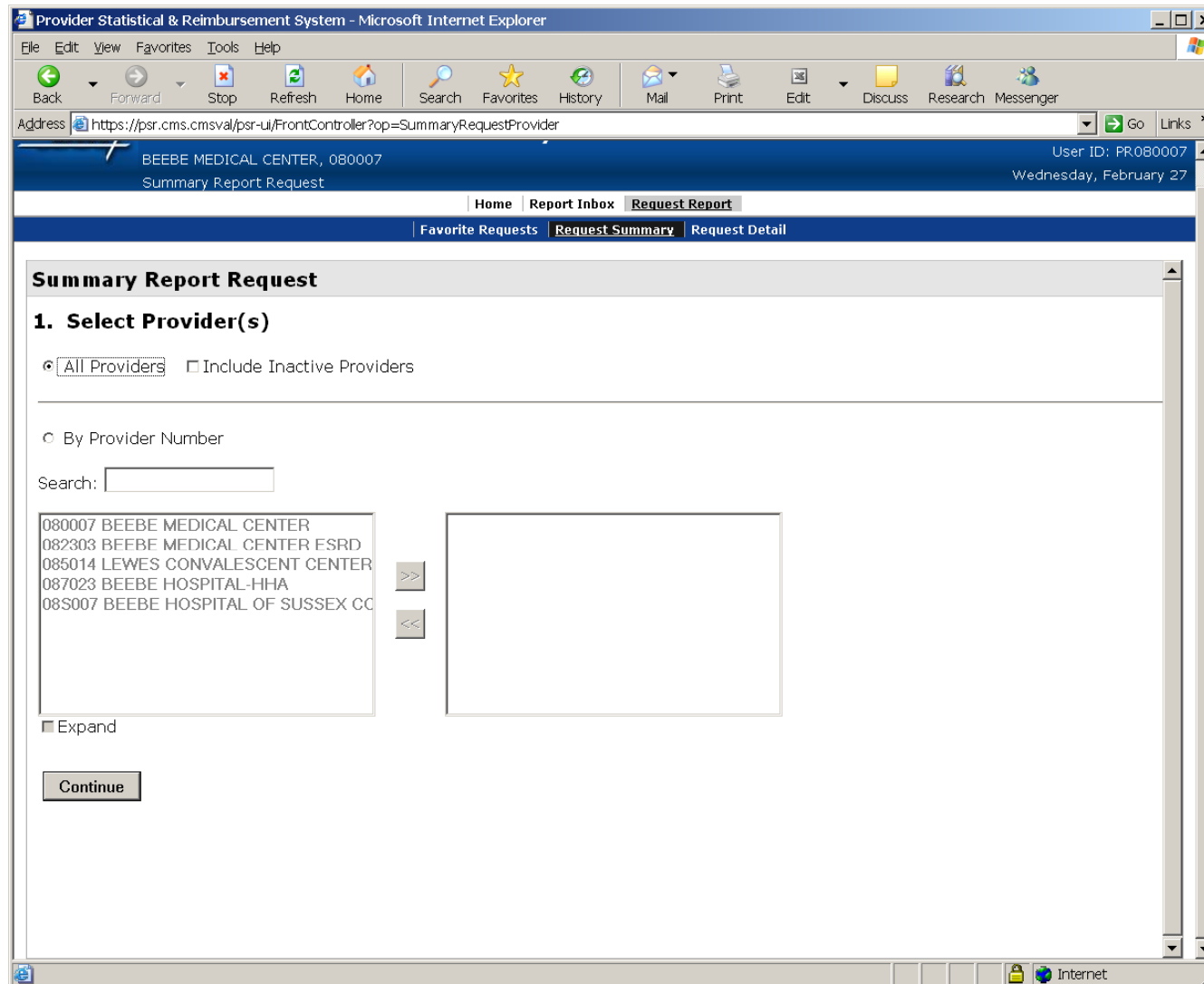
CMS/ Provider Statistical & Reimbursement System | Site Map | Announcements
GLOBAL FI/MAC, 14000
Favorite Requests

Home | Report Inbox | **Request Report**

Favorite Requests | Request Summary | Request Detail

Click on **Request Report** in Main Menu
Click on **Request Summary** in Sub Menu

Accessing Redesign PS&R Reports Using CMS IACS System



Accessing Redesign PS&R Reports Using CMS IACS System

Provider Statistical & Reimbursement System - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address <https://psr-ui.cms.cmsnet/psr-ui/FrontController> Go Links >>

By Service Type
Outpatient

Exclude 329 and 339 Patient CBSA Visit Section Include 110 DRG Section Include 1000 Report

By Report Group
Search:

32x
33x
34x
39x
81x

Exclude 329 and 339 Patient CBSA Visit Section Include 110 DRG Section Include 1000 Report

By Report Type
Search:

340 HHA - PART B
342 HHA - VACCINE - PART B 100% RSNBL COST
345 HHA - PART B - FEE REIMBURSED
34A HOME HEALTH - PART B (MSP-LCC)
34P HHA - OP - OPPS (NOT HHPPS)

Exclude 329 and 339 Patient CBSA Visit Section Include 110 DRG Section

Back Continue

Accessing Redesign PS&R Reports Using CMS IACS System

Provider Statistical & Reimbursement System - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address <https://psr-ui.cms.cmsnet/psr-ui/FrontController>

By Service Type
Outpatient

Exclude 329 and 339 Patient CBSA Visit Section Include 110 DRG Section Include 1000 Report

By Report Group
Search:

32x
33x
34x
39x
81x

>> <<

Exclude 329 and 339 Patient CBSA Visit Section Include 110 DRG Section Include 1000 Report

By Report Type
Search:

>> <<

399 HHA PPS - PART A AND PART B EPISODES
810 HOSPICE - NON-HOSPITAL BASED
81A HOSPICE - NON-HOSPITAL BASED (MSP-LCC)
81P HOSPICE - NON-HOSPITAL BASED - OPPS
820 HOSPICE - HOSPITAL BASED

Exclude 329 and 339 Patient CBSA Visit Section Include 110 DRG Section

Back Continue

Accessing Redesign PS&R Reports Using CMS IACS System

Summary Report Request

3. Select Service Periods (Default is Provider FYE at 1 Year Intervals, Format: MM/DD/YYYY)

Update Service Dates by Interval:
 Interval: Period 1 Start Date:

Update Service Dates by Period:

Period 1	Period 2	Period 3	Period 4
From: <input type="text"/> <input type="button" value="Calendar"/>	From: <input type="text"/> <input type="button" value="Calendar"/>	From: <input type="text"/> <input type="button" value="Calendar"/>	From: <input type="text"/> <input type="button" value="Calendar"/>
To: <input type="text"/> <input type="button" value="Calendar"/>	To: <input type="text"/> <input type="button" value="Calendar"/>	To: <input type="text"/> <input type="button" value="Calendar"/>	To: <input type="text"/> <input type="button" value="Calendar"/>

Update Service Dates by Provider(s):

Provider ID	Period 1 Exclude <input type="checkbox"/>	Period 2 Exclude <input type="checkbox"/>	Period 3 Exclude <input checked="" type="checkbox"/>	Period 4 Exclude <input checked="" type="checkbox"/>
227027 FYE: 0630	From: 07/01/2008 <input type="button" value="Calendar"/> To: 06/30/2009 <input type="button" value="Calendar"/> <input type="checkbox"/>	From: 07/01/2009 <input type="button" value="Calendar"/> To: 06/30/2010 <input type="button" value="Calendar"/> <input type="checkbox"/>	From: 07/01/2010 <input type="button" value="Calendar"/> To: 06/30/2011 <input type="button" value="Calendar"/> <input checked="" type="checkbox"/>	From: 07/01/2011 <input type="button" value="Calendar"/> To: 06/30/2012 <input type="button" value="Calendar"/> <input checked="" type="checkbox"/>
221542 FYE: 0630	From: 07/01/2008 <input type="button" value="Calendar"/> To: 06/30/2009 <input type="button" value="Calendar"/> <input type="checkbox"/>	From: 07/01/2009 <input type="button" value="Calendar"/> To: 06/30/2010 <input type="button" value="Calendar"/> <input type="checkbox"/>	From: 07/01/2010 <input type="button" value="Calendar"/> To: 06/30/2011 <input type="button" value="Calendar"/> <input checked="" type="checkbox"/>	From: 07/01/2011 <input type="button" value="Calendar"/> To: 06/30/2012 <input type="button" value="Calendar"/> <input checked="" type="checkbox"/>

Accessing Redesign PS&R Reports Using CMS IACS System

Provider Statistical & Reimbursement System - Microsoft Internet Explorer

Address: https://psr-ui.cms.cmsnet/psr-ui/FrontController

Interval: Year Period 1 Start Date: Apply

Update Service Dates by Period:

Period 1	Period 2	Period 3	Period 4
From: <input type="text"/>	From: <input type="text"/>	From: <input type="text"/>	From: <input type="text"/>
To: <input type="text"/>	To: <input type="text"/>	To: <input type="text"/>	To: <input type="text"/>

Apply

Update Service Dates by Provider(s):

Provider ID	Period 1 Exclude <input type="checkbox"/>	Period 2 Exclude <input type="checkbox"/>	Period 3 Exclude <input checked="" type="checkbox"/>	Period 4 Exclude <input checked="" type="checkbox"/>
227027 FYE: 0630	From: 07/01/2008 To: 06/30/2009	From: 07/01/2009 To: 06/30/2010	From: 07/01/2010 To: 06/30/2011 <input checked="" type="checkbox"/>	From: 07/01/2011 To: 06/30/2012 <input checked="" type="checkbox"/>
221542 FYE: 0630	From: 07/01/2008 To: 06/30/2009	From: 07/01/2009 To: 06/30/2010	From: 07/01/2010 To: 06/30/2011 <input checked="" type="checkbox"/>	From: 07/01/2011 To: 06/30/2012 <input checked="" type="checkbox"/>

4. Select Paid Dates

Include all Paid Dates available at time of report generation

From: To:

Back Continue Reset

Accessing Redesign PS&R Reports Using CMS IACS System

Provider Statistical & Reimbursement System - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address <https://psr-ui.cms.cmsnet/psr-ui/FrontController> Go Links >>

CMS Provider Statistical & Reimbursement System National Government Services - ME, 00180 Summary Report Request

Site Map | Announcements | FAQ | Help | WBT | Logout
User ID: TQNS003
Wednesday, October 07

Home | Report Inbox | Request Report

Favorite Requests | Request Summary | Request Detail

Summary Report Request

5. Select Report Format

PDF
 CSV
 PDF & CSV

Separate Files by Provider

Back Continue

Done Internet 4:59 PM

Accessing Redesign PS&R Reports Using CMS IACS System

Provider Statistical & Reimbursement System - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address <https://psr-ui.cms.cmsnet/psr-ui/FrontController> Go Links >>

CMS Provider Statistical & Reimbursement System
National Government Services - ME, 00180
Summary Report Request

Site Map | Announcements | FAQ | Help | WBT | Logout
User ID: TQNS003
Wednesday, October 07

Home | Report Inbox | **Request Report**

Favorite Requests | **Request Summary** | Request Detail

Summary Report Request

6. Confirm Report Request

Report Request ID: TQNS003-S-1026643

Your Request Name:
(50 Char.)

Requested Provider(s): 227027 , 221542

Requested Report(s): 399, 810, 81A, 81P, 820, 82A, 82P, 1000, 322, 329, 32M, 332, 339, 33M, 340, 342, 345, 34A, 34P

No Data Available: *
227027: 32M, 33M, 340, 342, 345, 34A
221542: 81A, 81P, 820, 82A, 82P

Patient CBSA Section: Requested

Format: PDF

Files Separated by Provider: No

Paid Dates: Include all Paid Dates available at time of report generation

Service Periods:

Provider ID	Period 1	Period 2	Period 3	Period 4	Exclude Provider
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Note: This request will generate up to 9 Summary Report(s). The 1000 and/or 399 report(s) may be blank if the component reports have no data for the dates requested.

*Data does not exist for the Provider - Report combinations listed as 'No Data Available' for the chosen Service/Paid Date Periods; therefore no report(s) will be generated for these providers/reports.

Save Request as Favorite

Done Internet 5:00 PM

Accessing Redesign PS&R Reports Using CMS IACS System

Provider Statistical & Reimbursement System - Microsoft Internet Explorer

Address: https://psr-ui.cms.cmsnet/psr-ui/FrontController

Home | Report Inbox | Request Report

Favorite Requests | Request Summary | Request Detail

Summary Report Request

6. Confirm Report Request

Patient CBSA Section: Requested
Format: PDF
Files Separated by Provider: No
Paid Dates: Include all Paid Dates available at time of report generation

Provider ID	Period 1	Period 2	Period 3	Period 4	Exclude Provider
227027	From: 07/01/2008 To: 06/30/2009	From: 07/01/2009 To: 06/30/2010	From: N/A To: N/A	From: N/A To: N/A	<input type="checkbox"/>
221542	From: 07/01/2008 To: 06/30/2009	From: 07/01/2009 To: 06/30/2010	From: N/A To: N/A	From: N/A To: N/A	<input type="checkbox"/>

Note: This request will generate up to 9 Summary Report(s). The 1000 and/or 399 report(s) may be blank if the component reports have no data for the dates requested.

*Data does not exist for the Provider - Report combinations listed as 'No Data Available' for the chosen Service/Paid Date Periods; therefore no report(s) will be generated for these providers/reports.

Save Request as Favorite
Favorite Name: (50 Char.) FAV-TQNS003-S-1026643

Back Submit

Accessing Redesign PS&R Reports Using CMS IACS System

Provider Statistical & Reimbursement System - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address <https://psr-ui.cms.cmsnet/psr-ui/FrontController> Go Links

CMS Provider Statistical & Reimbursement System
National Government Services - ME, 00180
Summary Report Inbox

Site Map | Announcements | FAQ | Help | WBT | Logout
User ID: TQNS003
Wednesday, October 07

Home **Report Inbox** Request Report

Summary Report Inbox Detail Report Inbox

Summary Report Inbox

Delete	Request Name	Request Date	PDF	CSV	Status	Days Left in Inbox*
<input type="checkbox"/>	TQNS003-S-1026643	10/07/2009	Y	-	Processing	-
<input type="checkbox"/>	TQNS003-S-1026520	10/07/2009	(1226 KB)	-	Complete	21
<input type="checkbox"/>	TQNS003-S-1025854	10/06/2009	(883 KB)		Complete	20

*After 21 calendar days with a Status of "Complete" or "Error", the report request will no longer appear in this inbox. If the Status is "Complete", it is your responsibility during these 21 days to save the reports to your own computer.

Refresh Delete

PDF files can be viewed and printed using [Adobe Reader](#) software

Accessing Redesign PS&R Reports Using CMS IACS System

Questions regarding PS&R (legacy and new Redesign system)
can be directed to:

David Garland

Sr. Reimbursement Specialist

Tel: (207)-253-3312

Email: david.garland@anthem.com



Contractor Reform Update

Medicare Administrative Contractor (MAC)

History of MAC Reform

- Jurisdictions and the procurement schedule for the new contractors were announced by CMS on 2/22/05
- CMS plans to award a total of 23 MACs through competitive bidding
 - **15 Primary A/B MACs servicing the majority of all provider types (both Part A and Part B)**
 - **4 Specialty MACs (durable medical equipment suppliers)**
 - **4 Specialty MACs (home health and hospice providers)**
- The 4 HHA and Hospice Specialty MACS were subsequently rolled into the respective Primary A/B MACS

History of MAC Reform (cont)

- **Last group of RFPs were issued August 31, 2007**
- **All cutovers were to be completed by July 2009**
- **Law requires all existing contracts to be completed by Sept 2011**
- **Schedule allows for 2 years of slippage**

Original Procurement Schedule for MACs

Cycle	Workload Being Competed	Request for Proposal Issuance Date	Award Date
Start-Up	DME MACs A, B and D DME MAC C Jurisdiction 3	April 15, 2005 September 19, 2005	January 6, 2006 September 30, 2006 July 31, 2006
Cycle One	Jurisdiction 4 Jurisdiction 5 Jurisdiction 12 Jurisdiction 1 Jurisdiction 13 Jurisdiction 2 Jurisdiction 7	September 29, 2006 December 15, 2006	August 2, 2007 September 5, 2007 October 24, 2007 October 25, 2007 March 18, 2008 May 5, 2008 July 10, 2009
Cycle Two	Jurisdictions 9 Jurisdiction 14 and Home Health and Hospice Jurisdiction A Jurisdictions 8,10 Jurisdictions 6, 11, 15 and Home Health and Hospice Jurisdictions	August 31, 2007 August 31, 2007	September 12, 2008 November 19, 2008 January 7, 2009

Medicare's A/B MAC Jurisdictions

Jurisdiction # States Included in Jurisdiction

- 1 ***American Samoa, California, Guam, Hawaii, Nevada, and Northern Mariana Islands***
 - awarded to Palmetto on October 25, 2007

- 2 ***Alaska, Idaho, Oregon, and Washington***
 - awarded to NHIC on May 5, 2008. Due to a protest being filed, those in the competitive range have since re-bid

- 3 ***Arizona, Montana, North Dakota, South Dakota, Utah, and Wyoming***
 - awarded to Noridian on July 31, 2006

- 4 ***Colorado, New Mexico, Oklahoma, and Texas***
 - awarded to Trailblazer on August 3, 2007

- 5 ***Iowa, Kansas, Missouri, and Nebraska***
 - awarded to Wisconsin Physician Services on September 4, 2007

Medicare's A/B MAC Jurisdictions

Jurisdiction # States Included in Jurisdiction

6 *Illinois, Minnesota, and Wisconsin*

- awarded to Noridian on January 7, 2009

7 *Arkansas, Louisiana, and Mississippi*

- awarded to Pinnacle Business Solutions on June 11, 2008, Protested and awarded to Trailblazer on July 10, 2009.

8 *Indiana and Michigan*

- awarded to National Government Services, Inc. on January 7, 2009.

9 *Florida, Puerto Rico, and U.S. Virgin Islands*

-awarded to First Coast Service Options, Inc. (FSCO) on September 12, 2008

10 *Alabama, Georgia, and Tennessee*

- awarded to Cahaba on January 7, 2009.

Medicare's A/B MAC Jurisdictions

Jurisdiction # States Included in Jurisdiction

11 *North Carolina, South Carolina, Virginia and West Virginia*

- awarded to Palmetto on January 7, 2009.

12 *Delaware, District of Columbia, Maryland, New Jersey, and Pennsylvania*

- awarded to Highmark on October 24, 2007

13 *Connecticut and New York*

- awarded to NGS on March 18, 2008

14 *Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont*

-awarded to NHIC on November 19, 2008

15 *Kentucky and Ohio*

- awarded to Highmark on January 7, 2009



SSI Update

2007 Published SSI%

- **Change Request 6530 was released on July 24, 2009 informing FIs and MACs to start using the 2007 SSI%'s that were posted on the CMS Web site June 24, 2009.**
- **On July 31, 2009 The FIs and MACs were told to stop issuing final settlements for cost reports that use the FY 2007 SSI ratio until further notice.**
- **We were told by CMS to continue to use the 2007 SSI ratios to update FISS, calculate rates and issue tentative settlements.**

2008 & 2009 SSI%

- **The 2008 SSI%'s have not been published by CMS. We will not be issuing 2008 final settlements until the SSI% are published.**
- **All audit/review work will continue to be completed. However, an NPR will not be issued until the contractor is instructed to do so by CMS. Memo adjustment recognizing this problem will be included in all 15 day letters.**

Website Address for SSI Updates

Acute IPPS:

http://www.cms.hhs.gov/AcuteInpatientPPS/05_dsh.asp#TopOfPage

IRF:

http://www.cms.hhs.gov/InpatientRehabFacPPS/05_SSIData.asp#TopOfPage

LTCH:

http://www.cms.hhs.gov/LongTermCareHospitalPPS/08_download.asp



FY 2011 Wage Index

WI - General Timeline

- **December 7, 2009 – Deadline for hospitals to request revisions**
- **Initial review will be completed in early February 2010**
- **March through June 2010 – corrections process**
 - **Goal – reduce the amount of corrections necessary during this timeframe as compared to previous years**
- **August - expected release of FY 2011 final rule including wage index**
- **Refer to timetable issued by CMS/NHIC for detailed requirements during this timeframe**

WI - Process Changes

- **Use of Electronic communications (i.e., E-mail)**
- **Issued a questionnaire in October 2009. Our intent:**
 - **Communicate reporting/documentation requirements in advance (such as contract labor)**
 - **To gather information and to obtain documentation up front and to stress the importance that providers have the source documentation ready upon request during the wage index review periods**
 - **to reduce short turn-around requests once the review begins and to reduce our need to contact providers during their busy period.**



Interns and Residents Tracking

IRIS and IRIS Edit Programs

- Latest Versions are 3.1 for IRISV3 and 1.1 of IRISEDV3. Both have been updated as of Feb 2009 to add new Medical School codes and Residency Type codes.
- The programs are available from the CMS Web site <http://www.cms.hhs.gov/IRIS/>

NGS GME IME Overlap Process

- We are now using PKware SecureZip to Encrypt and Password protect CDs
- Advantage is we will now be allowed to Email GME reports (PDF files) and IRIS files to providers
- You may need to install a version of PKreader to unzip the files (a version of will be on the CD with the files)

NGS GME IME Overlap process

- Overlaps and Variances are done in 2 Parts Part I are 3/31 to 9/30 FYEs, Part II are 12/31 FYEs
- Database now contains Jurisdiction 14 (the rest of New England) and Ohio and Kentucky Hospitals
- Beginning in 2010 we will no longer be using KPMG software we are switching to HFS



Operational Medicare Bad Debts - CMS Policy & Instructions

PRM-1, §308 – Criteria for Bad Debt

A debt must meet these criteria to be an allowable bad debt:

1. The debt must be related to covered services and derived from deductible and coinsurance amounts.
2. The provider must be able to establish that reasonable collection efforts were made.
3. The debt was actually uncollectible when claimed as worthless.
4. Sound business judgment established that there was no likelihood of recovery at any time in the future.

PRM-1, §310 - Reasonable Collection Effort

- Provider's collection effort must be similar¹ to the effort to collect comparable amounts from non-Medicare patients
- Must involve issuance of a bill
 - On or shortly after discharge or death
- Must be a genuine collection effort
- May include use of collection agency
- Collection effort must be documented

¹ Similar = Same

PRM-1, §310.2 - Presumption of Noncollectibility

- If after reasonable and customary attempts to collect a bill, the debt remains unpaid more than 120 days from the date the first bill is mailed to the beneficiary, the debt may be deemed uncollectible

PRM-1, §314 - Accounting Period for Bad Debts

- Amounts are recognized in the reporting period in which the debts are determined to be worthless
- Allowable bad debts must be related to specific amounts which have been determined to be uncollectible

CMS Policy – Collection Effort (cont)

- Provider must wait to write-off if there is a collection effort either internally or through a collection agency
- The hospital must provide documentation that the collection effort has ceased.
 - Documentation includes notice from the collection agency that a particular debt is worthless and that collection efforts have ceased.

CMS Policy – Collection Effort (cont)

- The debt is not deemed worthless until returned from the collection agency.
- Any payment, no matter how small, starts the 120 day period over again.

CMS Policy – Collection Effort (cont)

- The Medicare instructions do not require a provider to utilize a collection agency, but do require that the account not be written off until it is deemed worthless and after 120 days of collection effort has been exhausted.
- However, if the provider continues to collect on an account, including referral to a collection agency, the debt is not considered worthless for Medicare reimbursement.
- In the absence of the moratorium, amounts sent to a collection agency as a continuance of the provider's collection effort must be documented/exhausted before it can be claimed in the cost report period



Maine Crossover Bad Debts

Maine Crossover Bad Debts Background

- **January 20, 2005 - State of Maine brought a new claims processing system on line. The State has been unable to produce an approved "No Pay" remittance advice that properly identifies QMB (Qualified Medicare Beneficiary) claims.**
- **A "No Pay" remittance advice is required per PRM II § 310 – Criteria for Allowable Bad Debt – "The provider must be able to establish that reasonable collection efforts were made."**
- **Must Bill Policy - In order to fulfill the requirement that a provider make a "reasonable" collection effort with respect to the deductibles and co-insurance amounts owed by dual-eligible patients, CMS' bad debt policy requires the provider to bill the patient or entity legally responsible (the State) for the patient's bill before the provider can be reimbursed for uncollectible amounts.**

Maine Crossover Bad Debt Background (cont)

- **QMB - With respect to “dual-eligibles,” Section 1905(p)(3) of the Social Security Act (“Act”) imposes liability for cost-sharing amounts for Qualified Medicare Beneficiaries on the States. In those instances where the state owes none or only a portion of the dual-eligible patient’s deductible or co-pay, the unpaid liability for the bad debt is not reimbursable to the provider by Medicare until the provider bills the State, and the State refuses payment (with a State Remittance Advice).**

Solution

- **CMS has entered into an agreement with the State of Maine as a workaround with the following criteria:**
 - The state will provide a crossover bad list to NHIC for hospital in the state by FYE.
 - The list must separately identify QMB claims which are not allowable bad debts.
 - The list must be signed and certified by a state official.
 - Prior to 1/20/05, hospitals are required to supply the data.

Status

- **In April 2009, NHIC had tested the FYE 2005 Crossover bad debt reports and submitted a plan for settlement to CMS, which was approved.**
- **Subsequently, we were notified by CMS that some crossover claims had been omitted and that all lists would require an Addendum report to be added to the original report. In addition, hospitals had requested to include manual claims.**
- **Settlement process was put on hold.**

Status (cont)

- **The Addendum FYE 2005 and the Regular 2006 cost over reports have been received with only a couple of exceptions.**
- **There are still some outstanding manual claims reports for 2006.**
- **Testing is in progress on the 2005 Addendum reports and Manual Claims and will be completed the week of 12/7/09.**
- **If no problems are noted, we will draft another settlement plan for CMS to approve.**
- **Cost reports will be settled in FYE order.**



Quick Hits

Freedom of Information Request (FOIA)

Please use the contact information below for all FOIA requests:

Address: NHIC, Corp.
Attn: Freedom of Information Act
43 Landry Street
Biddeford, ME 04005

Miscellaneous

Transmitting Protected Health Information (PHI)/Protected Individual Information (PII)

- PHI/PII examples include but are not limited to:
 - **Name**
 - **Social security Number**
 - **Birth date**
 - **Address**
 - **Health Insurance Number**
 - **Medical History**
 - **Medical claim Information**
 - **Provider/Facility Information**
 - **IRIS Information**

Miscellaneous

- **CMS does not allow the transmittal of PHI/PII over the Internet unless the information is password protected and encrypted**
 - If the information cannot be protected and encrypted, it is acceptable to transmit PHI information through the mail or over a fax machine
- **We encourage you to submit as much supporting documentation as possible in electronic format (on diskette or CD)**
- **The diskette or CD must be password protected**

Miscellaneous

Audits:

- **NHIC will be performing 11 in-house audits and 10 field audits during Option Year 1 (November 14, 2009 through November 13, 2010). Audit staff will be contacting selected facilities within the next several months.**
- **Rules and time frames are the same for both in house and field audits**

Miscellaneous

MSP Audits:

- **32 MSP Audits have been selected for review.**
 - **8 - Maine**
 - **13 - Massachusetts**
 - **5 - New Hampshire**
 - **3 - Vermont**
 - **3 - Rhode Island**

Reviews are expected to be completed in late spring to early summer of 2010.

Questions..... and thank you



Other Contacts

In the event you have suggestions for process improvements and or solutions to current problems or issues, please contact:

NGS Audit & Reimbursement Manager
Thomas C. Hansen – (207) 253-3315
Tom.Hansen@anthem.com

NHIC Audit & Reimbursement Lead
Neil Walsh – (781) 741-3156
cornelius.walsh@hp.com

www.medicarenhic.com

**MEDICARE ADMINISTRATIVE CONTRACTOR
JURISDICTION 14 A/B/MAC**

NHIC, Corp.
75 Sgt William B Terry Dr.
Hingham, MA 02043
www.medicarenhic.com

