CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1299	**Date: September 30,2013**
	Change Request 8224

Transmittal 1290, dated August 27, 2013, is being rescinded and replaced by Transmittal 1299, dated September 30, 2013, to include the corrected file layout. All other information remains the same.

SUBJECT: MCS Prepayment Review Report

I. SUMMARY OF CHANGES: Medicare Administrative Contractors, Zone Program Integrity Contractors and Recovery Audit Contractors perform Prepayment Review on Medicare Claims. Prepayment review impacts a provider's cash flow and may cause financial issues that are brought forward to CMS. CMS needs to have knowledge of the prepayment reviews occurring to monitor and administer the program. This CR will create a report in MCS that lists all claims chosen for prepayment review by system edits implemented by the contractors and/or CMS.

EFFECTIVE DATE: October 1, 2013
IMPLEMENTATION DATE: October 7, 2013

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
N/A	

III. FUNDING:
For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs) and/or Carriers:
No additional funding will be provided by CMS; Contractors activities are to be carried out with their operating budgets.

For Medicare Administrative Contractors (MACs):
The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC statement of Work. The contractor is not obliged to incur costs in excess of the amounts allotted 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.

IV. ATTACHMENTS:
One Time Notification
**Unless otherwise specified, the effective date is the date of service.*

Attachment - One-Time Notification

Pub. 100-20	Transmittal: 1299	Date: September 30, 2013	Change Request: 8224

Transmittal 1290, dated August 27, 2013, is being rescinded and replaced by Transmittal XXXX, dated September 30, 2013, to include the corrected file layout. All other information remains the same.

SUBJECT: MCS Prepayment Review Report

EFFECTIVE DATE: October 1, 2013
IMPLEMENTATION DATE: October 7, 2013

I. GENERAL INFORMATION

A. Background: Medicare contractors conduct prepayment review on Medicare providers through system edits implemented by the contractors and/or CMS. At times, these reviews impact a provider financially and this is brought to the attention of CMS. CMS needs to have awareness of the prepayment reviews being completed. This CR creates a report/flat file that can be uploaded to the CMS RAC Data Warehouse so that this information is readily available to CMS. This report/flat file shall include all claims chosen for prepayment review by system edits implemented by the Contractors and/or CMS. The report shall also identify which Contractor performed the review.

B. Policy: Medical review authorities can be found in Section 1893 of the Social Security Act.

II. BUSINESS REQUIREMENTS TABLE

Use "Shall" to denote a mandatory requirement.

Number	Requirement	Responsibility										
		A/B MAC		DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				Other
		Part A	Part B					FISS	MCS	VMS	CWF	
8224.1	MCS shall create a report in a flat file listing all claims chosen for prepayment review (medical review parameters) where an additional documentation request will be issued before payment is made.								X			
8224.1.1	The report/flat file shall include all prepayment review meeting the criteria no matter which contractor will complete the review.								X			
8224.2	If a claim is chosen by the system for prepayment review based on an edit implemented by the contractor and/or CMS, MCS shall put that claim on a monthly report.								X			
8224.3	The report/flat file shall include all data elements and								X			

Number	Requirement	Responsibility										
		A/B MAC		DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				Other
		Part A	Part B					FISS	MCS	VMS	CWF	
	fields on the attached file layouts.											
8224.4	The report/flat file shall be available by the 5th of every month for the preceding calendar month.								X			
8224.4.1	The EDC shall send the report/flat file to the applicable MAC for upload to the RAC Data Warehouse											EDCs
8224.5	The report/flat file shall be uploaded to the CMS RAC Data Warehouse (all claims, not just Recovery Auditor claims) by the 10th of every month.		X			X						
8224.6	MCS shall create four PIMR Activity Codes that shall be used to designate the prepayment review as Recovery Auditor: 21RACA for the Region A Recovery Auditor 21RACB for the Region B Recovery Auditor 21RACC for the Region C Recovery Auditor 21RACD for the Region D Recovery Auditor								X			
8224.7	When implementing a prepayment edit for the recovery auditor review, MACs shall designate a PIMR Activity Code that will designate the prepayment review as a recovery auditor review.		X			X						

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility						
		A/B MAC		DME MAC	FI	CARRIER	RHHI	Other
		Part A	Part B					
	None							

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A
Use "Should" to denote a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Amy Cinquegrani, amy.cinquegrani@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR) or Contractor Manager, as applicable.

VI. FUNDING

Section A: For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs), and/or Carriers:
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Section B: For Medicare Administrative Contractors (MACs):
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