CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-06 Medicare Financial Management	Centers for Medicare & Medicaid Services (CMS)
Transmittal 12457	**Date: January 11, 2024**
	Change Request 13520

SUBJECT: Notice of New Interest Rate for Medicare Overpayments and Underpayments -2nd Quarter Notification for FY 2024

I. SUMMARY OF CHANGES: Medicare Regulation 42 CFR Section 405.378 provides for the charging and payment of interest on overpayments and underpayments to Medicare providers. The Secretary of Treasury certifies an interest rate quarterly. Treasury utilizes the most comprehensive data available on consumer interest rates to determine the certified rate. Interest is assessed on delinquent debts in order to protect the Medicare Trust Funds. The attached Recurring Update Notification applies to Chapter 3, Section 10.

EFFECTIVE DATE: January 18, 2024
**Unless otherwise specified, the effective date is the date of service.*
IMPLEMENTATION DATE: January 18, 2024

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	N/A

III. FUNDING:
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 obligated 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:

Recurring Update Notification

Attachment - Recurring Update Notification

Pub. 100-06	Transmittal: 12457	Date: January 11, 2024	Change Request: 13520

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I. GENERAL INFORMATION

A. Background: Medicare Regulation 42 CFR section 405.378 provides for the assessment of interest at the higher of the current value of funds rate (one percent for calendar year 2024) or the private consumer rate as fixed by the Department of the Treasury.

B. Policy: The Department of the Treasury has notified the Department of Health and Human Services that the private consumer rate has been changed to **12.375 percent.**

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
13520.1	The Medicare contractors shall implement an interest rate of **12.375 percent** effective **January 18, 2024** for Medicare overpayments and underpayments.	X	X		X					

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			DME MAC	CEDI
		A	B	HHH		
	None					

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

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

V. CONTACTS

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: 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 obligated 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.

ATTACHMENTS: 1

IV. SUPPORTING INFORMATION

A. For any recommendations and supporting information associated with listed requirements, use the box below:
Use "Should" to denote a recommendation.

X-Ref Requirement Number	**Recommendations or other supporting information:**
13520.1	This reaffirms interest rates for prior periods:
Period	**Interest Rate**
October 19, 2007 – January 17, 2008	12.5%
January 18, 2008 – April 17, 2008	12.125%
April 18, 2008 – July 23, 2008	11.375%
July 24, 2008 – October 21, 2008	11.125%
October 22, 2008 – January 22, 2009	11.375%
January 23, 2009 – April 15, 2009	11.375%
April 16, 2009 – July 16, 2009	11.00%
July 17, 2009 – October 21, 2009	11.25%
October 22, 2009 – January 24, 2010	10.875%
January 25, 2010 – April 22, 2010	11.25%
April 23, 2010 – July 20, 2010	10.875%
July 21, 2010 – October 21, 2010	11.00%
October 22, 2010 – January 23, 2011	10.75%
January 24, 2011 – April 18, 2011	11.25%
April 19, 2011 – July 17, 2011	11.00%
July 18, 2011 --- October 18, 2011	11.50%
October 19, 2011 ---October 19, 2011	10.78%
October 20, 2011----January 18, 2012	10.875%
January 19, 2012 --- April 17, 2012	10.50%
April 18, 2012 --- July 17, 2012	10.875%
July 18, 2012 ---- October 17, 2012	11.00%
October 18, 2012 ---- January 16, 2013	10.375%
January 17, 2013 --- April 16, 2013	10.625%
April 17, 2013 ---July 16, 2013	10.125%
July 17, 2013 ---October 17, 2013	10.375%
October 18, 2013---January 20, 2014	10.125%
January 21, 2014----April 16, 2014	10.25%
April 17, 2014---July17, 2014	10.125%
July 18, 2014 – October 19, 2014	9.625%
October 20, 2014—January 20, 2015	10.75%

X-Ref Requirement Number	Recommendations or other supporting information:
January 21, 2015 ---April 16, 2015	10.50%
April 17, 2015 ----July 19, 2015	9.875%
July 20, 2015 ---- October 19, 2015	9.75%
October 20, 2015---January 18, 2016	10.00%
January 19, 2016 – April 18, 2016	9.75%
April 19, 2016 –July 17, 2016	10.00%
July 18, 2016 ---October 17, 2016	9.625%
October 18, 2016---January 18, 2017	9.625%
January 19, 2017---April 17, 2017	9.50%
April 18, 2017 ---July 17, 2017	10.00%
July 18, 2017 ---October 17, 2017	10.125%
October 18, 2017 ---January 18, 2018	9.750%
January 19, 2018 –April 16, 2018	10.625%
April 17, 2018 –July 17, 2018	10.25%
July 18, 2018 – October 16, 2018	10.25%
October 17, 2018 ---January 16, 2019	10.125%
January 17, 2019 –April 16, 2019	10.75%
April 17, 2019 - July 16, 2019	10.375%
July 17, 2019 – October 17, 2019	10.625%
October 18, 2019 – January 20, 2020	10.125%
January 21, 2020—April 19, 2020	10.25%
April 20,2020 –July 19, 2020	9.625%
July 20, 2020 –October 19, 2020	9.50%
October 20, 2020 – January 18, 2021	9.375%
January 19, 2021- April 18, 2021	9.625%
April 19, 2021-July 18, 2021	9.50%
July 19, 2021 – October 18, 2021	9.625%
October 19, 2021 –January 17, 2022	9.375%
January 18, 2022 – April 17, 2022	9.125%
April 18, 2022 – July 17, 2022	9.375%
July 18, 2022 – October 17, 2022	8.75%
October 18, 2022 – January 17, 2023	10.125%
January 18, 2023 – April 16, 2023	11.25%
April 17, 2023 –July 16, 2023	11.50%

X-Ref Requirement Number	Recommendations or other supporting information:
July 17, 2023 –October 16, 2023	11.50%
October 17, 2023 –January 17, 2024	12.125%
January 18, 2024--	12.375%