CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-06 Medicare Financial Management	Centers for Medicare & Medicaid Services (CMS)
Transmittal 227	**Date: September 17, 2013**
	Change Request 8322

Transmittal 225, dated September 4, 2013, is being rescinded and replaced by Transmittal 227, dated September 17, 2013, to correct effective and implementation dates within the manual instruction. All other information remains the same.

SUBJECT: Removal of POR and PSOR Instructions and the Glossary of Acronyms from the Internet Only Manual, Publication 100.06, Chapter 3

I. SUMMARY OF CHANGES: The purpose of this CR is to remove all instructions in the IOM Publication 100.06, Chapter 3 related to POR and PSOR systems and the Glossary of Acronyms. These systems are retired and the Glossary of Acronyms is outdated.

EFFECTIVE DATE: October 4, 2013
IMPLEMENTATION DATE: October 4, 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
R	3/Table of Contents
R	3/140/Bankruptcy
R	3/140.1/Bankruptcy Forms
D	3/Attachment A - Referral Checklist in Word format (41.9 KB)
D	3/Attachment B - Contractor Bankruptcy Checklist in Word format (30.5 KB)
R	3/150.3/Recoupment of the Accelerated Payment
D	3/150.4/Recoupment of the Accelerated Payment
R	3/180/Reserved
D	3/180.1/Exhibit 1 - Provider Overpayment Reporting System
D	3/180.1.1/Provider Overpayment Reporting System- Data Entry
D	3/180.1/2/Provider Overpayment Report Printout

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
D	3/180.1.3/POR System User Manual
D	3/180.1.4/List of Status Codes
D	3/180.1.5/Posting Interest Entries
D	3/180.1.6/Request Provider Debts from the POR History File
D	3/180.1.7/Requesting Report from the AD Hoc Report Management Systems (ARMS)
D	3/180.2/Exhibit 2- Physician/Supplier Overpayment Reporting (PSOR) System
D	3/180.2.1/Data Entry
D	3/180.2.2/PSOR User Manual
D	3/180.2.3/Advance Payments User Manual

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:

Business Requirements
Manual Instruction

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

Attachment - Business Requirements

Pub. 100-06	Transmittal: 227	Date: September 17 , 2013	Change Request: 8322

Transmittal 225, dated September 4, 2013, is being rescinded and replaced by Transmittal 227 dated September 17, 2013, to correct effective and implementation dates within the manual instruction. All other information remains the same.

SUBJECT: Removal of POR and PSOR Instructions and the Glossary of Acronyms from the Internet Only Manual, Publication 100.06, Chapter 3

EFFECTIVE DATE: October 4, 2013
IMPLEMENTATION DATE: October 4, 2013

I. GENERAL INFORMATION

A. Background: The Centers for Medicare & Medicaid Services retired the Provider Overpayment Reporting System (POR) and the Physician/Supplier Overpayment Reporting System (PSOR) System in January 2012.

B. Policy: The purpose of this CR is remove all instructions in the IOM Publication 100-06, chapter 3 related to the POR and PSOR systems and the Glossary of Acronyms. These systems are retired and the Glossary of Acronyms is outdated.

II. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility											
		A/B MAC			DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				Other
		A	B	HHH					FISS	MCS	VMS	CWF	
8322.1	Contractors shall be aware of the revisions and deletions in Pub. 100-06, chapter 3.	X	X		X	X	X	X					

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility							
		A/B MAC			DME MAC	FI	CARRIER	RHHI	Other
		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:
	N/A

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

V. CONTACTS

Pre-Implementation Contact(s): Deborah Miller, 410-786-0331 or deborah.miller3@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:

No additional funding will be provided by CMS; Contractors activities are to be carried out with their operating budgets.

Section B: For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS do 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.

Medicare Financial Management Manual
Chapter 3 - Overpayments

Table of Contents
(Rev.227, Issued: 09-17-13)

140.1 - *Bankruptcy Forms*
150.3 - *Recoupment of the Accelerated Payment*
180 - *Reserved*

140 - Bankruptcy

(Rev. 227, Issued: 09 17-13, Effective: 10-04-13, Implementation: 10-04-13)

This section contains actions that the contractors must take to safeguard the Medicare Trust Funds when a provider files for bankruptcy. This section does not address bankruptcy issues involving debts arising under the *Medicare Secondary Payer* (MSP) provisions. (Although this *chapter* will usually use the term "provider," its provisions also apply to suppliers, including physicians). However, use of the term "provider" does not mean that the Medicare program considers suppliers and physicians to be providers. It also explains how to report accurately the Centers for Medicare & Medicaid Services' (CMS) accounts receivable balances and support CMS's efforts to effectively evaluate and manage bankruptcy cases.

This *chapter* will guide contractor staff through the initial stages of a provider bankruptcy. It is not intended to be, and cannot be, a step by step process from beginning to end. Bankruptcy is litigation. Bankruptcy law and the bankruptcy court affect all the actions CMS and its contractors take concerning a bankrupt Medicare provider. Therefore, contractor staff *shall* consult closely with the Regional Office (RO) before taking, omitting, continuing or discontinuing actions regarding a bankrupt provider. In some cases, attorneys from the Department of Justice (DOJ) in Washington, D.C. or United States Attorney's offices will work directly with RO staff. However, in most cases, the RO will be in contact with regional counsel.

140.1 – *Bankruptcy Forms*
(Rev. 227, Issued: 09 17-13, Effective: 10-04-13, Implementation: 10-04-13)

EXHIBIT 1

REFERRAL CHECKLIST

(CMS Pub. 100-06, Chapter 3, §140)
REFERRALS WILL NOT BE ACCEPTED WITHOUT A COPY OF THE 855

Contractor Name _____ Date Prepared:_____

Contractor NPI that O/P is reported under:_____.

Contractor NPI that O/P is reported under on Accounts Receivable Report (751):_____

I. Provider & Overpayment Information

A. Provider Name _____ B. Provider No._____

C. Cost Report Period_____

D. Responsible Individual(s) (Most Current)

Name: _____ Title: _____

Address: _____

City, State, Zip: _____ Telephone:_____

E. Overpayment Information (List information for each outstanding overpayment)

**Original Amount _____ **Interest Assessed _____/Rate

*Principal Recouped _____ *Interest Recouped _____

Principal Referred _____ Interest Referred

Through Date ____/____/___

F. Overpayment Type _____ G. Determination Date _____

H. Contractor Control # _____

*I. Cause of Overpayment*_____

NOTE: If unfiled cost report is the overpayment type, indicate the date unfiled cost report is (was) due to be filed, as well as the interim payments.

*Attach detailed information with case regarding recoupments, include dates applied.
**Include copies of the screens *from either the share systems or HIGLAS SCREENS for the HIGLAS users,* for both principal and interest.

Part A Referral Checklist

EXHIBIT 2

II. Accounts Receivable Reporting
(All information reported in I.E. must reconcile with amounts reported on the Accounts Receivable Report (H751)) (N/A is not acceptable)

	Line	Amount
A. HI Principal Reported on H751 Part A as transferred to RO	_____	_____
Line Reported on	_____	
HI Interest Reported on H751 Part A as transferred to RO	_____	_____
Line Reported on	_____	
SMI Principal Reported on H751 Part B as transferred to RO	_____	_____
Line Reported on	_____	
SMI Interest Reported on H751 Part B as transferred to RO		_____
Line Reported on	_____	
Total		_____

B. Indicate quarter information was reported on the H751 ___/___/___

III. Collection Efforts

(For items III A-C, unless there is a post-petition demand letter, this information would not be relevant to recovering in bankruptcy).

A. Include copies of the *Initial* and *Intent to Refer* demand letters (Ref. CMS Pub. 13-2, § 2222). If full series of letters was not sent, explain why.

B. Include copies of all correspondence, telephone contacts, etc. pertinent to this transfer.

C. List additional actions you have taken to recoup overpayment and include copies of all; (e.g., attempts to locate through directory assistance, AMA, post office forwarding addresses; disconnected phones, flags against other legal entities

D. The contractor must establish whether or not a particular provider is participating in the Medicaid Program so that the Federal Share of Medicaid payments can be withheld, if appropriate, in accordance with CMS Pub. 13-2,§ 2226ff.

PARTICIPATING: Yes ____ No ____

Medicaid Number/State: _____
(If Yes, Medicaid # and State must be included)

E. Is the provider listed in the Fraud Investigation Data Base? (FID) Yes ____ No ____

Part A Referral Checklist

EXHIBIT 2 cont.

IV. Ownership

Check the appropriate ownership affiliation:

A. ____ INCORPORATED
Chain Organization Yes ___ No ___
If yes, who is the *Medicare Part A contractor*:_____
Incorporation Date _____
EIN #_____

B. ____ PARTNERSHIP
EIN # _____

1) If partnership, list names and SS#=s of all partners.

_____

_____

2) If Corporation, list names and addresses of officers.

_____

_____

3) If Chain organization, list other provider names, addresses, and provider numbers.

_____

B. Is "Responsible Individual(s)" information the most current? Yes _____ No _____

Provide alternate contact(s), Name, Title, Address and Telephone Number:

_____

_____

_____

_____

C. Are claims for services still being submitted? Yes_____ No _____

If yes, why is referral being made: _____

_____

D. Has there been a change of ownership? Yes _____ No _____
If yes, what is the date?_____

Has the new owner assumed the previous owner's provider agreement? Yes _____ No_____
(Provide copy of sales agreement.)

E. Has recoupment from new owner been attempted? Yes _____ No_____

EXHIBIT 2 cont.

V. General

A. Is the provider still participating in the Medicare program? Yes_____ No_____

Note: If the provider is still participating in the program and claims recoupments are being made, do not transfer case to the RO.

B. Are you aware of any bankruptcy proceedings planned or commenced on behalf of the provider transferred? Yes_____ No_____

Copies of pertinent court documents should be submitted. Take the following program safeguard actions when a bankruptcy situation is identified:

- Adjust interim payment calculation to ensure that no overpayment is made
- Consult the CMS RO before applying any disposition regarding cost report underpayments
- Expedite cost report desk reviews and audit settlements
- Tentative settlements should not be made in bankruptcy cases
- Consult the CMS RO regarding any cost reports pending submission and the expected dates of submission.

C. Did the provider request an extended repayment schedule (ERS)? Yes_____ No_____
If yes, was it approved? Yes _____ No_____ Length of ERS _____
Number of payments made _____
Attach any financial documentation submitted.

D. Did provider request an *Appeal*, Yes _____ No_____or PRRB hearing? Yes_____ No_____
If yes, do not transfer unless the decisions have been rendered. Submit all pertinent information.

Cases pending a Reopening, Bankruptcy, *Appeal* Review, or PRRB Decision, should not be transferred to the CMS-RO until judgment has been rendered. Copies of all decisions must be included.

INSTRUCTIONS: If you do not provide any requested information, you must give a detailed explanation of why you cannot secure the information. We will return incomplete forms with the entire case.

Signature: _____

Name: _____

Title: _____

Telephone: _____

Date: _____

EXHIBIT 3

INTEREST/RECOUPMENT COMPUTATION

PROVIDER NAME: _____ PROVIDER NUMBER: _____

OVERPAYMENT AMOUNT: $_____ INITIAL DEMAND LETTER DATE:_____

INTEREST RATE: _____% COST REPORT PERIOD:_____

Payment Date	**Period (30 Days)**	**Interest Charges**	**Recouped Amounts**	**Applied to Interest**	**Interest Balance**	**Applied to Principal**	**Principal Balance**

EXHIBIT 4

PART B PHYSICIAN/SUPPLIER OVERPAYMENT
Referral CHECKLIST
(CMS Pub. *100-06 chapters 4 & 5*)

REFERRALS WILL NOT BE ACCEPTED WITHOUT A COPY OF THE 855

Medicare Contractor Name _____ Date Prepared:_____

Contractor Jurisdiction that the *overpayment* is reported under:_____

Contractor Jurisdiction and/or ID No. that *overpayment* is reported under on Accounts Receivable Report (751): _____

I. Physician/Supplier Overpayment Information
   A. Phy/Supp. Name
   B. Phy/Supp No. _____
      UPIN _____
   C. Responsible Individual(s)

      Name: _____ Title: _____

      Address: _____

      City, State, Zip: _____ Telephone: _____

   D. Overpayment Information

      **Original Amount _____ **Interest Assessed _____/Rate

      *Principal Recouped_____*Interest Recouped_____

      Principal Referred _____Interest Referred _____

      Through date _____

      Query if overpayment is based on fraud.

      *Attach detailed information with case regarding recoupments, include dates applied.

      **Include a copy of the Master screen from *the share system and/or from the HIGLAS SCREENS when applicable.*
      Information requested in E though L is needed for all claims involved in overpayment.

      E. Discovery Date _____ F. Determination Date _____

      G. DCN _____ H. Cause of OP _____

      I. Claim Number_____ J. Claim Paid Date _____

      K. Beneficiary Name _____ L. HI Claim No._____

Part B Referral Checklist

EXHIBIT 4 - cont.

II. Accounts Receivable Reporting
(All information reported in I.D. must reconcile with amounts reported on the Accounts Receivable Report (H751)) (N/A is not acceptable)

	Line	Amount
A. SMI Principal Reported on H751 Part B as transferred to RO	_____	_____
Line Reported on	_____	_____
SMI Interest Reported on H751 Part B as transferred to RO	_____	
Line Reported on	_____	

B. Indicate quarter information was reported on the H751 _____

C. Is this Overpayment reported on the M751 Yes ____ No ____

III. Collection Efforts

A. Include copies of the *Initial* and Intent to Refer demand letters (Ref. CMS Pub. 14-3, Sec. 7142).
If full series of letters was not sent, explain why._____

_____

_____

B. Include copies of all correspondence, telephone contacts, etc. pertinent to this transfer.

C. List additional actions you have taken to recoup overpayment and include copies of all, (e.g., attempts to locate through directory assistance, AMA, post office forwarding addresses; disconnected phones, flags against other numbers, *etc*.).

D. The C*ontractor* must establish whether or not a particular provider is participating in the Medicaid program so that the Federal Share of Medicaid payments can be withheld, if appropriate, in accordance with CMS Pub. 14-3,
PARTICIPATING: Yes _____ No _____

Medicaid Number/State: _____
(If Yes, Medicaid # and State must be included)

Part B Referral Checklist

EXHIBIT 4 - cont.

IV. Ownership

Check the appropriate ownership affiliation:

A. ___ INDIVIDUAL
Tax ID # _____
SS # _____

B. ___INCORPORATED
Chain Organization Yes ___ No___
Incorporation Date _____
TIN # _____

C. ___PARTNERSHIP TIN # _____

D. Is A Responsible Individual(s)≅ information the most current? Yes _____No_____
Provide alternate contact(s), Name, Title, Address and Telephone Number

_____

_____

_____

_____

_____

E. Is recovery due from the beneficiary or other 3rd party payor? Yes_____No _____
If yes, why was recovery not made (enclose copies of letters and replies).

F. Are claims for services still being submitted? Yes_____No _____
If yes, why is referral being made:

G. Are claims for services/supplies being submitted under another physician/supplier number?
Yes _____ No _____ If Yes, provide alternate number_____.

Is the tax identification, or social security number the same as debtor's? If yes, recoupment should be attempted.

H. Has there been a change of ownership? Yes _____ No _____
If Yes, Has the new owner assumed any of the previous owner's liabilities? Yes_____No_____
(Provide copy of sales agreement.)

Part B Referral Checklist

EXHIBIT 4 - cont.

V. General

A. Is the physician/supplier still participating in the Medicare program? Yes _____ No _____

B. Are you aware of any bankruptcy proceedings planned or commenced on behalf of the provider transferred? Yes _____No _____ Please provide copies of pertinent court documents.

C. Did the physician/supplier request an extended repayment schedule (ERS)?
Yes ____ No _____
If yes, was it approved? Yes ____ No ____ Length of ERS _____
Number of payments made_____
Attach any financial documentation submitted.

D. Did the physician/supplier request a Fair Hearing or ALJ Hearing?
Yes _____ No _____
If yes, do not transfer unless the both fair hearing and ALJ decisions have been rendered. Submit all pertinent documentation.

THIS FORM MUST BE COMPLETE. IF ANY REQUESTED INFORMATION IS NOT PROVIDED, A DETAILED EXPLANATION MUST BE GIVEN AS TO WHY THE INFORMATION CANNOT BE SECURED. INCOMPLETE FORMS WILL BE RETURNED WITH THE ENTIRE CASE.

Signature: _____

Name: _____

Title: _____

Telephone: _____

Date: _____

EXHIBIT 5

INTEREST/RECOUPMENT COMPUTATION

PROVIDER NAME: _____ PROVIDER NUMBER:_____

OVERPAYMENT AMOUNT: $_____ INITIAL DEMAND LETTER DATE:_____

INTEREST RATE: _____% CLAIM NUMBER:_____

Payment Date	Period (30 Days)	Interest Charges	Recouped Amounts	Applied to Interest	Interest Balance	Applied to Principal	Principal Balance

EXHIBIT 6

CONTRACTOR BANKRUPTCY CHECKLIST

- Send the following information to the RO upon learning that a provider has or may soon file for bankruptcy:
- Provider Name
- Provider Medicare Number
- Provider Address
- Provider Tax Identification Number
- Overpayment Determination Date
- Original Overpayment, Amounts Recouped, Current Balance Reported on the CMS 750/751 reports of principal and interest outstanding balances. Date the receivable was included on the CMS 750/751.
- Overpayment Type
- Fraud and Abuse Overpayments or Investigations
- For Part A *Contractor*, the Cost Report Year
- For Part A *Contractor*, the Cost Reports Settlements Pending In-house with Expected Completion Dates
- For Part A *Contractor* , the Cost Reports Pending Submission with Expected Dates
- For Part A *Contractor*, Interim Rate Information by Cost Year for Previous Three Years
- For Part A *Contractor* , Overpayment History by Cost Year for Previous Three Years
- For Part B *Contractor*, the Claim Numbers Relating to Overpayments
- For Part B *Contractor* , the Dates of Service for Related Claims
- For Part B *Contractor* , the Dates of Payment for Related Claims
- Medicare Review Overpayments or Reviews
- Anticipated Reopenings

150.3 - *Recoupment of the Accelerated Payment*

(Rev. 227, Issued: 09 17-13, Effective: 10-04-13, Implementation: 10-04-13)

The Medicare Contractor shall attempt to recover any accelerated payment within 90 days after it is issued. To the extent that a delay in the provider's billing process is the basis for the accelerated payment, recoupment is made by a 100 percent withhold against the provider's bills processed by the (Part A) contractor or other monies due the provider after the date of issuance of the accelerated payment. Any remainder is recovered by direct payment by the provider not later than 90 days after issuance of the accelerated payment.

If the payment is necessitated by abnormal delays in claims processing and/or payment by the contractor, recovery by recoupment will be reasonably scheduled to coincide with improvement in the contractor's bill processing situation and such recoupment will not impair the provider's cash position. In this situation, recoupment shall be completed within 90 days of the contractor processing the provider's claims.

If recovery is not complete 90 days after the accelerated payment is issued or 90 days after the contractor begins processing claims, the accelerated payment is considered delinquent. The contractor shall immediately send out an initial demand letter. This letter shall state that 100 percent recoupment by withhold of all payments is in effect and that the recoupment will remain so until the debt is paid in full or acceptable payment arrangements are made.

Contractors shall include the "Intent to Refer" language required to refer the debt to the Treasury Department. (See Chapter 4, §70) Interest shall begin to accrue on the 31st day after the date of the demand letter at the prevailing rate set by the Treasury Department. If the contractor does not hear from the provider within 15 days from the date of the demand letter, the contractor shall attempt to contact the provider by telephone. If the demand letter is returned undeliverable the contractor shall attempt to locate the provider using some of the guidelines set forth in Chapter 4, §10. If the contractor does not hear from the provider within 60 days of the date of the demand letter, the contractor shall input the debt into the Debt Collection System for referral to the Treasury Department for additional collection activity.

SAMPLE FORMAT FOR PROVIDER REQUEST FOR ACCLERATED PAYMENT:

1. Provider:_____ Provider Number:_____

Address:_____
_____

2. Contractor: _____

3. Check (a) or (b) if applicable:

Cash balance is seriously impaired due to:

(a) Abnormal delay in Title XVIII claims processing and/or payment by the health insurance Contractor.

(b) Delay in provider billing process of an isolated temporary nature beyond the provider's normal billing cycle and not attributable to other third party payers or private patients.

Note: If 3b is checked the provider should also include a narrative explaining the nature of the problem, how it will be fixed, and the expected duration of the delay.

4. a.	*General fund cash position for provider as of _____*	*$_____*
b.	*Anticipated receipts from all sources (exclusive of accelerated payments) in the next 30 days*	*$_____*
c.	*Anticipated expenditures in next 30 days*	*$_____*
d.	*Indicated cash position in next 30 days (a + b – c)*	*$ ____*

180 – *Reserved*

(Rev. 227, Issued: 09 17-13, Effective: 10-04-13, Implementation: 10-04-13)