
Program Memorandum Intermediaries/Carriers

Department of Health &
Human Services (DHHS)
Centers for Medicare &
Medicaid Services (CMS)

Transmittal AB-03-051

Date: APRIL 28, 2003

CHANGE REQUEST 2431

SUBJECT: Notice of Interest Rate for Medicare Overpayments and Underpayments

Medicare Regulation 42 CFR §405.378 provides for the assessment of interest at the higher of the private consumer rate (PCR) or the current value of funds rate (2 percent for calendar year 2003). The Secretary of the Treasury has notified the Department of Health and Human Services that the PCR has been changed to **11.625 percent**. The notice of the PCR was published in the **Federal Register** dated April 28, 2003.

Therefore, the PCR will remain in effect until a new rate change is published. In addition, this reaffirms interest rates for prior periods.

INTEREST RATE TABLE

<u>Period</u>	<u>Interest Rate</u>
October 24, 1997 - January 27, 1998	13.875%
January 28, 1998 - May 12, 1998	14.50%
May 13, 1998 - July 30, 1998	14.00 %
July 31, 1998 - October 22, 1998	13.75%
October 23, 1998 - January 31, 1999	13.50%
February 01, 1999 - May 04, 1999	13.75%
May 05, 1999 - August 03, 1999	13.375%
August 04, 1999 - October 27, 1999	13.25%
October 28, 1999 - February 1, 2000	13.375%
February 2, 2000 - May 2, 2000	13.5%
May 3, 2000 - July 31, 2000	13.75%
August 1, 2000 - October 23, 2000	13.875%
October 24, 2000 - February 6, 2001	13.875%
February 7, 2001 - April 25, 2001	14.125%
April 26, 2001 - August 6, 2001	13.75%
August 7, 2001 - October 30, 2001	13.25%
October 31, 2001 - January 31, 2002	13.25%
February 1, 2002 - May 7, 2002	12.625%
May 8, 2002 - August 7, 2002	11.75%
August 8, 2002 - November 18, 2002	12.625%
November 19, 2002 - February 10, 2003	11.25%
February 11, 2003 - April 27, 2003	10.75%
April 28, 2003	11.625%

These instructions should be implemented within your current operating budget.

The *effective date* for this Program Memorandum (PM) is April 28, 2003.

The *implementation date* for this PM is April 28, 2003.

This PM may be discarded the earlier of August 31, 2003, or the issuance of the revised interest rate.

Contact person for this PM is Tom Noplock on (410) 786-3378.

CMS-Pub. 60AB