

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-20 One-Time Notification</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 298</b>	<b>Date: NOVEMBER 2, 2007</b>
	<b>Change Request 5676</b>

**Subject: Update Multi-Carrier System (MCS) to Deactivate Billing Numbers for Non-Frequent Billers (Note, this instruction supersedes CR 5296 dated 9/29/2006)**

**I. SUMMARY OF CHANGES:** Updates reporting frequency from quarterly to monthly.

**New / Revised Material**

**Effective Date: April 1, 2008**

**Implementation Date: April 7, 2008**

*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:**

**SECTION A:** For Fiscal Intermediaries and Carriers:

No additional funding will be provided by CMS; Contractor activities are to be carried out within 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 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:**

**One-Time Notification**

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

# Attachment – One-Time Notification

Pub. 100-20	Transmittal: 298	Date: November 2, 2007	Change Request: 5676
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**SUBJECT: Update Multi-Carrier System (MCS) to Deactivate Billing Numbers for Non-Frequent Billers (Note, this instruction supersedes CR 5296 dated 9/29/2006)**

**Effective Date:** April 1, 2008

**Implementation Date:** April 7, 2008

## I. GENERAL INFORMATION

**A. Background:** Change Request (CR) 5296 established the criteria and procedures for deactivating billing numbers for providers/suppliers that had not billed the Medicare program for 1 year. To accomplish this MCS established procedures for identifying quarterly billing numbers that had not been used for the previous 4 quarters. Those numbers were then deactivated in MCS utilizing AR code 72. However, the provisions in 42 CFR 424.540(a) (1), establish a monthly cycle for deactivating billing numbers that have not billed the Medicare program for 12 consecutive months. Along with changing the deactivation cycle from quarterly to monthly, this CR provides a new requirement that MCS provide a monthly extract report to the Provider Enrollment Chain Ownership System (PECOS) for all billing numbers that are deactivated. This extract report will be used to automatically update PECOS with the deactivated PIN information which will allow PECOS and MCS to remain in sync. As with the previous CR this is a crucial step in the implementation of the National Provider Identifier (NPI) and by keeping MCS and PECOS consistent the crosswalk will also have the most current information on active Medicare billing numbers.

**B. Policy:** This transmittal updates CMS’ approach to systematically updating providers/suppliers that should have their billing numbers deactivated for non-billing for 12 consecutive months. MCS will continue to deactivate PINs in the claims system.

## II. BUSINESS REQUIREMENTS TABLE

Use “Shall” to denote a mandatory requirement

Number	Requirement	A	D	F	C	D	R	Shared-System Maintainers				OTHER							
								B	M	I	R		E	H	I	F	M	V	C
5675.1	On the weekend after the 15 <sup>th</sup> of each month, MCS shall identify providers and suppliers that have not billed the program for the previous 12 consecutive months. A non billing situation will be identified when a PIN has not used to bill for services for 12 consecutive months.										X								
5676.2	Non billing will be based on the claims date of receipt for the pending claims history file.										X								

Number	Requirement		A / B	D M E	F I	C A R R I E R	D M E R C	R H I	Shared-System Maintainers				OTHER
									F I S S	M C S	V M S	C W F	
5676.3	Prior to deactivating a PIN, MCS shall make sure there are no pending claims or finalized claims waiting for payment.									X			
5676.4	MCS shall ensure that a new provider/supplier that has yet to bill the program is not flagged for deactivation unless a claim has not been submitted for 12 consecutive months.									X			
5676.5	MCS shall systematically deactivate a PIN in MCS using AR Code 72.									X			
5676.6	On the last weekend of each month MCS shall generate an extract report for PECOS showing all PINs that have been deactivated as a result of no billing activity for the previous 12 months.									X			PECOS
5676.6.1	The first PECOS extract report shall include all PINs currently deactivated in MCS.									X			PECOS
5676.7	PECOS shall use the MCS extract to automatically update the PECOS database with deactivated provider/supplier information.									X			PECOS
5676.8	The format and content of the MCS extract report of deactivated PIN numbers shall be determined as part of the implementation plan developed between EDS, CMS and PECOS.									X			PECOS CMS/DPSE CMS/DPFS
5676.9	PECOS shall generate a report for each contractor showing the PINs that have been deactivated in PECOS. A copy of the entire report shall also be provided to CMS/DPSE.		X			X							CMS/DPSE PECOS
5676.10	In the event a claim is submitted after a PIN has been deactivated, MCS shall generate a message via remittance notice using standard reason/remark B7- <i>This provider was not certified/eligible to be paid for this procedure/service on this date of service.</i>		X			X				X			

### III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)											
		A / B	D M E	F I	C A R R I E R	D M E R C	R H I	Shared-System Maintainers				OTHER	

										F I S S	M C S	V M S	C W F	
	None.													

**IV. SUPPORTING INFORMATION**

**A. For any recommendations and supporting information associated with listed requirements, use the box below: N/A**

X-Ref Requirement Number	Recommendations or other supporting information:

**B. For all other recommendations and supporting information, use this space: N/A**

**V. CONTACTS**

**Pre-Implementation Contact(s):** Allen Gillespie, 410-786-5996

**Post-Implementation Contact(s):** Allen Gillespie, 410-786-5996  
 Sandee Olson, 410-786-1325

**VI. FUNDING**

**A. For TITLE XVIII Contractors:**

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

**B. For Medicare Administrative Contractors (MAC):**

The contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the Statement of Work (SOW). The contractor is not obligated to incur costs in excess of the amounts specified 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.