CMS Manual System

Pub 100-04 Medicare Claims Processing

Transmittal 697

Department of Health & Human Services (DHHS)

Center for Medicare & Medicaid Services (CMS)

Date: OCTOBER 7, 2005

CHANGE REQUEST 3942

SUBJECT: Appeals of Claims Decisions: Redeterminations and Reconsiderations (implementation date May 1, 2005).

I. SUMMARY OF CHANGES: The Medicare claim appeals process was amended by the Medicare, Medicaid and SCHIP Benefits Improvement and Protection Act of 2000 (BIPA). These changes manualize CMS 4064- IFC, published in the Federal Register on March 8, 2005. The instructions in this change request (CR) include redeterminations and reconsiderations. Other changes to the appeals process, including parties to the appeals, appointment of representative, fraud and abuse, etc. will be manualized in another CR. Until the issuance of such CR, fiscal intermediaries (FIs) are to follow the current manual sections or CR 3530.

NEW/REVISED MATERIAL
EFFECTIVE DATE: May 1, 2005
IMPLEMENTATION DATE: January 9, 2006

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

R/N/D	CHAPTER/SECTION/SUBSECTION/TITLE
R	29/Table of Contents
N	29/310.2/Time Limit for Filing a Request for Redetermination
N	29/310.3/Reporting Redeterminations on the Appeals Report

III. FUNDING:

No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2006 operating budgets.

IV. ATTACHMENTS:

Business Requirements
Manual Instruction

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

Attachment - Business Requirements

Pub. 100-04	Transmittal: 697	Date: October 7, 2005	Change Request 3942

SUBJECT: Appeals of Claims Decisions: Redeterminations and Reconsiderations (implementation date May 1, 2005).

I. GENERAL INFORMATION

A. Background: The Medicare claim appeals process was amended by the Medicare, Medicaid and SCHIP Benefits Improvement and Protection Act of 2000 (BIPA). Section 1869(c) of the Social Security Act (the Act), as amended by BIPA, requires a new second level in the administrative appeals process called a reconsideration. This new "reconsideration" is different from the previous first level of appeal for Part A claims performed by fiscal intermediaries (FIs). Reconsiderations will be processed by qualified independent contractors (QICs).

B. Policy: The purpose of this CR is to notify FIs and carriers about the upcoming transition to the new second level of the appeals process. For Part A and Part B redeterminations issued and mailed by FIs on or after May 1, 2005, the parties to the redetermination will have the right to appeal to a QIC. For Part B redeterminations issued and mailed by carriers on or after January 1, 2006, the parties to the redetermination will have the right to appeal to a QIC. All FI redeterminations issued and mailed before May 1, 2005 will have appeal rights to the Administrative Law Judge for Part A claims and to the hearing officer (HO) for Part B claims. All carrier redeterminations issued and mailed before January 1, 2006 will have appeal rights to the HO for Part B claims.

II. BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement
"Should" denotes an optional requirement

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		FI	RHHI	Carrier	DMERC	Shared System Maintainers				Other
						FISS	MCS	VMS	CWF	
3942.1	If a party has mailed a redetermination request to CMS, SSA, RRB office or another Government agency in good faith within the time limit, and the request did not reach the appropriate contractor until after the time period to file a request expired, the FI or carrier shall consider good cause for late filing.	X	X	X	X					

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		FI	RHHI	Carrier	DMERC	Shared System Maintainers				Other
						FISS	MCS	VMS	CWF	
3942.2	The FI or carrier shall report all appeals related data and information on the CMS Appeals Report.	X	X	X	X					

III. PROVIDER EDUCATION

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		FI	RHHI	Carrier	DMERC	Shared System Maintainers				Other
						FISS	MCS	VMS	CWF	

IV. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions: N/A

X-Ref Requirement #	Instructions

B. Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

C. Interfaces: N/A

D. Contractor Financial Reporting /Workload Impact: N/A

E. Dependencies: N/A

F. Testing Considerations: N/A

V. SCHEDULE, CONTACTS, AND FUNDING

Effective Date: May 1, 2005 **Implementation Date:** January 9, 2006 **Pre-Implementation Contact(s):** Tara Boyd or Jennifer Frantz **Post-Implementation Contact(s):** Contact your regional office	**Funding for implementation activities will be provided to contractors through the regular budget process.**

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Chapter 29 - Appeals of Claims Decisions

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(Rev.697, 10-07-05)

310.2 - Time Limit for Filing a Request for Redetermination

(Rev.697, Issued: 10-07-05, Effective: 05-01-05, Implementation: 01-09-06)

A party must file a request for redetermination within 120 days of the date of receipt of the notice of initial determination (MSN or RA). The date of filing for requests filed in writing is defined as the date received by the contractor in the corporate mailroom. If the party has filed the request in person with the contractor, the filing date is the date of filing at such office, as evidenced by the receiving office's date stamp on the request. If the party has mailed the request for redetermination to CMS, SSA, RRB office, or another Government agency in good faith within the time limit, and the request did not reach the appropriate contractor until after the time period to file a request expired, the contractor considers good cause for late filing. (See §240 for more information on good cause.) Likewise, if the request is filed with CMS, SSA, RRB, or another Government agency in person, the contractor considers good cause for late filing.

The contractor may extend the period for filing if it finds the appellant had good cause for not requesting the redetermination timely. (See §240.2 for a discussion of good cause.) In order for good cause to be considered, the appeal request must be in writing. If the carrier finds that the appellant did not have good cause for not requesting a redetermination on time, it may, at its discretion, consider reopening. (See §370.)

310.3 - Reporting Redeterminations on the Appeals Report

(Rev.697, Issued: 10-07-05, Effective: 05-01-05, Implementation: 01-09-06)

The contractor is required to report all appeals related data and information on the CMS Appeals Report. The Report is intended to capture information on appeal requests or inquiries that are actually determined to be requests for redetermination of a claim, as referenced above. They should not be recorded as an inquiry.