
CMS Manual System

Pub. 100-08 Medicare Program Integrity

Transmittal 64

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

Date: JANUARY 30, 2004

CHANGE REQUEST 3042

I. SUMMARY OF CHANGES: This information is provided to clarify the role of the Conditions of Participation (COP) requirements in determining when care is reasonable and necessary.

NEW/REVISED MATERIAL - EFFECTIVE DATE: January 30, 2004

***IMPLEMENTATION DATE: March 2, 2004**

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 only receive the new/revised information.

II. CHANGES IN MANUAL INSTRUCTIONS:

| R/N/D | CHAPTER/SECTION/SUBSECTION/TITLE |
|-------|---|
| R | 3/Table of Contents/Verifying Potential Errors and Taking Corrective Actions |
| N | 3/4.2.1/Role of Conditions of Participation Requirements When Making a Payment Decision |
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III. FUNDING: *Medicare contractors only:

These instructions should be implemented within your current operating budget.

IV. ATTACHMENTS:

| | |
|---|---------------------------|
| X | Business Requirements |
| X | Manual Instruction |
| | Confidential Requirements |
| | One-Time Notification |

Business Requirements

| | | | |
|-------------|-----------------|------------------------|---------------------|
| Pub. 100-08 | Transmittal: 64 | Date: January 30, 2004 | Change Request 3042 |
|-------------|-----------------|------------------------|---------------------|

SUBJECT: Role Conditions of Participation (COPs) Requirements When Making a Payment Decision

I. GENERAL INFORMATION

- A. Background:** It has been determined that contractors are misinterpreting the role of COP requirements in determining when care is reasonable and necessary.
- B. Policy:** N/A
- C. Provider Education:** No provider education is needed.

II. BUSINESS REQUIREMENTS

| Requirement # | Requirements | Responsibility |
|---------------|--|----------------|
| 3042.1 | Contractors shall not use COP requirements when making a payment decision. | FIs |

III. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

- A. Other Instructions:** N/A

| X-Ref Requirement # | Instructions |
|---------------------|--------------|
| | |

- B. Design Considerations:**

| X-Ref Requirement # | Recommendation for Medicare System Requirements |
|---------------------|---|
| N/A | No changes to standard systems are required. |

- C. Interfaces:** N/A

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

- E. Dependencies:** N/A

- F. Testing Considerations:** N/A

IV. OTHER CHANGES

| Citation | Change |
|----------|--------|
| N/A | |

V. CMS Contacts:

| | |
|---|--|
| <p>Effective Date: January 30, 2004</p> <p>Implementation Date: March 2, 2004</p> <p>Pre-Implementation Contact(s): Nancy Moore @cms.hhs.gov or at (410)-786-6974</p> <p>Post-Implementation Contact(s): Nancy Moore @ cms.hhs.gov or at 410-786-6974</p> | <p>These instructions should be implemented within your current operating budget.</p> |
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Medicare Program Integrity Manual

Chapter 3 - Verifying Potential Errors and Taking Corrective Actions

Table of Contents
(Rev. 64, 01-30-04)

4.2.1 – Role of Conditions of Participation Requirements When Making a Payment Decision

4.2.1 - Role of Conditions of Participation Requirements When Making a Payment Decision

(Rev. 64, 01-30-04)

The Conditions of Participation (COP) requirements cannot be used as a basis for denying payment. The COPs define specific quality standards that providers must meet to participate in the Medicare program. A provider's compliance with the COPs is determined by the CMS regional office (RO) based on the State survey agency recommendation.

In cases where you believe that the COPs are not being met or when problems have been identified, you should notify your RO and the appropriate State survey agency so that they can initiate appropriate action.