

Program Memorandum Carriers

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

Transmittal B-02-085

Date: NOVEMBER 8, 2002

CHANGE REQUEST 2426

SUBJECT: Process All Medicare Part B Provider Enrollments in the Provider Enrollment Chain Ownership System (PECOS). Modify the Medicare Claims System (MCS) to Incorporate All Claim Payment and Provider Correspondence Functionality That is Included in the Provider Enrollment System (PES) But Will Not Be a Part of PECOS. Shut Down All Provider Enrollment Functions in PES

The following table lists the Change Requests (CRs) that make up the entire PECOS/MCS/VMS/PES/PENS CR Package for the April 2003 and July 2003 Releases: (Highlighted row indicates the current CR.)

| CR # | Change Request Description |
|------|---|
| 2422 | Migrate Medicare Carrier Provider/Supplier enrollment data from the existing Carrier Provider Enrollment System (PES) into the Provider Enrollment Chain Ownership System (PECOS). |
| 2423 | Migrate Medicare Carrier Provider/Supplier enrollment data from the existing Carrier Provider Enrollment System (PENS) into the Provider Enrollment Chain Ownership System (PECOS) and shut down all provider enrollment functions in PENS. |
| 2424 | Create Import/Export Functionality between the Unique Provider Identification Number system (UPIN) and the Provider Enrollment Chain Ownership System (PECOS). |
| 2425 | Create Import/Export Functionality between MCS and the Provider Enrollment Chain Ownership System (PECOS). |
| 2426 | Process all Medicare Part B provider enrollments in the Provider Enrollment Chain Ownership System (PECOS). Modify MCS to incorporate all claim payment and provider correspondence functionality that is included in the Provider Enrollment System (PES) but will not be a part of PECOS. Shut down all provider enrollment functions in PES. |
| 2427 | Create Import/Export Functionality between the Viable Medicare System (VMS) and the Provider Enrollment Chain Ownership System (PECOS). |

I. GENERAL INFORMATION

- A. Background:** PECOS Release 3 is scheduled to go live for carrier use in July 2003. With this release, all Medicare carriers must enter all Provider/Supplier enrollment data into PECOS. Carrier supplier/provider enrollment data will no longer be entered into PES. All functions associated with provider enrollment will be handled by PECOS. As part of this effort, CMS will work with the carriers to migrate PES enrollment data into the PECOS system. PECOS will assume the responsibility for communicating with UPIN to obtain the providers' UPIN number and will work with the system maintainers of UPIN to develop import/export functions. PECOS will also assume the responsibility of communicating provider data to MCS and will work with the MCS system maintainers to develop the necessary export/import functions. This CR contains the requirements and design considerations that must be coded and tested for the April release.
- B. Policy:** Collection and retention of CMS 855 enrollment data has been cleared through a Paperwork Reduction Act Notice in the Federal Register. The authority for the various types of data to be collected is found in multiple sections of the Social Security Act and Code of Federal Regulations. Specifically in Sections 1816, 1819, 1833, 1834, 1842, 1861, 1866 and 1891 of the Act and 42 CFR Subchapter E.

II. BUSINESS REQUIREMENTS

| Requirement # | Requirements | Responsibility |
|---------------|---|----------------|
| 1 | <p>Allow users to add/update Bank and Reference Fields for Part B providers. MCS must allow users to add/update the Bank Code, Bank Number, Bank Account Number, Reference 1, Reference 2, Reference type 1 and Reference type 2 fields in the MCS Provider Enrollment (PE) screens. This data is currently captured in PES and exported into MCS. PECOS will not capture Bank and Reference field data.</p> <ul style="list-style-type: none"> • Analysis Complete by: April 2003 • Design, Coding, Testing, Implementation Complete by: July 2003 | Carrier |
| 2 | <p>MCS must allow users to designate the address that will appear on the Correspondence TACS (The Automated Correspondence System) letter screen. Currently in PES there is a TACS/PE (The Automated Correspondence System/Provider Enrollment) Indicator field on the Practice Address and Pay To Address screens. The TACS/PE indicator will not be supported by PECOS. PECOS does provide users the ability to enter a Correspondence Address for a provider.</p> <ul style="list-style-type: none"> • Analysis Complete by: April 2003 • Design, Coding, Testing, Implementation Complete by: July 2003 | Carrier |
| 3 | <p>MCS must allow users to record and update Action Reason codes and to add Provider on Review information. This data is currently captured in PES and exported into MCS where it is presented to the user in the PE Screen 2. PECOS will not capture Action Reason codes and Provider Review data.</p> <ul style="list-style-type: none"> • Analysis Complete by: April 2003 • Design, Coding, Testing, Implementation: July 2003 | Carrier |
| 4 | <p>Disable all PES provider enrollment functions. Carriers will no longer enter provider data into PES. Change users' security level in PES to allow them view only access to the PES data. Upon completion of the Change Request (July 2003), carriers will be responsible for entering all Medicare provider enrollment data into the PECOS system.</p> <ul style="list-style-type: none"> • Analysis Complete by: April 2003 • Design, Coding, Testing, Implementation Complete by: July 2003 | Carrier |
| 5 | <p>Disable UPIN export/import function. Please reference CR 2424 for further information.</p> <ul style="list-style-type: none"> • Analysis Completed by: April 2003 • Design, Coding, Testing, Implementation Complete by: July 2003 | Carrier |
| 6 | <p>Disable MCS export/import function of PES data. Please reference CR 2425 for further information.</p> <ul style="list-style-type: none"> • Analysis Complete by: April 2003 • Design, Coding, Testing, Implementation Complete by: July 2003 | Carrier |

III. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions:

| X-Ref Requirement # | Instructions |
|---------------------|--|
| 1 | When a new provider 855-enrollment application is input and approved in PECOS, or a current provider has updated bank or Electronic Funds Transfer (EFT) information, this data must be reflected in MCS in order to facilitate claim payment. PECOS will supply MCS with the 855 enrollment data but will not capture the Bank and Reference data for the provider. |
| 2 | PECOS does not support provider correspondence functionality. If a carrier needs to send correspondence to the provider from the TACS system, they must have the ability to designate an address that will be used on the correspondence in MCS. |
| 3 | Action Reason codes and Provider Review codes are used by carriers to flag provider claim payment and enrollment status. PECOS does not capture claim payment data and carriers would need the MCS application to capture this information. |
| 4 | Carriers will no longer enter Medicare provider enrollment data into the PES system. As of July 2003 carriers will enter Medicare provider enrollment data into PECOS. CMS will migrate existing Medicare provider data into PECOS. Upon completion of this request, carriers will enter their Medicare provider data into the PECOS system. |
| 5 | PES will no longer send data to the UPIN system. PES will no longer receive and store the UPIN number. PECOS will be responsible for this function. |
| 6 | PES will no longer send MCS an extract containing Medicare provider enrollment data for claims payment. PES will no longer receive a file containing AR codes from MCS. PECOS will transmit provider data to MCS. PECOS will collect from the MCS system, inactive provider information. |

B. Design Considerations:

| X-Ref Requirement # | Recommendation for Medicare System Requirements |
|---------------------|--|
| 1,2,3,4,5,6 | PECOS will process all Medicare Part B provider enrollment applications. PES will no longer capture provider enrollment data. MCS must assume claim payment and correspondence functionality that is currently in PES but not supported by PECOS. Carriers will use PECOS to track and enroll providers. PECOS will provide an extract of provider data to MCS. Carriers will then use MCS to add/update claim payment and correspondence information. |

C. Interfaces:

PECOS will send provider data extracts to the MCS system. PECOS will accept a file from MCS containing any inactive providers.

#5. PECOS will interface with the UPIN system. UPIN will enumerate the provider and send back the Unique Provider Identification Number to the PECOS system. PECOS will store the UPIN number.

#6. PECOS will interface with MCS. PECOS will send MCS the Medicare provider data extract. MCS will send PECOS the necessary data to determine whether a provider is "ACTIVE" or "INACTIVE".

D. Contractor Financial Reporting /Workload Impact:

When PECOS goes live, contractors will process provider enrollment applications in PECOS instead of PES. PECOS will create the necessary Workload reports. Claims processing functionality moves to MCS.

E. Dependencies:

1. This CR is dependent on the effort to convert the carrier data from the HPBSS system into PES. There are approximately six carriers who use the HPBSS system for provider enrollment. By June 2003, all of their data should be converted into the PES system. Once their data is in PES, the PECOS system will be loaded with that data.
2. CR 2422 pertains the loading of the enrollment data from PES and into PECOS. If the load is not completed, carriers will not be able to modify historical enrollment data.

F. Testing Considerations:

Testing should validate that records that have been imported from PECOS can be modified in MCS.

IV. ATTACHMENT(S)

• PECOS CHANGE REQUEST DIAGRAM

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|--|---|
| <p>Version:</p> <p>Implementation Date:</p> <ul style="list-style-type: none"> • Req 1: Analysis Complete by: April 1, 2003 • Design, Coding, Testing, Implementation Complete by: July 1, 2003 • Req 2: Analysis Complete by: April 1, 2003 • Design, Coding, Testing, Implementation: July 1, 2003 • Req 3: Analysis Complete by: April 1, 2003 • Design, Coding, Testing, Implementation Complete by: July 1, 2003 • Req 4: Analysis Complete by: April 1, 2003 • Design, Coding, Testing, Implementation Complete by: July 1, 2003 • Req 5: Analysis Complete by: April 1, 2003 • Design, Coding, Testing, Implementation Complete by: July 1, 2003 • Req 6: Analysis Complete by: April 1, 2003 • Design, Coding, Testing, Implementation Complete by: July 1, 2003 <p>Discard Date: November 8, 2003</p> <p>Post-Implementation Contact: Leslie West</p> | <p>Effective Date: PECOS Effective date is July 2003</p> <p>Funding: No additional funding</p> <p>Pre-Implementation Contact: Leslie West</p> |
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PECOS CHANGE REQUEST DIAGRAM

