
Program Memorandum Intermediaries

Department of Health and
Human Services (DHHS)
HEALTH CARE FINANCING
ADMINISTRATION (HCFA)

Transmittal A-00-84

Date: NOVEMBER 9, 2000

CHANGE REQUEST 1427

SUBJECT: Medicare + CHOICE Inpatient Encounter Data---Migration of Data Processing to the HCFA Data Center (HDC)

The purpose of this Program Memorandum (PM) is to inform the six encounter fiscal intermediaries (First Coast, AdminaStar, Summit DataNet, Veritus, Palmetto, and Trailblazers) that the processing of inpatient encounter claims by the HDC will begin on February 1, 2001.

We anticipate that Medicare+Choice Organizations (M+COs) will be directed to stop sending encounter data to their current fiscal intermediaries on January 19, 2001; and begin sending encounters to Palmetto-- acting as the front-end processor for the Medicare Data Communications Network (MDCN)-- beginning January 22, 2001.

During the period January 19 through January 26, contractors should continue to process encounters so as to reduce pending levels to as low a point as possible. For the period January 26 through January 31, contractors should extract all necessary files (e.g., beneficiary, provider, etc.), commence shutdown operations, and carry out all other required actions (per further instruction from HCFA at a future date) in order to assure a smooth migration of processing.

The current encounter fiscal intermediaries should make every effort to minimize suspended encounter backlogs prior to the migration.

The current contract for Encounter FIs will be extended until March 31, 2001 as a contingency to allow for unforeseen events that may affect encounter processing.

Encounter FIs should not take **any action** to cease processing until they are formally directed (in writing) to do so.

Further instructions will follow via a joint letter from CBS and CHPP

The *effective date* of this PM is February 1, 2001.

The *implementation date* of this PM is February 1, 2001.

These instructions should be implemented within your current budget.

This PM may be discarded after February 1, 2002.

The contact person for this PM is Ed Lain. His telephone number is (410) 786-0848.

