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Centers for Medicare & Medicaid Services (CMS) Working to Improve Provider Enrollment Process

Provider Types Affected

All Medicare physicians and providers.

Provider Action Needed

This article is primarily for informational purposes, but providers want to be sure they understand the processes available to assist them when enrolling for Medicare or when updating their information with Medicare. This article deals mostly with problems carriers are having in processing new provider enrollment applications, changes in provider enrollment information, and applications for reassignment of payments by providers.

Background

For some time, providers have expressed concerns about the length of time it takes to enroll in Medicare and about the processes they must go through to accomplish that enrollment. CMS also has been concerned about ways to improve the process, while assuring it has the information needed to process claims correctly and the data needed to safeguard Medicare Trust Funds.

As a way to improve the overall infrastructure for the systems supporting the provider enrollment function, CMS launched a new national enrollment system, the Provider Enrollment and Chain/Ownership System, also referred to as PECOS. This system was implemented in July 2002 for Medicare fiscal intermediaries (FIs) and the process began rather smoothly for providers who deal with FIs.

On November 3, 2003, CMS implemented PECOS for carriers, extending the new process to physicians and other providers who interact with carriers. Unfortunately, the extension of PECOS to the carriers was considerably more problematic than the implementation for FIs. Some of the problems with the carrier implementation phase included the following:

- Some carriers were already facing backlogs of work in the enrollment area and the introduction of PECOS initially increased that backlog.
- The PECOS system and its supporting infrastructure was not as stable on the carrier side as on the FI side, mostly due to the much larger provider population on the carrier side, and a correspondingly higher volume of data and transactions.

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- The interaction between PECOS and carrier systems was more problematic than the interaction between PECOS and FI systems.
- CMS may have underestimated the amount of time that carrier staff needed to train on the system and the carrier staff actually needed more training on the enrollment process itself in order to use PECOS effectively.

To compound these problems, CMS was operating under a continuing budget resolution in November 2003, which meant it had no budgetary authority to enable the carriers to hire temporary staff or to work significant amounts of overtime to handle the increased and problematic workloads. The result was that many providers trying to enroll with carriers or change their enrollment information encountered undue delays in processing their requests and this caused a significant problem for many providers. CMS regrets these problems and has been working aggressively with the carrier community to eliminate the bottlenecks.

Additional Information

As soon as CMS became aware of the problems, it took measures to resolve the issues. CMS' actions included the following:

- An emergency team, led by a senior CMS manager, was formed to identify the specific problems, visit the carriers with the more significant backlogs, and to formulate solutions.
- In February 2004, CMS was able to provide fiscal year 2004 budget authority to the carriers and, more recently, CMS directed the carriers to identify funding needs and to hire temporary staff to reduce the backlogs and expedite processing of enrollment actions.
- Special work teams, consisting of CMS staff and staff from the CMS contractor that developed PECOS, have been formed to communicate with the carriers daily to resolve known problems and to surface new problems for resolution.
- CMS has directed the carriers to make some basic changes to their enrollment processes so initial screenings of enrollment actions are made early and missing information can be identified and obtained from providers more quickly than was previously done.
- CMS has directed the carriers to make other changes to streamline the overall enrollment process, while preserving the integrity and accuracy of those processes.

CMS and the carriers believe these initial steps will result in significant improvements, but CMS is also aware that it will take some time to reduce the backlogs and bring stability to these processes. If any provider is facing a severe problem as a result of this situation, CMS encourages them to contact their carrier at the toll-free enrollment help line. These toll-free numbers may be found at:

<http://www.cms.hhs.gov/providers/enrollment/contacts>

In addition, CMS outlines some steps that providers can take to speed up the processes for their own transactions, such as the following:

- Providers are encouraged to be sure to submit complete and correct applications, including all necessary information.

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- If your carrier contacts you for additional information, be ready to provide it promptly.
- When the carrier contacts you by letter for more information, be sure to reply by letter to the specific address listed in the communication to you.
- When contacted by phone, ask the carrier how best to get the information back to them, i.e., by phone, mail, e-mail, or fax.
- Use the pdf version of the enrollment application. This pdf form has built-in edits that help eliminate basic errors. This form can also be found at: <http://www.cms.hhs.gov/providers/enrollment/forms>
- Remember that you need not complete an entire form to change an address. Complete only the portions required to effect the change.

CMS regrets the inconvenience and burden these problems have caused providers. It is not unusual to experience growing pains when new and improved computer systems are installed. Nonetheless, CMS appreciates that providers should expect prompt and correct processing of their transactions. CMS and the carriers are working aggressively to make that happen.

Eventually, providers will benefit from PECOS because the new system will make it much easier for providers to establish additional offices with Medicare or to enroll for multiple sites with Medicare.

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