Business Requirements

Pub. 100-08	Transmittal: 53	Date: October 31, 2003	Change Request 2916

I. GENERAL INFORMATION

A. Background:
B.

Beginning January 1, 2003, contractors were required to give notice to Medicare beneficiaries when denials are based in part or in whole on an LMRP. Beneficiaries should know why their claims are denied, so they can decide whether to appeal those claim denials, and how to avoid such denials in the future. The above mentioned transmittal created a Medicare Summary Notice (MSN) message to be used in conjunction with existing messages. These messages inform the beneficiary that one or more LMRPs were used when the contractor was making the claim determination. However, it does not tell the beneficiary which LMRP(s) were used.

This instruction communicates initial requirements to shared systems and carriers so that beneficiaries will be notified as to the specific LMRP number(s) and/or NCD number(s) associated with their claim denial For Part B services.

B. Policy:

These instructions apply to both the MCS and VMS standard systems:

By April 1, 2004, the MCS and VMS suspense editing screens must be changed to allow contractors to specify up to 4 LMRP ID number(s) and/or NCD number(s) of each LMRP and/or NCD associated with that edit. Here are two examples of why up to 4 policies may be listed on an MSN:

Example 1: The contractor is running an edit that operationalizes an NCD and an LMRP for the same service. This edit generates a denial based on both policies. The contractor needs the ability to list both policies in the edit for future appearance on the MSN.

Example 2: The contractor is running an edit that operationalizes 4 LMRPs for epoetin alpha (EPO). Each policy contains a different set of covered ICD-9 codes. The edit generates a denial based on all 4 LMRPs. The contractor needs the ability to list all 4 policies in the edit for future appearance on the MSN.

The clinical diagnostic laboratory NCD edit module has not yet been modified to identify the 23 negotiated laboratory NCD edits. This change will be forthcoming in a future update of the lab edit module.

The LMRP ID number is generated by the Medicare Coverage Database. The LMRP ID number is an integer that begins with the letter "L" (e.g., L23, L563, L98765). The highest possible LMRP ID number that could be generated by the coverage database is L2147483648 (an 11 digit number). The NCD number is the Coverage Issues Manual (CIM) number associated with that NCD. The NCD number will appear as follows: a 2, 3, or 4 digit number followed by a – (dash) followed by up to 6 characters which can be numbers or decimals (e.g., 11-1, 22-2.2, 33-333, 44-444.4, 55-5.555, 666-666, 7777-7).

These instructions apply only to the VMS standard system:

Beginning April 1, 2004, VMS carriers may begin using the new suspense editing screens to specify the Coverage Database LMRP ID number and NCD number associated with each LMRP and NCD edit. By July 1, 2004, **every** edit (including automated and manual) that generates denials based on an LMRP and/or an NCD must specify the Coverage Database LMRP ID number(s) and/or NCD number(s) associated with that edit. Contractors must write their LMRPs in such a way that each denial is based on no more than four policies (i.e., 3 LMRPs and 1 NCD, 4 LMRPs.)

C. Provider Education: None

II. BUSINESS REQUIREMENTS
Please Note: MCS standard systems are required to complete requirement **1a only** (listed below) for the April 2004 release. Further requirements related to this change request will be issued in subsequent quarterly releases.

VMS standard systems are required to complete requirements 1b (listed below) for the April 2004 release. Further requirements related to this change request will be issued in subsequent quarterly releases.

VMS carriers must complete requirement 2 (listed below). A future requirement will be issued for MCS carriers.

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

These requirements do not apply to edits based on LMRPs that were retired prior to implementation of the Medicare Coverage Database (MCD) (i.e., do not appear anywhere in the MCD).

Requirement #	Requirements	Responsibility
1a	By April 1, 2004, the **MCS** suspense editing screens must be changed to allow contractors to specify up to 4 LMRP/NCD number(s) associated with that edit. The LMRP number could be up to an 11digit integer generated by the Medicare Coverage Database where the first digit is an "L". The NCD number will be the CIM number. There could be multiple LMRPs ID numbers and/or multiple NCD numbers associated with each edit.	MCS
1b	By April 1, 2004, the **VMS** suspense editing screens must be changed to allow contractors to specify up to 4 LMRP/NCD number(s) associated with that edit. The LMRP number could be up to an 11digit integer generated by the Medicare Coverage Database where the first digit is an "L". The NCD number will be the CIM number. There could be multiple LMRPs ID numbers and/or multiple NCD numbers associated with each edit. DMERC CMNs are not included in this requirement.	VMS

	This requirement does not include the background processes required to apply the LMRP/NCD numbers specified on the edits to the affected claim lines. That processing will be added in a subsequent CR.	
2	Between the implementation of this CR and July 1, 2004, **VMS** carriers must update their suspense editing screens using the functionality added in requirement 1b to specify the LMRP ID number(s) and/or NCD number(s) associated with that edit. There could be multiple LMRPs ID numbers and/or multiple NCD numbers associated with each edit. DMERC CMNs are not included in this requirement.	**VMS carriers only** PSCs using the CMS system who are tasked with prepay MR

A. Other Instructions: N/A

X-Ref Requirement #	Instructions

B. Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

III. SUPPORTING INFORMATION & 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

IV. SCHEDULE, CONTACTS, AND FUNDING

Effective Date: **Specified in the business requirements section of the CR. April 1, 2004.** **Implementation Date: April 5, 2004** Pre-Implementation Contact: Glenn Keidel at (410) 786-2133 or at GKeidel@CMS.HHS.GOV or Melanie Combs at (410) 786-7683 or Mcombs@cms.hhs.gov .	**These instructions should be implemented within your current operating budget.** **Post-Implementation Contact: Glenn Keidel at (410) 786-2133 or at GKeidel@cms.hhs.gov or Melanie Combs at (410) 786-7683 or Mcombs@cms.hhs.gov .**

Attachment