

Program Memorandum Intermediaries

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

Transmittal A-02-054

Date: JUNE 19, 2002

CHANGE REQUEST 2226

SUBJECT: Use of Medical Review Indicators for Comprehensive Error Rate Testing (CERT)

Contractors can dispute only those CERT error findings that the CERT Program Safeguard Contractor (PSC), included on the CERT Monthly Error Review – AC Feedback Report for lines of service that your medical review (MR) staff previously subjected to routine or complex manual MR. Contractors cannot dispute any other error findings. You cannot dispute lines of service that you did not manually medically review or that were subjected to automated MR.

A line level MR indicator field is included on the standard system claim records. Providing a value for the MR indicator on the standard system claim record will allow CERT to distinguish among automated MR, complex MR, and routine MR. Contractors that **do not** enter MR indicators on the review line in question, will not have the opportunity to dispute that line of service.

The contractor must enter the necessary data to allow the standard processing intermediary shared systems to identify each line of service the contractor subjects to complex manual medical review or routine manual medical review. We expect contractors to manually put this indicator on the claim. Requirements to automate populating the MR indicator will be issued in a subsequent instruction for a future implementation date. Contractors must enter the following indicators on the claim to document the type of review that they performed (automated, routine, or complex):

Situation	Payment Decision	Contractor Enters
Contractor receives documentation and performs complex manual medical review on one or more specific lines of service for that claim.	-Approved -Denied -Reduced	Y in the detail level (line level) complex manual medical review indicator for each line of complex manual medical review. Leave the claim level manual review indicator blank.
Contractor performs routine manual medical review on one or more specific lines of service for that claim.	-Approved -Denied -Reduced	N in the detail level (line level) routine manual medical review indicator for each line of routine manual medical review. Leave the claim level manual review indicator blank.
Contractor does not perform complex or routine manual medical review. The system performs automated medical review on any line of service.	-Approved -Denied -Reduced	Leave claim and line level manual medical review indicators blank.

The *effective date* for this Program Memorandum (PM) is June 19, 2002.

The *implementation date* for this PM is June 19, 2002.

These instructions should be implemented within your current operating budget.

This PM may be discarded after June 1, 2004.

If you have any questions, contact Thel Moore, Jr. at 410-786-0267.