
Program Memorandum Intermediaries

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

Transmittal A-03-068

Date: AUGUST 1, 2003

CHANGE REQUEST 2342

SUBJECT: Informing Beneficiaries About Which Local Medical Review Policy (LMRP) and/or National Coverage Determination (NCD) is Associated With Their Claim Denial

I. GENERAL INFORMATION

A. Background:

In November 2002, Transmittal AB-02-155 (Change Request 2081) required contractors, beginning January 1, 2003, 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. CR 2081 was silent about denials based on NCDs.

This Program Memorandum (PM) communicates requirements to shared systems and intermediaries so that beginning January 1, 2004, beneficiaries will be notified as to the specific LMRP number(s) and/or NCD number(s) associated with their claim denial For Part A services.

B. Policy:

By January 1, 2004, the FISS, suspense editing screens must be changed to allow contractors to specify the LMRP ID number(s) and/or NCD number(s) of each LMRP and/or NCD associated with that edit. 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.

By January 1, 2004, intermediaries must 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. 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. Effective January 1, 2004, all other edits (including automated and manual) that generate denials based on an LMRP and/or an NCD must specify the Coverage Database LMRP ID numbers(s) and/or NCD number(s) associated with that edit.

By January 1, 2004, the shared systems must develop a mechanism to "auto-fill" these LMRP ID #s and NCD #s into the new MSN message. For each full or partial denial that is based on an LMRP or NCD, the MSN will have to specify the LMRP ID number(s) and/or NCD number(s) of the LMRP(s)/NCD(s) that were used.

By January 1, 2004, intermediaries must use this new MSN message for each full or partial denial that is based on an LMRP or NCD:

15.20 - The following policies [*insert LMRP ID #(s) and NCD #(s)*] were used when we made this decision.

15.20 - Las siguientes políticas [*añadir los #s de las Políticas Médicas Locales y los #s de el "National Coverage Determination"*] fueron utilizadas cuando se tomó esta decisión.

II. BUSINESS REQUIREMENTS

Requirement #	Requirements	Responsibility
1a	<p>By January 1, 2004, the APASS suspense editing screens must be changed to allow contractors to specify the LMRP/NCD number(s) associated with that edit. The LMRP number will be an 11 digit integer generated by the Medicare Coverage Database where the first digit is an "L". The NCD number will be the CIM number.</p> <p>There could be multiple LMRPs ID numbers and/or multiple NCD numbers associated with each edit.</p>	APASS
1b	<p>By January 1, 2004, the FISS suspense editing screens must be changed to allow contractors to specify the LMRP/NCD number(s) associated with that edit. The LMRP number will be an 11 digit integer generated by the Medicare Coverage Database where the first digit is an "L". The NCD number will be the CIM number.</p> <p>There could be multiple LMRPs ID numbers and/or multiple NCD numbers associated with each edit.</p>	FISS
2	<p>Between now and January 1, 2004, intermediaries must revise their suspense editing screens to specify the LMRP ID number(s) and/or NCD number(s) associated with that edit.</p> <p>There could be multiple LMRPs ID numbers and/or multiple NCD numbers associated with each edit.</p>	<p>FIs,</p> <p>PSCs tasked with prepay MR</p>
3a	<p>The APASS shared system must have the ability to "auto-fill" the LMRP ID #s and NCD #s from the suspense edit into the new MSN message associated with that edit.</p>	APASS
3b	<p>The FISS shared system must have the ability to "auto-fill" the LMRP ID #s and NCD #s from the suspense edit into the new MSN message associated with that edit.</p>	FISS
4	<p>The shared system must contain the following MSN message:</p> <p>15.20- The following policies [<i>insert LMRP ID #(s) and NCD #(s)</i>] were used when we made this decision.</p> <p>15.20 - Las siguientes políticas [añadir los #s de las Políticas Médicas Locales y los #s de el "National Coverage Determination"] fueron utilizadas cuando se tomó esta decisión.</p> <p>There could be multiple LMRPs ID numbers and/or multiple NCD numbers associated with each edit.</p>	<p>FISS,</p> <p>FIs</p> <p>PSCs tasked with prepay MR</p>

III. SUPPORTING INFORMATION AND 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. ATTACHMENT(S) N/A

<p>Implementation Date: January 1, 2004</p> <p>Discard Date: January 1, 2005</p> <p>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 .</p>	<p>Effective Date: Specified in the business requirements section of the CR. Exception: Contractors using the Arkansas Part A Shared System are granted a waiver until 6 months after the date of their transition to FISS.</p> <p>Funding: Within current operating budgets</p>
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