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Retroactive Processing Contractor – Reed & Associates, CPAs

Effective August 3, 2009, Reed & Associates, CPAs (Reed) was designated by CMS as the national contractor responsible for processing retroactive transactions for all Medicare Advantage Organizations, Part D Sponsors, Cost-based Plans and PACE Organizations. Under the terms of this contract, Reed validates and processes a number of retroactive requests including those covered by this SOP. All requests submitted by organizations must be in accordance with the processes outlined in these Standard Operating Procedures (SOPs) as well as the latest CMS Guidance.

Compliance with Standard Operating Procedures (SOPs)

In order to process retroactive requests, formal procedures have been developed by the RPC in accordance with the contract. Any retroactive requests that are submitted by organizations that do not comply with the guidelines may not be accepted. Careful adherence to these guidelines will ensure that retroactive requests submitted to the RPC will be processed timely and accurately.

State & County Code (SCC) Changes - Definition

Beneficiaries' state and county of residence is an enrollment eligibility requirement and has a direct effect on the capitation rate regardless of health status. The initial source of the state and county code of residence is the Social Security Administration.

Probe Study

In order to assure appropriate oversight, the Retroactive Processing Contractor will periodically conduct a probe study by requesting supporting documentation from various plans. The purpose of these studies is to review and verify that appropriate documentation is maintained by the organization as defined by CMS.

A five percent random sample of plan status changes will be chosen for inclusion in the study. The plan will be notified of inclusion in the probe study via email to the "Probe Study" contact we have on file. It will have <u>10 business days</u> from the date of the RPC's request to submit supporting documentation. After review of the documentation, the RPC will send the plan a report of the findings. If the documentation is not received or does not support the requested changes, the changes will be nullified. A report will be sent to the plan and to CMS detailing this action.

Requests for Effective Dates Greater Than 6 Months from Received Date

Any requests submitted to the RPC that are for effective dates greater than 6 months before the received date will be classified as "Over 6 Months" requests. Documentation must be provided with the RPC request, therefore these request are not subject to Probe Study. The organization must document why the request was delayed. Examples could include a letter from the plan detailing the situation, a TRR, email threads, etc. <u>Organizations should review all Over 6 issues and determine how to prevent future compliance issues.</u>

CMS Guidance/Regulations

Please refer to the appropriate CMS guidance resource for policy questions and additional details. This includes Chapters 2 and 17 of the Medicare Managed Care Manual or the PDP guidance.

The Medicare Managed Care Manual is available under Publication # 100-16 on the web at: http://www.cms.hhs.gov/Manuals/IOM/list.asp?listpage=2 .

General Information about State & County Code (SCC) Adjustments *(CMS Pub. 100-16, Chapter 7, § 60.4)*

The beneficiary's state and county code is transmitted from Social Security Administration (SSA) to the CMS Medicare Beneficiary Database (MBD) via the Eligibility Database (EDB). The SSA systems interface with the CMS' systems daily. The Eligibility Database accepts and updates the state and county code information on beneficiaries that it receives from SSA. The CMS regional offices can update a beneficiary's SCC information in the MBD, which will block the update from the EDB. If an SCC has been updated in MBD, MARx will use the updated SCC.

The plan must submit requests for adjustments within 45 days of receiving their monthly reports from CMS. The plan may request a retroactive adjustment changing the state and county code when the beneficiary's state and county code included in the monthly membership report is different from the state and county of residence the plan has on file for that beneficiary. The plan would identify this during the normal monthly reconciliation process of comparing the Monthly Membership Report and Transaction Reply Report with the plan's records.

Before submitting the requests to the Retroactive Processing Contractor to retroactively adjust the SCC, the plan must complete the following actions:

- Notify the beneficiary that the residence SCC information given to the plan differs from the residence SCC information on record with the Social Security Administration; and

- Request the beneficiary notify SSA of his/her current residence address by calling the SSA 800 number - ((800) 772-1213). If the residence address is different from their mailing address, they should notify SSA of both addresses.
- The plans must obtain documentation verifying the residence information the plan has in their records, as described in Chapters 2 and 17 of this Medicare Managed Care Manual or the PDP Guidance.

A SCC adjustment will be made retroactively for the dates requested; however, payment adjustments will be made for no more than 36 months from the date the request is received by the Retroactive Processing Contractor.

The plan should never submit duplicate information unless the CMS central office, Regional Office or the Retroactive Processing Contractor specifically requests the duplicate information be submitted.

CMS allows the plans 6 months in which to report discrepancies. Any request with an effective date greater than 6 months prior to the requested effective date requires additional documentation. Refer to HPMS memo, July 15, 2005 on Timeliness of Retroactive Adjustment Submissions for requests over 6 months old. Additionally, documentation requirements are discussed later in this SOP.

Instructions for Submission to the RPC (Reed & Associates)

Organizations should submit all retroactive SCC requests to the RPC following the specific guidance contained in this SOP. If organizations have questions regarding the submission, they should contact the RPC's Client Services Department.

Overall, organizations should expect that transactions are received, processed and reported in the same fashion. More discussion will follow, however the general process is noted below:

A. *Organizations submit the following to the RPC:*
    i. *A cover letter from the organization.*
    ii. *The RPC submission spreadsheet.*
    iii. *Documentation for requests meeting the "Over 6 Months" criteria.*

B. *The RPC will upload the requests into the tracking system and issue acknowledgement e-mails and error reports to the Organizations within 5 calendar days.*

C. *The RPC will make changes in CMS' systems within 35 days of the receipt date. A final disposition report (FDR) will be issued to the organizations communicating the results of the RPC's review. Organizations should carefully monitor CMS' systems, RPC FDRs (Final Disposition*

Reports), TRRs (Transaction Reply Reports) and MMRs (Monthly Membership Reports) to ensure that all requested transactions are processed.

D. *Organizations should resubmit requests to the RPC within 45 days of the issuance of the FDR if the original request was not processed as requested. Steps A & B should be repeated for all resubmissions.*

E. *If an organization does not believe that a request has been processed within the 35 day timeframe, they may contact the RPC's Client Services department to request a status update.*

A. Organizations Submitting Requests to the RPC

Submissions that meet all of the requirements explained in this SOP should be sent via traceable mail carrier to:

Reed & Associates, CPAs – CMS RPC
Attn: Support Services
14301 FNB Parkway, Suite 211
Omaha, Nebraska 68154
Phone: *(402) 315-3660*

Organizations should ensure that all packages sent to the RPC have been reviewed very carefully noting that all elements described below are included. Any packages received by the RPC that do not meet the requirements in this SOP may not be processed.

i. Cover Letter

A cover letter should accompany all retroactive requests to the RPC. This letter should, at a minimum, contain the applicable plan number(s) (i.e., H#, S#, R#, E#) and a certification statement which is signed by a member of the Organization. An example of appropriate language for the certification is as follows:

> *"This signature verifies that the information submitted to the Retroactive Processing Contractor on* **<date>** *is accurate and complete. Supporting documentation is being maintained at the organization for each request."*

Organizations must retain the original supporting documentation for the requested changes as they may be required to produce it during a CMS audit.

The cover letter should also include any special circumstances or instructions to assist the RPC in processing requests timely and accurately. For example, if the submission contains resubmissions, the RPC should be able to determine this immediately by reviewing the cover letter.

ii. Submission Spreadsheet

Retroactive requests should be gathered by the organization on the Excel submission spreadsheet template. It should be password-protected and saved to a CD *(preferred)*, flash drive or diskette to be submitted to the RPC. The submission spreadsheet template is available on the RPC's website *(http://www.reedassociates.org /payvalMMCPV.php)* in the **RPC Toolkit** section.

The formatting of the submission spreadsheet template should not be changed, or the spreadsheet may not upload properly. Components (including tab names, column headers, column order, cell placement and cell formatting) must be in a proper format to facilitate the upload process. Additionally, there are drop-down boxes for several of the columns which require very specific responses.

If your organization automates the spreadsheet completion process, it is suggested that you review all spreadsheet components carefully (especially the required responses for the drop-down boxes) to avoid upload errors. **The RPC will not upload records that do not meet the standards of the submission spreadsheet.**

In order to assist you in completing the submission spreadsheet, the RPC has developed a Validation Tool for the spreadsheet. It is essential that you take advantage of this tool to avoid common upload errors. Please note that this tool will not catch all upload errors, however it may significantly reduce the number of errors.

In order to take advantage of this helpful tool, it is necessary to click on the "**Enable Macros**" button when opening the spreadsheet. If, when opening the form, you are not prompted to select this option, you may need to lower your Macro Security setting in Excel from "High" to something lower (Tools>Security>Macro Security).

If you elect to "Enable Macros", you will be able to use the Validate button. Once pressed, this button runs a program to verify the data in the current tab of the spreadsheet you are working on. If errors are noted, please correct prior to submitting the requests to the RPC.

If you elect to "Disable Macros", you will still be able to utilize the spreadsheet to submit your requests; however, **if your spreadsheet is not formatted correctly, the likelihood that your submission results in upload errors is increased**.

Specific instructions for how to complete each column of the spreadsheet are included on the spreadsheet itself. Some instructions are listed below the column header and others are included as comments which can be viewed when the mouse pointer is placed on the header. If you have questions on how to complete the spreadsheet, please contact the RPC's Client Services Department.

iii. Documentation Required for "Over 6 Months" transactions

Any requests submitted to the RPC that are for effective dates greater than 6 months before the received date will be classified as "Over 6 Months" requests. Supporting documentation for each Over 6 Months SCC change request must be submitted to the RPC, as these transactions are not subject to probe studies. Documentation supporting 1) why the request was not submitted to the RPC timely, and 2) the requested change, must be submitted should accompany each request. It should be submitted electronically via PDF file *(preferred)* or in paper format. Please note that submitting paper documentation may increase processing time.

In order for your electronic documentation to be accurately matched to the request listed on your submission spreadsheet, you must submit the documentation in a single PDF file for each request. Each request should include the RPC PayVal Documentation Worksheet (found on the RPC's website) along with the specific documents required for the type of transaction and situation (more detail to follow). Organizations should also retain a copy of the request and related documentation submitted to the Retroactive Processing Contractor as part of the record for each beneficiary.

The request will not upload properly if it is not named in the following format (note the dash): **[**Contract number**]-[**HIC number**]** (i.e. H1234**-**999887777A). Any additional characters or missing information will significantly delay the RPC's upload process.

Documentation Required (Over 6 Months only)

Supporting the Delay:

- RPC PayVal Documentation Worksheet documenting why the request was delayed.
- Any additional documentation why the request was delayed. Examples could include a letter from the plan detailing the situation, a TRR, e-mail threads, etc.

Supporting the Requested Change (choose one from list):

- Residence Verification Survey/Form signed by the beneficiary
- Copy of property tax statement
- Copy of income tax return
- Copy of voter's registration card

- Copy of utility bill
- A copy of the telephone call log in which the organization has verified the beneficiary's permanent residential address including:
  - The date of verification call by the organization
  - The phone number used to verify eligibility
  - The name of the staff person who verified the permanent residential address
  - The name of the person contacted

If any of the above documentation requires address clarification; please attach a document showing the address and county from an Internet mapping utility which is based on the U.S. Postal Service data (i.e. MapQuest, Google Maps). Please note: a document from an Internet mapping utility alone is not considered acceptable documentation to substantiate a chance request for State and County codes.

B. RPC Uploading Requests & Issuing Acknowledgement E-mails (and Error Reports)

The RPC will upload the requests into the tracking system and issue acknowledgement e-mails to the Organizations within five calendar days via e-mail to the organization's designated point of contact (POC). Any errors that are noted during the upload process will also be communicated to organizations at that time.

These acknowledgement and error report e-mails should be carefully monitored by organizations to ensure that all of the requests are 1) received by the RPC, and 2) uploaded properly. A final disposition report (FDR) will not be issued when the records error out during the upload process. Records that error out and are resubmitted to the RPC are not considered to be resubmissions because they were never processed due to upload errors. Therefore, they must comply with the standard Category 2 and 3 submission requirements.

C. RPC Issuance of Final Disposition Reports (FDRs)

Valid requests for retroactive adjustments will be processed by the contractor within **35 days** of receipt. If the RPC determines that it can make the requested changes, the retroactive change will be made in CMS' systems. Payment adjustments will be made accordingly as CMS processes the changes. Note that payment adjustments are not directly handled by the RPC.

After processing the adjustments, the RPC will provide the organization with a Final Disposition Report (FDR) via e-mail to the organization. The e-mail will be sent to the contact we have on file for all SCC request activity. The FDR communicates the disposition of the requests to the organization. The disposition codes used by the RPC can be found on our website at www.reedassociates.org/payvalMMCPV.php.

Organizations must have ongoing membership reconciliation processes that include data comparisons of organization information to all relevant CMS/RPC files and reports including Final Disposition Reports (FDRs), Transaction Reply Reports (TRRs) and Monthly Membership Reports (MMRs).

If the request cannot be processed for any reason, the materials submitted to the RPC will not be returned to the organization; however, the disposition code provided by the RPC on the FDR will indicate why the submission, in whole or in part, could not be completed. The disposition code descriptions should be read very carefully to ensure that each request can be properly resubmitted and processed by the RPC. (See Section D for resubmissions.)

D. Resubmissions

Following the issuance of the Final Disposition Report (FDR), organizations may determine (by reviewing the disposition codes provided on the FDRs) that requests were not processed by the Retroactive Processing Contractor (RPC). Once identified and resolved, organizations may file a resubmission request for previously denied retroactive adjustment. There are specific procedures that must be followed so the system does not reject the submission as a duplicate record and the request can be processed by the RPC.

Please note that records that are not uploaded by the RPC are not issued a FDR. Therefore, the second submission of those records to the RPC **would not** be considered a resubmission request. Organizations should submit those records following the normal procedures since they were never originally entered into the system as a valid request.

In general, all of the steps outlined in sections A through B of the "Instructions for Submission to the RPC" must be followed for a resubmission (including all documentation which supports the request). There are a few additional requirements for resubmissions to be uploaded and processed.

1. Resubmission requests must be sent to the RPC within 45 days of receiving the original FDR for the request. It is highly recommended that organizations reconcile the FDRs to CMS' Systems prior to resubmitting requests. Organizations can then submit one master submission for all discrepant retroactive requests.

2. Requests for resubmission must be listed on a completely separate spreadsheet file following the standard spreadsheet submission process described above. Intermingling new requests and resubmitted requests on the submission spreadsheet may delay processing.

3. On the cover letter, organizations should clearly state that the request is a resubmission and that it is not a duplicate request. The system may automatically code records as duplicates

unless the upload specialist knows that it is a resubmission. Again, stating this in the cover letter will ensure timely processing.

1. Documentation requirements for resubmissions classified as "Over 6 Months" requests are identical the documentation requirements detailed above for "Over 6 Months" requests; however if a request was not processed due to a missing or an inadequate document, Organizations must submit the documentation from the first request *plus* the requested documentation to ensure that the request is processed.

If your resubmission has been denied multiple times, it is strongly recommended that you contact the responsible AM for additional direction and/or for their approval.

E. Status Requests

To follow up on specific previously-submitted adjustment requests, a letter (or e-mail) of inquiry must be sent **separately** from retroactive adjustment requests. The correspondence must be sent to the RPC's Client Services Department. It should clearly state that it is a status request for a record that was previously submitted to the RPC.

The request must include following items to conduct research of the request:

- last name, first initial of the beneficiary,
- last 4 digits of the HIC number plus alpha character,
- the plan contract number,
- the PBP number (if appropriate),
- the dates involved, and
- the date the original request was submitted to the RPC.

The organization must never submit duplicate requests unless the Retroactive Processing Contractor specifically requests that duplicate information be submitted. Inquiries on previously-submitted requests can be made in writing, via e-mail, or by phone.

Refer to the Client Services standard operating procedure (SOP) for more information on inquiring about the status of a previously submitted request.

RPC's Client Services Department

Phone: (402) 315-3660
E-mail: clientservices@reedassociates.org

Reed & Associates, CPAs – CMS RPC
Attn: Client Services Department
14301 FNB Parkway, Suite 211
Omaha, NE 68154