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Retroactive Processing Contractor (RPC) – 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 transactions including those covered by this SOP. All transactions 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 transactions, formal procedures have been developed by the RPC in accordance with the contract. Any retroactive transactions 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 transactions 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 determination of a member's eligible service area. The initial source of the state and county code of residence is the Social Security Administration. If an organization identifies a discrepancy in their member's state and county code information within CMS' systems, organizations must submit a Residence Address Change directly through MARx. Effective May 2011, with the new MARx Redesign and Modernization system release, organizations are no longer to submit State & County Code (SCC) Changes to the RPC unless directed by the MAPD Help Desk. Under the new MARx system, organizations can directly update their member's SCC by submitting a Transaction Type Code 76 or Residence Address Change directly to MARx either through batch or the User-Interface (UI). For more information on how to submit Residence Address Changes through MARx refer to the December 2, 2010 HPMS Memo on the MARx System Redesign & Modernization Software Release and the MARx System Redesign & Modernization UI Handbook.

Occasionally, organizations may experience MARx system-related issues preventing them from successfully submitting a valid Residence Address Change. In these instances, organizations should contact the MAPD Helpdesk to report the issue and obtain additional assistance on the matter. If the system issue is known and/or determined to be valid then the MAPD should advise the organization to submit the change to the RPC as a SCC Change. Upon receiving that direction from the helpdesk, organizations should follow the instructions within this SOP to submit a SCC Change to the RPC.

Note: The RPC processes SCC changes through another CMS System, the Medicare Beneficiary Database (MBD), which should automatically update MARx by the following business day. However, in some cases a system issue in MARx may prevent this update from occurring. In these instances, the organization should contact the RPC's Customer Service Department for further assistance.

CMS Guidance/Regulations

Please refer to the appropriate CMS guidance resource for policy questions and additional details; including but not limited to:

- Medicare Managed Care Manual Chapter 2- Medicare Advantage Enrollment and Disenrollment Instructions
- Medicare Managed Care Manual Chapter 17d - Medicare Cost Plan Enrollment and Disenrollment Instructions
- Medicare Prescription Drug Benefit Manual Chapter 3 - Eligibility, Enrollment and Disenrollment

The Medicare Managed Care Manual is available on the web at:

<http://www.cms.gov/Manuals/IOM/list.asp?cmdSubmit=Return+to+List&filterType=none&filterByDI D=%252D99&sortByDID=1&sortOrder=ascending&listpage=2>

Scroll down the page to the heading "Publication #" and select 100-16.

The Medicare Prescription Drug Benefit Manual is available on the web at:

http://www.cms.gov/MedicarePresDrugEligEnrol/01_Overview.asp

Scroll down the page to the heading "Downloads" and select the PDP Enrollment and Disenrollment Guidance for the applicable calendar year.

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 a State and County Code has been updated in MBD, MARx will use the updated SCC.

The plan must submit transactions 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 transactions 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 transaction is received by the Retroactive Processing Contractor.

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

Instructions for Submission to the RPC (Reed & Associates)

In general, organizations should only submit SCC Changes to the RPC if directed by the MAPD Helpdesk. If organizations have questions regarding the submission, they should contact the RPC's Client Services Department.

Overall, organizations should expect that all retroactive transactions are processed and reported in the order received. The following sections provide detailed submission instructions, 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 each beneficiary supporting the retroactive transactions.

- B. The RPC will import the transactions into the tracking system and issue acknowledgement e-mails and error reports to the Organizations within five (5) calendar days.
- C. The RPC will review the transactions and, if applicable, 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 transactions are processed.
- D. Organizations must resubmit transactions to the RPC within 45 days of the issuance of the FDR if the original transaction was not processed as requested.
- E. If an organization does not believe that a transaction has been processed within the 35 day timeframe, they may contact the RPC's Client Services department to make a **Transaction Inquiry**. See Section E on how to submit **Transaction Inquiries** to the RPC.

A. Organizations Submitting Transactions to the RPC

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

Reed & Associates, CPA's – CMS RPC
Attn: Support Services
13330 California Street, Suite 200
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 will not be processed.

Note: It is not necessary to send packages for Saturday delivery or for first delivery (before 8 am). Our office is not open during those times and we will not consider your package received until someone in our office signs for it. Due to the sensitive nature of your submission packages couriers may NOT leave packages at our door or with neighboring tenants. If the courier is at fault for delaying your package, exceptions may be granted to use the date the package should have arrived based on your shipment information.

** In accordance with NIST Special Publication 800-111, Guide to Storage Encryption Technologies for End User Devices, encryption mechanisms must be Federal Information Processing Standard (FIPS) approved.*

Submission Packaging Instructions:

i. Cover Letter

A cover letter must accompany all retroactive transaction to the RPC. This letter should, at a minimum, contain the applicable contract number(s) (i.e., H#, S#, R#, E#) and a certification statement which is signed by an official representing 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 transaction."

Organizations must retain the original supporting documentation for the transaction 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 transactions timely and accurately. For example, if the submission contains RO Approval transactions or special handling instructions from an Account Manager, the RPC should be able to determine this immediately by reviewing the cover letter.

ii. Submission Spreadsheet

Retroactive transactions must be gathered by the organization on the Excel submission spreadsheet template. It must be saved and encrypted* to a CD (*preferred*), flash drive or diskette to be submitted to the RPC (*see important note below in [Section A.iii on saving files to electronic storage media devices](#)*). The submission spreadsheet template is available on the RPC's website (<http://www.reedassociates.org/payvalMMCPV.php>) in the **RPC Toolkit** section.

** In accordance with NIST Special Publication 800-111, Guide to Storage Encryption Technologies for End User Devices, encryption mechanisms must be Federal Information Processing Standard (FIPS) approved.*

The formatting of the submission spreadsheet template should not be changed, or the spreadsheet may not import properly. Components (including tab names, column headers, column order, cell placement and cell formatting) must be in a proper format to facilitate the importation 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 importation errors. **The RPC will not import transactions 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 importation errors. Please note that this tool will not catch all importation 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 transactions to the RPC.

If you elect to “Disable Macros”, you will still be able to utilize the spreadsheet to submit your transactions; however, **should your spreadsheet not be formatted correctly, some transactions included in your submission may fail to be accepted or imported into our system.**

Specific instructions for how to complete each column of the spreadsheet are included on the spreadsheet itself. Basic instructions are listed below the column headers. If you have questions on how to complete the spreadsheet, please contact the RPC's Client Services Department.

iii. Documentation Required for all SCC change transactions

Effective immediately, supporting documentation for each retroactive SCC change transaction is required as Residence Address Changes processed by the RPC are not subject to post-processing Enrollment Data Validation (EDV) review process.

Retroactive transactions covered by this SOP are not subject to Enrollment Data Verification. All organizations must electronically submit their supporting documentation for each transaction covered by this SOP to the RPC as PDF files via an encrypted CD (preferred) or flash drive. If your organization is not capable of submitting the supporting documentation in a PDF file, please contact the RPC to receive a case

specific approval to submit the supporting documentation in an acceptable alternative format.

Documentation which has not been approved by CMS will not facilitate processing. Organizations should only submit documentation that is required for processing.

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

The electronic documentation will not import 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 could negatively impact the RPC's review of the transaction.

IMPORTANT: As outlined above, the exact syntax must be used when naming the supporting documentation file to ensure it is imported into our system and correctly matched to the transaction listed on the accompanying Submission Spreadsheet. The standard process for submitting retroactive processing transactions electronically is to encrypt the files and save them to a CD (preferred), flash drive, or diskette to be submitted to the RPC. Because the file name for each supporting documentation file (PDF) contains protected health information (PHI) in the form of a HIC number, additional precautions must be taken to protect the confidentiality of beneficiary information. In order to protect the beneficiary's HIC number from unauthorized disclosure, organizations are advised to adhere to the following encryption instructions:

1. Place all PHI files including the beneficiary specific supporting documentation files and RPC Submission Spreadsheet into a ZIP file (the child ZIP).
2. Next, place or nest the child ZIP file into a second ZIP file (the parent ZIP).
3. Password protect (i.e. encrypt)* the parent ZIP file to prevent unauthorized access to the beneficiary related information.
4. Save the parent ZIP to a CD (preferred) or flash drive to be submitted to the RPC.

Please note: Reed and CMS are currently in the process of developing a secure online submission portal at which point all transactions will be submitted electronically.

** In accordance with NIST Special Publication 800-111, Guide to Storage Encryption Technologies for End User Devices, encryption mechanisms must be Federal Information Processing Standard (FIPS) approved.*

Documentation Required (choose one from list):

- Residence Verification Form
- An enrollment application form signed by the beneficiary
- Copy of property tax statement
- 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 State and County code transaction.

B. RPC Importing Transactions & Issuing Acknowledgement E-mails (and Error Reports)

The RPC will import the transaction into the tracking system and issue acknowledgement e-mails to the Organizations within five (5) calendar days via e-mail to the organization's designated point of contact (POC). Any errors that are noted during the importation 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 transactions are 1) received by the RPC, and 2) imported properly. A final disposition report (FDR) will not be issued for the transactions that receive an error message during the importation process. Transactions that cause an error message and are subsequently resubmitted to the RPC are not considered to be resubmissions because they were never processed due to importation errors.

C. RPC Issuance of Final Disposition Reports (FDRs)

Valid retroactive transactions will be processed by the contractor within **35 days** of receipt. If the RPC determines that it *should* and *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 Payment Validation transaction activity (which includes SCC change transactions). The FDR communicates the disposition of the transactions 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 transaction 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 Retroactive Processing Contractor 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 transaction can be properly resubmitted and processed by the RPC. (See Section D for resubmissions.)

If an organization has concerns or questions regarding the determination made by the RPC, they should first contact the RPC's Client Services department by using the Transaction Inquiry form described in Section E. If a transaction is found to have been processed incorrectly by the RPC, then Reed's Quality Assurance department will work with the RPC Processing team to correct the transaction. For transactions or other matters that cannot be resolved by the RPC, organizations should contact their local Account Manager for further assistance.

D. Resubmissions

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

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

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

1. Resubmission transactions must be sent to the RPC within 45 days of receiving the original FDR for the transaction. It is highly recommended that organizations reconcile the FDRs to CMS' Systems prior to resubmitting transactions. Organizations can then submit one master submission for all discrepant retroactive transactions.
2. Resubmission transactions must be listed on the Excel submission spreadsheet template following the standard submission process described in Section A.
3. On the documentation worksheet, organizations should clearly state that the transaction is a resubmission and that it is not a duplicate transaction. Not stating this in the documentation worksheet could negatively impact the RPC's review of the transaction.
4. Documentation requirements for resubmissions are identical to the documentation requirements detailed above; however, if a transaction was not processed due to a missing document, organizations must submit the documentation from the first transaction *plus* the requested documentation to ensure that the transaction is processed.

If your resubmission has been denied multiple times, it is strongly recommended that you contact your AM for additional direction and/or a case-specific approval.

E. Transaction Inquiries

To follow up on specific previously-submitted transactions and/or other work processed by the RPC, an inquiry may be made via email or telephone to our Client Services Department. For inquiries referencing PHI sent via email, organizations are advised to complete the RPC Transaction Inquiry Excel template as instructed below.

Completing the RPC Transaction Inquiry Excel Template:

1. Input the following information associated with the submitted transaction:
 - a. Inquiry Type (select the type of inquiry for this transaction)
 - b. Explanation (If you selected "Question on Rejection" or "Other", please include a brief explanation on your inquiry)
 - c. HICN (beneficiary's HICN)
 - d. First Name (beneficiary's first name)
 - e. Last Name (beneficiary's last name)
 - f. Contract Number (contract number associated with the transaction)
 - g. PBP Number (if appropriate)

- h. Transaction type (e.g. Enrollment, LIS, Reinstatement, etc...)
 - i. Effective Date
 - j. RPC Receipt Date (the day the RPC acknowledged receipt of the transaction)
 - k. Tracking number from the mail courier
2. Password protect (i.e. encrypt*) the template prior to emailing to prevent the unauthorized use or disclosure of PHI. Note: A follow-up email or phone call informing Client Services of the password will be required before Client Services can investigate the inquiry.
 3. Email password-protected templates to clientservices@reedassociates.org

The RPC Transaction Inquiry template can be found on the RPC Client Services webpage at <http://www.reedassociates.org/payvalServices.php>

** In accordance with NIST Special Publication 800-111, Guide to Storage Encryption Technologies for End User Devices, encryption mechanisms must be Federal Information Processing Standard (FIPS) approved.*

Note: Organizations should not submit duplicate transactions unless the Retroactive Processing Contractor specifically requests that duplicate information be submitted. All other inquiries on previously-submitted transactions can be made via e-mail or by phone

RPC's Client Services Department:

Reed & Associates, CPAs – CMS RPC
Attn: Client Services Department
13330 California Street, Suite 200
Omaha, Nebraska 68154

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