



**CMS – RETROACTIVE ENROLLMENT & PAYMENT VALIDATION
RETROACTIVE PROCESSING CONTRACTOR (RPC)**

**STATE AND COUNTY CODE UPDATE
STANDARD OPERATING PROCEDURE**

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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 Eligibility Enrollment Medicare Online (ELMO) application, 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 Client Services 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://cms.gov/Regulations-and-Guidance/Guidance/Manuals/Internet-Only-Manuals-IOMs.html>

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

For the Medicare Prescription Drug Benefit Manual, click on the link above, scroll down the page to the heading “Publication #” and select 100-18.

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 ELMO 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 ELMO, which will block the update from the EDB. If a State and County Code has been updated in ELMO, the MARx application 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 (MMR) and Transaction Reply Report (TRR) 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 update the status of the Submission Package in eRPT to "In Process", import the transactions into the tracking system and add error reports to eRPT 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 via a “Submission Package” in the Electronic Retroactive Processing Transmission (eRPT) system (<https://portal.cms.gov/>).

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.

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. The completed spreadsheet must be saved in an “xls” or an “xlsx” file format and sent via a “Submission Package” in the eRPT system (<https://portal.cms.gov/>). The submission spreadsheet template is available on the RPC’s website (<http://www.reedassociates.org/>) in the **RPC Submission Toolkit** section.

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.**

NOTE: The completed submission spreadsheet must be saved in an “xls” or an “xlsx” file format in order to upload it to the eRPT system. This can be accomplished on the “Save As” window in the “Save as Type” field.

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

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 a “Submission Package” in the eRPT system (<https://portal.cms.gov/>).

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 SCC 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]-[Beneficiary ID] (i.e. H1234-1EG4TE5MK73). 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

create a “Submission Package” in eRPT (<https://portal.cms.gov/>) and upload the supporting documentation to that package.

NOTE: There is no need to encrypt files uploaded to eRPT as it is a secure system.

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 identification of the beneficiary and caller (if different than beneficiary)
 - The information provided during the call/verification

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 & Error Reports

The RPC will import the transactions into the tracking system and update the status of the Submission Package in eRPT to “In Process” within five (5) calendar days. Any errors that are noted during the importation process will also be communicated to organizations via eRPT as a “Response Document” at that time.

The status of the Submission Package in eRPT and the error report(s) uploaded to the Submission Package 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 eRPT. The FDR communicates the disposition of the transactions to the organization. The disposition codes used by the RPC are available on the RPC's website (<http://www.reedassociates.org/>) in the **RPC Submission Toolkit** section.

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 adjustment transactions, an inquiry may be made via “Transaction Inquiry” in eRPT or telephone to our Client Services Department. For inquiries sent via eRPT, 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. Beneficiary ID (beneficiary’s Beneficiary ID)
 - 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 eRPT provided the notification the RPC downloaded the package)
 - k. The eRPT Package ID for the Submission Package

2. Create a Transaction Inquiry package in eRPT, upload the completed RPC Transaction Inquiry, and select “Submit” to send it to the RPC for review.

The RPC Transaction Inquiry is available on the RPC’s website (<http://www.reedassociates.org/>) in the **RPC Client Services** section.

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

RPC's Client Services Department:

Reed & Associates, CPAs – CMS RPC
Attn: Client Services Department
1010 South 120th Street, Suite 300
Omaha, Nebraska 68154

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

Furthermore, all system issues and questions regarding the eRPT application should be forwarded to the MAPD Help Desk (email: MAPDHelp@cms.hhs.gov; phone: 1-800-927-8069). Although the RPC relies heavily on the eRPT application, its development and maintenance is managed by another CMS contractor. Therefore, the RPC can only provide limited support regarding the application.