CENTERS FOR MEDICARE AND MEDICAID SERVICES (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, 2007, Reed & Associates, CPAs (Reed) was designated by Centers for Medicare & Medicaid Services (CMS) as the national contractor responsible for processing retroactive transactions for all Medicare Advantage Organizations, Part D Sponsors, Cost-based Plans, Programs of All-Inclusive Care for the Elderly (PACE) Organizations and Medicare-Medicaid Plans (MMPs). Under the terms of this contract, Reed validates and processes a number of retroactive transactions including those covered by this Standard Operating Procedures (SOPs). All transactions submitted by organizations must be in accordance with the processes outlined in these SOPs as well as the latest CMS Guidance.

CMS Guidance/Regulations

The information provided in this SOP should not be interpreted as CMS policy, nor shall it supersede official CMS Guidance including but not limited to:

- Medicare Advantage and Part D Enrollment and Disenrollment Guidance
- Medicare Managed Care Manual Chapter 17d – Medicare Cost Plan Enrollment and Disenrollment Instructions
- Programs of All-Inclusive Care for the Elderly (PACE) Manual Chapter 4 – Enrollment and Disenrollment
- Medicare-Medicaid Plan Enrollment and Disenrollment Guidance
- Chapter 13 - Premium and Cost-Sharing Subsidies for Low-Income Individuals.
- CMS published Health Plan Management System (HPMS) memos

The Medicare Managed Care Eligibility and Enrollment publications are available on the web at:
https://www.cms.gov/medicare/enrollment-renewal/managed-care-eligibility-enrollment?redirect=/MedicareMangCareEligEnrol/01_Overview.asp

CMS Regional Office Account Managers (AM) and/or CMS Central Office may, at any time, apply additional requirements on organizations when submitting retroactive transactions to the RPC. Please refer to these appropriate CMS guidance resources for policy/regulatory questions and additional details.

Compliance with Standard Operating Procedures (SOPs)

To process retroactive transactions, formal procedures have been developed by the RPC in accordance with the CMS Retroactive Processing and Payment Validation (RPC) contract. The RPC has developed guidelines to assist Organizations in their compliance with CMS' formal procedures. 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. Social Security Administration (SSA) is the initial source of the state and county code of residence. 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 Medicare Advantage Prescription Drug System (MARx).

Organizations may experience MARx system-related issues preventing them from successfully submitting a valid Residence Address Change. In these instances, 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.

General Information about State & County Code (SCC) Adjustments

The beneficiary's state and county code is transmitted from SSA to ELMO via the Eligibility Database (EDB). The SSA systems interface with the CMS' systems daily. The EDB 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 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 organization must submit transactions for adjustments within 45 days of receiving their monthly reports from CMS. The organization 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 (MMR) is different from the state and county of residence the organization has on file for that beneficiary. The organization would identify this during the normal monthly reconciliation process of comparing the MMR and Transaction Reply Report (TRR) with the organization's records.

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

- Notify the beneficiary that the residence SCC information given to the organization 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 contacting the SSA. If the residence address is different from their mailing address, they should notify SSA of both addresses.
- The organizations must obtain documentation verifying the residence information the organization has in their records, as described in Medicare Advantage and Part D Enrollment and Disenrollment 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 organization 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)

Organizations should submit SCC Changes to the RPC as an "Submission Package" in the Electronic Retroactive Processing Transmission (eRPT) system (*https://portal.cms.gov/*). If organizations have questions regarding the submission, they should contact the RPC's Client Services Department.

Transactions are processed and reported in the order received. While the detailed submission instructions are noted in sections A-D, the general overall 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 from the eRPT system into the RPC tracking system and, if necessary, issue Error Reports to organizations.

C. The RPC will review the transactions and, if applicable, make changes in CMS' systems. 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, TRRs, and MMRs 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.*

Organizations Submitting Transactions to the RPC

Submissions that meet <u>all</u> of the requirements explained in this SOP should be sent via a "Submission Package" in the (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 could negatively impact the RPC's review of the requested transaction

Submission Packaging Instructions

A. 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 should retain the original Supporting Documentation for the requested transactions.

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 transactions that required RO Approval or special handling instructions from a Regional Office Account Manager, this information should be stated in the Cover Letter for the RPC to immediately identify.

B. Submission Spreadsheet

Retroactive transactions must be submitted by the organization on the Excel submission spreadsheet template. Organizations may submit multiple transactions and transaction types on a single spreadsheet, using the appropriate transaction tabs. 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 Reed & Associates website *(http://www.reedassociates.org/)* in the **RPC Submission Toolkit** section.

The formatting of the RPC Submission Spreadsheet template, including tab names, column headers, column order, cell placement and cell formatting, should not be changed or altered in any way. Organizations should note that there are drop-down menus for several of the columns which require very specific responses. **The RPC cannot import transactions that do not meet the formatting requirements of the RPC 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.

Please contact the RPC's Client Services Department with questions on how to complete the spreadsheet.

C. Documentation Required for all SCC change transactions

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/*).

Organizations should only submit documentation that is required for processing. Documentation which has not been approved by CMS will not facilitate processing. See the Documentation Requirements Matrix under the Toolkit Section of the Reed & Associates website for more detailed information.

For the supporting documentation to be accurately matched to the transaction listed on the RPC Submission Spreadsheet, documentation for each transaction must be sent in individual PDF files. Each transaction should include the RPC Documentation Worksheet (found on the Reed & Associates website) along with the specific documents required for the type of transaction and situation (detail to follow). Organizations should also retain a copy of the transaction and related documentation submitted to the RPC.

The 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) and could negatively impact the RPC's review of the requested 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 support a State and County code transaction.

D. 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". 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 all the transactions are received and imported properly. Transactions that cause an Error Report and are subsequently resubmitted to the RPC are not considered to be resubmissions because they were never processed due to importation errors.

E. RPC Issuance of Final Disposition Reports (FDRs)

If the RPC determines that it *should* and *can* make the requested changes, the retroactive change will be made in CMS' systems.

After processing the adjustments, the RPC will provide the organization with an 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 Reed & Associates 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 FDRs, TRRs, and 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 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 transaction can be properly resubmitted and processed by the RPC. (See resubmissions.)

All questions and concerns regarding Final Disposition Reports can be submitted to the RPC's Client Services Department. For transactions or other matters that cannot be resolved by the RPC, organizations should contact their Regional Office Account Manager for assistance.

Resubmissions

Organizations may submit a resubmission request for previously denied retroactive transactions.

An FDR is not issued for records that are not successfully imported by the RPC. 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.

All steps outlined in "Instructions for Submission to the RPC" must be followed for a resubmission (including all documentation which supports the transaction). Requirements for resubmissions are listed below.

1. Resubmission transactions must be sent to the RPC within 45 days of receiving the original FDR. It is highly recommended that organizations reconcile the FDRs to CMS' Systems prior to resubmitting transactions.

2. Organizations can then submit a master submission for all discrepant retroactive transactions.

3. Resubmission transactions must be listed on the Excel RPC Submission Spreadsheet template following the standard submission process described in "Instructions for Submissions to the RPC".

4. On the RPC 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.

5. Resubmissions are subject to documentation requirements detailed above.

If the resubmission has been denied multiple times, it is recommended that the Organization contact the Regional Office Account Manager for additional guidance and/or a case-specific approval.

Transaction Inquiries

To follow up on previously submitted adjustment transactions, an inquiry may be made via "Transaction Inquiry" in eRPT, telephone, or e-mailing the RPC Client Services Department. For inquiries sent via eRPT, organizations are advised to complete the RPC Transaction Inquiry Excel template, available on the Reed & Associates website *(http://www.reedassociates.org/)* in the **RPC Submission Toolkit** or the **RPC Client Services** section, 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 (select the Transaction Type from the drop-down list)
   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 Reed & Associates 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

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

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.

Acronyms and Abbreviations

Acronyms & Abbreviations	*Definitions*
AM	Account Manager
BAE	Best Available Evidence
CCM	Current Calendar Month
CMS	Centers for Medicare and Medicaid Services
CMS ART	CMS - Analysis, Reporting and Tracking (ART) system.
CTM	Complaint Tracking Module
DMEC	Division of Medicare Enrollment Coordination
EDI	Electronic Data Interchange
EDV	Enrollment Data Validation
EGHP	Employer Group Health Plan
ELMO	Eligibility Enrollment Medicare Online
eRPT	Electronic Retroactive Processing Transmission
FBDE	Full Benefit Dual Eligible Individual
FDR	Final Disposition Report
HCC	Hierarchical Condition Categories - CMS-HCC
HHS	Health & Human Services
HPMS	Health Plan Management System
IOM	Institute of Medicine
LIS	Low Income Subsidy
MA	Medicare Advantage
MAO	Medicare Advantage Organizations
MAPD	Medicare Advantage Prescription Drug
MA-PD	Medicare Advantage Prescription Drug Plan
MARx	Medicare Advantage Prescription Drug System
MBD	Medicare Beneficiary Database
MBDSS	Medicare Beneficiary Database Suite of Systems
MBI	Medicare Beneficiary Identifier
MCO	Managed Care Organization
MMA	Medicare Modernization Act (of 1999)
MMCO	Medicare Medicaid Coordination Office
MMP	Medicare/Medicaid Plan
MMR	Monthly Membership Reports
PACE	Program of All-Inclusive Care for the Elderly
PBP	Plan Benefit Package

Acronyms & Abbreviations	*Definitions*
PCUG	Plan Communication User Guide
PDF	Portable Document Format
PDP	Prescription Drug Plan
RAPS	Risk Adjustment Processing System
RAS	Risk Adjustment System
RO	Regional Office
RPC	Retroactive Processing Contractor (Reed)
SAA	State Administering Agency
SAR	Service Area Reductions
SCC	State & County Code
SOP	Standard Operating Procedure
SSA	Social Security Administration
TC	Transaction Code
TRC	Transaction Reply Code
TRR	Transaction Reply Report
TTC	Transaction Type Code
UI	User Interface