CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-19 Demonstrations	Centers for Medicare & Medicaid Services (CMS)
Transmittal 11071	Date: October 20, 2021
	Change Request 12349

Transmittal 10894, dated August 6, 2021, is being rescinded and replaced by Transmittal 11071, dated, October 20, 2021 to add a note to business requirement 12349.2 that CWF must read the MA contract and package ID to apply the correct processing of the VBID edit. All other information remains the same.

SUBJECT: Modifications/Improvements to Value-Based Insurance Design (VBID) Model – Implementation

I. SUMMARY OF CHANGES: This CR is making modifications/improvements to CR 11754 which was an implementation CR for the Centers for Medicare & Medicaid Services (CMS) Innovation Center to test incorporating the Medicare hospice benefit into Medicare Advantage (MA) through the Value-Based Insurance Design (VBID) Model ("hospice benefit component") for Calendar Year (CY) 2022. Unless otherwise stated, all other business requirements in CR 11754 remain the same. The hospice benefit component of the Model will be tested through 2024.

EFFECTIVE DATE: January 1, 2022

*Unless otherwise specified, the effective date is the date of service.

IMPLEMENTATION DATE: January 3, 2022 - Analysis, Design, Coding, Testing and Implementation for all contractors.

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated) R=REVISED, N=NEW, D=DELETED-*Only One Per Row*.

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE	
N/A	N/A	

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

Demonstrations

Attachment - Demonstrations

Pub. 100-19 Transmittal: 11071 Date: October 20, 2021 Change Request: 12349

Transmittal 10894, dated August 6, 2021, is being rescinded and replaced by Transmittal 11071, dated, October 20, 2021 to add a note to business requirement 12349.2 that CWF must read the MA contract and package ID to apply the correct processing of the VBID edit. All other information remains the same.

SUBJECT: Modifications/Improvements to Value-Based Insurance Design (VBID) Model – Implementation

EFFECTIVE DATE: January 1, 2022

*Unless otherwise specified, the effective date is the date of service.

IMPLEMENTATION DATE: January 3, 2022 - Analysis, Design, Coding, Testing and Implementation for all contractors.

I. GENERAL INFORMATION

A. Background: This Change Request (CR) is making modifications/improvements to CR 11754 which was an implementation CR for the Centers for Medicare & Medicaid Services (CMS) Innovation Center to test incorporating the Medicare hospice benefit into Medicare Advantage (MA) through the Value-Based Insurance Design (VBID) Model ("hospice benefit component") for Calendar Year (CY) 2022. Unless otherwise stated, all other business requirements in CR 11754 remain the same. The hospice benefit component of the Model will be tested through 2024.

Through the hospice benefit component, CMS is testing the impact on payment and service delivery of incorporating the Medicare Part A hospice benefit with the goal of creating a seamless care continuum in the MA program for Part A and Part B services. For Medicare Advantage Organizations (MAOs) that volunteer to be part of the Model, CMS will evaluate the impact on cost and quality of care for MA enrollees, including how the Model improves quality and timely access to the hospice benefit, and the enabling of innovation through fostering partnerships between MAOs and hospice providers.

In participating in this component of the Model, MAOs will incorporate the current Medicare hospice benefit into MAO covered benefits in combination with offering palliative care services outside the hospice benefit for enrollees with serious illness and providing individualized transitional concurrent care services.

B. Policy: Currently, when an enrollee in an MA plan elects hospice, Fee-for-Service (FFS) Medicare becomes financially responsible for most services, while the MAO retains responsibility for certain services (e.g., supplemental benefits). Under the Hospice Benefit Component of the VBID Model, participating MAOs retain responsibility for all Original Medicare services, including hospice care. The Hospice Benefit Component of the Model implements a set of changes recommended by the Medicare Payment Advisory Commission (MedPAC), the Health and Human Services (HHS) Office of Inspector General (OIG), and other stakeholders.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Re	espo	nsil	bilit	ty						
			A/B MA(D M E		Shared- Other System					
		A	АВН		A B H			F M	aint M	1	ers C	
				H H	M A	I S	CS		W F			
				П	C	S	3	3	Г			
12349.1	Effective January 1, 2022, the Enrollment Database (EDB) shall no longer send the VBID flag field (Y or N indicator). EDB shall convert the field to filler and continue to send the 3-digit package ID#. Note: EDB shall not remove the flag from existing data and shall convert the field to filler for future									EDB		
	years.											
12349.1.1	CWF shall apply appropriate changes to EDB updates made to HHMO transaction.								X			
12349.2	Annually until termination of the VBID model, MDB shall send a separate MAO file with all VBID plan participation data with start and end date information to CWF. The file will consist of below format:									MBD		
	Field Name Position											
	Contract number 1-5											
	Plan Benefit Package (PBP) Number 6-8											
	VBID Start Date 9-16 (within calendar year)											
	VBID End Date 17-24 (within calendar year)											
	Note: CWF shall read the MA plan's contract and package ID together to apply the correct processing of the VBID edit.											
	Additional Note: MBD shall send test file/s to CWF in early-to-mid September during alpha testing.											
12349.2.1	CWF shall conduct a meeting to coordinate the production file with MBD and CMS.								X	MBD		

Number	Requirement	Responsibility								
			A/B		D	·	Sha	red-		Other
		l	MA	C	M		•	tem		
				Y	Е		1	aine		
		A	В		M	F	M		C	
				H H	M A	S	C S	M S	W F	
				11	C	S	3	3	1	
12349.3	Upon receipt of the VBID plan participation data, CWF shall create a new other aux file (named "VBID") to carry and maintain the data from MDB. HIMR shall be modified in AUXT for the "VBID" file.					2			X	
12349.3.1	MCS shall create a new MCSDT window to display the "VBID" file.						X			
12349.4	CWF shall read the "VBID" file for the start and end dates of VBID-Hospice participation and set the existing VBID model MA plan reject 523A. CWF shall set the existing 523A reject: 1. if the incoming Hospice claim's (81x and 82x, excluding type of bill 8xA, 8xB, 8xC, 8xD, and 8xE) has a hospice election start date on or after January 1, 2021 through December 31, 2022 and during MA Plan Period and the VBID-Hospice start and end dates of January 1, 2021 to December 31, 2022 2. set for any covered Institutional Claim (Prospective Payment System (PPS) Hospital) when the Admit Date is during hospice election start date on or after January 1, 2021 through December 31, 2022 and for non- PPS Hospital (Skilled Nursing Facility/Outpatient/Home Health, excluding type of bill 322 Request for Anticipated Payment (RAP)) when dates of service are during hospice election period and MA plan period and VBID-Hospice start and end dates of January 1, 2021 to December 31, 2022 3. set for any covered Part B or Durable Medical Equipment (DME) claim (except read only From Date for Glucose Test Strips) when dates of service are during hospice election start date on or after January 1, 2021 through December 31, 2022 and MA plan period and VBID-Hospice start and end dates of January 1, 2021 to December 31, 2022 and MA plan period and VBID-Hospice start and end dates of January 1, 2021 to December 31, 2022 and MA plan period and VBID-Hospice start and end dates of January 1, 2021 to December 31, 2022 and MA plan period and VBID-Hospice start and end dates of January 1, 2021 to December 31, 2022 and MA plan period and VBID-Hospice start and end dates of January 1, 2021 to December 31, 2022 and MA plan period and VBID-Hospice start and end dates of January 1, 2021 to December 31, 2022 and MA plan period and VBID-Hospice start and end dates of January 1, 2021 to December 31, 2022								X	

CWF shall continue to apply the existing edit '523A' for the changes above. Note: CWF shall apply this BR to BDS. Note: The edit shall only apply for hospice election start date on or after January 1, 2021 through December 31, 2022. Note: This shall make changes to Business Requirement (BR) 11754.3 in CR11754. 12349.4.1 CWF shall apply new logic for services prior to January 1, 2022 to no longer read the VBID flag for '523A.' CWF shall now read three files in determining claims processing and setting the 523A edit for Dates of Service on or after January 1, 2021 with the implementation of this CR: 1. The new VBID MA plan file (HIMR AUXT new file). 2. The GHOD file for the Beneficiary level Health	Responsibility					
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file).						
2. The GHOD file for the Beneficiary level Health						
Maintenance Organization (HMO) enrollment dates.						
3. The HOEP file for hospice election period start date.						
Note: CWF shall apply this BR to BDS.						
12349.4.2 The indicated shared systems and Medicare contractors shall be able to interface with the new VBID file from the AUXT menu within HIMR, using screen ID "VBID".						
12349.4.3 CWF shall apply new logic for the existing non-VBID rejects and an Informational Unsolicited Response (IUR) to no longer read the VBID Flag.						
Note: CWF shall apply this BR to BDS.						

Number	Requirement	Re	espo	nsi	bilit	ty				
			A/B MA(3	D M E		Sha Sys	tem		Other
		A	В	H H H		F I S S	M C S	V	С	
12349.5	CWF shall read the "VBID" file for the start and end dates of VBID-Hospice participation and set the VBID model MA plan reject. CWF shall modify the existing reject '523A' for below set the new reject: 1. if the incoming Hospice claim's (81x and 82x, excluding type of bill 8xA, 8xB, 8xC, 8xD, and 8xE) has a hospice election start date is on or after January 1, 2021 through December 31, 2021 and during MA Plan Period and VBID-								X	
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	Note: This shall make changes to BR 11754.3 in CR11754.									
	Note: This edit shall only apply for <u>hospice election</u> start date on or after January 1, 2021 through <u>December 31, 2021.</u>									

Number	Requirement	Re	Responsibility							
			A/B MA(3	D M E		Sha Sys	tem		Other
		A	В	H H H	M A C	F I S	M C S	V	C W F	
	Note: CWF shall apply this BR to BDS.					2				
12349.6	CWF shall read the "VBID" file for the start and end dates of VBID-Hospice participation and set the VBID model MA plan reject. CWF shall modify the existing reject '523A' for								X	
	below:									
	 if the incoming Hospice claim's (81x and 82x, excluding type of bill 8xA, 8xB, 8xC, 8xD, and 8xE) has a hospice election start date is on or after January 1, 2022 through December 31, 2022 and during MA Plan Period and the VBID-Hospice start and end dates of January 1, 2022 to December 31, 2022 set for any covered Institutional Claim (PPS Hospital) when the Admit Date is during hospice election start date on or after January 1, 2022 through December 31, 2022 and for non-PPS Hospital (Skilled Nursing Facility/Outpatient/Home Health, excluding type of bill 322 RAP) when dates of service are during hospice election period and MA plan period and VBID-Hospice start and end dates of January 1, 2022 to December 31, 2022 set for any covered Part B or DME claim (except read only From Date for Glucose Test Strips) when dates of service are during hospice election start date on or after January 1, 2022 through December 31, 2022 and MA plan period and VBID-Hospice start and end 									
	dates of January 1, 2022 to December 31, 2022									
	Note: This shall make changes to BR 11754.3 in CR11754.									
	Note: This edit shall only apply for <u>hospice election</u> start date on or after January 1, 2022 through <u>December 31, 2022.</u>									

Number	Requirement	Re	Responsibility							
		1	A/B		D	r e	Sha	red-		Other
		N	MA(\mathbb{C}	M		Sys			
			_		Е		aint			
		A	В	Н	М	F	M		C	
				H H	A	I S	C S	M S	W F	
				11	C	S	5	5	1	
	Note: CWF shall apply this BR to BDS.					~				
12349.6.1	CWF shall consider the following process for edit								X	
	523A for Dates of Service starting in 2022 when the									
	Hospice Election Period started in 2021:									
	• Read the start and end MAO's participation in									
	VBID Model.									
	• Do not continue to apply VBID editing after									
	12/31/21 if the beneficiary does not continue in									
	MA Plan in 2022.Continue to apply the VBID model editing									
	until the beneficiary's hospice election period									
	is revoked if Beneficiary is still in the MA Plan									
	that was in VBID Model in 2021 but no longer									
	in the VBID Model in 2022.									
	• Continue to apply VBID editing applies to									
	beneficiaries with new Hospice elections in 2021 and on who are enrolled in <i>plans that</i>									
	start in the VBID Model in 2021. VBID editing									
	applies to beneficiaries with NEW Hospice									
	elections in 2022 and on who are enrolled in									
	plans that start new in the VBID Model in									
	2022.									
	 Do not continue to apply VBID editing for Dates during 1/1/22 to 3/31/22 if beneficiary 									
	went to FFS during this time and no longer in									
	MA Plan that participated in VBID model.									
	• Continue VBID editing with DOS 4/1/22 when									
	the VBID plan started in 2021 and Hospice									
	Election Start in 2021 if Beneficiary went back									
	into MA Plan $4/1/22$ if gap between $1/1/22$ to $3/31/22$.									
	 Do not continue VBID editing on 4/1/22 when 									
	in VBID plan started in 2022 since Hospice									
	Election started in 2021 and not in Model in									
	2021.									
	• Start VBID editing if the Beneficiary transfer									
	1/1/2022 to a MA Plan in the VBID Model in 2021 and 2022 without a gap and the									
	Beneficiary transfers from one MA plan (not in									
	VBID Model) to another MA plan that was in									
	VBID Model in 2021. The VBID edit would									

Number	Requirement	Responsibility								
		A/B MAC			D M E		Sha Sys aint	tem		Other
		A	В	H H H	M A C	F I S S	M C S		C W F	
	apply to Dates of Service in 2022 even if the MA Plan the Beneficiary was in during 2021 was not in VBID model but transfer to MA Plan that was in VBID during 2021 and Hospice started in 2021.									
12349.7	CWF shall approve a claim identified in the VBID model as non-covered, deny, and post to history with the new error code if there's payment on the claim and the VBID-Hospice dates of service is present per Business Requirement (BR) # 12349.4-12349.6								X	
	Note: This applies the same logic as BR 11754.5 in CR11754.									
12349.8	With any retroactive MA enrollments (i.e. if or when a plan submits their enrollment information after a Notice of Election (NOE) is submitted and processed) or if the Hospice Notice of Election is received and the MAO is participating in the model, CWF shall ensure they are reading the aux. file for updates to identify if the MAO is participating in the model to ensure no payment is made under Fee-For-Service (FFS). Note: This shall make changes to BR 11754.7 in								X	
	CR11754									
12349.8.1	When a retroactive MA enrollment is posted or if the Hospice Notice of Election is received and the MAO is participating in the model, CWF shall do a look back in history for six months based on the condition in BR 12349.4, 12349.5, and 12349.6 and modify the existing IUR to identify a claim that should not have paid as FFS.								X	
	Note: This shall make changes to BR 11754.7.1 in CR11754.									

III. PROVIDER EDUCATION TABLE

Number	Requirement	Re	spoi	ility		
		A	В	H H H	M A C	Ι
12349.9	MLN Article: CMS will make available an MLN Matters provider education article that will be marketed through the MLN Connects weekly newsletter shortly after the CR is released. MACs shall follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1, instructions for distributing MLN Connects information to providers, posting the article or a direct link to the article on your website, and including the article or a direct link to the article in your bulletin or newsletter. You may supplement MLN Matters articles with localized information benefiting your provider community in billing and administering the Medicare program correctly. Subscribe to the "MLN Matters" listserv to get article release notifications, or review them in the MLN Connects weekly newsletter.	X	X	X	X	

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

[&]quot;Should" denotes a recommendation.

X-Ref	Recommendations or other supporting information:
Requirement	
Number	

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Jason Petroski, 410-786-4681 or jason.petroski@cms.hhs.gov , Sibel Ozcelik, 732-213-0713 or sibel.ozcelik@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

ATTACHMENTS: 0