CMS Manual System	**Department of Health & Human Services (DHHS)**
Pub 100-20 One-Time Notification	**Centers for Medicare & Medicaid Services (CMS)**
Transmittal 10781	**Date: May 12, 2021**
	Change Request 12217

SUBJECT: Initiative to Reduce Avoidable Hospitalizations among Nursing Facility Residents (NFI) - Updates and Clarifications

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to update the demonstration and provide further clarification to the Medicare Administrative Contractors (MACs), and give the MACs access to the NFI contractor's documentation for reviewing appeals on demonstration claims.

EFFECTIVE DATE: June 18, 2021
**Unless otherwise specified, the effective date is the date of service.*
IMPLEMENTATION DATE: June 18, 2021
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:

One Time Notification

Attachment - One-Time Notification

Pub. 100-20	Transmittal: 10781	Date: May 12, 2021	Change Request: 12217

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I. GENERAL INFORMATION

A. Background: The Initiative to Reduce Avoidable Hospitalizations among Nursing Facility Residents (NFI) is a CMS demonstration with participants in seven (7) states: Alabama, Colorado, Indiana, Missouri, Nevada, New York, and Pennsylvania. This demonstration seeks to provide onsite acute care for long-stay nursing facility residents with the goal of reducing potentially avoidable hospitalizations. This demonstration launched in October 2016 and introduced new Medicare Part B codes that can be billed by model participants. System changes were implemented in July 2019, under Change Request (CR) 11130 - *Initiative to Reduce Avoidable Hospitalizations among Nursing Facility Residents (NFI) - Payment Phase Updates*. The purpose of this CR is to update the demonstration and provide further clarification to the Medicare Administrative Contractors (MACs).

Redetermination/Appeals

This CR is intended to provide updates necessary for appeal requests made under the NFI program. While NFI provides an opportunity for overpayments to be appealed, NFI adheres to Medicare rules for final appeal requests. The NFI makes most decisions onsite using paper or electronic records within the facility. Documentation is not taken offsite and determinations made concurrently. After NFI issues a final decision letter and request for overpayment, practitioners are afforded standard appeal rights.

These requests come in through the MACs for further review. In order to make a redetermination, MACs must have access to the information the NFI contractor used to make the determination. While that information is limited, the MACs shall make an effort to coordinate a decision with the provider submitting the redetermination request.

B. Policy: MACs must work with the NFI contractor when reviewing NFI claims appeals.

II. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
12217.1	MACs shall notify (Nicole.Perry@cms.hhs.gov) and cc the Contracting Officer Representative (COR) upon	X	X							

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	receiving an NFI appeal request.									
12217.1.1	In the email to CMS, the MACs shall request available information (which CMS willl provide from the NFI contractor) pertaining to the appeal, such as: 1. Eligibility determination information 2. Medical Records	X	X							
12217.2	MACs shall seek any additional information needed to make a determination directly from the provider. The NFI contractor does not have the full medical record.	X	X							
12217.3	MACs shall work with CMS and the NFI contractor to arrange a process for secure transfer of documentation.	X	X							
12217.4	MACs shall notify Nicole.Perry@cms.hhs.gov of the status of each appeal upon completing the redetermination on a monthly basis.	X	X							
12217.5	Within five business days of issuance, MACs shall provide two points of contact for NFI appeals questions to Nicole.Perry@cms.hhs.gov.	X	X							
12217.6	MACs shall note that CR 11130, Business Requirement 11.2.5 notes “Beneficiary 938 overpayment”, however there are no 935 overpayments for beneficiaries. This should read “Beneficiary overpayment”.	X	X							

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			DME MAC	CEDI
		A	B	HHH		
	None					

IV. SUPPORTING INFORMATION

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

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

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

V. CONTACTS

Pre-Implementation Contact(s): Nicole Perry, 410-786-8786 or Nicole.Perry@cms.hhs.gov

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

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):
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ATTACHMENTS: 0