

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-08 Medicare Program Integrity	Centers for Medicare & Medicaid Services (CMS)
Transmittal 12514	Date: February 22, 2024
	Change Request 13305

SUBJECT: Fourth Policy Change Request (CR) Regarding Implementation of the Provider Enrollment, Chain and Ownership System (PECOS) 2.0

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to update various sections in Chapter 10 of Publication (Pub.) 100-08, Program Integrity Manual (PIM), with policies concerning the implementation of PECOS 2.0.

EFFECTIVE DATE: March 25, 2024

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

IMPLEMENTATION DATE: March 25, 2024

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
R	10/10.3/Medicare Enrollment Forms – Information, Processing, and PECOS 2.0
R	10/10.3/10.3.3.1/Form CMS-588 – Electronic Funds Transfer (EFT) Authorization Agreement
R	10/10.5/Timeliness and Accuracy Standards
R	10/10.6/10.6.20/Screening: On-site Inspections and Site Verifications

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:

**Business Requirements
Manual Instruction**

Attachment - Business Requirements

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I. GENERAL INFORMATION

A. Background: In preparation for the implementation of PECOS 2.0 in 2023, CMS is updating Chapter 10 of Pub. 100-08, PIM, via several CRs in 2023. Each CR (none of which is an analysis CR) revises certain sections of Chapter 10 to incorporate PECOS 2.0 enrollment policies therein. CMS previously issued three such CRs. This CR, the fourth in this particular series, provides further updated guidance in Chapter 10. Instructions regarding the operational and logistical aspects of the contractors' use of PECOS 2.0 will be issued through guidance outside of the above-referenced series of CRs.

B. Policy: This CR does not involve any legislative or regulatory policies.

II. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility								
		A/B MAC			DM E MA C	Shared-System Maintainers				Other
		A	B	HH H		FIS S	MC S	VM S	CW F	
13305.1	The contractor shall follow the PECOS 2.0 instructions outlined in this CR upon the implementation of PECOS 2.0 except as otherwise directed by CMS.	X	X	X						NPEAST , NPWES T
13305.2	The contractor shall not follow the PECOS 2.0	X	X	X						NPEAST , NPWES T

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HH H		FIS S	MC S	VM S	CW F	
	instructions in Chapter 10 of Pub. 100-08 prior to the system's implementation (or, as applicable, before PECOS 2.0 has been updated to include a certain feature to which the instruction applies).									

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

V. CONTACTS

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

Medicare Program Integrity Manual

Chapter 10 – Medicare Enrollment

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(Rev. 12514; Issued: 02-22-24)

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10.3 – Medicare Enrollment Forms – Information, Processing, and PECOS 2.0

(Rev. 12514; Issued: 02-22-24; Effective: 03-25-24; Implementation: 03-25-24)

Sections 10.3, 10.3.1, 10.3.2 and 10.3.3 of this chapter provide guidance and information regarding the processing of provider enrollment forms. They also include new verification and operational instructions pertaining to the implementation of PECOS 2.0. Upon the implementation of PECOS 2.0 (and except as stated otherwise), said instructions in sections 10.3 through 10.3.3 take precedence over all other contrary guidance in this chapter. *The contractor shall not follow the PECOS 2.0 instructions in this chapter prior to the system's implementation (or, as applicable, before PECOS 2.0 has been updated to include a certain feature to which the instruction applies).* For more detailed information concerning the contractor's logistical navigation of the PECOS 2.0 system, the contractor can consult the PECOS 2.0 "Knowledge Base" (available within PECOS) and other technical direction.

Section 10.3 discusses the basic processes, capabilities, and policies associated with PECOS 2.0. The contractor shall adhere to the instructions in 10.3 when processing the applications described in sections 10.3.1 through 10.3.3.

A. Basic Function

Except as otherwise specified by CMS, PECOS 2.0 automatically processes all web-based applications upon submission as well as all paper applications after the contractor performs intake actions (e.g., entering the paper-submitted data into PECOS). (This includes all CMS-855, CMS-20134, CMS-588, and CMS-460 forms, and irrespective of the type of enrollment transaction involved (e.g., initial applications, change requests.) In general, PECOS 2.0 will only halt the automated process: (a) for more complex application situations (e.g., changes of ownership); or (b) if the contractor must manually perform certain verification activities (e.g., review of adverse action documentation). Upon this stoppage:

- (i) The application exits the automatic process and requires the contractor to manually intervene.
- (ii) PECOS 2.0 creates a list that outlines the verifications/checks performed and when they occurred.

For web-based applications, providers and suppliers must upload all required documentation, submit all signatures, and pay an application fee or submit a hardship request before submitting the application. PECOS requires the application (including the Form CMS-588 and Form CMS-460) to be 100% complete before the provider/supplier submits it. This reduces the amount of development the contractor must undertake. In addition, PECOS notifies the contractor of any change in the status of an application, which helps expedite processing.

(Note that PECOS 2.0 will also conduct certain validations/checks for paper applications after the contractor completes its data entry of the provider's or supplier's application information.)

B. Important Aspects of PECOS 2.0

This subsection (B) discusses various aspects of PECOS 2.0's capabilities and other concepts and instructions related thereto. (For purposes of the remainder of section 10.3 and of section 10.3.1, the term "PECOS" means "PECOS 2.0" (although PECOS 2.0 will still occasionally be used) and the term "PECOS applications" means "web-based applications.")

1. Verification

Some of the Form CMS-855/20134 application data elements and other enrollment functions that will be part of PECOS's verification/operational capabilities are:

- (i) Validation of Social Security Numbers (SSN) (though PECOS will not verify employer identification numbers (EIN) with the IRS)
- (ii) Validation of National Provider Identifiers (NPI)
- (iii) Performing Delivery Point Verification
- (iv) Review of the Death Master File (DMF)
- (v) Reviewing for Office of Inspector General (OIG) exclusions per the Medicare Exclusions Database (MED) (Note that if the System for Award Management (SAM) is not part of PECOS's or APS's verifications, the contractor must perform SAM reviews manually.)
- (vi) Checking whether an active reenrollment bar exists. (PECOS maintains the reenrollment bar list. For each individual or entity added to an application, PECOS will perform a processing check.)
- (vii) Inclusion of high-risk screening list and all other CMS generated lists (e.g., overpayments, affiliations, Medicaid terminations)
- (viii) Facilitation and verification of application fee payment
- (ix) Ordering site visit and fingerprinting
- (x) Reviewing licensure status via APS. (Note that the contractor may rely on APS licensure verification in limited scenarios, including revalidation and some changes of information. See subsection (B)(8) below for more information on licensure.) However, the contractor must still manually check for certifications, such as for non-physician practitioners.
- (xi) Criminal background (e.g., the contractor need not click into APS)
- (xii) Complete automated processing of revalidation applications that do not include any changed information and the application is e-signed
- (xiii) Excluding CMS Certification Numbers (CCNs) for certified providers/suppliers, generation and management of provider transaction access numbers (PTANs) as needed. (PECOS can allocate locality information as well as determine how many PTANs are required for the enrollment situation in question and the associated effective date(s). The contractor can make edits as warranted and consistent with CMS policy. *The contractor shall ensure that: (1) any PECOS-established effective date for a PECOS-issued PTAN is consistent with CMS regulations and policy; and (2) all PECOS-generated PTANs were issued consistent with CMS policy.*

Except as otherwise specified in current or future CMS guidance, the contractor must manually handle all other validation and processing activities not referenced in (i) through (xiii) above. As previously indicated, and after performing validations, PECOS will identify for the contractor those data elements requiring manual intervention because the data element (e.g., EIN, certain adverse actions, legal business name, certifications) is not one that PECOS checks. Moreover, automatic processing only occurs with applications for which PECOS has not identified errors (e.g., additional screening needed, unverified addresses, etc.). If errors

exist and/or the application cannot otherwise be automatically processed further, PECOS reverts to manual processing and notifies the contractor thereof.

If the contractor manually corrects a data element that PECOS could not validate, PECOS attempts to reverify said data; the contractor need not manually perform this task.

All required data verification checks must be documented in PECOS (though some of these will be automatically recorded in PECOS if the system itself verifies the particular data element).

2. Documentation

a. Basic Principle

As a general rule (and for both web and paper applications), the provider/supplier need not submit documentation unless either of the following instances applies:

i. All other means the contractor is authorized to use (per this chapter) for validating the information have been exhausted (e.g., licensure web sites, state board web sites, APS, etc.) AND the supplier has not previously submitted said documentation in PECOS 1.0 or 2.0 (e.g., as part of a prior revalidation); OR

ii. The provider/supplier is furnishing or changing data for which this chapter specifically and unequivocally requires the submission of documentation to validate (e.g., adverse legal action documentation per section 10.6.6) AND the supplier has not previously submitted said documentation in PECOS 1.0 or 2.0.

The above principle applies to all application types and transactions and notwithstanding any other instruction to the contrary in this chapter.

Note that documents that have been uploaded into PECOS 1.0 will be migrated to PECOS 2.0.

b. Operational Procedures When Documentation Is Required

i. PECOS Applications – As mentioned earlier, providers/suppliers must upload required documentation before submitting the application. However, because PECOS cannot “read” documents or verify their exact contents, the contractor shall manually review and confirm the type and contents of the submitted document. Once this confirmation occurs, the contractor need not reverify the document when subsequent applications are submitted unless information relative to that document has changed.

Except as stated in subsection (2)(a) above, a provider/supplier submitting a web application need not upload required documentation if it has previously submitted that document. The provider/supplier will be able to see the document in question in its PECOS record and select and apply that document to its current application.

ii. Paper Applications - The provider/supplier shall mail, fax, or e-mail such documentation (*e.g., organizational charts per Section 5 of the Form CMS-855A*) with its application. The contractor shall upload received documentation into PECOS when processing the application; each document, however, must be separately uploaded (e.g., the Form CMS-855 CHOW application must be uploaded separately from the sales agreement). For paper applications (including initial enrollments), if the provider failed to submit required documentation, the contractor shall review the provider/supplier’s enrollment record to see if the provider/supplier previously submitted the document with a prior application. If it was

previously submitted, the contractor shall apply the document to the current application without developing for it with the provider/supplier. If it was not previously submitted, the contractor shall develop for it.

iii. Documentation Classification

When documentation is uploaded into PECOS by the provider/supplier (PECOS applications) or the contractor (paper applications), the contractor shall ensure that, as applicable:

- Each document is uploaded in the application section with which it is most closely associated (e.g., criminal conviction documentation in the final adverse action section; IDTF technician certifications in the IDTF section).
- If the provider/supplier submits one file containing different document types (e.g., a CP-575, an ownership chart), each document type within said file is separated and uploaded in its appropriate application section (per the prior bullet).

If the provider/supplier does not submit its documents consistent with the practices in the two above bullets, the contractor shall remedy the issue itself without requesting the provider/supplier to do so.

Note that each page within a multi-page document need not be separately and individually uploaded in its own file. The document and all of the pages therein can be uploaded as a single, combined file.

3. Correspondence and Coordination – PECOS Applications Only

a. General Concept

Except as otherwise permitted or specified in sections 10.3.1 through 10.3.3, the contractor shall send written enrollment-related correspondence to the provider/supplier via PECOS (hereafter sometimes referenced as the PECOS Communication Vehicle (PCV)). This includes most types of provider-contractor correspondence, such as emails, revalidation requests, development requests, approval letters, etc. PECOS will store all such correspondence. Certain written communications, however, cannot be made through the PCV at this point; in such situations, the contractor shall: (1) follow current procedures for sending/receiving such communications; and (2) manually upload a copy of the written correspondence to the related application in PECOS.

Note that the “PCV” is not a separate system or module but is simply a term to describe PECOS’s automated processes for sending correspondence, automatically e-mailing letters and/or generating letters for mailing, etc. It is not an interface the contractor will go to review incoming correspondence.

b. Telephonic Communications

It is emphasized that nothing in sections 10.3 through 10.3.3 precludes the use of telephonic communication/development (including for web applications) with the provider/supplier if it is otherwise permitted under these sections. However, the contractor shall document such telephonic communications in PECOS’ Application Timeline with the same data elements as those required under section 10.6.19(L) of this chapter.

4. Party Relationships

a. Consolidated Applications and National Entity Profiles

In PECOS 2.0, individuals and organizations will have National Entity Profiles (hereafter “Profile(s)” or “National Profile(s)”) that are unique by legal name, tax identification number, and ownership. (This is similar to the associate profile in legacy PECOS, the difference being that an entity’s ownership information and other data unique to that organization is shared at the National Profile level in PECOS 2.0.) A party’s National Profile will show Medicare enrollment record(s) for each of their provider/supplier types (e.g., ABC, Inc. will have one National Profile that includes 3 separate Medicare enrollment records: one for its clinic/group, one for its durable medical equipment (DME) enrollment, and one for its IDTF enrollment). All such records will be grouped by provider/supplier type due to differences in data collection and/or processing requirements.

Under PECOS 2.0, a provider/supplier can submit one “consolidated application” per provider/supplier type; said application will be split such that it results in the submission of one application to each contractor jurisdiction per provider/supplier type group. Consider the following examples:

EXAMPLE A: A group practice exists in Nebraska, Iowa, and Missouri, all of which are in the same contractor jurisdiction. Here: (1) only one application is submitted to the contractor as opposed to three (one for each state); and (2) for inventory purposes, this will constitute only one application (not three). (Note that the contractor need only send one determination letter (approval, denial, etc.) to the group practice even though three states are involved. This is because only one application was submitted.)

EXAMPLE B: A group practice exists in Ohio, Pennsylvania, and West Virginia, each of which are in separate contractor jurisdictions. Here, the group may submit a consolidated application for all three enrollments, which PECOS would then split into three separate applications because there are three separate contractor jurisdictions. (In this example, the fact that there are three separate states involved is largely irrelevant for application submission purposes. The central consideration is the number of contractor jurisdictions.)

EXAMPLE C: An organization has a group practice and an IDTF in one contractor jurisdiction. The entity must submit two applications because the clinic and IDTF are two distinct provider/supplier types and the enrollments are therefore grouped separately.

(Regarding Example C, note that a physician/practitioner can change a specialty within its broad supplier type category via PECOS 2.0 (e.g., changing from a nurse practitioner to a physician assistant). However (and as with the aforementioned group-IDTF scenario), a physician cannot change his/her enrollment to that of an NPP, or vice versa, by this means absent a new enrollment.)

National Profile (or “global”) data is only screened when changed. This means that global information is not rescreened each time the provider/supplier submits an application pertaining to an enrollment record under/within that National Profile. In a similar vein, though, changes to National Profile information (e.g., legal business names (LBN), ownership) made on a single application are applied to all of the provider/supplier’s enrollments. That is, an authorized or delegated official can make changes to National Profile information for numerous and associated providers/suppliers at one time, whereas data changes that are specific to a unique enrollment only apply to that enrollment. An illustration follows:

EXAMPLE D: Suppose 20 separately enrolled IDTFs have four common owners: W, X, Y, and Z. W sells its 25 percent interest to V. Under PECOS, this change can be reported via a single/consolidated application submission. Twenty separate submissions are unnecessary. Now assume that two of these group practices are changing their respective addresses. Here,

the entity must submit an application that indicates the two separate change requests because the practice location data is unique to each enrollment.

Once the consolidated application has been processed and finalized, PECOS creates/updates all applicable individual enrollment records as though a single application had been submitted for each.

Though providers/suppliers may submit consolidated applications that update multiple enrollments of the same provider/supplier type or grouping, they still remain free to submit separate/individual applications for each enrollment.

When the provider/supplier is making a National Profile level change and that profile has multiple enrollments, the provider/supplier must check the box in PECOS confirming that it understands that this change: (1) is related to the National Profile for (XYY) with (TIN 123); and (2) will accordingly update all of the provider's/supplier's other active Medicare enrollments within PECOS, regardless of what is shown on this particular application. (This is sometimes labeled an "indirect enrollment record update" (IERU). With a National Profile level change that revises an enrollment record, PECOS may notify the provider/supplier (typically the contact person or the correspondence address) of the IERU.

b. Consolidated Application Exceptions

(i) Providers/suppliers may only submit one type of provider enrollment transaction in a consolidated application (e.g., the provider cannot submit a consolidated application to reactivate the billing privileges of three of its enrolled suppliers and to report a CHOW involving two of its enrolled providers).

(ii) Initial enrollments for certain provider/supplier types (e.g., certified providers) cannot be submitted via a consolidated application.

(iii) DMEPOS suppliers may be limited in the number of individual enrollments than can be included in a consolidated application.

(iv) Consolidated applications are only for PECOS applications, not paper applications; that is, consolidated applications cannot be submitted via paper

c. Associations

Certain types of relationships (excluding ownership and management relationships) between enrolled persons and organizations in PECOS are labeled "associations." (This is not to be confused with the definition of "affiliation" in § 424.502 for purposes of § 424.519.) These associations/relationships frequently involve: (1) reassignors and reassignees; (2) IDTFs and supervising physicians; and (3) CAH II relationships. In all cases, both parties in the relationship must be enrolled for the affiliation to exist. The purpose of the "association" designation is to give a formal label to certain types of relationships for PECOS purposes.

d. Signatures

i. General Policy - If an application is submitted that will create multiple enrollments or enrollment records and the signer is authorized to sign all enrollments, the application's signature will be automatically applied to the other enrollments.

ii. Authorized Officials

In a consolidated application with multiple enrollments, an authorized official can only sign for those enrollments for which he/she is on record as an authorized official. To illustrate, suppose a consolidated application contains enrollments in Pennsylvania and Ohio. Ms. Smith is listed as an authorized official for the Pennsylvania enrollment but not the Ohio enrollment. Ms. Smith therefore cannot serve as an authorized official for the latter.

e. Multiple Contractor Involvement

As already referenced, situations will arise where a submitted consolidated application that changes National Profile information impacts multiple contractors. (To illustrate, a provider that is enrolled in three contractor jurisdictions (X, Y, Z) might submit a consolidated application to change its DBA name.) The contractor shall observe that:

- (i) Each contractor is responsible for processing the application it receives. It cannot rely on one of the other affected contractors to process all of the applications. Using our above illustration, X must process the application it received that is unique to its jurisdiction, Y must process the application specific to its jurisdiction, and so forth.
- (ii) The term “processing” in (i) above includes, but is not limited to, verifying data, developing for clarifying information, approving/denying the application, etc. Thus, for example, Contractor X cannot rely exclusively on Contractor Y’s verifications without attempting to validate the same data concerning the Contractor X application. Nor can Contractor Y use Contractor X’s development letter to solicit the same data. Each application in this situation stands alone on its own merits and must be handled separately (e.g., each contractor must: (a) make its own determination (approval, denial, etc.) regarding the application it is processing; (b) send its own approval/denial/rejection letter; (c) develop for clarifying data pertaining to its application; and (d) process its application consistent with applicable timeliness requirements).

5. Letter Generation

i. Automation

Except as stated in subsection (5)(ii) below and as otherwise stated in this section 10.3, PECOS generates and sends to the provider/supplier all required letters (e.g., approval letters under section 10.7 et seq. of this chapter), though the contractor must manually select which letter must be sent. Note that each letter will have an issue date that signifies both (1) the date of the letter and (2) the date it is sent. The contractor shall treat this issue date as the “date of letter” and “date sent” for purposes of establishing applicable effective dates, the conclusion of development periods, and other timeframes that are based on the letter date or sent date.

ii. Exceptions to Automated Letter Process

There may be isolated instances when the contractor has to produce and/or send letters outside of PECOS. This could include, for example:

- PECOS can produce most letters requiring certified mail, but the contractor must manually print and send them
- The letter type is not available in PECOS

(Note that the contractor can always override a particular automated letter creation and upload/use a different letter.)

For letters the contractor must prepare and/or send outside of PECOS, the contractor shall ensure that: (1) the letter has an “issue date” consistent with subsection (5)(i) above; and (2) it

uploads a copy of the letter to PECOS. Except for certified letters (which must be mailed via hard-copy), the contractor may send the letter via mail, e-mail, fax, or the PCV, although the PCV is very highly preferred if the printed letter can be uploaded into PECOS and sent via this means.

The “date of the letter” is the date on which the letter was created. The “issue date” is the date on which the letter was sent. For letters that PECOS sends (see subsection (5)(i) above), the letter and issue dates will be the same. For the letters discussed in subsection (5)(ii), however, they may be different (i.e., the contractor may send the letter the day after it is created).

iii. Additional Information

- *Editing - If the contractor must edit a letter after it has been sent, the contractor shall (a) edit it outside of PECOS and (b) upload it consistent with the document upload instructions described in this chapter and other CMS guidance.*
- *Verbiage Insertion – Any language the contractor must insert into a letter shall be entered using the language insertion feature in the letter module.*
- *Outside Letter - If CMS instructs the contractor to submit a letter that is typically not generated by PECOS (e.g., an educational letter to supplement an approval letter), the contractor shall create the letter outside of PECOS and upload it to the appropriate location.*
- *All opt-out letters (e.g., approval, denial) shall be created outside of PECOS.*

6. Site Visits and Application Fees

a. Site Visits (SVs) -

i. General Principle

All SVs are ordered *through* PECOS, and all SV results (with photos) are entered/uploaded into said system. The National SV Contractor(s): (i) completes SV requests directly in PECOS; or (ii) receives the request from PECOS and sends the full SV record back to PECOS from its system when complete. They either are ordered for and attached to the relevant application or they occur ad-hoc. However, the contractor must still review the site visit results and indicate pass/fail, consistent with existing instructions.

PECOS can identify a completed/passed site visit within the previous 12 months so that a new site visit is unnecessary.

ii. Ordering

- **PECOS Applications –** PECOS will automatically order a site visit (if one is required) only in the following situations:
 - (A) An initial application
 - (B) Excluding certified providers/suppliers, a change of information or revalidation application if the provider/supplier is currently in the high or moderate screening level and the practice location in question has not passed a site visit within the previous 12 months.

Notwithstanding the foregoing, the contractor can manually intervene to postpone or cancel this site visit if warranted under the circumstances (and consistent with the instructions in this chapter).

For all other situations not referenced in subsection (ii)(A) and (B) above, the contractor must manually order the site visit.

- Paper Applications – The contractor must manually order the site visit if one is required.

b. Application Fees

Application fees can be combined if multiple enrollment records are implicated by the submission (e.g., consolidated application), but each application still requires a separate fee. To illustrate, suppose an entity is enrolling 5 different IDTFs, and the fee amount is \$631 per IDTF. The provider can submit separate \$631 fees or can combine them into a single \$3,155 payment. In the case of hardship waivers, however, 5 separate hardship waivers – one for each enrollment – must be submitted; they cannot be combined into one waiver request.

In addition:

- If the provider/supplier is submitting an application requiring a fee, PECOS will automatically indicate the appropriate fee amount.
- For consolidated applications in which multiple fees are required, the provider/supplier can remove an enrollment record from its submission (e.g., the provider wishes to rescind its prospective enrollment because the fee amount is excessive), PECOS will correspondingly reduce the required total fee amount. If the provider/supplier does this after it has paid the fee, it can request a refund via the instructions in this chapter.
- If the provider/supplier makes an “out of bound” fee payment (that is, a payment outside of the application submission), the provider/supplier can apply the fee(s) to its application by entering Pay.gov tracking IDs.
- Providers/suppliers can request hardship waivers directly via PECOS.
- Fee refunds shall continue to be processed consistent with existing instructions.

7. Application Re-Routing and Returns

For web applications incorrectly sent to the contractor, the latter can re-route the application to the correct contractor via PECOS. For paper applications incorrectly sent to the contractor (and unless otherwise stated in this chapter or in another CMS directive), the contractor may return the application per 42 CFR § 424.526 without completing application intake.

PECOS cannot independently determine whether an application should be returned (e.g., initial Form CMS-855A application submitted more than 180 days prior to the effective date). The contractor must make this assessment.

8. Licensure

As already mentioned, APS will present to the contractor its review of the provider/supplier’s licensure status. In some cases, however, the contractor will have to also manually verify the provider/supplier’s licensure using an original source, such as a state licensing board website. In this regard, the contractor shall adhere to the following:

- Applications Other Than Initial Enrollments and Reactivations – The contractor need not review licensure original sources if all three of the following requirements are met: (1) all of the licensure information on the application (regardless of the data’s materiality) matches that shown in APS (e.g., same name, active status); (2) the license contains no restrictions or qualifiers insofar as the contractor can determine from the application and the APS review; and (3) it is otherwise clear to the contractor that the provider/supplier is appropriately licensed.

- Applications Other Than Initial Enrollments and Reactivations -- If any of the three criteria in the previous bullet are not met OR the contractor is in any way uncertain as to whether the provider/supplier is appropriately licensed, the contractor shall review an original source. (Note that the data match between APS and that on the application must be 100%, regardless of the materiality of the data or the extent of the discrepancy. Even if there is a slight difference in the individual's name, an original source must be reviewed.)
- Initial Enrollment Applications and Reactivations – The contractor shall use an original source to verify licensure notwithstanding the APS results.

In all cases, the contractor shall ensure that all licensure reviews required under this chapter are performed. If licensure is not required for the provider/supplier, the contractor shall treat this in PECOS as a situation where the provider/supplier passed the licensure review.

APS will display all licensure information relevant to the enrollment that the contractor is processing. It is possible, though, that licensure data may appear involving enrollments and parties other than those under review. The contractor need only take action based on licenses related to the specific enrollment being processed.

10. Development

Should a PECOS or paper application require development --- and unless this chapter permits telephonic development for the specific matter/info in question – the contractor shall issue the development request via PECOS's RFI functionality.

C. Impact on Application Transaction Types and Formats

This subsection (C) addresses certain PECOS functions, capabilities, and policies regarding specific enrollment-related transactions, application types, and application formats (e.g., web, paper), including associated signature requirements.

1. Revalidations

Except as otherwise described in this chapter, PECOS automatically handles revalidation requests, tracking, and correspondence. It also prevents the submission of web applications outside of the revalidation window. PECOS establishes timeframes and then queues mailings based on revalidation history and enrollment dates, although CMS can modify timeframes and request off-cycle revalidations at any time. Failure to respond to a revalidation request would result in, as applicable to the situation, an automatic pend, deactivation, etc.

2. Form CMS-588/Electronic Funds Transfer (EFT)/Multi-Carrier System (MCS)/Special Payment Addresses

Under PECOS:

- a. All EFT information (including bank account data) must be entered, processed, and stored in PECOS. The contractor shall no longer use the shared system to enter bank information.
- b. All MCS transactions related to provider enrollment shall be entered into and updated through PECOS. This includes provider codes, options, do not forward (DNF), effective periods, linkages to PTANs, banking, etc.
- c. The contractor shall continue to follow the instructions in section 10.6.23 of this chapter 10.

d. Notwithstanding any other instruction in this subsection (C)(2), the contractor need not undertake pre-notification review of an EFT account if the latter already exists under the provider/supplier's TIN and the provider/supplier is merely adding it to a new enrollment under that same TIN.

e. EFT Processing Checks – The contractor shall document in PECOS: (1) its verification that the banking information is complete and correct; and (2) any required verification with the authorized official, delegated official, contact person, or the individual physician/practitioner.

3. Reassignments

a. General Principle

As stated earlier, PECOS automatically processes reassignments received online; this includes preventing a supplier from reassigning benefits to an ineligible party.

b. Location Group Assignment – When establishing a reassignment for PECOS applications, the provider/supplier must determine and select which “Locations Groups” of the clinic/group at which the provider/supplier will be performing services (i.e., billing from); this will help support proper PTAN assignment. For paper applications, however, the contractor must make the aforementioned determination based strictly on the information submitted (i.e., without development on this specific issue); such data could include, for instance, the reported primary and secondary practice locations and information that the group submitted.

4. Form CMS-855O and Form CMS-855I Conversions and Terminations

If a supplier who is enrolled via the Form CMS-855I or Form CMS-855O submits, respectively, a web Form CMS-855O or a web Form CMS-855I to change his/her enrollment, the supplier need not terminate his/her prior enrollment. PECOS 2.0 performs this function. (This only applies to web applications.)

5. Certified Provider/Supplier Application – State Involvement

The contractor cannot send/email documents, approval recommendation packages, etc., to the states, accrediting organizations (AO), and SOG Locations via PECOS. Said materials shall continue to be sent via the Box system consistent with existing policy. (States, AOs, and the SOG Locations do not have access to PECOS.) However, certain other components of the survey/certification process are handled/managed through PECOS. This includes, but is not limited to: (1) tracking applications sent to the state; and (2) storing and/or generating approval letters to and from the state.

6. Appeals and Rebuttals

Appeals and rebuttals are stored in PECOS. The contractor can process the appeal/rebuttal via PECOS and, as applicable, revise the enrollment record based on the appeal/rebuttal decision.

If the contractor receives an appeal that should have instead been sent to CMS, the contractor shall enter the appeals data into PECOS and forward the appeal to CMS consistent with existing instructions.

The provider cannot submit appeals and rebuttals via PECOS.

7. Web vs. Paper Applications

a. Paper Applications

The contractor shall: (i) enter into PECOS the basic information about a received application (a process called “intake”) such that PECOS can send a confirmation correspondence and, if applicable, associate the application with an existing enrollment; and (ii) upload into PECOS any images of the paper application and/or all supporting documentation. Note that these tasks do not constitute the creation of a web-based application. Providers/suppliers submitting paper applications:

- Must use fillable versions thereof, meaning the information cannot be handwritten. (This includes situations where the provider/supplier is submitting an application page pursuant to a development request; the page must be from a fillable application. If the provider/supplier submits a handwritten application or page, the contractor shall develop for a fillable one rather than return the application, though intake shall still be completed.) Note that this requirement applies:
 - To all CMS applications for which a fillable version thereof is available (e.g., CMS-588), including situations where the provider must submit corrected/revised pages of the application pursuant to a development request
 - Only to CMS form applications and not to (i) supporting documentation or (ii) responses to development requests not involving the submission of corrected/revised application pages (e.g., supporting documentation need not be in a fillable format).
- Must submit the application via mail
- Will receive correspondence via the PCV. (However, the provider/supplier must still submit any additional materials related to its application (e.g., application pages, supporting documents) via paper.)

One hundred percent (100%) of paper applications and appeals/rebuttals/CAPs (regardless of type (A/B/I) or transaction (initial/change of information)) must be entered into PECOS within two business days of receipt. This includes uploading all hard copies of received applications/appeals/rebuttals and attachments into PECOS.

The minimum data elements that must be part of the contractor’s “intake” are:

- Type of document (application or supporting document)
- Date of Receipt
- Method of receipt (mail, email, fax, upload)
- Application type
- Submission reason (initial, change, revalidation)
- State
- Name
- TIN
- DCN

(Regarding the intake of attachments and supporting documentation, the contractor need not separate the documents (or pages of documents) within the 2-business day period if they are submitted in bulk. Only the bulk document need be uploaded.)

At a minimum, the contractor shall upload the image of the entire application submission package (i.e., the application and all supporting documentation) as a single document at application intake, though the contractor may upload each document separately (i.e., application, EFT, PAR, license, etc.). The effective date of the document upload/received date is the same as the date of contractor entry/intake.

If the application fails to include all the information needed to perform intake, the application shall not be considered a submission. No action is required in PECOS, and the contractor shall handle the document consistent with the document retention policies in the contractor's internal document control system.

b. Signatures

For paper applications, handwritten (wet) signatures in ink and digital/electronic signatures (digital or electronic signatures such as those created by digital signature options, such as Adobe) are acceptable. For web applications, electronic signatures (*which can be uploaded*) are required.

Given the advent of PECOS 2.0, certain previous certification statement instructions pertaining to Internet-based PECOS applications are no longer applicable (e.g., the ability to submit paper certification statements after submission). In addition, because certification statements must be signed before the application is submitted, there will be much less need for the contractor to develop for them. Nevertheless, the contractor must still verify signatures consistent with the instructions in this chapter; *this includes documenting the validity of an uploaded signature via the PECOS signature upload processing check.*

c. Web and Paper Usage

A provider/supplier that submits a web application is not prohibited from submitting future enrollment applications via paper. Likewise, a provider/supplier that submitted its initial application via paper may always submit future applications via web. In each scenario, the contractor shall follow the instructions in this section 10.3 et seq. that are applicable to the type of application (PECOS vs. paper) that was submitted. For instance, suppose a provider previously submitted its initial application via web and now submits a paper change of information request. The contractor shall upload the submission into PECOS, develop for any missing or unsigned/undated certification statement, avail itself of any processing alternatives that are applicable to paper applications, etc.

Notwithstanding the above, when the provider/supplier submits a web application, any updates to the application---such as, for example, pursuant to a development request or the submission of additional documentation---before the application is processed to conclusion (e.g., approved, denied, rejected) must be via PECOS. The provider/supplier cannot submit its update via paper.

d. Documents Received Outside of Application Submissions

(1) General Guidance - The contractor may receive documents unrelated to a particular application submission, appeal, or rebuttal. This could include, for example, a W-9, a new CLIA certificate, an updated license, a surety bond cancellation notice, an FDA certification, a CMS-460, insurance documents, etc. These documents must be uploaded into PECOS consistent with the instructions in this section 10.3 et al. and the timeframe described in section 10.3(C)(7)(a).

(2) Special Situations

- *For submitted stand-alone paper Form CMS-588s and CMS-460s, the contractor shall intake the document as the application type that corresponds to the enrollment record that will be impacted by the submission (e.g., Form CMS-855I, CMS-855A).*
- *When paper Form CMS-855I and Form CMS-855B applications are submitted*

concurrently pursuant to a reassignment, the contractor shall intake the two applications separately and individually.

8. Business and Practice Location Names/Assignments

The “DBA name” and “Other name” data fields are not required in PECOS. If the provider/supplier nevertheless submits this data, the other name/DBA name should be at the organization level while the name at the practice location level should be, in effect, the name on the location’s “front door.”

In reassignment situations, providers/suppliers can assign in PECOS multiple primary practice locations (PPLs), one PPL, or none at all. If the provider/supplier wishes to add, change, or remove a PPL designation, no signature is necessary.

9. Contact Persons/Parties for PECOS Applications

(The instructions in this subsection (C)(9) supersede those in section 10.6.9 of this chapter with respect to PECOS applications.)

For PECOS applications only, there are three types of contacts:

a. “Enrollment *Representatives*” (ER): These are persons whom the provider/supplier may designate in its PECOS application submission as having the authority to contact the contractor about the provider/supplier’s enrollment once the provider/supplier is enrolled. ERs will not be contacted by CMS (except in response to an ER’s inquiry) either by mail, e-mail, telephone, the PCV, etc., and their contact information will not be part of the official application or be shown on the PECOS screens. Moreover, the provider/supplier need not have any ERs if it so chooses.

b. “Application Contacts” (AC): These individuals are somewhat akin to the longstanding category of “contact persons.” They are: (1) optional for the provider/supplier; (2) valid contacts only for the application in question; and (3) neither added to the formal enrollment record nor contacted by CMS on any matter other than the application. If the provider/supplier chooses to list ACs, it must also designate a “Primary AC” from this list; this person will receive any physical letters the contractor sends while the other ACs will receive e-mails.

(In addition:

- If the provider/supplier submits a paper application -- which does not differentiate between an ER and an AC -- the contractor can leave the ER field in PECOS blank.*
- If a provider/supplier submitting a PECOS application chooses not to have an ER, the contractor shall follow current guidance regarding with whom it can discuss post-enrollment matters if no contact person is listed (e.g., with authorized and delegated officials).*
- If an ER requests information regarding a pending application, the contractor shall follow current guidance regarding with whom it can discuss matters concerning pending applications.)*

c. Correspondence Address – This is the same address that has long been used for provider enrollment applications. Its meaning and use will not change with the advent of PECOS 2.0.

Except as otherwise stated in subsections 9(a) through (c) above, the contractor shall:

- Continue to use the correspondence address as normal

- Use ACs (as opposed to ERs) for communications regarding the application in question
- Respond to any ER questions if they are related to a matter outside of the contractor's current processing of an application. (If the question is not related to the present application, the contractor shall notify the ER that it cannot respond to the query.)

10. Contacting CMS

For matters that require CMS/PEOG BFL input or decision --- and unless otherwise instructed in this chapter --- the contractor shall request CMS 'review' using the 'assignment' functionality in PECOS. The contractor shall include the pertinent data/question/note in the section provided during the assignment/review process and attach any pertinent documentation (e.g., review of adverse legal action documentation).

D. Additional Guidance

- 1. Revocations – Except as otherwise instructed by CMS, all CMS-directed revocations will be processed in their entirety by CMS within PECOS.*
- 2. Screening Levels – PECOS will automatically set the provider/supplier's correct screening level. Should the screening level nonetheless need to be adjusted, the contractor shall seek CMS approval via PECOS.*

E. Chapter 10 Applicability

1. Except as otherwise noted, the PECOS instructions in section 10.3 et seq. take precedence over all others in this chapter pertaining to the same issue or operational procedure.
2. Certain existing instructions in chapter 10 (including those in section 10.3 et seq.) require (or, in a few cases, do not require) particular data elements on the application to be completed. The contractor shall observe that PECOS may or may not mandate that the provider complete particular data fields before proceeding to succeeding fields. This might render moot some of the processing alternatives and exemptions discussed in this chapter. The contractor may therefore disregard those alternatives/exemptions that are immaterial to the situation.
3. Certain existing data elements on the applications and which are listed in this chapter 10 may not be reflected in PECOS. In such cases, the contractor may disregard the instructions in this chapter pertaining thereto.
4. Except as otherwise stated, the term "PECOS" in this chapter refers to PECOS 2.0 and incorporates the phrase "Internet-based PECOS."
5. All instances in section 10.3 et seq. in which the contractor must now document a data element verification or a telephonic communication in PECOS rather than in the provider file shall include the applicable information required under section 10.6.19(L). Note that the contractor may document such communications in PECOS even for paper applications.
6. In cases where use of the PCV is not required but permissible, the contractor is very strongly encouraged to utilize that mechanism.
7. All clock stoppages otherwise permitted under this chapter can be applied with respect to the policies in this section 10.3.

10.3.3.1 – Form CMS-588 – Electronic Funds Transfer (EFT) Authorization Agreement

(Rev. 12514; Issued: 02-22-24; Effective: 03-25-24; Implementation: 03-25-24)

An EFT agreement (Form CMS-588) authorizes CMS to deposit Medicare payments directly into a provider/supplier's bank account.

A. Processing the Form CMS-588 – Specific Situations

When a Form CMS-588 is received, the contractor shall review the form and develop for any deficiencies or missing information prior to approval. All EFT data shall be entered into PECOS.

1. Unsolicited Information

If the provider/supplier submits missing/clarifying data or documentation on its own volition (i.e., without being contacted by the contractor), the contractor shall include this additional data/documentation in its overall form review.

2. Missing or Incorrect Provider Transaction Access Number (PTAN) or CMS Certification Number (CCN) on the Form CMS-588

If the PTAN and/or CCN is missing or incorrect but the contractor can ascertain the correct number (1) via the supporting documents submitted, (2) elsewhere on the form, or (3) via PECOS, the shared systems, or the provider files, the contractor need not pursue development. (Note that social security numbers and employer identification numbers do not fall within this exception.)

3. Missing or Incorrect Social Security Number (SSN) or Employer Identification Number (EIN) Checkbox on the Form CMS-588

If the Form CMS-588 is received and the checkbox for the SSN or EIN is either not checked or is incorrectly checked, the contractor may proceed without further development if the contractor can ascertain the correct option via the supporting documents submitted or elsewhere on the form.

4. Name on Account

As stated on the Form CMS-588, the account to which EFT payments are made must exclusively bear the name of the physician or individual practitioner, or the legal business name (LBN) of the person or entity enrolled with Medicare. Accordingly, the contractor shall accept accounts that (1) solely list the LBN or (2) list the LBN and the Doing Business As name (so long as the LBN is listed first).

B. Form CMS-588 Information Specific to Suppliers of Durable Medical Equipment, Prosthetics, Orthotics, and Supplies

For Form CMS-855S enrollments, CMS only requires the Form CMS-588 with initial enrollment applications.

C. Form CMS-588 Signature Requirements

For paper applications, handwritten (wet) signatures in ink and digital/electronic signatures (digital or electronic signatures such as those created by digital signature options created in software, such as Adobe) are acceptable. For web applications, the supplier can sign it

electronically or upload the signature and then submit the application. The contractor shall contact its PEOG BFL for questions regarding electronic signatures.

D. Verification

Providers and suppliers may submit a Form CMS-588 via paper or through PECOS. In either case, the contractor shall ensure that:

- (i) All EFT arrangements comply with CMS Pub. 100-04, chapter 1, section 30.2.5.
- (ii) The information submitted on the Form CMS-588 is complete and accurate. (Except as otherwise stated in this chapter or another CMS directive, the contractor shall develop for any missing information.)
- (iii) The provider/supplier submitted (1) a voided check or (2) a letter from the bank verifying the account information.
- (iv) The routing number and account number matches what was provided on the Form CMS-588.
- (v) The signature is valid.
- (vi) The contractor shall forgo development if the “Part I: Reason for Submission (Individual vs. Group)” section is left blank or an incorrect option is selected but the contractor can make the correct determination based on the provider/supplier’s existing file or additional information submitted with the application.

E. Miscellaneous EFT Policies

1. Banking Institutions

All payments must be made to a banking institution. EFT payments to non-banking institutions (e.g., brokerage houses, mutual fund families) are not permitted.

If the provider/supplier’s bank of choice does not or will not participate in the provider/supplier’s proposed EFT arrangement, the provider/supplier must select another financial institution.

2. Sent to the Wrong Unit

If a provider/supplier submits an EFT change request to the contractor but not to the latter’s enrollment unit, the recipient unit shall forward it to the enrollment staff, which shall then process the change. The enrollment unit is responsible for processing EFT changes. As such, while it may send the original EFT form back to the recipient unit, the enrollment unit shall keep a copy of the EFT form and append it to the provider/supplier’s Form CMS-855 in the file.

3. Bankruptcies and Garnishments

If the contractor receives a copy of a court order to send payments to a party other than the provider/supplier, it shall contact the applicable SOG Location’s Office of General Counsel.

4. Closure of Bank Account

If a provider/supplier has closed its bank/EFT account but will remain enrolled in Medicare, the contractor shall place the provider/supplier on payment withhold until a Form CMS-588 (and Form CMS-855, if applicable) is submitted and approved by the contractor. If such an agreement is not submitted within 90 days after the contractor learned that the account was closed, the contractor shall commence deactivation procedures in accordance with the instructions in this chapter. The basis for deactivation would be § 424.540(a)(2) due to the provider/supplier's failure to submit updated EFT information within 90 days of the change.

5. Reassignments

If a physician or non-physician practitioner is reassigning all of his/her benefits to another supplier and the latter is not currently on EFT, neither the practitioner nor the reassignee needs to submit a Form CMS-588. This is because (1) the practitioner is not receiving payment directly, and (2) accepting a reassignment does not qualify as a change of information request. If, however, the group later submits a change of information request and is not on EFT, it must submit a Form CMS-588.

6. Final Payments

If a non-certified supplier (e.g., physician; ambulance supplier) voluntarily withdraws from Medicare and needs to obtain its final payments, the contractor shall send such payments to the supplier's EFT account of record. If the account is defunct, the contractor can send payments to the supplier's "special payments" address or, if none is on file, to any of the supplier's practice locations on record. If neither the EFT account nor the aforementioned addresses are available, the supplier shall submit a Form CMS-855 or Form CMS-588 request identifying where it wants payments to be sent.

7. Chain Organizations

Per CMS Pub. 100-04, chapter 1, section 30.2, a chain organization may have payments to its providers be sent to the chain home office. However, and except as otherwise permitted for PECOS applications under PECOS 2.0, any mass EFT changes (involving large numbers of chain providers) must be submitted and processed in the same fashion as any other change in EFT data. For instance, if a chain has 100 providers and each wants to change its EFT account to that of the chain home office, 100 separate Form CMS-588s must be submitted (again, unless PECOS 2.0 permits a consolidated submission for PECOS applications). If any of the chain providers have never completed a Form CMS-855 before, they must do so at that time.

8. Consolidation of EFT Accounts

The contractor shall follow the instructions in section 10.6.23 of this chapter regarding the consolidation of a provider's or supplier's EFT accounts. These instructions take precedence over any contrary guidance in this chapter.

10.5- Timeliness and Accuracy Standards

(Rev. 12514; Issued: 02-22-24; Effective: 03-25-24; Implementation: 03-25-24)

Sections 10.5(A) through 10.5(B)(4) of this chapter address the timeliness and accuracy standards applicable to the processing of Form CMS-855, Form CMS-20134 applications (initial and change of information and revalidation), and opt-out affidavits. Even though the provisions of 42 CFR § 405.818 contain processing timeframes that differ than those in

sections 10.5(A) through 10.5(B)(4), the contractor shall adhere to the standards specified in sections 10.5(A) through 10.5(B)(4).

(The term “PECOS applications” means web-based applications. For special instructions regarding the processing of applications submitted via PECOS 2.0, see section 10.3 of this chapter. The PECOS instructions in section 10.3 take precedence over those in this section 10.5.

Note that:

- *The date of receipt of a PECOS application is the date the contractor received it, not the date on which the application required the contractor’s manual intervention per section 10.3.*
- *Applications that are “auto-processed” under PECOS 2.0 will be included in the contractor’s timeliness metrics.*

The processing of an application or opt-out affidavit generally includes, but is not limited to, the following activities:

- For paper applications - Receipt of the application or opt-out affidavit in the contractor’s mailroom and forwarding it to the appropriate office for review. (This is the intake process.)
- For PECOS applications - Electronic receipt of the application.
- For paper applications – Completing the intake process.
- Ensuring that the information on the application or opt-out affidavit is verified.
- Requesting and receiving clarifying information.
- Site visit (if necessary).
- Requesting fingerprints (if necessary).
- For certified providers/suppliers (and as applicable to the transaction and/or provider/supplier type), formal notification to the state and/or CMS Survey & Operations Group (SOG) Location of the contractor’s approval, denial, or recommendation for approval of the application.

(Note: The timeliness metrics discussed in this section are a combination of Part A applications and Part B applications and opt-out affidavits.)

For purposes of sections 10.5(A) and 10.5(B) below:

- The term “site visit” means that the provider or supplier requires an on-site review to determine whether the provider or supplier is operational based on the provider/supplier type.
- The term “development” means that the contractor needs to contact the provider or supplier for additional information. (A development request (via letter, fax, email, the PCV, or telephone contact for development) to the provider or supplier is considered to be the first development request.)

- The term “fingerprinting” means that 5 percent or greater owners (including partners who own at least 5 percent) of a provider or supplier is required to submit fingerprints for an additional level of screening.

A. Standards for Initial and Change of Information Applications and Opt-Out Affidavits

For purposes of sections 10.5(A)(1) through 10.5(A)(4) of this chapter, the term “initial applications” also includes:

- Form CMS-855 or Form CMS-20134 change of ownership, acquisition/merger, and consolidation applications submitted by the new owner
- “Complete” Form CMS-855 or Form CMS-20134 applications submitted by enrolled providers: (a) voluntarily, (b) as part of any change request if the provider does not have an established enrollment record in PECOS, or (c) as a Form CMS-855 or Form CMS-20134 reactivation
- Opt-out affidavits submitted for an eligible practitioner’s first opt-out period

For purposes of sections 10.5(A)(1) through 10.5(A)(4) of this chapter, the term “changes of information” also includes:

- Form CMS-855 and Form CMS-20134 change of ownership, acquisition/merger, and consolidation applications submitted by the old owner
- Form CMS-588 changes submitted without a need for an accompanying complete Form CMS-855 or Form CMS-20134 application
- Form CMS-855R applications submitted independently (i.e., without being part of a Form CMS-855I or Form CMS-855B package)
- Form CMS-855 and Form CMS-20134 voluntary terminations
- Opt-out early termination requests (of initial opt-out affidavits), changes of information and cancellation requests

Initial and change of information application and opt-out timeliness standards shall be reported together. Likewise, initial, change of information, and opt-out affidavit accuracy shall be reported together.

1. Paper Initial and Change of Information Applications and Opt-Out Affidavits - Timeliness

Please refer to section 10.5 above for definitions of site visits, development, and fingerprinting.

a. Form CMS-855 and Form CMS-20134 Initial and Change of Information Applications and Opt-Out Affidavits That Require a Site Visit, Development and/or Fingerprinting

The contractor shall process 95 percent of all Form CMS-855 and Form CMS- 20134 initial and change of information applications and opt-out affidavits (initial, changes of information, termination requests and cancellation requests) that require a site visit, development and/or fingerprinting within 65 calendar days of receipt and process 100 percent of all Form CMS-

855 and Form CMS-20134 initial and change of information applications and opt-out affidavits (initial, changes of information, termination requests and cancellation requests) that require a site visit, development and/or fingerprinting within 100 calendar days of receipt.

b. Form CMS-855 and Form CMS-20134 Initial and Change of Information Applications and Opt-Out Affidavits That Do Not Require a Site Visit, Development and/or Fingerprinting

The contractor shall process 95 percent of all Form CMS-855 and Form CMS- 20134 initial and change of information applications and opt-out affidavits (initials, changes of information, termination and cancellation requests) that do not require a site visit, development and/or fingerprinting within 30 calendar days of receipt.

The contractor shall process 100 percent of all Form CMS-855 and Form CMS-20134 initial and change of information applications and opt-out affidavits (initials, changes of information, termination and cancellation requests) that do not require a site visit, development and/or fingerprinting within 65 calendar days of receipt.

2. Paper Initial and Change of Information Applications and Opt-Out Affidavits – Accuracy

The contractor shall process 98 percent of paper Form CMS-855 and Form CMS-20134 initial and change of information applications and opt-out affidavits in full accordance with all of the instructions in this chapter (with the exception of the timeliness standards identified in sections 10.5(A)(1) through 10.5(A)(2) of this chapter) and all other applicable CMS directives.

3. PECOS Initial and Change of Information Applications - Timeliness

This process generally includes, but is not limited to, verification of the application in accordance with existing instructions; requesting and receiving clarifying information in accordance with existing instructions; site visit (if required) and/or requesting fingerprints (if necessary). Please refer to Section 10.5 above for definitions of site visits, development, and fingerprinting.

a. PECOS Initial and Change of Information Applications That Require a Site Visit, Development and/or Fingerprinting

The contractor shall process 95 percent of all Form CMS-855 and Form CMS-20134 PECOS initial and change of information applications that require a site visit, development and/or fingerprinting within 50 calendar days of receipt and process 100 percent of all Form CMS-855 and Form CMS-20134 PECOS initial and change of information applications that require a site visit, development and/or fingerprinting within 85 calendar days of receipt.

b. PECOS Initial and Change of Information Applications That Do Not Require a Site Visit, Development and/or Fingerprinting

The contractor shall process 95 percent of Form CMS-855 and Form CMS-20134 PECOS initial and change of information applications that do not require a site visit, development and/or fingerprinting within 15 calendar days of receipt and process 100 percent of Form CMS-855 and Form CMS-20134 PECOS initial and change of information applications that do not require a site visit, development and/or fingerprinting within 50 calendar days of receipt.

4. PECOS Initial and Change of Information Applications - Accuracy

The contractor shall process 98 percent of Form CMS-855 and Form CMS-20134 PECOS initial and change of information applications in full accordance with all of the instructions in this chapter (with the exception of the timeliness standards identified in section 10.5(A)(3) above) and all other applicable CMS directives.

B. Standards for Revalidation Applications

For purposes of sections 10.5(B)(1) through 10.5(B)(3)(b) of this chapter, the term “revalidation applications” includes complete Form CMS-855 or Form CMS-20134 revalidation applications submitted by enrolled providers.

1. Paper Revalidation Applications that Require Site Visits, Development and/or Fingerprinting - Timeliness

Please refer to section 10.5 above for definitions of site visits, development, and fingerprinting.

a. Form CMS-855 and Form CMS-20134 Revalidation Applications That Require a Site Visit, Development and/or Fingerprinting – Timeliness

The contractor shall process 80 percent of paper Form CMS-855 and Form CMS-20134 revalidation applications that require site visits, development and/or fingerprinting within 65 calendar days of receipt and process 100 percent of paper Form CMS-855 and Form CMS-20134 revalidation applications within 100 calendar days of receipt.

b. Paper Revalidation Applications that do not Require Site Visits, Development, and/or Fingerprinting - Timeliness

The contractor shall process 80 percent of paper Form CMS-855 and Form CMS-20134 revalidation applications that do not require site visits, development and/or fingerprinting within 30 calendar days of receipt and process 100 percent of paper Form CMS-855 and Form CMS-20134 revalidation applications within 65 calendar days of receipt.

2. Paper Revalidation Applications - Accuracy

The contractor shall process 98 percent of paper Form CMS-855 and Form CMS-20134 revalidations in full accordance with all of the instructions in this chapter (with the exception of the timeliness standards identified in section 10.5(B)(1) above) and all other applicable CMS directives.

3. PECOS Revalidation Applications - Timeliness

This process generally includes, but is not limited to, verification of the application in accordance with existing instructions; requesting and receiving clarifying information in accordance with existing instructions; site visit (if required) and/or requesting fingerprints (if necessary). Please refer to section 10.5 above for definitions of site visits, development, and fingerprinting.

a. PECOS Revalidation Applications That Require a Site Visit, Development and/or Fingerprinting - Timeliness

The contractor shall process 80 percent of all Form CMS-855 and Form CMS- 20134 PECOS revalidation applications that require a site visit, development and/or fingerprinting within 50

calendar days of receipt and process 100 percent of all Form CMS-855 and Form CMS-20134 PECOS revalidation applications that require a site visit, development and/or fingerprinting within 85 calendar days of receipt.

b. PECOS Revalidation Applications That Do Not Require a Site Visit, Development and/or Fingerprinting - Timeliness

The contractor shall process 80 percent of Form CMS-855 and Form CMS-20134 PECOS revalidation applications that do not require a site visit, development and/or fingerprinting within 15 calendar days of receipt and process 100 percent of Form CMS-855 and Form CMS-20134 PECOS revalidation applications that do not require a site visit, development and/or fingerprinting within 50 calendar days of receipt.

4. PECOS Revalidation Applications - Accuracy

The contractor shall process 98 percent of Form CMS-855 and Form CMS-20134 PECOS revalidation applications in full accordance with all of the instructions in this chapter (with the exception of the timeliness standards identified in sections 10.5(B)(1) and 10.5(B)(3)(b) above) and all other applicable CMS directives.

C. General Timeliness Principles

Unless stated otherwise in this chapter or in another CMS directive, the principles discussed below apply to all applications discussed in sections 10.5(A)(1) through 10.5(B)(3) of this chapter (e.g., change of ownership (CHOW) applications submitted by old and new owners, CMS-588 forms).

1. Clock Stoppages

The processing timeliness clock temporarily stops when the situations identified in section 10.5(C)(1) occur:

- Referring an application to the Office of Inspector General (OIG) or the Unified Program Integrity Contractor (UPIC).
- Waiting for a final sales agreement (e.g., CHOW, acquisition/merger).
- Contacting: (i) the SOG Location, and/or state agency regarding a provider-based or CHOW determination; (ii) the SOG Location or state agency with a question regarding the application of a CMS policy; (iii) contacting the SOG Location or state agency.
- Referring a provider or supplier to update their information in the National Plan & Provider Enumeration System.
- Contacting CMS' Provider Enrollment & Oversight Group (PEOG) for the following reasons: questions regarding the application or CMS policy; an adverse legal action review; affiliations/overpayments found on the monthly report or PECOS; Advanced Provider Screening criminal alerts; delayed site visits; referrals to PEOG (if required under this chapter) for final review of certain certified provider/supplier applications.
- Referring a provider to the Social Security Administration to resolve a discrepancy involving a social security number or to the Internal Revenue Service to resolve a tax identification number or individual tax identification number issue.
- Contacting another contractor for any type of PECOS update (i.e.: locked associates).

- Contacting the PECOS Maintainer for resolutions to system issues (i.e.: RightNow tickets).
- Practice location and special payment address changes as well as specialty changes with future dates.
- If fingerprints are required, the timeliness clock stops when the fingerprint request is issued and resumes when the contractor receives the results. (If additional information is developed at the same time as the fingerprint request is issued, no action shall be taken on the developed information until after the fingerprint results are received.)
- *Contacting the state licensing board to verify a license or to obtain board order documentation.*
- Any other clock stoppage expressly permitted in this chapter or by CMS

Should a dependent application be needed to continue processing (e.g., a Form CMS-855R is needed to complete a reassignment when only a Form CMS-855I is received), the processing clock stops when the development is issued and resumes once the development is received.

Consistent with section 10.6.19(I), the contractor shall document in PECOS any delays by identifying when the referral to CMS, the OIG, etc., was made, the reason for the referral, and when a response was received. The contractor will thus be able to furnish explanatory documentation to CMS should applicable time limits be exceeded. To illustrate, assume that a contractor received an initial Form CMS-855I application on March 1. On March 30, the contractor sent a question to CMS and received a response on April 7. The processing time clock stops from March 31 to April 7. The contractor should document PECOS to explain that it forwarded the question to CMS, the dates involved, and the reason for the referral.

2. Calendar Days

Unless otherwise stated in this chapter, all days in the processing time clock are “calendar” days, not “business days.” If the final day of a metric falls on a weekend or holiday, this remains the day by which the application must be processed. If the contractor cannot finish processing the application until the next business day, it should document in PECOS that the final day of the metric fell on a Saturday/Sunday/holiday and furnish any additional explanation as needed.

3. Date-Stamping – Paper Applications Only

As a general rule, all incoming correspondence must be date-stamped on the day it was received in the contractor’s mailroom. This includes, but is not limited to:

- Any Form CMS-855 or Form CMS-20134 application, including initials, changes, CHOWs, etc. (The first page of the application must be date-stamped.)
- Letters from providers. (The first page of the letter must be date-stamped.)
- Supporting documentation, such as licenses, certifications, articles of incorporation, and billing agreements. (The first page of the document or the envelope must be date-stamped.)
- Data that the provider furnishes (via mail or fax) per the contractor’s request for additional information. (All submitted pages must be date-stamped. This is because

some contractors interleaf the new/changed pages within the original application. Thus, it is necessary to determine the sequence in which the application and the additional pages were received.)

(Note: PECOS applications are considered “date stamped” on the date the application was received.)

The timeliness clock begins on the date on which the application/envelope is date-stamped in the contractor’s mailroom, not the date on which the application is date-stamped or received by the provider enrollment unit. As such, the date-stamping activities described in the above bullets must be performed in the contractor’s mailroom. In cases where the mailroom staff fails to date-stamp a particular document, the provider enrollment unit may date-stamp the page in question. However, there shall not be long lapses between the time it was received in the mailroom and the time the provider enrollment unit date-stamped the pages.

In addition, and unless stated otherwise in this chapter or in another CMS directive, all incoming enrollment applications (including change requests) must be submitted via mail (unless circumstances require submission via fax or email).

4. When the Processing Cycle Ends

For (1) Form CMS-855A applications, and (2) Form CMS-855B applications submitted by ambulatory surgical centers (ASCs) or portable x-ray suppliers, the processing cycle ends on the date that the contractor enters a final status in PECOS (e.g., denied, returned, rejected, approval recommended) rather than the date on which the contractor sends formal notification of approval recommended, etc., to the state or SOG Location. (Note that accompanying applications (e.g., Form CMS-855R applications submitted with a Form CMS-855B for an ASC) would also end their processing cycle).

In situations involving a change request that does not require a recommendation (i.e., it need not be forwarded to and approved by the state), the cycle ends on the date that the contractor enters a final status (approved, denied, rejected, returned, etc.) in PECOS.

For (1) Form CMS-855I applications, (2) Form CMS-855R applications, (3) Form CMS-855B applications from suppliers other than ASCs and portable x-ray suppliers, (4) Form CMS-20134 and (5) Form CMS-855S applications the processing cycle ends on the date that the contractor enters a final status (approved, denied, rejected, returned, etc.) in PECOS.

5. PECOS Applications

See section 10.3 of this chapter for additional information on the processing of PECOS applications.

10.6.20 – Screening: On-site Inspections and Site Verifications *(Rev. 12514; Issued: 02-22-24; Effective: 03-25-24; Implementation: 03-25-24)*

The contractor shall review section 10.3 of this chapter for special instructions regarding site visits. In the event of a conflict, those instructions take precedence over those in this section 10.6.20.

A. DMEPOS Suppliers and IDTFs

The scope of site visits of DMEPOS suppliers and IDTFs shall continue to be conducted in accordance with existing CMS instructions and guidance.

(For purposes of this section 10.6.20, the term “contractor” refers to the Medicare Administrative Contractor; the term “SVC” refers to the site visit contractor.)

B. Provider and Supplier Types Other Than DMEPOS Suppliers and IDTFs

For provider/supplier types other than DMEPOS suppliers and IDTFs – that must undergo a site visit pursuant to this section 10.6.20 and § 424.518, the SVC will perform such visits consistent with the procedures in this section 10.6.20. This includes all of the following:

- (1) Documenting the date and time of the visit, and including the name of the individual attempting the visit.
- (2) Photographing the provider/supplier’s business for inclusion in the provider/supplier’s file. All photographs will be date/time stamped.
- (3) Fully documenting observations made at the facility, which could include facts such as (a) the facility was vacant and free of all furniture, (b) a notice of eviction or similar documentation is posted at the facility, and (c) the space is now occupied by another company.
- (4) Writing a report of the findings regarding each site verification.
- (5) Including a signed site visit report stating the facts and verifying the completion of the site verification.

In terms of the extent of the visit, the SVC will determine whether the following criteria are met: (i) the facility is open; (ii) personnel are at the facility; (iii) customers are at the facility (if applicable to that provider or supplier type); and (iv) the facility appears to be operational. This will require the site visitor(s) to enter the provider/supplier’s practice location/site rather than simply conducting an external review. If any of the four elements ((i) through (iv)) listed above are not met, the contractor will, as applicable - and using the procedures outlined in this chapter and in existing CMS instructions - deny the provider’s enrollment application pursuant to § 424.530(a)(5)(i) or (ii) or revoke the provider’s Medicare billing privileges under § 424.535(a)(5)(i) or (ii).

C. Operational Status

When conducting a site verification to determine whether a practice location is operational, the SVC shall make every effort to limit its verification to an external review of the location. If the SVC cannot determine whether the location is operational based on this external review, it shall conduct an unobtrusive site verification by limiting its encounter with provider or supplier personnel or medical patients.

The contractor must review and evaluate the site visit results received from the SVC prior to making a final determination. If it is determined (during the review and evaluation process) that the location is non-operational based on the site visit results but there is reason to proceed with the enrollment, the contractor shall provide the appropriate justification in the comment section of the Validation Checklist in PECOS. (For example, a second site visit determined the location to be operational; the provider only renders services in patient’s homes; etc.).

If the contractor is unsure of how to proceed based on its evaluation of the site visit results, it shall contact its PEOG BFL and copy its contracting officer's representative (COR).

D. Timing

Site verifications should be done Monday through Friday (excluding holidays) during their posted business hours. If there are no hours posted, the site verification should occur between 9 a.m. and 5 p.m. If, during the first attempt, there are obvious signs that the facility is no longer operational, no second attempt is required. If, on the first attempt, the facility is closed but there are no obvious indications that the facility is non-operational, a second attempt on a different day during the posted hours of operation should be made.

E. Documentation

As indicated previously, when conducting site verifications to determine whether a practice location is operational, the SVC shall:

- (i) Document the date and time of the attempted visit and include the name of the individual attempting the visit.
- (ii) As appropriate, photograph the provider/supplier's business for inclusion in the provider/supplier's file on an as-needed basis. All photographs should be date/time stamped.
- (iii) Fully document all observations made at the facility (e.g., the facility was vacant and free of all furniture, a notice of eviction or similar documentation was posted at the facility, the space is now occupied by another company, etc.).
- (iv) Write a report of its findings regarding each site verification.

F. Determination

(In the event an instruction in this subsection F is inconsistent with guidance in section 10.6.6, 10.4.7 et seq., or 10.4.8, the latter three sections of instructions shall take precedence.)

If a provider/supplier is determined not to be operational or in compliance with the regulatory requirements for its provider/supplier type, the contractor shall revoke the provider/supplier's Medicare billing privileges - unless the provider/supplier has submitted a change of information request that notified the contractor of a change in practice location. Within 7 calendar days of CMS or the contractor determining that the provider/supplier is not operational, the contractor shall update PECOS or the applicable claims processing system (if the provider/supplier does not have an enrollment record in PECOS) to revoke Medicare billing privileges and issue a revocation notice to the provider/supplier. The contractor shall afford the provider/supplier applicable appeal rights in the revocation notification letter.

For non-operational status revocations, the contractor shall use either 42 CFR § 424.535(a)(5)(i) or 42 CFR § 424.535(a)(5)(ii) as the legal basis for revocation. Consistent with 42 CFR § 424.535(g), the date of revocation is the date on which CMS or the contractor determines that the provider/supplier is no longer operational. The contractor shall establish a 2-year reenrollment bar for providers/suppliers that are not operational.

For regulatory non-compliance revocations, the contractor shall use 42 CFR § 424.535(a)(1) as the legal basis for revocation. Consistent with 42 CFR § 424.535(g), the date of revocation is the date on which CMS or the contractor determines that the provider/supplier is no longer in compliance with regulatory provisions for its provider/supplier type. The contractor shall establish a 2-year enrollment bar for providers/suppliers that are not in compliance with provisions for their provider/supplier type.

G. Multiple Site Visits

Notwithstanding any other instruction to the contrary in this chapter, the contractor shall not order a site visit if the specific location to be visited has already *passed a* site visit within the last 12 months and the applicable provider/supplier is in an approved status.

Consider the following illustrations:

Example 1 - A single-site home health agency (HHA) undergoes a revalidation site visit on February 1. The HHA submits a change of information request on July 1 to add a branch location. The contractor shall order this site visit because the visit will occur at a location (i.e., the branch location) different from the main location (i.e., the location that underwent the February 1 revalidation visit).

Example 2 - A DMEPOS supplier undergoes a revalidation site visit on April 1. It submits an initial Form CMS-855S application on May 1 to enroll a second location. The new location shall undergo a site visit because: (1) it is different from the first (revalidated) location; and (2) it is/will be separately enrolled from the first location.

Example 3 - A physical therapy (PT) group has three locations – X, Y, and Z. As part of a revalidation, the contractor elects to order a site visit of Location Y rather than X or Z. The visit was performed on June 1. On October 4, the group submits a Form CMS-855B to report a change of ownership, thus requiring a site visit under this chapter. However, the contractor shall not order a visit for Location Y because this site has been visited within the past 12 months. Location X or Location Z must instead be visited.

Example 4 - An IDTF undergoes an initial enrollment site visit on July 1. On September 24, it submits a Form CMS-855B application to change its practice location; this mandates a site visit under this chapter. The site visit shall be performed even though the initial visit took place within the past 12 months. This is because the second visit will be of the new location, whereas the first visit was of the old location.

H. Certified Providers/Suppliers – Address Validation Error

Notwithstanding any other instruction to the contrary in this chapter, the contractor need not order a site visit for a certified provider/supplier prior to making a recommendation to the state if an address validation error is received in PECOS. The contractor shall override the error message and notate in the referral package that the address was unverifiable. This avoids multiple site visits being performed (that is, pre-enrollment, survey, and post enrollment).