

day (30 days after the date of receipt). Our expectation is that contractors will meet this percentage on a monthly basis.

*Standard 2.* 95.0 percent of clean paper claims are processed within specified time frames. Specifically, clean paper claims can be paid as early as the 27th day (26 days after the date of receipt) and must be paid by the 31st day (30 days after the date of receipt). Our expectation is that contractors will meet this percentage on a monthly basis.

*Standard 3.* 98.0 percent of EOMBs and MSNs are properly generated. Our expectation is that EOMB and MSN messages are accurately reflecting the services provided.

*Standard 4.* 95.0 percent of review determinations are completed within 45 days. Our expectation is that contractors will meet this percentage on a monthly basis.

*Standard 5.* 90.0 percent of carrier hearing decisions are completed within 120 days. Our expectation is that contractors will meet this percentage on a monthly basis.

*Standard 6.* Review determination letters prepared in response to beneficiary initiated appeal requests are written at an appropriate reading level.

Additional functions that may be evaluated under this criterion include, but are not limited to, the following:

- Claims Processing accuracy.
- Establishment and maintenance of relationship with the CWF Host.
- Accuracy of processing review determination cases.
- Accuracy of processing hearing cases with decision letters that are clear and have appropriate customer-friendly tone.

#### *B. Customer Service Criterion*

The Customer Service criterion contains the following mandated standard:

*Standard.* Replies to beneficiary correspondence address the beneficiary's concerns, are written with appropriate customer-friendly tone and clarity, and are at the appropriate reading level.

Contractors must meet our performance expectations that beneficiaries and providers are served by prompt and accurate administration of the program in accordance with all applicable laws, regulations, and our general instructions.

Additional functions that may be evaluated under this criterion include, but are not limited to, the following:

- Providing timely and accurate replies to beneficiary and provider telephone inquiries.
- Quality Call Monitoring.

- Training of Customer Service Representatives.
- Ensuring the validity of the call center performance data that are being reported in the Customer Service Assessment and Management System.
- Walk-in inquiry service.
- Conducting beneficiary and provider education, training, and outreach activities.
- Effectively maintaining an Internet Website dedicated to furnishing providers timely, accurate, and useful Medicare program information.

#### *C. Payment Safeguards Criterion*

Carriers may be evaluated on any MIP activities if performed under their contracts. In addition, other carrier functions and activities that may be reviewed under this criterion include, but are not limited to the following:

- Benefit Integrity
- + Identifying potential fraud cases that exist within the carrier's service area and taking appropriate actions to resolve these cases.
- + Investigating allegations of potential fraud that are made by beneficiaries, providers, CMS, OIG, and other sources.
- + Putting in place effective detection and deterrence programs for potential fraud.
- Medical Review
- + Increasing the effectiveness of medical review activities.
- + Exercising accurate and defensible decision making on medical reviews.
- + Effectively educating and communicating with the provider community.
- + Collaborating with other internal components and external entities to ensure correct claims payment, and to address situations of fraud, waste, and abuse.
- Medicare Secondary Payer
- + Accurately reporting MSP savings.
- + Accurately following MSP claim development/edit procedures.
- + Supporting the Coordination of Benefits Contractor's efforts to identify responsible payers primary to Medicare.
- + Identifying, recovering, and referring mistaken Medicare payments in accordance with the appropriate Medicare Carriers Manual instructions, and our other pertinent general instructions.
- Overpayments
- + Collecting and referring Medicare debts timely.
- + Accurately reporting overpayments to us.
- + Compliance with our instructions for management of Medicare Trust Fund debts.

- Provider Enrollment
- + Complying with assignment of staff to the provider enrollment function and training staff in procedures and verification techniques.
- + Complying with the operational standards relevant to the process for enrolling suppliers.

#### *D. Fiscal Responsibility Criterion*

We may review the carrier's efforts to establish and maintain appropriate financial and budgetary internal controls over benefit payments and administrative costs. Proper internal controls must be in place to ensure that contractors comply with their contracts.

Additional functions that may be reviewed under the Fiscal Responsibility criterion include, but are not limited to, the following:

- Adherence to approved program management and MIP budgets.
- Compliance with the BPRs.
- Compliance with financial reporting requirements.
- Control of administrative cost and benefit payments.

#### *E. Administrative Activities Criterion*

We may measure a carrier's administrative ability to manage the Medicare program. We may evaluate the efficiency and effectiveness of its operations, its system of internal controls, and its compliance with our directives and initiatives.

We may measure a carrier's efficiency and effectiveness in managing its operations. Proper systems security (general and application controls), Automatic Data Processing (ADP) maintenance, and disaster recovery plans must be in place. Also, a carrier must test system changes to ensure accurate implementation of our instructions.

Our evaluation of a carrier under this criterion may include, but is not limited to, reviews of the following:

- Systems security.
- ADP maintenance (configuration management, testing, change management, security, etc.).
- Disaster recovery plan.
- Implementation of our general instructions.
- Data and reporting requirements implementation.
- Internal controls establishment and use, including the degree to which the contractor cooperates with the Secretary in complying with the FMFIA.

### **VII. Criteria and Standards for Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Regional Carriers**

For FY 2003 Contractor Performance Evaluation for DMEPOS regional