

carriers has been structured into five criteria, which are the same criteria used for intermediaries and carriers: Claims Processing; Customer Service; Payment Safeguards; Fiscal Responsibility; and Administrative Activities. These criteria for DMEPOS regional carriers were referred to in prior **Federal Register** notices as Quality, Efficiency, Service, and Benefit Integrity.

In these five criteria there are a total of seven mandated standards against which all DMEPOS regional carriers must be evaluated. There also are examples of other activities for which the DMEPOS regional carriers may be evaluated. The mandated standards are in the Claims Processing and Customer Service Criteria. In addition to being described in these criteria, the mandated standards are also described in Attachment J-37 to the DMEPOS regional carrier statement of work (SOW).

A. Claims Processing Criterion

The Claims Processing criterion contains the following six mandated standards:

Standard 1. 95.0 percent of clean electronically submitted claims are processed within statutorily specified time frames. Clean claims are defined as claims that do not require Medicare DMEPOS regional carriers to investigate or develop them outside of their Medicare operations on a prepayment basis. Specifically, clean electronic claims can be paid as early as the 14th day (13 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 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. Properly generated 98.0 percent of MSNs. Our expectation is that 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 DMEPOS regional carrier hearing decisions are completed within 120 days. CMS's expectation is that contractors will meet this percentage on a monthly basis.

Standard 6. Review determination letters prepared in response to beneficiary initiated requests are written at an appropriate reading level and state in detail the reasons for the determination.

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

- Claims processing accuracy.
- Review determinations and hearing decisions are written accurately and clearly.
- Telephone reviews are appropriately documented and adjudicated timely.
- Requests for ALJ hearings are processed timely.

B. Customer Service Criterion

The Customer Service Criterion contains the following mandated standard:

Standard 1. Replies to beneficiary correspondence address concerns raised, 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 suppliers are served by prompt and accurate administration of the program in accordance with all applicable laws, regulations, the DMEPOS regional carrier SOW, 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 supplier 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.
- Providing timely and accurate replies to beneficiaries, providers, and suppliers that address their concerns and are written with appropriate customer-friendly tone and clarity.
- Walk-in inquiry service.
- Conducting beneficiary and supplier education, training, and outreach activities.
- Effectively maintaining an Internet Website dedicated to furnishing suppliers timely, accurate, and useful Medicare program information.
- Ensuring that communications are made to interested supplier organizations for the purpose of developing and maintaining collaborative supplier education and training activities and programs.

C. Payment Safeguards Criterion

DMEPOS regional carriers may be evaluated on any MIP activities if performed under their contracts. The DMEPOS regional carriers must undertake actions to promote an effective program administration with respect to DMEPOS regional carrier claims. These functions and activities include, but are not limited to the following:

- Benefit Integrity
- + Identifying potential fraud cases that exist within the DMEPOS regional carrier's service area and taking appropriate actions to resolve these cases.
- + Investigating allegations of potential fraud made by beneficiaries, suppliers, CMS, OIG, and other sources.
- + Putting in place effective detection and deterrence programs for potential fraud.
- Medical Review
- + Reducing the error rate by identifying patterns of in appropriate billing.
- + Educating suppliers concerning Medicare coverage and coding requirements.
- 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 program instructions in the specified order of priority.
- Overpayments
- + Determining that the DMEPOS regional carrier completely, accurately, timely, and aggressively pursued all outstanding overpayments in adherence with the Medicare Carriers Manual and CMS Program Memoranda resulting from the Debt Collection Improvement Act (DCIA).
- + Verify that all overpayments were timely and accurately recorded.

D. Fiscal Responsibility Criterion

We may review the DMEPOS regional 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 matters that may be reviewed under this criterion include, but are not limited to the following:

- Compliance with financial reporting requirements.