

ALABAMA QUALITY ASSURANCE FOUNDATION

PRO GENERAL MEMORANDUM NO. 96/99-01

**For Immediate Distribution To: Your Medical Staff and Utilization
Review/Quality Assurance Departments**

TO: ADMINISTRATORS AND CHIEFS OF STAFF
All Alabama Hospitals; Ambulatory Surgery Centers; Skilled Nursing Facilities; And
Home Health Agencies

FROM: H. Terrell Lindsey
President and Chief Executive Officer

DATE: October 9, 1996

**SUBJECT: REIMBURSEMENT OF PHOTOCOPYING AND POSTAGE EXPENSE
FOR MEDICARE MEDICAL RECORDS**

- I. This General Memorandum revises and replaces General Memorandum number 93/96-06 referencing the same subject. Providers should follow the procedure outlined in this transmittal to receive reimbursement for photocopying and postage expense at Health Care Financing Administration (HCFA) approved rates.
- II. AQAF Medicare chart review will continue to be performed off site. AQAF will request a copy of the Medicare beneficiary's medical record(s) be forwarded to our Central Office for review. Providers are required to forward requested information for PRO review in meeting "obligations" imposed by Section 1156(a)(3) of the Social Security Act.
- III. AQAF's written request for records will be in the form of the following: (1) review notification printout listing of cases; (2) preliminary technical denial letter; or (3) medical record request form.
- IV. Medical records selected by HCFA for review by the Medicare Clinical Data Abstraction Center (CDAC) will be requested from the provider by the CDAC. The provider should mail the requested record(s) directly to the CDAC, along with the appropriate invoice, following the CDAC mailing procedures. The CDAC will begin reimbursing hospitals directly for CDAC requested Medical records effective October 1, 1996. A copy of the CDAC notification letter and reimbursement procedures is attached to this General Memorandum for reference. Please note, the CDAC will be unable to pay copy services directly for photocopy costs. A second attachment is a HCFA letter of January 30, 1995 to all Medicare hospitals about CDACs. General Memorandum No. 93/96-22 and 93/96-26 also provide information on CDACs.

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- V. Providers reimbursed for services provided under the Prospective Payment System will be paid **\$.07 per page plus First Class postage costs**, or at such other rate specified by HCFA. Exempt units and facilities, and others receiving "cost based" reimbursement are to include photocopying and postage costs in their respective "Cost Report."
- VI. REIMBURSEMENT PROCEDURE FOR AQAF REQUESTED MEDICAL RECORDS:
- A. Each "shipment" of records **MUST** include an invoice, in duplicate, listing those records in the shipment;
- B. The invoice must list each record, by patient name and Medicare number, number of pages per record, and first class postage for the "shipment";
- C. Provider may extend the invoice for number of pages at the current rate of **\$.07** per page; and
- D. A copy of AQAF's written request for the medical record(s) **MUST** be included with the invoice.
- VII. AQAF will reimburse providers, or the provider authorized copy service, on a quarterly basis, or at such other frequency specified by HCFA, upon receipt of Federal funds. The duplicate copy of the provider's invoice will be returned with the Foundation's remittance advice.
- VIII. Invoices received without the accompanying records **CANNOT** be paid. HCFA requires an auditable procedure to be in place, both at the PRO and at the provider. Therefore, an auditable invoice must be included with each "shipment" of records.
- IX. AQAF will make every effort to expedite payment to providers for eligible photocopying and postage expenses. Your continued cooperation in our review activities is appreciated.

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cc: J. Barnett & R. Turkel, MD, FMQAI; Patty L. Rawlings, Project Officer, HCFA-Dallas; J. Michael Horsley, ALAHA; Lon Conner, MASA; Frazer Rolen, ALAHA-Birmingham; Jane M. Cottos, OIG-DHHS; Joan Hicks, RRA, UAB; AQAF Board of Directors; Lynda Northcutt, BCBS.

****(Internet Users, please request attachments)