Medicare Cost Report E-Filing (MCReF)

MLN Matters Number: MM10611 Revised   Related Change Request (CR) Number: 10611

Related CR Release Date: November 2, 2018   Effective Date: June 12, 2018

Related CR Transmittal Number: Implementation Date: June 12, 2018
R2194OTN

Note: This article was revised on November 6, 2018, to reflect revisions to CR10611, issued on October 24 and November 2. The article was revised to extend the MAC portals to be open until January 2, 2019, instead of July 2, 2018. As a result of the revision to the article, providers that wish to electronically submit their MCR must do so using MCReF on or after January 2, 2019, instead of the original date of July 2, 2018. As a result of the November 2 CR revision, an incorrect Web address for new user registration is corrected. In addition, the CR release date, transmittal number, and the Web address for CR10611 are also revised. All other information remains the same.

PROVIDER TYPES AFFECTED

This MLN Matters Article is intended for cost report staff submitting annual Medicare Cost Reports (MCRs) to Medicare Administrative Contractors (MACs) for services provided to Medicare beneficiaries.

PROVIDER ACTION NEEDED

Change Request (CR) 10611 informs MACs and providers of the new MCR e-filing (MCReF) system available for electronic transmission of cost reports. Medicare Part A providers file an annual MCR with the Centers for Medicare & Medicaid Services (CMS). The reports are filed with a MAC assigned to each provider. The MCR is used to determine the providers' Medicare reimbursable costs. MACs may suspend payments to providers that fail to file their MCR on the due date. Make sure your cost report staffs are aware of the new MCReF System.

BACKGROUND

In accordance with Chapter 1, Section 104 of the Provider Reimbursement Manual, Part II (PRM-II), providers that continue to participate in the Medicare Program are required to submit a cost report within 5 months of their cost reporting fiscal year end. For cost reports ending on a day other than the last day of the month, cost reports are due 150 days after the last day of the cost reporting period. Exceptions to this due date for "no Medicare utilization" cost reports are

addressed in PRM-II, Section110.A. MACs are required to suspend payments to providers that fail to file their MCR by the due date.

Current Medicare Cost Report (MCR) Filing and Receipt Process:

Generally, each provider must perform the following steps to properly submit an MCR to their MAC:

- Generate an MCR consisting of a machine-readable file (ECR) and a human-readable file (PDF or equivalent, also referred to as the Print Image), using CMS-approved MCR vendor software.
- Submit the Worksheet S (Certification Page) signed by an officer or administrator of the provider. A "wet" signature is required for cost reports ending before December 31, 2017; an electronic signature is allowed for cost reports ending on or after December 31, 2017.
- Provide supporting cost report documentation including, but not limited to, the working trial balance, financial statements, Medicare Bad Debt Listing, Interns and Residents Information System data, and so on.
- Submit the MCR package to their MAC via mail (or hand delivery), which account for 91 percent of all MCR submissions, or a hybrid of mail and electronic submissions which account for 9 percent of total submissions. The signed worksheet S must be mailed to the MAC.

Streamlined the MCR Filing Process:

To streamline the MCR filing process, the 2018 Inpatient Prospective Payment System (IPPS) Final Rule allows for an electronic signature on the MCR Worksheet S (Certification Page) for cost reports ending on or after December 31, 2017. Additionally, beginning May 1, 2018, CMS will make the MCReF system available to Part A providers for electronic transmission (e-Filing) of an MCR package directly to a MAC. A CMS Enterprise Identity Management (EIDM) account is required to use MCReF, which is the same account providers use to order copies of their Provider Statistical and Reimbursement Reports (PS&R).

Upon login, providers will be able to select the Fiscal Year End for which they are filing, upload all corresponding MCR materials as attachments, and submit the documents directly to their MAC. The system will perform a basic review of the attached materials to determine if the MCR is "receivable" (See Attachment A of CR10611. The Web address of CR10611 is in the Additional Information section of this article.). If issues are identified, the provider will immediately receive an error/warning message. If no issues are identified, the provider will receive a confirmation number, as well as an electronic postmark date, which can be used in correspondence regarding the submission. Once the cost report is deemed "receivable," the MAC will perform the acceptability review within 30 days. The MAC will issue a rejection letter if the cost report is rejected.

Medicare Cost Report e-Filing (MCReF) System Access:

MCReF will be hosted at the following URL: https://mcref.cms.gov. System access to MCReF will be controlled by the EIDM system, as previously noted. Part A Provider Security Officials (SOs) and their backups (BSOs), already registered in EIDM for access to CMS PS&R, will inherit access to MCReF by default through their existing account.

Providers that are not registered in EIDM, but wish to gain access to MCReF, must register in EIDM and assign an SO for their organization. New user registration is available at https://portal.cms.gov/wps/portal/unauthportal/selfservice/newuserregistration.

Note: It is important for providers to keep their EIDM credentials in good standing to avoid problems using MCReF to e-file cost reports and obtaining PS&R. This includes password updates per CMS policy and the timely replacement of SOs due to staffing changes. Issues with maintaining EIDM credentials will not constitute a valid reason for filing a cost report past its due date.

Starting January 2, 2019, providers that wish to e-file their MCR must use MCReF. MAC portals will no longer be an acceptable means of submission. Providers that wish to mail or hand deliver MCRs to MACs, may continue to do so.

Benefits of Streamlined MCR Processes:

- Increases CMS access to MCR data as submitted by providers to assist with responding to inquiries and remove additional administrative burdens on MACs and CMS.
- Eliminates MAC processes for populating the CMS Healthcare Cost Reporting Information System (HCRIS) – including the submission of 100,000 cost reports to HCRIS and subsequent resubmission.
- Eliminates the need for MACs to enter MCR Postmarked Date, Received Date, and HCRIS Sent Date.
- Enables direct receipt/promotion of IRIS data to its required end-state in STAR (eliminates manually upload IRIS data).
- Large provider chain organizations will electronically submit MCRs to one system instead of transmitting their MCRs to their assigned MAC jurisdiction's portals or physical mailing addresses.
- An MCR submitted through MCReF will be directed automatically to the correct MAC eliminating the risk of submitting the MCR to an incorrect MAC.
- Providers will receive immediate feedback on whether the MCR is received.
- Providers will save time compiling the paperwork (files) needed to create electronic media and mail the MCR package;
- Providers will have until 11:59 p.m. eastern time on the due date to submit the MCR through MCReF.
- MCReF has a simple, straightforward user interface with just one screen.
- Reduces provider confusion due to conflicting MAC "receivability" rules.

ADDITIONAL INFORMATION

The official instruction, CR10611, issued to your MAC regarding this change is available at https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/2018Downloads/R2194OTN.pdf. A detailed MCReF System Overview is attached to the CR. CMS encourages cost report staff to review this overview.

Chapter 1 of the Provider Reimbursement Manual is available at

https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Paper-Based-Manuals-Items/CMS021935.html.

If you have questions, your MACs may have more information. Find their website at http://go.cms.gov/MAC-website-list.

DOCUMENT HISTORY

Date of Change	Description
November 6, 2018	The article was revised to extend the MAC portals to be open until January 2, 2019, instead of July 2, 2018. As a result of this revision to the article, providers that wish to electronically submit their MCR must do so using MCReF on or after January 2, 2019, instead of the original date of July 2, 2018. Also, an incorrect Web address for new user registration is corrected. In addition, the CR release date, transmittal number, and the Web address for CR10611 are also revised. All other information remains the same.
May 2, 2018	Initial article released.