

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-26-12  
Baltimore, Maryland 21244-1850



Center for Medicaid and State Operations

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SMDL #02-011

June 4, 2002

Dear State Medicaid Director:

The purpose of this letter is to provide you with updated information about new procedures for requesting retrospective Medicare claims from Medicare's National Claims History (NCH) Standard Analytical Files (SAF) files for your State. You will continue to receive "crossover" claims from the Medicare contractors according to the terms of your partnership agreements with them. This letter replaces the State Medicaid Director (SMD) letter, dated June 21, 2000, regarding access to the Adjudicated Claims File (ACF) directly from Medicare's Fiscal Intermediaries (FIs) and Carriers.

As of May 31, 2002, Medicare contractors will no longer provide ad-hoc **retrospective** claims to you. This change is being made because these requests require special software that is not part of the core business of the Medicare contractors, which is to adjudicate current Medicare bills. Instead, you may access Medicare claims files for adjusted, denied and paid claims for your dually eligible population directly from the Centers for Medicare and Medicaid Services (CMS) on a one time basis.

In order to ensure that states may access all the Medicare data they need to effectively and efficiently administer the Medicaid program for their dually eligible beneficiaries, we will provide those states that need it, up to 36 months of retrospective claims (see Enclosures A and D for more detail) to facilitate the coordination of benefits (COB) between the Medicare and Medicaid Programs. Also, to ensure that you have complete current data from crossover files, the state should request all Part A, Part B, durable medical equipment (DME), and regional home health intermediary (RHHI) claims as part of the selection criteria in your Trading Partner Agreements (TPA).

In addition, we strongly urge that those states which have not done so to review our SMD letter of January 9, 2002, which outlines procedures for submitting finder files to produce a more complete and accurate matching of Medicaid beneficiary files with Medicare's Enrollment Database (EDB). Following these procedures (beginning with entering into a data use agreement (DUA) with CMS) will result in states having current and complete "matches" for identifying their dual eligible population. These "matched" eligibles can then constitute a finder file including Medicare Health Insurance Claim Numbers (HICs), which can be submitted to CMS for retrospective claims data.

In an effort to conserve expensive CMS data systems resources, a state should only select those bill types that were not received through a retrospective claims request in the recent past.

Additionally, if a state Medicaid agency receives a specified retrospective claim file from CMS, CMS will not send duplicate copies of the same file to another state agency or entity requesting it on behalf of the state. Rather, the state Medicaid agency should request (via a DUA) that the data provided to them by CMS be used for another allowable purpose (e.g., provided to the Attorney General's office for fraud and abuse purposes).

With the more accurate and complete set of identified dual eligibles in their state, States will have established finder files that can be submitted to contractors on a current basis, making subsequent requests for retrospective claims histories unnecessary for COB. This process does not, however, preclude you from making special requests for Medicare data under separate DUAs (e.g., special requests for Medicare data from non-duals for comparison or research purposes, or for Medicare data that is older than 3 years).

To ensure that you are receiving all of the crossover claims data you need, you should evaluate existing TPAs and if needed, pursue new or revised TPAs with appropriate Medicare contractors. We would also note that by utilizing TPA's to receive prospective, current Medicare claims through the crossover process, as well as the one-time, CMS direct approach to receive retrospective Medicare claims, you are provided with accurate and complete data on your dually eligible beneficiary population's medical experience, as well as a historical perspective on past experiences. The materials needed to participate in this improved dually eligible retrospective claims extraction process include:

- Updated NCH File Process and Steps for States to take (Enclosure A).
- An updated DUA template (Enclosure B) for retrospective file requests, which is returned to CMS for approval. The enclosed package includes instructions for preparation of a DUA (Enclosure C);
- The record specifications for state finder file as well as the available NCH SAF Files (Enclosure D); and

If you have any questions about any aspect of this process, please direct them to Rebecca (Goldy) Rogers at (410) 786-6450 or [rrogers1@cms.hhs.gov](mailto:rrogers1@cms.hhs.gov), or Cheryl Sample at (410) 786-7185 or [csample@cms.hhs.gov](mailto:csample@cms.hhs.gov).

Sincerely,

/s/

Dennis G. Smith  
Director

Enclosures

Page 3 – State Medicaid Director

cc:

CMS Regional Administrators

CMS Associate Regional Administrator  
for Medicaid and State Operations

CMS Associate Regional Administrator  
for Medicare

Lee Partridge  
Director, Health Policy Unit  
American Public Human Services Association

Joy Wilson  
Director, Health Committee  
National Conference of State Legislatures

Matt Salo  
Director of Health Legislation  
National Governors Association

Brent Ewig  
Senior Director Access Policy  
Association of State and Territorial Health Officials

Jim Frogue  
Acting Director, Health and Human Services Task Force  
American Legislative Exchange Council

Trudi Matthews  
Senior Health Policy Analyst  
Council of State Governments

Ned Burford, OIS

Robyn Thomas, OIS

Geraldine Nicholson, CMM

**ENCLOSURE A**  
**Medicare National Claims History Standard Analytical File**  
**DATA REQUEST**  
**STEPS TO FOLLOW FOR A NEW REQUEST OR A REUSE REQUEST**

**NEW DATA REQUEST**

1. On a one-time only basis, each state should submit a request letter with a detailed justification for the data and the original signed Data Use Agreement (DUA) to the Centers for Medicare and Medicaid Services (CMS). See the attached DUA with instructions. This package should be submitted to:

Rebecca (Goldy) Rogers  
Centers for Medicare & Medicaid Services  
Center for Medicaid & State Operations  
Mailstop:S3-13-15  
7500 Security Blvd.  
Baltimore, MD 21244-1850  
Phone: (410) 786-6450  
E-Mail: [rrogers1@cms.hhs.gov](mailto:rrogers1@cms.hhs.gov)

If another agency within your state has received claims data for the prior three years, CMS will identify to whom in the state those claims were released and ask that you submit a request for “reuse” of these data. Please follow process listed under “reuse” request.

2. CMS will review the DUA and justification. The state will be contacted to clarify any questions CMS may have. Once the DUA and data justifications are approved, the DUA will be signed by the CMS representative and assigned a DUA number. Please allow 4 to 8 weeks for initial processing of the DUA and justification. If you have any questions about the DUA or need any assistance completing the DUA, please contact Cheryl Sample on (410) 786-7185 or via e-mail at [csample@cms.hhs.gov](mailto:csample@cms.hhs.gov).
3. A CMS approval letter and a completed copy of the DUA with the assigned DUA number will be returned to the state.
4. The State's eligibility finder file should be submitted in the CMS required finder file format and contain no more than 3,000,000 records. If the finder file is in excess of this amount, additional finders should be submitted. Finder Files must be provided using IBM standard 3480 cartridges or a 3½ inch diskette. Please see ENCLOSURE D for the finder file format specifications. Also please see ENCLOSURE D for NCH SAF record specifications.

## **REUSE REQUEST**

Reuse of CMS data occurs when a requestor, from the same or a different organization requests permission to use CMS data already obtained for a prior approved project. If another agency within your state has received claims data for the prior three years, CMS will identify to whom in the state those claims were released.

The state must submit a formal request seeking written permission from CMS for the reuse of CMS data for third party liability purposes. The requirements are as follows.

1. This package should include:
  - Written Letter of Request should specify:
    - ✓ Name of data files and years of data files
    - ✓ DUA number in which data files was originally obtained
    - ✓ New purpose for which data needs to be reused
  - Written Letter of Support (from original requesting organization)
  - Data Use Agreement

This package should be submitted to:

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Centers for Medicare & Medicaid Services  
Center for Medicaid & State Operations  
Mailstop:S3-13-15  
7500 Security Blvd.  
Baltimore, MD 21244-1850  
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3. A CMS approval letter and a completed copy of the DUA with the assigned DUA number will be returned to the state.

**ENCLOSURE B**

**DATA USE AGREEMENT**

**BETWEEN CENTERS FOR MEDICARE & MEDICAID SERVICES (CMS) AND THE  
STATE OF \_\_\_\_\_**

**AGREEMENT FOR USE OF CMS DATA CONTAINING INDIVIDUAL-SPECIFIC  
INFORMATION**

In order to secure data that resides in a CMS Privacy Act System of Records, and in order to ensure the integrity, security, and confidentiality of information maintained by CMS, and to permit appropriate disclosure and use of such data as permitted by law, CMS and the State of \_\_\_\_\_, enter into this agreement to comply with the following specific paragraphs.

1. This Agreement is by and between CMS, a component of the U.S. Department of Health and Human Services (DHHS), and \_\_\_\_\_, hereinafter termed "User."
2. This Agreement addresses the conditions under which CMS will disclose and the User will obtain and use the National Claims History (NCH) Standard Analytical Files (SAFs) in section 7. This Agreement supersedes any and all agreements between the parties with respect to the use of the NCH SAFs and preempts and overrides any instructions, directions, agreements, or other understanding in or pertaining to any grant award or other prior communication from the Department of Health and Human Services or any of its components with respect to the data specified within. Further, the terms of this Agreement can be changed only by a written modification to this Agreement, or by the parties adopting a new agreement. The parties agree further that instructions or interpretations issued to the User concerning this Agreement or the data specified herein, shall not be valid unless issued in writing by the CMS point-of-contact specified in section 5, or the CMS signatory to this Agreement shown in section 20.
3. The parties mutually agree that CMS retains all ownership rights to the data file(s) referred to in this Agreement, and that the User does not obtain any right, title, or interest in any of the data furnished by CMS.
4. The parties mutually agree that the following named individual is designated as "Custodian" of the file(s) on behalf of the User, and will be personally responsible for the observance of all conditions of use and for establishment and maintenance of security arrangements as specified in this Agreement to prevent unauthorized use. The User agrees to notify CMS within fifteen (15) days of any change of custodianship. The parties mutually agree that CMS may disapprove the appointment of a custodian, or may require the appointment of a new custodian at any time.

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(Name of Custodian)

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(Company/Organization)

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(Street Address)

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(City/State/ZIP Code)

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(Phone Number Including Area Code and E-mail Address if applicable)

5. The parties mutually agree that the following named individual will be designated as “point-of-contact” for the Agreement on behalf of CMS.

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(Name of Contact)

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(Title/Component)

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(Street Address)

---

(City/State/ZIP Code)

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(Phone Number Including Area Code and E-mail Address if applicable)

6. The User represents, and in furnishing the NCH SAFs, CMS relies upon such representation, that this file(s) will be used solely for the purpose(s) outlined below.

**To facilitate the coordination of benefits between the Medicare and Medicaid programs**

The User represents further that, except as specified in an Enclosure to this Agreement or except as CMS shall authorize in writing, the User shall not disclose, release, reveal, show, sell, rent, lease, loan, or otherwise grant access to the data covered by this Agreement to any person(s). The User agrees that, within the User organization, access

to the data covered by this Agreement shall be limited to the minimum number of individuals necessary to achieve the purpose stated in this section and to those individuals on a need-to-know basis only. Disclosure of this data is made pursuant to:

- Freedom of Information Act (5 U.S.C. §552)
- Privacy Act (5 U.S.C. §552a)
- Section 1106 of the Social Security Act (42 U.S.C. §1306)
- Computer Matching and Privacy Protection Act of 1988 (P.L. 100-503)
- Section 1843 of the Social Security Act (42 U.S.C. §1395v)

7. CMS will provide the User with all paid, adjusted, and denied Standard Analytical Files, which is an extract from the National Claims History, System Number 09-70-0005. Medicare beneficiaries included in the NCH SAFs will vary from State to State depending on the number of Medicare beneficiaries residing in the State, present or past and on the size of the finder file submitted. The following files and timeframe are covered under this Agreement:

<u>File</u>	<u>Timeframe</u>
Inpatient Claims	
Outpatient Claims	
Home Health Agency Claims	
Skilled Nursing Facility Claims	
Hospice Claims	
Durable Medical Equipment Claims	
Physician Supplier Part B Claims	

8. The parties mutually agree that the aforesaid file(s) (and/or any derivative file(s) [includes any file that maintains or continues identification of individuals]) may be retained by the User for a 2-year time period from the effective date of this Agreement, hereinafter known as the retention date. The User agrees to notify CMS within 30 days of the completion of the purpose specified above in section 6. Upon such notice, CMS will notify the User either to return all data files to CMS at the User's expense, or to destroy such data. If CMS elects to have the User destroy the data, the User agrees to certify the destruction of the files in writing within 30 days of CMS's instruction. A statement certifying this action *must* be sent to CMS. If CMS elects to have the data returned, the User agrees to return all files to CMS within 30 days of receiving notice to that effect. The User agrees that no data from CMS records, or any parts thereof, shall be retained when the aforementioned file(s) are returned or destroyed unless authorization in writing for the retention of such file(s) has been received from the appropriate Systems Manager or the person designated in section 20 of this Agreement. The User acknowledges that stringent adherence to the aforementioned information outlined in this paragraph is required. The User also acknowledges that stringent adherence to the aforementioned retention date is required, and that the User shall ask CMS for instructions



under this paragraph if instructions have not been received after 30 days after the retention date.

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9. The User agrees to establish appropriate administrative, technical, and physical safeguards to protect the confidentiality of the data, and to prevent its unauthorized use or access. The safeguards shall provide a level and scope of security that is not less than the level and scope of security established by the Office of Management and Budget (OMB) in OMB Circular No. A-130, Appendix III--Security of Federal Automated Information Resources (<http://www.whitehouse.gov/omb/circulars/a130/a130.html>), which sets forth guidelines for security plans for automated information systems in Federal agencies. The User acknowledges that the use of unsecured telecommunications, including the Internet, to transmit individually identifiable or deducible information derived from the file(s) specified in section 7 is strictly prohibited. Further, the User agrees that the data must not be physically moved or transmitted in any way from the site indicated above in section 4, without written approval from CMS.
10. The User agrees that the authorized representatives of CMS, DHHS Office of the Inspector General or Comptroller General, will be granted access to premises where the aforesaid file(s) are kept for the purpose of inspecting security arrangements confirming whether the User is in compliance with the security requirements specified in section 9.
11. The User agrees that no findings, listing, or information derived from the file(s) specified in section 7, with or without identifiers, may be released if such findings, listing, or information contain any combination of data elements that might allow the deduction of a beneficiary's identification, without first obtaining written authorization from the appropriate System Manager or the person designated in section 20 of this Agreement. (Examples of such data elements include, but are not limited to, address, sex, age, medical diagnosis, procedure, admission/discharge dates, date of death, etc.) The User agrees further that CMS shall be the sole judge as to whether any finding, listing, or information, or any combination of data extracted or derived from CMS's files identifies or would, with reasonable effort, permit one to identify an individual or to deduce the identity of an individual with a reasonable degree of certainty.
12. The User agrees that, absent express written authorization from the appropriate System Manager or the person designated in section 20 to do so or as outlined in this agreement, the User shall make no attempt to link records included in the file(s) specified in section 7 to any other identifiable source of information. This includes attempts to link to other CMS data files.
13. The User understands and agrees that they may not reuse original or derivative data file(s) without prior written approval from the appropriate System Manager or the person designated in section 20 of this Agreement.

14. The parties mutually agree that the following specified Enclosures are part of this Agreement:

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15. The User agrees that in the event CMS determines or has a reasonable belief that the User has made or may have made disclosure of the aforesaid file(s) that is not authorized by this Agreement, or other written authorization from the appropriate Systems Manager or the person designated in section 20, CMS in its sole discretion may require the User to: (a) promptly investigate and report to CMS the User's determinations regarding any alleged or actual unauthorized disclosure, (b) promptly resolve any problems identified by the investigation; (c) if requested by CMS, submit a formal written response to an allegation of unauthorized disclosure; (d) if requested by CMS, submit a corrective action plan with steps designed to prevent any future unauthorized disclosures; and (e) if requested by CMS, return data files to CMS immediately. The User understands that as a result of CMS's determination or reasonable belief that unauthorized disclosures have taken place, CMS may refuse to release further CMS data to the User for a period of time to be determined by CMS.
16. The User hereby acknowledges that criminal penalties under §1106(a) of the Social Security Act (42 U.S.C. §1306(a)), including a fine not exceeding \$10,000 or imprisonment not exceeding 5 years, or both, may apply to disclosures of information that are covered by §1106 and that are not authorized by regulation or by Federal law. The User further acknowledges that criminal penalties under the Privacy Act (5 U.S.C. §552a(i)(3)) may apply if it is determined that the Requestor or Custodian, or any individual employed or affiliated therewith, knowingly and willfully obtained the file(s) under false pretenses. Any person found guilty under the Privacy Act shall be guilty of a misdemeanor and fined not more than \$5,000. Finally, the User acknowledges that criminal penalties may be imposed under 18 U.S.C. §641 if it is determined that the User, or any individual employed or affiliated therewith, has taken or converted to his own use data file(s), or received the file(s) knowing that they were stolen or converted. Under such circumstances, they shall be fined under Title 18 or imprisoned not more than ten years, or both.
17. By signing this Agreement, the User agrees to abide by all provisions set out in this Agreement for protection of the data file(s) specified in section 7, and acknowledges having received notice of potential criminal and administrative penalties for violation of the terms of the Agreement.
18. On behalf of the User, the undersigned individual hereby attests that he or she is authorized to enter into this Agreement and agrees to all the terms specified herein. The duration of this Agreement is two years from the effective date. Either party may

independently terminate the agreement upon written request to the other party, in which case the termination shall be effective 30 days after the date of the notice, or at a later date specified in the notice.

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(Name/Title of Individual)

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(State Agency/Organization)

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(Street Address)

---

(City/State/ZIP Code)

---

(Phone Number Including Area Code and E-mail Address if applicable)

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Signature

Date

20. On behalf of CMS the undersigned individual hereby attests that he or she is authorized to enter into this Agreement and agrees to all the terms specified herein.

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(Typed or Printed Name and Title of CMS Representative)

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Signature

Date

21. The disclosure provision(s) that allow the discretionary release of CMS data for the purpose(s) stated in paragraph 6 follow(s). (To be completed by CMS staff)

**National Claims History, Systems of Record #09-70-0005, routine use #12**

## ENCLOSURE C

### INSTRUCTIONS FOR COMPLETING THE DATA USE AGREEMENT (DUA)

This agreement is needed in order for you to receive the NCH SAFs to ensure compliance to the requirements of the Privacy Act, and must be completed prior to the release of file.

Directions for the completion of the agreement follow:

**Before completing the DUA, please note the language contained in this agreement cannot be altered in any form.**

- **First paragraph, enter the Name of the State Agency.**
- **Item #1, enter the Name of the State Agency.**
- **Item #4, enter the Custodian Name, State Agency Department or Contractor Organization, Address, Phone Number (including area code), and E-Mail Address (if applicable). The Custodian of files is defined as that person who will have actual possession of and responsibility for the data files. This section should be completed even if the Custodian and Requestor/User are the same.**
- **Item #18 is to be completed by Requestor/User.**
- **Item #19 is to be completed by Custodian.**
- **Item #20 will be completed by the CMS representative.**

If you have any questions about the DUA or need any assistance completing the DUA, please contact Cheryl Sample on (410) 786-7185 or via e-mail at [csample@cms.hhs.gov](mailto:csample@cms.hhs.gov). Submit the original signed DUA and request letter to:

Rebecca (Goldy) Rogers  
Centers for Medicare & Medicaid Services  
Center for Medicaid & State Operations  
Mailstop S3-13-15  
7500 Security Boulevard  
Baltimore, MD 21244-1850  
Phone: (410) 786-6450  
E-Mail: [rrogers1@cms.hhs.gov](mailto:rrogers1@cms.hhs.gov)

## ENCLOSURE D

### CMS FINDER FILE RECORD SPECIFICATIONS

#### 14 Byte HIC Finder File

Field name	Field Size	Location	Remarks
Health Insurance Claim Number	11	1 - 11	User Supplied Search Argument
Filler	2	12 - 13	Blank or Requestor=s Identifier
Sex	1	14	0 = Unknown 1 = Male 2 = Female

#### 14 Byte SSN Finder File

Field name	Field Size	Location	Remarks
Social Security Number	9	1 - 9	User Supplied Search Argument
Filler	2	10 - 13	Blank or Requestor=s Identifier
Sex	1	14	0 = Unknown 1 = Male 2 = Female