

512.285 Reconciliation process.

(a) General. CMS conducts an initial reconciliation and a true-up reconciliation for each RO participant for each PY in accordance with this section.

(b) Annual reconciliation calculations. (1) To determine the reconciliation payment or the repayment amount based on RO episodes initiated in a PY, CMS performs the following steps:

(i) CMS calculates an RO participant's incorrect episode payment reconciliation amount as described in paragraph (c) of this section.

(ii) CMS calculates the RO participant's quality reconciliation amount as described in paragraph (d) of this section, if applicable.

(iii) CMS calculates the RO participant's patient experience reconciliation amount, as described in paragraph (e) of this section, if applicable.

(iv) CMS calculates the stop-loss reconciliation amount, as described in paragraph (f) of this section, if applicable.

(v) CMS adds, as applicable, the incorrect episode payment reconciliation amount, any quality reconciliation payment amount, any patient experience reconciliation amount, and any stop-loss reconciliation payment amount. The sum of these amounts results in a reconciliation payment or repayment amount.

(2) CMS calculations use claims data available at the time of reconciliation.

(c) Incorrect episode payment reconciliation amount. CMS calculates the incorrect episode payment reconciliation amount as follows:

(1) Total incorrect payment withhold amount. CMS calculates the total incorrect payment withhold amount by adding the incorrect payment withhold amount for each episode initiated in the PY.

(2) Total duplicate RT services amount. CMS calculates the total duplicate RT services amount by adding all FFS amounts for duplicate RT services furnished during each episode initiated in the PY. The duplicate RT services amount is capped for each episode and will not be more than the participant-specific professional episode payment amount or participant-specific technical episode payment amount received by the RO participant for an RO episode, even if the duplicate RT services amount exceeds the participant-specific professional episode payment amount or the participant-specific technical episode payment amount.

(3) Total incomplete episode amount. CMS calculates the total incomplete episode amount for a subset of incomplete episodes.

(i) Incomplete episodes in which an RO beneficiary ceases to have traditional FFS Medicare as his or her primary payer at any time after the initial treatment planning service is furnished and before the date of service on a claim with an RO Model-specific HCPCS code and EOE modifier, provided an RO participant furnishes a technical component RT service to the RO beneficiary within 28 days of such initial treatment planning service, are not included in the incomplete episode amount.

(ii) For all other incomplete episodes initiated in the PY, CMS determines the total incomplete episode amount by calculating the difference between the following amounts:

(A) The sum of all FFS amounts that would have been paid to the RO participant in the absence of the RO Model for any included RT services furnished during such incomplete episodes, as determined by no-pay claims. This sum is what CMS owes the RO participant for such incomplete episodes.

(B) The sum of the participant-specific episode payment amounts paid to the relevant RO participant for such incomplete episodes initiated in the PY.

(4) Total incorrect episode payment amount. CMS calculates the total incorrect episode payment amount as follows:

(i) If the sum described in paragraph (c)(3)(ii)(A) of this section is more than the sum described in paragraph (c)(3)(ii)(B) of this section, the difference is subtracted from the total duplicate RT services amount and the resulting amount is the total incorrect episode payment amount.

(ii) If the sum described in paragraph (c)(3)(ii)(A) of this section is less than the sum described in paragraph (c)(3)(ii)(B) of this section, the difference is added to the total duplicate RT services amount and the resulting amount is the total incorrect episode payment amount.

(5) Incorrect episode payment reconciliation amount. If the total incorrect episode payment amount represents money owed by the RO participant to CMS, CMS subtracts the total incorrect episode payment amount from the total incorrect payment withhold amount. In the case that the total incorrect episode payment amount represents money owed by CMS to the RO participant, CMS adds the total incorrect episode payment amount to the total incorrect payment withhold amount. The resulting amount is the RO participant's incorrect episode payment reconciliation amount.

(d) Quality reconciliation payment amount. For Professional participants and Dual participants, CMS determines the quality reconciliation payment amount for each PY by multiplying the participant's AQS (as a percentage) by the total quality withhold amount for all RO episodes initiated during the PY.

(e) Patient experience reconciliation amount. For PY3 and subsequent PYs, CMS determines the patient experience reconciliation amount for RO participants by multiplying the participant's AQS (as a percentage) by the total patient experience withhold amount for all RO episodes initiated during the PY.

(f) Stop-loss reconciliation amount. CMS determines the stop-loss reconciliation amount for RO participants that have fewer than 60 episodes during 2016 through 2018 and were furnishing included RT services at November 30, 2020 in the CBSAs selected for participation by -

(1) Using no-pay claims, CMS calculates the total FFS amount by summing the FFS amounts that would have been paid to the RO participant in the absence of the RO Model for all included RT services furnished during the RO episodes initiated in the PY; and

(2) CMS calculates the sum of all participant-specific professional episode payments and participant-specific technical episode payments paid to the RO participant for the RO episodes initiated in the PY.

(3) If the total FFS amount exceeds the sum of the participant-specific episode payment amounts for the PY by more than 20 percent then CMS owes the RO participant the amount that exceeds 20 percent, either increasing the amount of the RO participant's reconciliation payment or reducing the amount of the RO's participant's reconciliation repayment.

(g) True-up reconciliation. CMS conducts a true-up reconciliation in the same manner described in paragraph (b) of this section (except that the quality reconciliation payment amount and the patient experience reconciliation amount are not calculated) to determine any additional reconciliation payment or repayment amount that are identified using 12-months of claims run-out.

(h) Reconciliation report. CMS issues each RO participant a reconciliation report for each PY. Each reconciliation report contains the following:

(1) The RO participant's reconciliation payment or repayment amount, if any, for the relevant PY.

(2) Any additional reconciliation payment or repayment amount owed for a previous PY as a result of the true-up reconciliation.

(3) The net reconciliation payment or repayment amount owed.

(i) Payment of amounts owed. (1) CMS issues a reconciliation payment to the RO participant in the amount specified in the reconciliation report 30 days after the reconciliation report is deemed final.

(2) The RO participant must pay a repayment amount to CMS in the amount specified in the reconciliation report by a deadline specified by CMS. If the RO participant fails to timely pay the full repayment amount, CMS recoups the repayment amount from any payments

otherwise owed by CMS to the RO participant, including Medicare payments for items and services unrelated to the RO Model.

(3) No coinsurance is owed by an RO beneficiary with respect to any repayment amount or reconciliation payment.