

IRM PROCEDURAL UPDATE

DATE: 03/28/2016

NUMBER: SBSE-05-0316-0614

SUBJECT: Levy on Other Government Payments

AFFECTED IRM(s)/SUBSECTION(s): 5.11.6

CHANGE(s):

IRM 5.11.6.6.1(2) is revised to update identification of Centers for Medicare & Medicaid Services (CMS) contractors and remove requirement to mail levy copy to CMS.

2. An insurance company or Medicare Administrative Contractors referred to as MACs contracting with the Centers for Medicare and Medicaid Services (CMS) makes the Medicare payments. Serve the levy on this company. To locate the current MAC access the web page <https://www.cms.gov/Medicare/Medicare-Contracting/Medicare-Administrative-Contractors/MedicareAdministrativeContractors.html> and search **Who are the MACS** based upon the State. Then follow the links to locate the geographic region and MAC serving each State. See Exhibit 5.11.6-3, Medicare Administrative Contractors (MACs) for list of addresses.

IRM 5.11.6.6.2(2) is revised to increase from 30% to 100% in the case of any specified payment due to a Medicare provider or supplier.

IRM 5.11.6.6.2(2) note is revised to update identification of CMS contractors and remove requirement to mail levy copy to CMS.

2. Whenever the FPLP indicator is present on a module, revenue officers may decide to levy the Medicare provider payments through the FPLP -- attaching the entire 100% of the disbursement continuously which is the most efficient method; or the levy may be converted to utilize the general levy and distraint statute, IRC 6331(a).

NOTE: Levy on Medicare payments paid to providers does not require second level approval. Prior to issuing the Form 668-A(ICS) or 668-A(c)(DO), release or block the module from the FPLP, if necessary. See IRM 5.11.7.2.6, *Blocking or Releasing FPLP Levy*. Serve the levy on the insurance company or Medicare Administrative Contractors referred to as MACs. To locate the current MAC access the web page <https://www.cms.gov/Medicare/Medicare-Contracting/Medicare-Administrative->

Contractors/MedicareAdministrativeContractors.html and search **Who are the MACS** based upon the State. Then follow the links to locate the geographic region and the MAC serving each State. See Exhibit 5.11.6-3, Medicare Administrative Contractors (MACs) for list of addresses.

IRM 5.11.6.17.1 is revised to fix link to CMS Medicare contractors.

1. Major sources of income for LTC can be a combination of private payments from relatives and government funding.
2. Review of LTC bank deposit items will help determine the identity of any residents for whom rent is paid by a family member directly to the SNF operator entity. A levy may be issued to those family members to attach those funds, which are generally due on a monthly basis. Follow the procedure in IRM 5.11.6.17 when determining whether to issue a levy to a family member.
3. Because most patients who require LTC become insolvent at some point due to the cost, most occupy Medicaid authorized beds. The SNF operator is reimbursed on a per diem basis from the Medicaid program for care of the patient in each Medicaid authorized bed that is occupied on a particular day. These per diem funds are the primary source of income for most SNFs. In order to levy effectively and capture all of the funds being paid by Medicaid to the operator, levies need to be sent DAILY. It is highly recommended that arrangements be made in advance to fax the levies directly to the Accounts Payable Department for your state's administering agency and to confirm receipt on the same day.
4. The SNF operator bills Medicare for any medical services provided, whether for doctors on staff, rehab services, medication, or other type of medical service provided to the patient. Claims for these services are paid by Medicare Administrative Contractors referred to as MACs. Once a claim has been approved for payment, there is a minimum 14 day aging period during which the funds must be held by CMS before the payment can be released to the medical provider (14 days for claims submitted electronically and 28 days for claims submitted via paper). In order to capture all payments aging in the system and/or due to be released at any given time to medical provider, a new levy should be issued to the appropriate MAC every 14 days.
5. The CMS maintains a web page that contains locations for MACs jurisdictions, their definitions, and who holds the contract currently. The web page address is <https://www.cms.gov/Medicare/Medicare-Contracting/Medicare-Administrative-Contractors/MedicareAdministrativeContractors.html>. To locate an MAC access the web page and search "Who are the MACS" based upon MACs by State. Then follow the links to locate your geographic region and MAC contact information.

Exhibit 5.11.6-3 is added to list Medicare Administrative Contractors (MACs).

State	MAC Address	MAC Phone Numbers
Alaska, Arizona, California, Hawaii, Idaho, Montana, North Dakota, Nevada, Oregon, South Dakota, Utah, Washington, Wyoming	Noridian Healthcare Solutions, LLC, Attn: Noridian Mutual Insurance Co, 900 42nd St South, Fargo, ND 58103	<ul style="list-style-type: none"> • Phone 701-277-5188 • Fax 701-277-6530
Alabama, Georgia, Tennessee	Cahaba Government Benefit Administrators, LLC, Attn : Daniele Greene, PO Box 381896, Birmingham, AL 35238	<ul style="list-style-type: none"> • Phone 205-220-1385 • Fax 205-220-1413
Arkansas, Colorado, Washington, DC, Delaware, Louisiana, Maryland, Mississippi, New Jersey, New Mexico, Oklahoma, Pennsylvania, Texas	Novitas Solutions, Inc., Attn: Accounts Receivable - Tax Levy, 2020 Technology Parkway, Suite 100, Mechanicsburg, PA 17050	<ul style="list-style-type: none"> • Phone 717-526-3408 • Fax 717-526-3483
Connecticut, Illinois, Massachusetts, Maine, Minnesota, New Hampshire, New York, Rhode Island, Vermont, Wisconsin	National Government Services, Inc., Attn: LEGAL DEPT, AF-25, 8115 Knue Rd., Indianapolis IN 46250	<ul style="list-style-type: none"> • Phone 317-595-4831 • Fax 317-841-4680
Florida, Puerto Rico, Virgin Islands	First Coast Service Options, Inc., Attn: Debt Recovery ROC 3C - Cynthia Wertman, PO BOX 44141, Jacksonville, FL 32231-4141	<ul style="list-style-type: none"> • Phone 904-791-8522 • Fax 904-361-0664
Iowa, Indiana, Kansas, Michigan, Missouri, Nebraska	Wisconsin Physicians Service Insurance Corporation, Attn: WPS Health Solutions - Legal, PO Box 8190, Madison, WI 53713	<ul style="list-style-type: none"> • Phone 608-223-5841 • Fax 608-223-5898
Kentucky, Ohio	CGS Administrators, LLC, Attn: Banking Team, PO Box 25029, Nashville, TN 37202	<ul style="list-style-type: none"> • Phone 615-660-5722 • Fax 615-782-4622

North Carolina, South Carolina, Virginia, West Virginia	Palmetto GBA, LLC, Attn: IRS Levy Processing, AG-340, 2300 Springdale Drive, Bldg One, Camden, NC 29020-1728	<ul style="list-style-type: none"> • Phone 803-382-6253 • Fax 803-870-9116
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