CMS Manual System	**Department of Health & Human Services (DHHS)**
Pub 100-08 Medicare Program Integrity	**Centers for Medicare & Medicaid Services (CMS)**
Transmittal 13322	**Date: July 24, 2025**
	Change Request 14152

SUBJECT: Updates to Chapter 1, Section 1.4 of Publication (Pub) 100-08 - Program Integrity Manual (PIM) To Clarify the Contractor Medical Director's Primary Functions

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to update Chapter 1, Section 1.4 of Pub. 100-08 - PIM to clarify the Contractor Medical Director's primary functions.

EFFECTIVE DATE: August 25, 2025
**Unless otherwise specified, the effective date is the date of service.*
IMPLEMENTATION DATE: August 25, 2025

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)
R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
R	1/1.4/Overview of Medical Review (MR) and Program Integrity (PI) Programs

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

Business Requirements
Manual Instruction

Attachment - Business Requirements

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II. GENERAL INFORMATION

A. Background: This CR aligns the language in Chapter 1 of Pub. 100-08 with the revisions made in Chapter 13 of Pub. 100-08.

B. Policy: There are no legislative, statutory, or regulatory impacts associated with this CR.

III. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility								
		A/B MAC			DME	Shared-System Maintainers				Other
		A	B	HHH	MAC	FISS	MCS	VMS	CWF	
14152.1	Contractors shall apply the instructions outlined in Chapter 1, Section 1.4 of Pub. 100-08.	X	X	X	X					

IV. PROVIDER EDUCATION

None

Impacted Contractors: None

V. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: All other recommendations and supporting information: N/A

VI. CONTACTS

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VII. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

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ATTACHMENTS: 0

Medicare Program Integrity Manual

Chapter 1 - Overview of Medical Review (MR) and Program Integrity (PI) Programs

Table of Contents
(Rev. 13322; Issued: 07-24-25)

1.4 - Contractor Medical Director (CMD)

(Rev. 13322; Issued: 07-24-25, Effective: 08-25-25, Implementation: 08-25-25)

MACs:

The MACs shall employ a minimum of two FTEs contractor medical director (CMD) and arrange for an alternate when the CMD is unavailable for extended periods. The CMD FTEs shall be composed of either a Doctor of Medicine or a Doctor of Osteopathy. All clinicians employed or retained as consultants shall be currently licensed to practice medicine in the United States, and the contractor shall periodically verify that the license is current. When recruiting CMDs, contractors shall give preference to physicians who have patient care experience and are actively involved in the practice of medicine. The CMD's duties are listed below.

Primary duties include:

- Leadership in the provider community, including:
    - Interacting with medical societies and peer groups; *and*
    - Educating providers, individually or as a group, regarding identified problems or *concerns.*
- Providing the clinical expertise and judgment to develop LCDs and internal MR guidelines:
    - Serving as a readily available source of medical information to provide guidance in questionable claims review situations;
    - Determining when LCDs are needed or must be revised to address program abuse;
    - Assuring that LCDs and associated internal guidelines are appropriate;
    - Briefing and directing personnel on the correct application of policy during claim adjudication, including through written internal claim review guidelines;
    - Selecting consultants licensed in the pertinent fields of medicine for expert input into the development of LCDs and internal guidelines;
    - Keeping abreast of medical practice and technology changes that may result in improper billing or program abuse;
    - Providing the clinical expertise and judgment to effectively focus MR on areas of potential fraud and abuse; and
    - Serving as a readily available source of medical information to provide guidance in questionable situations.

Other duties include:

- Interacting with the CMDs at other contractors to share information on potential problem areas;
- Participating in CMD clinical workgroups, as appropriate; and

- Upon request, providing input to CO on national coverage and payment policy, including recommendations for relative value unit (RVU) assignments.

SMRC:

Primary duties include:

- Serving as a readily available source of medical information to provide guidance in questionable claims review situations

- Providing the clinical expertise and judgment to develop LCDs and internal MR guidelines

- Keeping abreast of medical practice and technology changes that may result in improper billing or program abuse

- Providing clinical expertise and judgment to effectively focus MR on areas of potential fraud and abuse

- Serving as a readily available source of medical information to provide guidance in questionable situations