Medicare Secondary Payer: Conditional Billing Examples

7/14/2021

Today's Presenters

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Objective

- Review claim examples that represent compliant conditional claims prepared after provider receives no payment from primary payer

Agenda

- Claim preparation and submission reminders
  - From 7/7/2021 Conditional Billing Webinar
- Claim examples for various conditional situations
  - Polling questions to help code claim examples
- MSP Resources – Also refer to handout
- Questions and answers

Recap: 7/7/2021 Conditional Billing Webinar

- **MSP and your MSP responsibilities**
- **Conditional claims**
  - Conditional claims – defined
  - Promptly – defined
  - Conditional billing when primary payer is a GHP
  - Conditional billing when primary payer is a non-GHP
  - Conditional billing when primary payer is a Liability
  - Situations in which conditional payment can be made
  - Situations in which conditional payment cannot be made

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Recap: 7/7/2021 Conditional Billing Webinar

- **Preparing conditional claims**
  - Prepare and submit conditional claims – steps
  - General instructions
  - Home health and hospice providers
  - Coding your conditional claims
  - Conditional claims - claim fields
  - Conditional vs. MSP claims
  - Conditional claims – claim codes
- **Submitting conditional claims**
  - Options and CAGS and CARCS

Claim Preparation and Submission Reminders

Conditional Claims

- **Claims submitted to Medicare requesting conditional payment because**
  - You billed primary payer but they did not pay for a valid reason
    - Applies to all MSP VCs except 16 and 42
      - For VCs 16 and 42, if primary payer does not pay, submit primary claim
  - You billed primary payer but they did not pay promptly
    - Applies to MSP VCs 14, 15, 41 and 47 (accidents only)
      - Generally, promptly means within 120 days

- **If Medicare can make conditional payment**
  - Payment and beneficiary responsibility same as if we're primary

Conditional Payment

- ## We can make conditional payment when primary payer
  - Did not pay for a valid reason (any MSP VC except 16 & 42)
  - Did not pay promptly/cannot reasonably be expected to pay promptly and promptly period expired (MSP VCs 14, 15, 41 or 47)
    - If beneficiary also has primary GHP, submit to GHP before Medicare
- ## We cannot make conditional payment when primary payer
  - Was not billed or did not pay because
    - Beneficiary refuses to file a claim with insurer, or cooperate with provider in filing claim
    - Provider/beneficiary failed to file proper claim with insurer resulting in no payment
  - Did not pay because
    - There is a primary EGHP and you did not send claim to them first or EGHP rejected claim stating no-fault, WC or liability should pay first (MSP VCs 14, 15, 41 or 47)

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Prepare and Submit Conditional Claims – Steps

- **Follow all steps**
  - Identify/bill appropriate primary payer for beneficiary's services
  - Prepare conditional claim
    - If primary payer is a GHP, you must have response from them
    - If primary payer is a non-GHP
      - You must have response from them or
      - Promptly period must have expired (MSP VCs 14, 15, 41 or 47 only)
  - Use correct MSP claim coding including CARC(s), RARC(s) and primary payer's adjustment amount(s) from their RA (835)
  - Ensure MSP claim information matches MSP record in CWF
  - Contact BCRC to set up/change MSP record if necessary
    - Refer to MSP Resources handout for BCRC information and SE1416

Prepare and Submit Conditional Claims – Steps

- **Follow all steps (continued)**
  - Wait for any updates to show in CWF before moving to next step
  - Review conditional claim to ensure required coding is present
  - Submit conditional claim using available options
  - Upon receipt of Medicare's payment, apply it to account
  - Apply any adjustments from Medicare's RA to account
  - Bill beneficiary only when appropriate
    - May bill beneficiary only for services not covered by Medicare, Medicare deductible, coinsurance and/or co-pay
  - Maintain documentation

General Instructions for Medicare Claims

- ## For conditional claims, follow **Medicare's requirements**

  - ### Such requirements apply to all Medicare claims including conditional claims

    - **Billing** requirements including providers' frequency of billing

      - If Medicare is secondary, can we submit separate claims when primary payer starts or stops paying during claim's billing period? If Medicare were primary, we would submit one claim.

      - **Answer:** No, since we require one claim, submit one claim as MSP claim

    - **Technical** requirements including timely filing, etc.

    - **Medical** requirements

Home Health and Hospice Providers

- In MSP situations
  - HHAs
    - Submit RAP showing Medicare as primary
    - Not reimbursed on RAP
    - Insurer information reported on final claim
  - Hospice
    - Submit NOE showing Medicare as primary
    - Insurer information reported on claim(s)

Coding Your Conditional Claims

- Complete claims in usual manner; report:
  - Covered TOB
  - All coding usually required
  - Total covered/noncovered days as usual
  - Covered/noncovered charges as usual
  - Primary payer as first payer
  - Medicare as second payer
  - Appropriate billing codes in applicable claim fields (FLs) to indicate claim is conditional

Conditional Claims – Claim Fields

Code	UB-04 FLs	Electronic Field	FISS DDE
Condition codes	18–28	2300.HI (BG)	Page 01
Occurrence codes and dates	31–34	2300.HI (BH)	Page 01
Value code and payment	39–41	2300.HI (BE)	Page 01
Primary payer code (C)	N/A	N/A	Page 03
Primary insurer name	50A	2320.SBR04	Page 03

Part A

Conditional Claims – Claim Fields

Code	UB-04 FLs	Electronic Field	FISS DDE
Insured's name	58A	2330A.NM104	Page 05
Patient's Relationship to Insured	59A	2320.SBR02	Page 05
Insured's unique ID	60A	2330A.NM109	Page 05
Insurance group name	61A	2320.SBR04	Page 05
Insurance group number	62A	2320.SBR03	Page 05
Reason primary didn't pay *and* Insurance address (unless using FISS DDE)	Use Remarks for both FL 80	Use Remarks for both 2300.NTE	Remarks for reason (Page 04), Page 06 (address)

Condition Codes FLs 18-28

Occurrence Codes FLs 31-34

Value Codes FLs 39a-41d

Payer Name FL 50a, b, c

Insured's Name

Remarks FL 80

1 | 2 | 3a PAT. CNTL # 3b MED. REC. # | 4 TYPE OF BILL

5 FED. TAX NO. | 6 STATEMENT COVERS PERIOD FROM THROUGH | 7

8 PATIENT NAME | a | 9 PATIENT ADDRESS | b

10 BIRTHDATE | 11 SEX | 12 DATE | ADMISSION 13 HR | 14 TYPE | 15 SRC | 16 DHR | 17 STAT | 18 19 20 21 CONDITION CODES 22 23 24 25 26 27 28 | 29 ACDT STATE | 30

31 OCCURRENCE CODE DATE | 32 OCCURRENCE CODE DATE | 33 OCCURRENCE CODE DATE | 34 OCCURRENCE CODE DATE | 35 OCCURRENCE SPAN CODE FROM THROUGH | 36 OCCURRENCE SPAN CODE FROM THROUGH | 37

38 | 39 CODE VALUE CODES AMOUNT | 40 CODE VALUE CODES AMOUNT | 41 CODE VALUE CODES AMOUNT
a b c d

42 REV. CD. | 43 DESCRIPTION | 44 HCPCS / RATE / HIPPS CODE | 45 SERV DATE | 46 SERV. UNITS | 47 TOTAL CHARGES | 48 NON-COVERED CHARGES | 49

PAGE ___ OF ___ | CREATION DATE | TOTALS

50 PAYER NAME | 51 HEALTH PLAN ID | 52 REL INFO | 53 ASG BEN | 54 PRIOR PAYMENTS | 55 EST. AMOUNT DUE | 56 NPI
57 OTHER PRV ID

58 INSURED'S NAME | 59 P. REL | 60 INSURED'S UNIQUE ID | 61 GROUP NAME | 62 INSURANCE GROUP NO.

63 TREATMENT AUTHORIZATION CODES | 64 DOCUMENT CONTROL NUMBER | 65 EMPLOYER NAME

66 DX | 67 A B C D E F G H I J K L M N O P Q | 68

69 ADMIT DX | 70 PATIENT REASON DX a b c | 71 PPS CODE | 72 ECI | 73

74 PRINCIPAL PROCEDURE CODE DATE | a. OTHER PROCEDURE CODE DATE | b. OTHER PROCEDURE CODE DATE | 75 | 76 ATTENDING NPI QUAL LAST FIRST

c. OTHER PROCEDURE CODE DATE | d. OTHER PROCEDURE CODE DATE | e. OTHER PROCEDURE CODE DATE | 77 OPERATING NPI QUAL LAST FIRST

80 REMARKS | 81CC a b c d | 78 OTHER NPI QUAL LAST FIRST
79 OTHER NPI QUAL LAST FIRST

UB-04 CMS-1450 | APPROVED OMB NO. | THE CERTIFICATIONS ON THE REVERSE APPLY TO THIS BILL AND ARE MADE A PART HEREOF.

NUBC

LIC9213257

Conditional Claims versus MSP Claims

- ## Conditional claims look **similar** to MSP claims
  - ### On conditional claims, do not report
    - CC 77 or VC 44
  - ### On conditional claims, report
    - MSP VC and amount of zero
    - OC 24 and date (except in one situation)
    - **Primary payer code = C in FISS regardless of MSP VC**
    - Remarks code to let us know reason primary payer did not pay

Conditional Claims – Coding

- Appropriate billing codes in applicable claim fields (FLs) to indicate claim is conditional
    - CCs: 02 and/or 06
    - OCs
        - 01, 02, 03, 04 and DOA
        - 24 and date unless reporting code DA in Remarks and/or
        - 33 and date
    - MSP VC and zero payment: 12, 13, 14, 15, 41, 43 or 47
    - Patient's relationship to insured: 01, 18, 19, 20, 21, 53 or G8
    - Remarks
        - Reason primary payer did not pay with code NB, PC, CD, FG, BE, PE, DA, DP, LD or PP on first line and any more required information, one space over

Tip: Be Aware of Claim Coding Combination Requirements

- MSP VC 13 requires corresponding CC and OC

  - VC 13 for ESRD/EGHP requires CC 06 and OC 33 with date ESRD coordination period began

- MSP VCs for accidents require corresponding CCs and OCs with DOA/injury

  - VC 14 for med-pay (auto or premises) requires OC 01 and DOA

  - VC 14 for no-fault (auto no-fault states) requires OC 02 and DOA

  - VC 15 for WC requires CC 02 and OC 04 and DOA

  - VC 41 for Federal Black Lung requires CC 02 and OC 04 and DOA

  - VC 47 for Liability requires OC 03 and DOA

Claim Submission Options

- **Submit MSP, tertiary and conditional claims:**
  - Electronically via 837I claim,
  - In FISS DDE, or
  - Using hardcopy UB-04/CMS-1450 claim form
    - Send to our Claims Department
      - Include primary payer's RA, EOB and any other relevant information
    - You must have or obtain approved ASCA waiver
    - Visit our website for
      - ASCA information under Claims & Appeals
      - Claims address under Contact Us > P.O. Box Mailing Addresses > Claims

Submit Conditional Claims in FISS DDE

- ## As of 1/1/2016, per CR8486, providers can
    - ### Use FISS DDE to
        - Submit and correct MSP, conditional and Medicare tertiary claims
        - Adjust claims for MSP reasons
    - ### Submit Medicare tertiary claims via 837I claim
        - Hardcopy submission with ASCA waiver no longer required
- ## FISS process was updated to allow above actions
    - ### MAP1719 was added so you can enter payments and adjustments from CAS of primary payer's RA (835) – CAGCs, CARCs and amounts
    - ### MAP103L was added so MACs can key hardcopy claims

Did You Know

- When you submit conditional claims

  - **In FISS DDE** – Enter MSP CAS information from primary payer's RA directly into MAP1719 (Claim Entry page 03)

  - **Via 837I claim** – Submit MSP CAS information from primary payer's RA; Medicare maps it to MAP1719

    - If claim is RTP, you can access it in FISS DDE to correct

    - If claim is rejected, you must adjust it (in some cases, you can resubmit)

Reporting CAGCs and CARCs

- CAGC(s) from primary payer's RA (835)
  - Identifies general category of payment adjustment
  - Required when primary payer adjusts billed charges
  - Options:
    - CO (Contractual Obligations)
    - OA (Other Adjustments)
    - PI (Payer Initiated Reductions)
    - PR (Patient Responsibility)

- CARC(s) from primary payer's RA (835)
  - Communicates an adjustment
  - Explains why primary payer paid differently from amount billed to them
  - Suggest CARC 192 when reporting code DA in Remarks
  - External Code Lists/X12

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Part A

Conditional Claim Examples – Help Code These Claims

Assumptions for all Claim Examples

- All patients are fictitious and assumed to have Medicare
- There is a matching MSP record in CWF for each example
- Medicare's claim filing guidelines are met for provider/claim
- Provider submitted claim using appropriate method
- Provider completed/reported
  - Appropriate patient relationship code
  - Primary insurer address
  - A primary payer name as first payer and Medicare as second payer
    - Insured's name, insured's unique ID, insurance group name, insurance group number
  - All appropriate CAGCs, CARCs and amounts from primary payer's RA

Example #1

Example #1	
Beneficiary	Beneficiary 1, Age 69
Employed	For employer with 25 employees
Insurance	EGHP through above employee
Service	OP Facility
DOS	12/10/2020
Charges	$600
Expected to receive	$450
Primary paid	$0 (Per EOB dated 1/10/2021, $450 payment applied to deductible, OP facility submits conditional claim)

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Example #1 – Claim Coding

CCs?	None
OC 24 needed?	Yes
If so, with what date?	**Help code date**
Any other OCs and dates?	None
Which MSP VC?	12
Explanation code in Remarks?	**Help select code**
Explanation code date required?	No

Polling Question #1

- For example #1, what date is required with OC 24 and which explanation code is required in Remarks?

  a) 12/10/2020 and NB

  b) 12/20/2020 and CD

  c) 1/10/2021 and NB

  d) 1/10/2021 and CD

Example #2	
Beneficiary	Beneficiary 2, Age 74 (Retired)
DOA	2/9/2021 (fall in grocery store)
Insurance	Liability Insurer (no med-pay)
Service	IP Hospital
DOS	2/10/2021 – 2/13/2021
Charges	$29,000
Filed Claim with Primary Payer	2/16/2021
Primary paid	$0 (no response within 120 days); Hospital withdrew claim with Liability and submits conditional claim

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Example #2 – Claim Coding

CCs?	None
OC 24 needed?	No
Any other OCs and dates?	03 = 2/9/2021
Which MSP VC?	**Help select code**
Explanation code in Remarks?	**Help select code**
Explanation code date required?	Yes
If so, what date?	**Help code date**

Polling Question #2

- For example #2, which MSP VC is required and which explanation code and date is required in Remarks?

  a) 14 and DA = 02/16/21

  b) 14 and DA = 02/10/21

  c) 47 and DA = 02/16/21

  d) 47 and DA = 02/10/21

Example #3

Beneficiary	Beneficiary 3, Age 35 with ESRD (30-month coordination period began 1/1/2020
Employed	Parent works for employer
Insurance	EGHP through parent's employer
Service	Home Health
DOS	11/15/2020 – 1/10/2021
Charges	$4,000
Primary paid	$0 (per EOB dated 2/20/2021, provider not in EGHP's network); HHA submits conditional claim

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Example #3 – Claim Coding

CCs?	03 (zero 3)
OC 24 needed?	Yes
If so, with what date?	**Help code date**
Other OCs and dates?	33 = 1/1/2020
Which MSP VC?	13
Explanation code in Remarks?	**Help select code**
Explanation code date required?	No

Polling Question #3

- For example #3, what date is required with OC 24 and which explanation code is required in Remarks?

    a) 1/10/2021 and FG "out of network"

    b) 2/20/2021 and FG "out of network"

    c) 1/10/2021 and NB

    d) 2/20/2021 and NB

Example #4	
Beneficiary	Beneficiary 4, Age 66
Employed	Spouse works for employer with 38 employees
Insurance	EGHP through spouse's employer
Service	Hospice
DOS	11/2/2020 – 11/29/2020
Charges	$5,500
Primary paid	$0 (per EOB dated 12/24/2020, hospice provider received no payment, hospice services not covered benefit); provider submits conditional claim

Example #4 – Claim Coding

CCs?	None
OC 24 needed?	Yes
If so, with what date?	12/24/2020
Other OCs and dates?	None
Which MSP VC?	**Help select code**
Explanation code in Remarks?	**Help select code**
Explanation code date required?	No

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Polling Question #4

- For example #4, which MSP VC is required and which explanation code is required in Remarks?

    a) 12 and NB

    b) 43 and NB

    c) 12 and CD

    d) 43 and CD

    e) 12 and BE

Example #5

Beneficiary	Beneficiary 5, Age 53
Employed	For employer with 112 employees
Insurance	LGHP through above employer
Service	IP SNF (submits monthly claims)
DOS	11/1/2020 – 12/13/2020
Charges	$180,000
Primary paid	$90,000 through 11/25/2020 (per EOB dated 1/1/2021, provider received no more payment, LGHP's SNF benefits exhausted for 2020 on 11/25/2020); SNF submits conditional claim

Did You Know

- For example #5, SNF must submit two claims
  - MSP claim 11/1/2020 – 11/30/2020 and
  - **Conditional claim 12/1/2020 – 12/13/2020**

Example #5 – Claim Coding

CCs?	None
OC 24 needed?	Yes
If so, with what date?	**Help code date**
Other OCs and dates?	None
Which MSP VC?	43
Explanation code in Remarks?	**Help select code**
Explanation code date required?	Yes
If so, what date?	**Help code date**

Polling Question #5

- For example #5, what date is required with OC 24 and which explanation code and date is required in Remarks?

    a) 1/1/2020 and BE = 11/25/20

    b) 11/25/2020 and BE = 11/25/20

    c) 1/1/2020 and PE = 11/25/20

    d) 11/25/2020 and PE = 11/25/20

Example #6

Beneficiary	Beneficiary 6, Age 81 (retired)
DOA (auto)	12/9/2020 (not a No-Fault state)
Insurance	Auto med-pay (no liability)
Service	OP facility
DOS	12/30/2020
Charges	$250
Filed claim with primary payer	1/15/2021
Primary paid	$0 (per EOB from med-pay dated 2/10/2021, benefits exhausted on 1/30/2021 which is after this DOS). OP facility submits conditional claim.

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Example #6 – Claim Coding

CCs?	None
OC 24 needed?	Yes
If so, with what date?	2/10/2021
Other OCs and dates?	**Help select code and date**
Which MSP VC?	14
Explanation code in Remarks?	**Help select code**
Explanation code date required?	Yes
If so, what date?	**Help code date**

Polling Question #6

- For example #6, which OC and date is required **and** which explanation code and date is required in Remarks?

    a) 01 = 12/30/2020 and BE = 02/10/21

    b) 01 = 12/09/2020 and BE = 01/30/21

    c) 02 = 12/30/2020 and BE = 02/10/21

    d) 02 = 12/09/2020 and PE = 01/30/21

Example #7

Example #7	
Beneficiary	Beneficiary 7, Age 75 (retired)
DOA (auto)	12/9/2020 (in auto No-Fault state)
Insurance	Auto No-Fault (no liability)
Service	OP facility
DOS	2/3/2021
Charges	$550
Filed claim with primary payer	2/15/2021
Primary paid	$0 (per EOB from No-Fault dated 2/20/2021, benefits exhausted on 2/10/2021 which is after this DOS). OP facility submits conditional claim.

Example #7 – Claim Coding

CCs?	None
OC 24 needed?	Yes
If so, with what date?	2/20/2021
Other OCs and dates?	**Help select code and date**
Which MSP VC?	14
Explanation code in Remarks?	**Help select code**
Explanation code date required?	Yes
If so, what date?	**Help code date**

Polling Question #7

- For example #7, which OC and date is required **and** which explanation code and date is required in Remarks?

  a) 01 = 12/09/2020 and PE = 2/10/20

  b) 01 = 12/09/2020 and BE = 2/10/20

  c) 02 = 12/09/2020 and PE = 2/10/20

  d) 02 = 02/03/2021 and PE = 2/10/20

Example #8

Beneficiary	Beneficiary 8, Age 63
Employed	For employer with 161 employees
Insurance	LGHP through above employer
Service	IP hospital (bills admit to discharge)
DOS	11/1/2020 – 12/13/2020
Charges	$150,000
Primary paid	$75,000 through 11/10/2020; then $0 per EOB dated 1/11/2021 because care through 12/13/2020 is not covered.

Polling Question #8

- For example #8, provider must submit:

  a) Two claims; one MSP claim from 11/1/2020 to 11/10/2020 and one conditional claim from 12/1/2020 to 12/13/2020

  b) One MSP claim from 11/1/2020 to 12/13/2020

  c) One conditional claim from 11/1/2020 to 12/13/2020

Conditional Claim Wrap-Up

- **Conditional claims**
  - Are claims submitted to Medicare when primary payer has not paid promptly (accident situation) or for a valid reason
  - Require OC 24 and date of primary payer's notice (RA, EOB statement, letter, etc.) explaining why they did not pay claim
    - Exception: when primary payer for accident did not pay promptly
  - Require MSP VC and primary payer's payment amount of zero
  - Require two-digit explanation code in Remarks that explains why primary payer did not pay (some also require a date in MM/DD/YY format)

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What You Should Do Now

- Review MSP Resources handout
- Review MLN Matters article MM7355
- Share information with staff
- Continue to learn more about MSP
- Continue to attend educational sessions
- Develop and implement policies that ensure providers MSP responsibilities are met
- Submit conditional claims when appropriate and code accurately

Part A

MSP Resources – Also Refer to Handout

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Education Tab on our Website

- For a complete listing of our educational activities, visit the Education mega tab on [our website](#)

- Our Education includes links to

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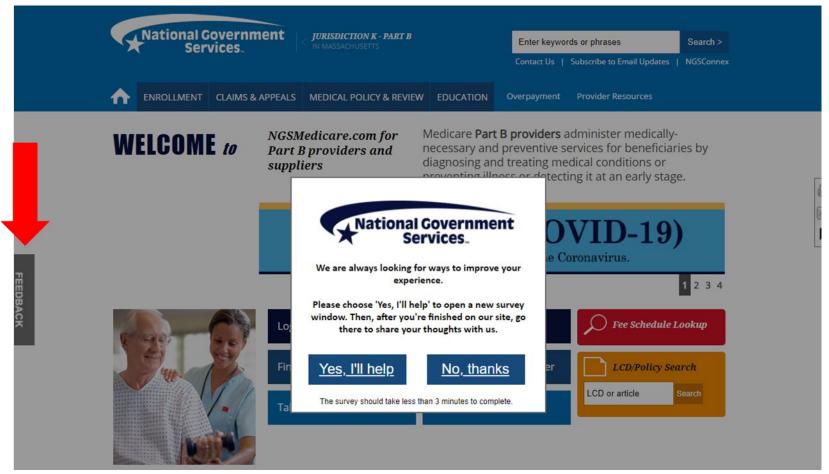- Easiest, fastest way to be aware of POE information

MLN Matters® 7355 Revised

- MLN Matters® *MM7355 (Revised): Clarification of Medicare Conditional Payment Policy and Billing Procedures for Liability, No-Fault and Workers' Compensation (WC) Medicare Secondary Payer (MSP) Claims*
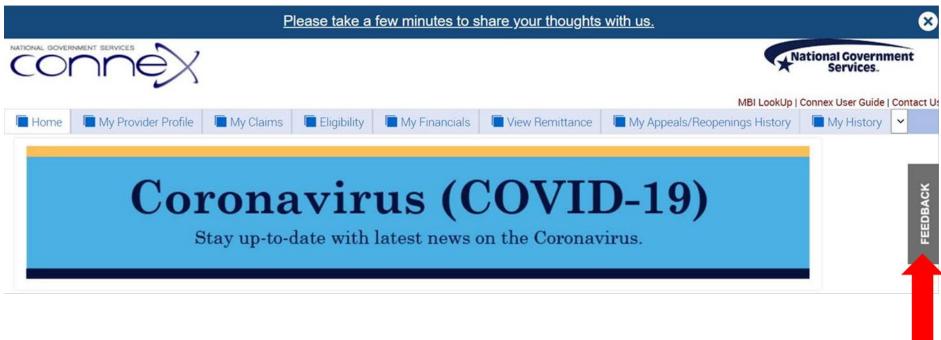
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Online Assessment and Questions

- ## Follow-up email

  - ### In addition to receiving Medicare University Course Code for this Webinar, attendees will be asked to complete an online assessment

- ## Questions?

  - ### Do not enter any beneficiary or claim-related questions in Webinar question box

  - ### Contact our PCC with such questions

Thank You!

- Follow-up email
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