Medicare Secondary Payer Conditional Payments

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Part B

Today's Presenters

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Objectives

- After this session you will be able to
  - Properly bill MSP conditional claims
  - Understand the definition of prompt payments

Agenda

- Provider Responsibility

- Beneficiary Eligibility

- MSP Insurance Type Codes

- Conditional Medicare Payment Procedures

- Prompt Payments

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Provider Responsibilities

- Determine if Medicare is primary payer for services rendered

  - Maintain office procedures to identify primary payer other than Medicare at each visit

  - Bill other payers before billing Medicare

  - Submit MSP claims when required even if primary payer made payment in full

- [CMS IOM Publication 100-05, *Medicare Secondary Payer Manual,* Chapter 3, Sections 20.1 and 20.2](#)

Basic Eligibility Checks

- Providers shall check beneficiary's Medicare eligibility frequently

  - Enrolled with another insurance that is primary over Medicare

- MSP Model Questionnaire

Claim Submission Timeliness

- Existence of liability insurance or potential liability insurance situation does not change or extend Medicare's timely filing requirements

- Limit is one calendar year from date of service

  - Claims not submitted timely are provider-liable

- If Medicare is not billed within applicable timely filing period, claims will be denied

- MLN Matters® *MM7270 Revised: Changes to the Time Limits for Filing Medicare Fee-For-Service Claims*

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MSP Insurance Type Codes

- **Group health plans**
  - types of coverage based on current or past employment
    - Working aged (12)
    - Disabled (43)
    - ESRD (13)
  - Electronic claims requirement

- **Non group health plans**
  - typically types of coverage that are a result of an accident or injury
    - Automobile or other no-fault insurance (14)
    - Workers' compensation (15)
    - Liability (47)
  - Electronic claims requirement

- 2000B SBR01 equals T or S

- 2320 SBR05 shall contain a value of 12, 13, 14, 15, 43, or 47

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Conditional Medicare Payment and Prompt Payment Procedures

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Conditional Payments

- Medicare pays provider because payment has not been made or is not expected to be made by primary insurer

- Payments are made "on condition" that Medicare will be reimbursed if it is demonstrated that insurance is or was responsible for making primary payment for services rendered

Prompt Payment

- Procedures to follow when submitting liability insurance, no-fault insurance and WC claims when the liability insurer, no-fault insurer and WC carrier does not make prompt payment or cannot reasonably be expected to make prompt payment
  - This includes self-insurance

Prompt Period

- ## No-fault insurance and WC

  - Payment within 120 days after receipt of claim by primary insurance

  - Date of service for specific items and service treated as claim date when determining promptly period

- ## Liability Insurance

  - Payment within 120 days after earlier of the following

    - Date general liability claim filed with insurer or lien filed against potential liability settlement, or

    - Date service furnished

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Conditional Options

- Conditional payments are not required
- Request approved by Medicare
  - No payment to provider from primary payer
  - Medicare makes payment to provider
  - Medicare recoups monies paid out if determined that primary was responsible for making payment

Requesting Conditional Payment

- ## Requirements for Medicare beneficiaries

  - Not required to file claim with liability insurer or cooperate with provider in filing claim

  - Are required to cooperate in filing of no-fault claims

    - If refuses to cooperate in filing of no-fault claims, Medicare will not pay

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

Conditional Payment Data Requirements

- ## Electronic 5010 837 Professional Claims

Type of Insurance	CAS	Insurance Type Code 2302 SBR05 from previous payer(s)	Claim Filing Indicator (2300 SBR09)	Paid Amount (2320 AMT or 2430 SVD02)	Condition Code (2300 HI)	Date of Accident
No-Fault/Liability	2320 or 2430 – valid information why NGHP did not make payment	14 / 47	AM or LM	$0.00		2300 DTP 01 through 03 and 2300 CLM 11-1 through 11-3 with value AA or QA
WC	2320 or 2430 – valid information why NGHP or GHP did not make payment	15	WC	$0.00	02- Condition is employment related	2300 DTP 01 through 03 and 2300 CLM 11-1 through 11-3 with value E/M

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References and Materials

- **NGSMedicare.com**
  - Under Claims & Appeals > Medicare Secondary Payer

- **CMS IOM Publication 100-05, *Medicare Secondary Payer Manual***

- **CMS Medicare Secondary Payer web page**

- MLN® Booklet: *Medicare Secondary Payer*

Thank You

- Follow-up email
  - Attendees will be provided a Medicare University Course Code
- Questions?

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