

Learning Medicare Secondary Payer Interactively

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Today's Presenters

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Objective

After this session, attendees will be more familiar with applying the Medicare Secondary Payer provisions and billing scenarios to situations seen in the office day-to-day



Agenda

MSP Provisions: Identify Primary Payers

Collect Copy and Check Insurance Data and Documentation

Billing Requirements

Utilizing Self-Service Products

MSP Provisions

Interactive MSP Scenarios

MSP Provisions: Identify Primary Payers

- Group Health Plans
 - Working aged (12)
 - Disabled (43)
 - ESRD (13)
- Nongroup Health Plans
 - Workers' Compensation (15)
 - Automobile or no-fault insurance (14)
 - Liability (47)
- Not considered MSP
 - Federal Black Lung Program
 - Veterans Administration



First Steps

Provider Responsibilities



- Provider enrollment agreement
 - Determine whether or not Medicare is primary payer for services rendered
 - ✓ Maintain system to identify any 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](#)

Collect, Copy and Check Insurance Data and Documentation



Collect Patient
Information



Verification of
Medicare
Secondary Payer
(MSP) Online Data
and Use of
Admission
Questions



Check Medicare's
Records



Interactive Voice
Response System



NGSConnex
Navigation Guide



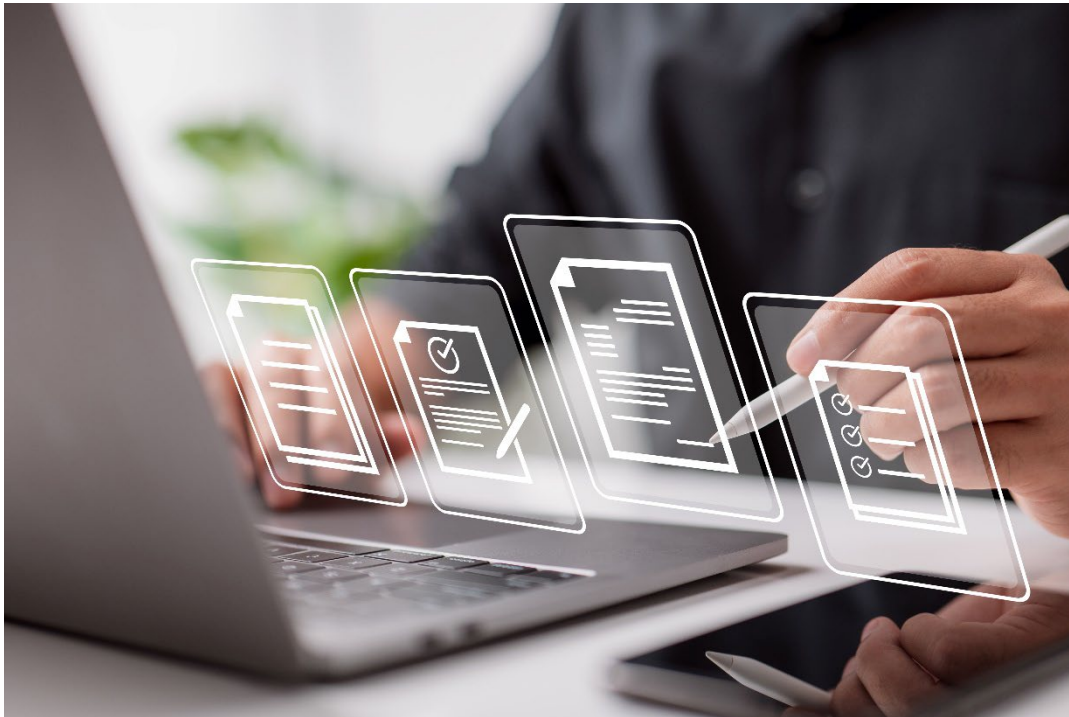
MSP Billing Requirements

Medicare Claim Timely Filing

- Limit is one calendar year from date of service
 - Claims not submitted timely are provider-liable
 - Beneficiary cannot be charged
- Exceptions notification [MM7270: Changes to the Time Limits for Filing Medicare Fee-For-Service Claims](#)
 - Administrative error
 - Retroactive Medicare entitlement, including when State Medicaid agencies involved
 - Retroactive disenrollment from Medicare Advantage Plan or PACE Provider Organization



MSP Claim Billing



- Paper claims for ASCA waived providers only
 - Must be submitted on red and white CMS-1500 claim form (02/12)
 - ✓ [Paper Instructions](#)
- Electronic 837P
 - Different claim submission methods
 - ✓ Directly to Medicare (PC-ACE or NGSConnex)
 - ✓ Through clearinghouse or vendor via HIPAA-compliant software
 - Required items on paper claim have electronic equivalents
 - ✓ [Electronic Instructions](#)

Interactive Scenarios

Working Aged Category and Provision Review

MSP Working Aged

- Five criteria must be met
 - Beneficiary aged 65 or older
 - Beneficiary enrolled in Medicare Part A
 - Beneficiary or spouse (of any age) employed and actively working
 - Beneficiary covered by EGHP through that employer
 - Size of employer (full- and/or part-time employees)
 - ✓ Individual employer GHP = 20 or more employees
 - ✓ Multi-employer or multiple employer GHPs = at least one employer employs 20 or more employees



Working Aged Scenario One

- Lawna has a small property maintenance business where she is the only employee
- However, business has increased so much that it's now too difficult for her to keep up with the paperwork and still have time for her Lawn and Order customers
- Therefore, Lawna hires Azela, a 70-year-old widow to work 40 hours per week
- Azela has Medicare based on her previous work experience
- Who would pay primary for Azela?
- How would you submit the claim?

Working Aged Scenario Two

- Lawna's Lawn and Order has grown so much that she needs to hire another assistant to help her
- Lawna now hires Shrub to work 40 hours per week
- Shrub is 65 years old, has Medicare, and has been married to Green for 30 years
- Green's workplace has family insurance coverage through his employer's group insurance at Dairyland, which has 1000 employees and his wife, Shrub is covered under his policy
- Who would pay primary for Shrub?
- How would you submit the claim?

Working Aged Scenario Three

- Lawna's Lawn and Order business continues to grow, so she has now moved to commercial workshop and hired a staff of 21 full-time employees
- Lawna offers an Employer Group Health Plan to the employees, including Azela and Shrub
- Who would pay primary for Azela?
- Who would pay primary for Shrub?

Disability Category and Provision Review

MSP Disability

- Medicare entitlement based on disability
- Five criteria must be met
 - Beneficiary under age 65
 - Beneficiary enrolled in Medicare Part A
 - Beneficiary or family member (of any age) employed and actively working
 - Beneficiary covered by LGHP through that employer
 - Size of employer (full- and/or part-time employees)
 - ✓ Individual/multiple employer LGHP – 100 or more employees
 - ✓ Multi-employer plan – at least one employer employs 100 or more employees



Disability Scenario One

- Huckberry, a 35-year-old disabled horticulturist, works at Timber Branch, a company with 5000 employees
- Huckberry receives Medicare due to disability (severe heart condition) and has insurance coverage under the Large Group Health Plan offered by her employer, Timber Branch
- Who would pay primary for Huckberry's claims?
- Why?

Disability Scenario Two

- Lily Vera is 20 years old and disabled
- Does not work but is covered under Medicare and the family insurance his father Aloe Vera has through work
- Aloe's employer, Wort and Company has 90 employees
- Who would pay primary for Lily's claims?
- Why?

ESRD Category and Provision Review

MSP ESRD

- Beneficiary of any age diagnosed with permanent kidney failure
- Two criteria must be met
 - Beneficiary eligible for or entitled to Medicare based on ESRD
 - ✓ Usually third month after month started regular course of maintenance dialysis
 - Beneficiary enrolled in GHP through current/former employer of self or family member
- 30-month coordination period
 - Begins earlier of
 - ✓ Regular course renal dialysis initiated
 - ✓ Self-dialysis training occurred
 - ✓ Entitlement based on kidney transplant
 - Also based on
 - ✓ Date Part A became effective based on ESRD
 - ✓ Date Part A would have become effective based on ESRD had individual applied for Medicare when eligible
 - Ends last date of 30th month from date began
 - ✓ Earlier if GHP ends prior to end of 30th month

ESRD Scenario One

- In October 2022, Basil was diagnosed at age 49 with permanent kidney failure and began receiving dialysis treatments three times a week
- He is employed by True Leaf and has insurance coverage through his employer's group health plan
- Basil became eligible for Medicare in January 2023
- Who would pay primary for Basil's claims with dates of service in January 2023?
- Why?

ESRD Scenario Two

- Basil became too sick to work, so he had to leave his job in March 2023
- Who would pay primary for Basil's claims with dates of service in July 2023?
- Why?

No-Fault Category and Provision Review

MSP No-Fault

- Can be automobile or other no-fault insurance
- Pays for medical services resulting from
 - Bodily injury
 - Damage to property
- Types include, but are not limited to
 - Automobile insurance
 - Homeowner's insurance
 - Commercial insurance



No-Fault Scenario One

- Mr. and Mrs. Grasshopper were driving home from an event and ran off the road into a ditch
- Although nobody was seriously injured, Mr. Grasshopper was quite sore the next day
- Mr. Grasshopper was seen by his doctor and found out he had a concussion due to the accident
- Mr. Grasshopper has no-fault automobile insurance with Advanced Auto Insurance (AAI), and also has Medicare
- Who is the primary payer for Mr. Grasshopper's office visit due to the concussion?
- Next day, Mr. Grasshopper fell at home and suffered a leg fracture
- Who would be primary in this case?

Liability Category and Provision Review

MSP Liability

- Protects against claims based on
 - Negligence
 - Inappropriate action
 - Inaction resulting in bodily injury or damage to property
- Types include, but are not limited to
 - Homeowner's
 - Automobile and/or uninsured/underinsured motorist
 - Product
 - Malpractice



MSP Liability Scenario One

- Mrs. Vine told Mr. Vine to fix the wobbly railing on their front steps for over a month, but he has not yet done it
 - Jasmine a sales representative from Lawn and Order is visiting residents to market her lawn products and business
 - As Jasmine walks up the Vine's front steps, she puts her hand on the railing and it breaks, sending Jasmine over the edge and ending up with a big cut on her forehead which requires stitches
 - Jasmine works full time at Lawn and Order and has insurance through her employer with 110 employees as well as Medicare coverage
 - The Vine's have homeowner's insurance through Ivy Insurance
- Who is the primary payer for the stitching of the cut to Jasmine's head?

Workers' Compensation Category and Provision Review

MSP Workers' Compensation

- Provides compensation to employees for injury or disease suffered in connection with employment
- Coverage through current or former employer
- Claims typically billed to WC carrier
- Primary to Medicare for related conditions



Workers' Compensation Scenario One

- Walker Comp is 70 and has worked at WC Concrete for 50 years
- Walker has group health plan insurance through Supreme Company, his wife's employer
- Last week at work, Walker picked up a bag of concrete like he's always done, but this time he ended up slipping a disc in his back, causing him to be out of work
- Who is the primary payer for Walker's claims relating to his back?

Federal Black Lung Category and Provision Review

Federal Black Lung

- Provides medical benefits to coal miners disabled as result of
 - BL disease, or
 - Other illnesses attributable to coal mining
- Claims submitted to different entity based on relationship to BL condition
 - Not related: Submit to Medicare, unless another provision applies
 - Related: Submit to DOL



Black Lung Scenario One

- Cole was originally from West Virginia and worked in the coal mines when she was in her 30s
- Cole is now 67, retired and living in Vermont on a farm with her spouse, Mina
- Cole is covered under the employer health insurance plan through Mina's work
- Cole was recently diagnosed with black lung disease
- Who is the primary payer for treatment of Cole's black lung disease?
- Let's say Cole went to the orthopedist for a problem with her hip. Who would be primary in this case?

Federal Veterans Administration Category and Provision Review

Federal Veterans Administration

- Veterans who also have Medicare may choose whether VA or Medicare responsible for covered benefits
 - Decision must be made each time beneficiary receives health care
- To receive VA services, beneficiary must
 - Go to VA facility or
 - Have VA authorize services in non



Federal VA Authorizations



- VA usually pays in full
 - No Medicare payment for authorized services
 - When VA copayment amounts charged for VA-authorized services furnished by non-VA sources
 - ✓ Medicare can reimburse veterans or give credit toward Medicare deductible or coinsurance
- Medicare may pay for services
 - When neither physician/supplier nor beneficiary has claimed benefits from VA
 - When VA does not make any payment

Federal VA Scenario One

- Vic Adman is 80 years old and a retired, divorced veteran who has Medicare
- He has been going to physical therapy at a Veteran's Administration facility for a short time for a recurring issue
- Who is the primary payer for services Vic receives at the VA?
- What happens if the VA denies payment?
- Can Vic decide that he wants to get services at a non-VA facility instead of always going to the VA?

Bonus Scenario

Bonus Scenario One

- Dave Duel, age 75, is a Medicare beneficiary with coverage under Part A and Part B
- He retired from the Diego Company in 2021 and received retirement health insurance coverage
- His wife, Delilah, age 64, has been employed continuously with the local police department and has coverage for herself and her husband (Dave) under the department's GHP
- How many payers could possibly pay on one of Dave's health care claims?
- What number payer is Medicare?

References and Resources

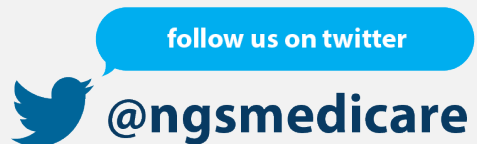
- Under Claims and Appeals > [Medicare Secondary Payer](#)
- Under Claims and Appeals > Medicare Secondary Payer (MSP) > [Prepare and Submit an MSP claim](#)
 - [Medicare Secondary Payer Manual for Electronic Submitters/ANSI Specifications for 837P](#)
- CMS MLN® Booklet: [Medicare Secondary Payer](#)
- [CMS IOM Publication 100-02, Medicare Benefit Policy Manual, Chapter 16](#)
- [CMS IOM Publication 100-05 Medicare Secondary Payer Manual, Chapter 2-MSP Provisions](#)



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