

Learning Medicare Secondary Payer Interactively

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Today's Presenters

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Objectives

- 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

- Identifying Primary Payers
- Capturing Accurate Data and Documentation
- Billing Requirements
- Utilizing Provider Self-Service Products
- Interactive MSP Scenarios

MSP Types

- Group Health Plans
 - Working aged (12)
 - Disabled (43)
 - ESRD (13)
- Nongroup Health Plans
 - Workers' Compensation (15)
 - Automobile or other no-fault insurance (14)
 - Liability (47)
- Federal Black Lung Program
- Veterans Administration

Provider's First Steps



Part B



Provider's MSP Responsibilities

- Per provider 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](#)

Primary Payer Identification Methods

- Collect patient information
- [CMS MSP Model Questionnaire](#)
- Check Medicare's records
 - IVR & NGSConnex
 - [Our website](#) > Attestation > Part B LOB > Scroll down to Featured Tools > IVR
 - [Our website](#) > Attestation > Part B LOB > scroll down to NGSConnex

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 (MLN Matters® MM7270)
 - Administrative error
 - Retroactive Medicare entitlement, including when State Medicaid agencies involved
 - Retroactive disenrollment from Medicare Advantage Plan or Program of All-Inclusive Care of the Elderly (PACE) Provider Organization

MSP Billing

- Paper claims (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

MSP Provision Scenarios



1. Quick Review of Category and Provisions of Working Aged

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

Scenario 1

- 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
- Azelia has Medicare based on her previous work experience

Scenario 1 Discussion

- Who would pay primary for Azela?
 - Medicare
- How would you submit the claim?
 - Medicare as the primary

Scenario 2

- 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 1,000 employees and his wife, Shrub is covered under his policy

Scenario 2 Discussion

- Who would pay primary for Shrub?
 - Shrub's spouse, Green insurance coverage through his employer's group insurance at Dairyland, which has 1,000 employees
- How would you submit the claim?
 - To Medicare as the secondary payer

Scenario 3

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

Scenario 3 Discussion

- Who would pay primary for Azela?
 - Lawn and Order Employer Group Health Plan
- Who would pay primary for Shrub?
 - 1st to Lawn and Order Employer Group Health Plan
 - 2nd to Shrub's spouse Green's insurance coverage through his employer, Dairyland
 - 3rd to Medicare as third payer

2. Quick Review of Category and Provisions of Disability

MSP Disabled

- 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

Scenario 1

- Huckberry, a 35-year-old disabled horticulturist, works at Timber Branch, a company with 5,000 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

Scenario 1 Discussion

- Who would pay primary for Huckberry's claims?
 - Employer LGHP through Timber Branch
- Why?
 - Because Huckberry's employer has more than 5,000 employees (classified as LGHP)

Scenario 2

- 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

Scenario 2 Discussion

- Who would pay primary for Lily's claims?
 - Medicare
- Why?
 - Disability provisions require the number of employees threshold is 100 or more employees. Because Wort and Company, has 90 employees, this would make Medicare the primary payer for Lily's services

3. Quick Review of Category and Provisions of ESRD

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

MSP ESRD

- 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

Scenario 1

- In October 2020, Basil 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 2021

Scenario 1 Discussion

- Who would pay primary for Basil's claims with dates of service in January 2021?
 - Employer health plan through True Leaf
- Why?
 - Basil works at True Leaf and has insurance coverage through his employer's group health plan

Scenario 2

- Basil became too sick to work, so he had to leave his job in March 2017

Scenario 2 Discussion

- Who would pay primary for Basil's claims with dates of service in July 2017?
 - Employer health plan through True Leaf
- Why?
 - As long as True Leaf still has Basil on their insurance coverage
 - **Note:** If the disability benefits run out and a company no longer covers an individual, Medicare may become the primary before the 30 month period ends

4. Quick Review of Category and Provisions of No-Fault Insurance

MSP No-Fault Insurance

- 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

Scenario 1

- Mr. and Mrs. Porsche were driving home from car event and ran off the road into a ditch
- Although nobody was seriously injured, Mr. Porsche was quite sore the next day
- He was seen by his doctor and found out he had a concussion due to the accident
- Mr. Porsche has no-fault automobile insurance with Progressive Insurance, and also has Medicare

Scenario 1 Discussion

- Who is the primary payer for Mr. Porsche's office visit due to the concussion?
 - Mr. Porsche's no-fault insurance Progressive
- The next day, Mr. Porsche fell at home and suffered a leg fracture. Who would be primary in this case?
 - Medicare, because the leg fracture is a result from a fall at home and nothing to do with the automobile accident

5. Quick Review of Category and Provisions of Liability Insurance

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

Scenario 1

- 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 is volunteering for a local politician and is visiting houses to encourage people to vote for her candidate
- 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 a small company and has insurance through his employer as well as Medicare
- The Vine's have homeowner's insurance through Ivy Ins.

Scenario 1 Discussion

- Who is the primary payer for the stitching of the cut to Jasmine's head?
 - Ivy Insurance
 - EGHP because Jasmine's has insurance through his employer
 - Medicare

6. Quick Review of Category and Provisions of Workers' Compensation

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

Scenario 1

- 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

Scenario 1 Discussion

- Who is the primary payer for Walker's claims relating to his back?
 - WC, because the injury was caused while working

7. Quick Review of Category and Provisions of Black Lung Program

MSP Federal Black Lung Program

- 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

Scenario 1

- Cola was originally from West Virginia and worked in the coal mines when she was in her 30s
- She is now 67, retired and living in Vermont on a farm with her spouse, Mina
- Cola is covered under the employer health insurance plan through Mina's work
- Cola was recently diagnosed with black lung disease

Scenario 1 Discussion

- Who is the primary payer for treatment of Cola's black lung disease?
 - DOL, Federal Black Lung Program
- Let's say Cola went to the orthopedist for a problem with her hip. Who would be primary in this case?
 - Any other medical related condition would be submitted to Mina's insurance, because Cola is covered under the employer health insurance plan through her spouse, Mina

8. Quick Review of Category and Provisions of Veterans Administration

MSP 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-VA facility

MSP Veterans Administration

- VA authorization = 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

Scenario 1

- Vic Arman 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

Scenario 1 Discussion

- Who is the primary payer for services Vic receives at the VA?
 - VA
- What happens if the VA denies payment?
 - Medicare will if services are a covered service
- Can Vic decide that he wants to get services at a non-VA facility instead of always going to the VA?
 - Yes

Bonus Scenario



Scenario 1

- Duel Dave, age 75, is a Medicare beneficiary with coverage under Part A and Part B
- He retired from the Duey Agency in 2013 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 under the department's GHP

Scenario 1 Discussion

- How many payers could possibly pay on one of Dave's health care claims?
 - Three
- What number payer is Medicare?
 - Delilah's EGHP through the local police department
 - Medicare
 - Dave's Retired policy

References, Resources and Materials



NGS References and Materials

- [Our website](#)
- Under Claims & Appeals > CMS 1500 Claim Form
 - CMS-1500 Crosswalk for Electronic Claim Format Professional Claim 837P
- Under Claims & Appeals > Medicare Secondary Payer > Prepare and Submit an MSP Claim
 - Medicare Secondary Payer Manual for Electronic Submitters/ANSI Specifications for 837P

CMS References and Materials

- 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](#)

Thank You!

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

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