

Medicare Secondary Payer: The Fundamentals Part 2

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Objective

Introduce you to fundamentals (basics) of MSP by providing high-level overview of your MSP responsibilities

Today's Presenters

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Agenda

- [Your MSP Responsibilities](#)
- [Determining if Medicare Primary Payer](#)
- [BCRC](#)
- [Submitting Medicare Primary Claims](#)
- [Submitting Claims to Primary Payer\(s\)](#)
- [Submitting MSP and Conditional Claims](#)
- [References and Resources](#)
- [Questions](#)

MSP: Fundamentals Part 1 Recap

- MSP overview
 - What is MSP?
 - “COB” vs. “MSP”
 - MSP history
 - MSP provisions
 - MSP provision conditions/criteria
 - MSP VCs and payer codes
 - MAO plans not primary to FFS Medicare (replace it)
 - Current employment status
- GHP MSP provisions
 - Working aged with EGHP
 - Disabled with LGHP
 - ESRD with EGHP
- Non-GHP MSP provisions
 - Federal Black Lung Program
 - Government research grants
 - VA (Medicare exclusion)
 - WC
 - No-fault and medical-payment insurance
 - Liability insurance

Your MSP Responsibilities

Providers' MSP-Related Responsibilities per Medicare Provider Agreement



Determine if Medicare primary payer

Identify insurance/coverage primary to Medicare



Submit claims to primary payers before Medicare

May be more than one payer primary to Medicare



Submit proper MSP claims to us when required

Follow MSP claim submission guidelines

Determining if Medicare Primary Payer

Conduct MSP Screening Process to Identify Payers Primary to Medicare

- Must check for MSP information in CWF
 - For each service rendered to beneficiary
 - No exceptions
- May need to collect MSP information from beneficiary or representative by asking questions about other insurance
 - For every IP admission or OP encounter with beneficiary
 - **Some exceptions** per [CMS IOM Publication 100-05, Medicare Secondary Payer Manual, Chapter 3, Section 20.1](#)

Check for MSP Information in CWF

- Part of Medicare eligibility verification process
- How to check
 - [CMS' HETS](#) (X12 270 transmission and 271 response)
 - NGSConnex
 - [Identify the Proper Order of Payers for a Beneficiary's Services](#)
- When to check
 - May view during admission/registration or billing process
 - Must view before billing Medicare; ideally before patient leaves

MSP Records in CWF - Information

- If MSP record(s) present, information includes
 - MSP VC or primary payer code for MSP provision
 - MSP effective date
 - MSP termination date, if applicable
 - Subscriber's name
 - Policy number
 - Patient's relationship to insured
 - Insurer's information



MSP Provisions, MSP VCs and Payer Codes

MSP Provision	MSP VC	Payer Code
Working aged, 65 and over, working/spouse working with EGHP, 20 or more employees	12	A
ESRD with EGHP, current/former employer, in 30-month coordination period	13	B
No-Fault (automobile/other types including medical-payment) or No-Fault Set Aside	14	D or T
WC or WC Set Aside	15	E or W
Public Health Services or other Federal agency (exclusion to Medicare)	16	F
Federal Black Lung Program	41	H
Disabled, under 65, working/family member working with LGHP, 100 or more employees	43	G
Liability Insurance or Liability Set Aside	47	L or S



Do Not Deny Services or Admission

- Do not deny medical services or entry to SNF/hospital if you discover
 - MSP record in CWF and/or
 - Claim previously mistakenly rejected by Medicare due to MSP
- MLN[®] Fact Sheet: [Medicare Secondary Payer: Don't Deny Services & Bill Correctly](#)

Collect MSP Information From Beneficiary or Representative

- Ask questions about other insurance/coverage using
 - CMS' model MSP questionnaire
 - [CMS IOM Publication 100-05, Medicare Secondary Payer Manual, Chapter 3, Section 20.2.1](#)
 - Part I – Black Lung, WC, No-Fault and Liability
 - Part II – Medicare entitlement and employer GHPs
 - Part III – ESRD Medicare entitlement (including dual entitlement)
 - Your own compliant form
 - Same content and intent as model
- Document all responses



Collect Additional Information for Billing

- Collect additional information
 - Veterans who want to use VA coverage instead of Medicare
 - Services covered by government research grant
 - Retirement dates
 - Policy when beneficiary/spouse cannot recall retirement date:
 - [CMS IOM Publication 100-05, Medicare Secondary Payer Manual, Chapter 3](#), Section 20.1, #4

Determine Proper Order of Payers

- Use collected information and MSP knowledge
 - Medicare primary when beneficiary
 - Has no other insurance/coverage
 - Has other insurance/coverage that does not meet MSP provision criteria
 - Had other insurance/coverage that met MSP provision criteria but no longer available
 - Other payer(s) primary when beneficiary
 - Has other insurance/coverage that meets MSP provision criteria and still available



Submit Claims Based on Determination You Make

- If Medicare primary
 - Submit Medicare primary claim
- If another payer primary
 - Submit claim to that payer first
 - Submit MSP or conditional claim as appropriate
- If more than one payer primary
 - Submit claims to those payers in proper order
 - Submit Medicare tertiary claim

BCRC

Who Is the BCRC?

- Contracted by CMS
- Consolidates activities that support collection, management, and reporting of other insurance coverage for Medicare beneficiaries
- Takes actions to identify health benefits available to beneficiaries
- Coordinates payment process to prevent mistaken Medicare payments
- Maintains MSP CWF records and handles most changes to them
- Answers general MSP questions and questions on claim development questionnaires
- Does not process claims or handle claim-specific inquiries

MSP Record in CWF May Require Changes

- During MSP screening process, you may learn of
 - New MSP information for beneficiary
 - If so, submit MSP or conditional claim (we will send MSP information to BCRC)
 - Don't contact BCRC
 - Information that could change MSP record to make Medicare primary
 - If so, determine if any claim coding to inform us of reason Medicare primary
 - If yes, submit Medicare primary claim with that coding (we will send it to BCRC)
 - If no, ask beneficiary/other party to contact BCRC with reason Medicare primary and submit primary claim once change occurs

Contacting BCRC

- [BCRC contact information](#)
 - 855-798-2627 or TTY/TDD: 855-797-2627
- Providers contact BCRC to
 - Ask general MSP questions or questions on development questionnaires
 - Don't contact BCRC to request changes to or set up of MSP record
- Beneficiaries and other parties contact BCRC to
 - Report employment or insurance changes to existing MSP records
 - Don't ask beneficiary to contact BCRC if you can report coding on claims
- MACs contact BCRC to
 - Set up new MSP record using coding on incoming MSP/conditional claims
 - Change existing MSP record using coding on incoming primary claims

Submitting Medicare Primary Claims

Submit Medicare Primary Claim With Reason Medicare Primary

- Providers
 - Report coding on primary claims to indicate reason Medicare primary
 - Example
 - OC 18 and beneficiary's retirement date and/or OC 19 and spouse's retirement date
 - References:
 - [Change a Beneficiary's MSP Record](#)
 - [Prevent an MSP Rejection on a Medicare Primary Claim](#)
 - [Collect and Report Retirement Dates on Medicare Claims](#)
- MAC
 - If possible, processes claim without contacting BCRC
 - If necessary, sends BCRC request to change MSP record in CWF
 - May or may not be able to process claims while waiting for BCRC

Medicare Primary Claims May Reject Due to Open MSP Records in CWF

- Claim rejects for MSP when open MSP record in CWF and
 - You submitted primary claim without claim coding indicating reason
 - Beneficiary or other party
 - Didn't contact BCRC to change MSP record
 - Contacted BCRC to change MSP record but you submitted claim before change
- Claims rejected for MSP
 - Cost-avoided claims
 - In FISS status location (S/LOC) RB9997; reason code 34xxx range
 - Top reason code 34538 = Claim submitted as primary but open VC 12 MSP record
 - Must be adjusted (TOB XX7)
 - Do not resubmit, rejects as duplicate claim

Submitting Claims to Primary Payer(s)

If Another Payer Is Primary...

- Submit claim to primary payer first
 - Follow-up with primary payers often
 - Do not bill primary payer and Medicare at same time
 - Wait to bill Medicare until response received from primary payer
 - Exception: Accidents involving WC, no-fault/medical-payment and liability
 - If no response within 120 days, continue to wait or submit conditional claim
- Consider Medicare's one-year timely filing applies to all claims including MSP claims, conditional claims and most adjustments
 - [CMS IOM Publication 100-04, Medicare Claims Processing Manual, Chapter 1, Section 70](#)

If Primary Payer...

- Did not pay claim indicating Medicare primary
 - Verify this and submit primary claim with coding indicating reason
- Paid claim in part
 - Submit MSP claim (partial-payment)
- Paid claim in full
 - Submit MSP claim (full-payment; one exception)
- Did not pay claim for valid/acceptable reason
 - Submit conditional claim
- Did not pay accident claim within 120 days
 - May submit conditional claim (or continue to wait to receive response)

Submitting MSP and Conditional Claims

Prepare and Submit MSP Claims

- [Prepare and Submit a Medicare Secondary Payer Claim](#)
 - Background
 - Step 1: Determine if you must submit an MSP claim
 - Step 2: Prepare MSP claim (includes MSP Billing Code Table)
 - Step 3: Check for matching MSP record for beneficiary in CWF
 - Step 4: Submit MSP claim
 - Step 5: Keep checking for MSP claim to process
 - Step 6: Return or resubmit a corrected claim

Submit MSP Claim if...

- Primary payer paid in part
 - Primary payer paid less than Medicare-covered charges or less than amount you agreed to accept, per contract or obligation under law, as full payment
 - For all services
- Primary payer paid in full
 - Primary payer paid Medicare-covered charges or amount you agreed to accept, per contract or obligation under law, as full payment
 - For all IP stays
 - For all OP services if beneficiary did not meet Medicare Part B deductible
 - HHH providers: Submit even if beneficiary met Medicare Part B deductible
- Tip: Include all Medicare covered charges



Prepare MSP Claims – Use MSP Billing Code Table

- [Prepare and Submit a Medicare Secondary Payer Claim](#)
 - MSP Billing Code Table
 - Lists information for claim and three additional columns for claim submission options:
 - UB-04/CMS-1450 claim form FL (need ASCA waiver)
 - 837I claim fields (loops/segments)
 - FISS DDE Claim Entry page number
 - When billing, use current NUBC codes:
 - NUBC members access billing codes from [NUBC's UB-04 Data Specifications Manual](#)

Prepare and Submit Conditional Claims

- [Prepare and Submit an MSP Conditional Claim](#)
 - Background
 - Step 1: Determine if you can submit conditional claim
 - Step 2: Prepare conditional claim (Conditional Billing Code Table)
 - Step 3: Check for matching MSP record for beneficiary in CWF
 - Step 4: Submit conditional claim
 - Step 5: Keep checking for conditional claim to process
 - Step 6: Return or resubmit corrected claim

Submit Conditional Claim if...

- You billed primary payer, but they did not pay
 - For valid/acceptable reason (VCs 12, 13, 14, 15, 43 or 47)
 - Promptly/within 120 days (VCs 14, 15 or 47)
- Note: Claims paid conditionally paid as if Medicare primary
 - Beneficiary responsible for Medicare deductible/coinsurance
 - Beneficiary not responsible for primary payer's deductible, coinsurance and/or copayment



Prepare Conditional Claims – Use Conditional Billing Code Table

- [Prepare and Submit an MSP Conditional Claim](#)
 - Conditional Billing Code Table
 - Lists information for claim and three additional columns for claim submission options:
 - UB-04/CMS-1450 claim form FL (need ASCA waiver)
 - 837I claim fields (loops/segments)
 - FISS DDE Claim Entry page number
 - When billing, use current NUBC codes:
 - NUBC members access billing codes from [NUBC's UB-04 Data Specifications Manual](#)



Submitting, Correcting and Adjusting Claims

- Submit claims
 - 837I claim, FISS DDE or UB-04/CMS-1450 claim form
 - If hardcopy, mail to [Claims Department](#); approved ASCA waiver required
- Correct claims
 - RTP claims in FISS DDE S/LOC TB9997 or resubmit new corrected claims
- Adjust claims
 - Same methods as submitting claims
 - For hardcopy, approved ASCA waiver not required
- References
 - [Correct or Adjust a Claim Due to an MSP-Related Issue](#)
 - [FISS DDE Provider Online Guide](#)

Payment of MSP Claims

- MSP payment may be made on MSP claim if
 - Primary payer's payment for Medicare-covered charges less than your charges for those services and less than total amount payable by Medicare
 - You don't accept/not obligated to accept primary payer's payment as full payment
- MSP payment module
 - Secondary payment amount = lowest of six calculations
 - Payment can be zero
- Reference:
 - [Determine if Medicare Will Make an MSP Payment](#)

Beneficiary Responsibility for MSP Claims

- Beneficiary responsible for
 - Charges/services not covered by Medicare
 - Medicare deductible/coinsurance not satisfied by primary payer's payment
 - Check Medicare's RA
- Beneficiary not responsible for
 - Amounts primary payers apply toward deductibles, coinsurances and/or copayments (provider bills Medicare by using VC 44 amount)
- Reference:
 - [Determine Beneficiary Responsibility on MSP Claim](#)

What You Should Do Now

- Share information with coworkers and other staff
- Be familiar with MSP references and resources
- Continue to learn about MSP
- Attend our MSP webinars
- Attend our Let's Chat About MSP webinars
- Attend other events featuring MSP
- Develop and implement policies that ensure your MSP responsibilities met

References and Resources



National Government Services

- [Acronym Search](#)
- [Contact Us](#)
- [Events](#)
- [FAQs](#)
- [*FISS DDE Provider Online Guide*](#)
- [NGSConnex](#)

National Government Services MSP Articles

- [What is Medicare Secondary Payer?](#)
- [Identify the Proper Order of Payers for a Beneficiary's Services](#)
- [Set Up a Beneficiary's Medicare Secondary Payer Record](#)
- [Correct a Beneficiary's MSP Record](#)
- [Prevent an MSP Rejection on a Medicare Primary Claim](#)
- [Collect and Report Retirement Dates on Medicare Claims](#)
- [Prepare and Submit a Medicare Secondary Payer Claim](#)
- [Prepare and Submit an MSP Conditional Claim](#)
- [Correct or Adjust a Claim Due to an MSP-Related Issue](#)
- [Determine if Medicare will Make an MSP Payment](#)
- [Determine Beneficiary Responsibility on an MSP Claim](#)

CMS CBT Courses

- [MSP Disability](#)
 - Overview on MSP provisions of Social Security Act for beneficiaries entitled to Medicare based on a disability
 - Guidelines regarding employer size
 - Examples of when Medicare would be secondary payer
 - Employer and GHP guidelines
- [MSP ESRD](#)
 - MSP guidelines for persons entitled to Medicare due to ESRD
 - Multiple examples of ESRD MSP situations
 - MSP for individuals with dual entitlement to Medicare
- [MSP Non-GHP](#)
 - Liability insurance (including self-insurance), no-fault insurance and WC
 - Definitions and types of insurance for each

CMS CBT Courses

- [MSP Overview](#)
 - Definition of MSP
 - Relationship of MSP provisions with State law
 - GHPs and Non-GHPs
 - Coordination of Benefits
- [MSP Working Aged](#)
 - Overview of MSP provisions of Social Security Act for beneficiaries entitled to Medicare based on age
 - Guidelines for small employer exception
 - Examples of when Medicare would be secondary payer
 - Employer and GHP guidelines

CMS Coordination of Benefits & Recovery

- [Overview](#)
 - [What's New](#)
 - [Medicare Secondary Payer](#)
 - [End-Stage Renal Disease \(ESRD\)](#)
 - [Coordination of Benefits](#)
 - [Group Health Plan Recovery](#)
 - [Non-Group Health Plan Recovery](#)
 - [Contacts](#) (includes BCRC)
- [Attorney Services](#)
 - [Reporting a Case](#)
- [Beneficiary services](#)
 - [Reporting Other Health Insurance](#)
- [Employer Services](#)
- [Insurer Services](#)
- [Provider Services](#)
 - [Your Billing Responsibilities](#)

CMS IOM Publications

- [100-02, Medicare Benefit Policy Manual, Chapter 16](#)
- [100-05, Medicare Secondary Payer, Manual](#)
 - [Chapter 1 - General MSP Overview](#)
 - [Chapter 2 - MSP Provisions](#)
 - [Chapter 3 - MSP Provider, Physician, and Other Supplier Billing Requirements](#)
 - [Chapter 5 - Contractor MSP Claims Prepayment Processing Requirements](#)
 - [Chapter 6 - Medicare Secondary Payer \(MSP\) Common Working File \(CWF\) Process](#)
 - [Chapter 7 – MSP Recovery](#)

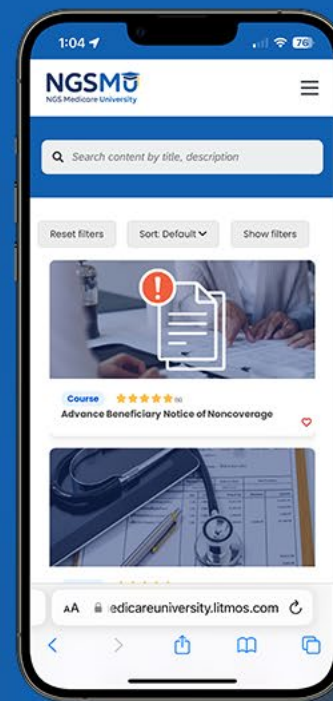
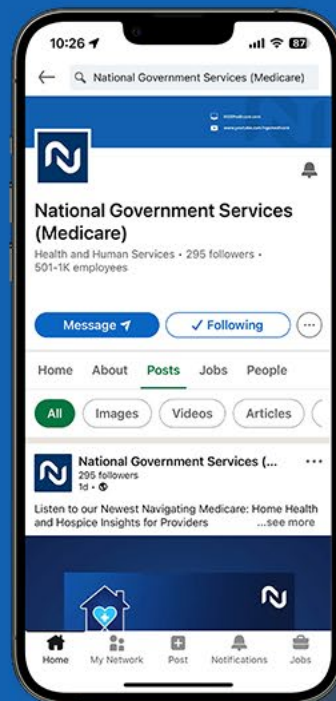
CMS References and Resources

- [BCRC Contact](#)
- [HETS 270/271 5010 Companion Guide \(MSP in Table 44\)](#)
- [HIPAA Eligibility Transaction System \(HETS\)](#)
- [How Medicare Works With Other Insurance](#) (for beneficiaries)
- MLN® Booklet: [Medicare Secondary Payer](#)
- MLN® Fact Sheet: [Medicare Secondary Payer: Don't Deny Services & Bill Correctly](#)



Questions?

Thank you!



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media



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Educational Videos

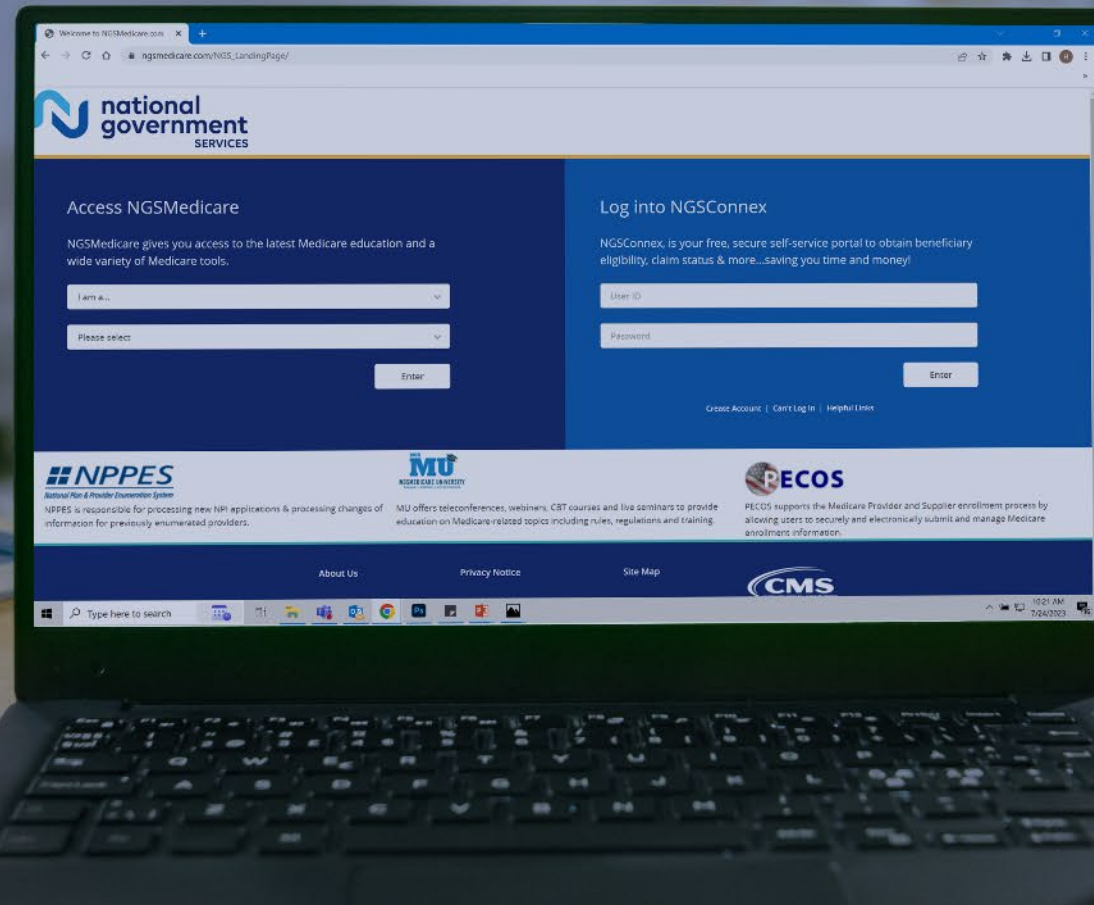


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[NGSConnex](#)

Web portal for claim information



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