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MEMORANDUM

TO: RHCF and Community Services Members

FROM: Patrick Cucinelli, Senior Financial Policy Analyst

DATE: October 1, 2009

SUBJECT: Medicare Part A Secondary Payer Claims

ROUTE TO: Administrator, CFO

ABSTRACT: NGS implements changes to MSP submission requirements.

Introduction

National Government Services (NGS) is implementing changes in the process for submitting Medicare Secondary Payer Part A claims only, effective October 5, 2009. These changes are designed to comply with the revised submission requirements as detailed in the Centers for Medicare and Medicaid Services (CMS) [Change Request 6426](#). The changes are necessary to ensure Medicare's compliance with the Health Insurance Portability and Accountability Act (HIPAA) transaction and code set requirements relative to the incoming 837 Institutional claim.

NGS Notice

NGS has issued an official notice to providers on the MSP changes. For member convenience the text of the NGS notice is reproduced here:

Important Notice to Providers That Submit Medicare Secondary Payer Claims via Fiscal Intermediary Standard System Direct Data Entry

As of October 5, 2009, National Government Services can no longer accept Medicare Secondary Payer (MSP) claims (including conditional claims) that are submitted via Fiscal Intermediary Standard System

Direct Data Entry (FISS/DDE). In addition, providers will not be able to correct or adjust such claims in FISS/DDE. Affected claims will be returned to the provider (RTP) with reason code 31265, which states:

Effective October 5, 2009 with the implementation of Change Request (CR) 6426, providers will no longer be able to submit Medicare Secondary Payer (MSP) claims via FISS/DDE. This includes all MSP claim submissions, corrections and/or adjustments and cancels including claims being billed conditionally. MSP and conditional claims must be submitted electronically (837I) following the instructions in CR 6426 or, if applicable, via hardcopy submission of UB-04 (CMS-1450) claim forms. Claim corrections, adjustments and cancels must be submitted electronically (837I) or, if applicable, via hardcopy submission of UB-04 (CMS-1450) claim forms.

These changes are the result of the implementation of the Centers for Medicare & Medicaid Services (CMS) CR 6426 titled, "Instructions on Utilizing 837 CAS Segments for MSP Claims." Please refer specifically to business requirement 6426.15 in the CR which states, "Contractors and Shared Systems shall not accept DDE MSP claims from providers since CAS segment adjustments are not utilized in the DDE environment." CR 6426 is available on the CMS Web site at <http://www.cms.hhs.gov/transmittals/downloads/R70MSP.pdf>. In addition, the most recent related article, MM6426 Revised, was included in the Medicare Monthly Review, August 2009 issue.

Please refer to the following information for additional details and instructions:

Claim Submissions

Providers will not be able to submit MSP (or conditional) claims in FISS/DDE. These claims must be submitted electronically (837I) following the instructions in CR 6426 or if applicable, via hardcopy submission of UB-04 (CMS-1450) claim forms.

Claim Corrections

Providers will not be able to correct MSP (or conditional) claims in FISS/DDE. Therefore, if MSP (or conditional) claims require correction, corrected claims must be resubmitted electronically (837I) following the instructions in CR 6426-or if applicable, via hardcopy submission of UB-04 (CMS-1450) claim forms.

Claim Adjustments

Providers will not be able to adjust MSP (or conditional) claims in FISS/DDE. Providers will not be able to adjust Medicare primary or MSP rejected (cost-avoided) claims to MSP (or conditional) claims in FISS/DDE. Such adjustments will need to be done electronically (837I) following the instructions in CR 6426 or if applicable, via hardcopy submission of UB-04 (CMS-1450) claim forms. Adjustments must be reported with a type of bill (TOB) of XX7 and cancels must be reported with a TOB of XX8. Providers should follow all usual rules for submitting adjustment or cancel claims.

Hardcopy Claims/Adjustments

Mailing addresses for our Claims Departments vary by provider type/location. Please refer to the P.O. boxes/ mailing addresses for our Claims Departments on our Web site, www.NGSMedicare.com, and follow these steps:

- Select Part A or Home Health/Hospice, as appropriate
- Select appropriate state where you are located
- Read and accept the CPT attestation agreement
- On the portal page in the dark blue shaded area, hover cursor over **Resources** tab and click on **Contact Information**
- Under **Contact Information**, click on **P.O. Box Mailing Addresses**; scroll down until you see the P.O. Box for your state

Tools/Resources for Hardcopy MSP (or Conditional) Claims

Providers that must submit hardcopy claims and adjustments can use the following resources for MSP information:

- Centers for Medicare & Medicaid Services (CMS) Internet Only Manuals (IOMs):

CMS IOM, Publication 100-04, Medicare Claims Processing Manual, Chapter 25 and CMS IOM, Publication 100-05, Medicare Secondary Payer Manual, Chapters 1 to 8. Both manuals are available at <http://www.cms.hhs.gov/Manuals/IOM/list.asp>.

- National Government Services educational materials as follows:

MSP Billing materials used during our last MSP billing teleconference which is available at http://www.ngsmedicare.com/NGSMedicare/ADC/EventList.aspx?fromdate=7/1/2009&todate=7/31/2009&display=Month&type=public&eventidn=619&view=EventDetails&information_id=813

Conditional Billing materials used during our last MSP Conditional Billing teleconference which is available at

http://www.ngsmedicare.com/NGSMedicare/ADC/EventList.aspx?fromdate=9/1/2009&todate=9/30/2009&display=Month&type=public&eventidn=481&view=EventDetails&information_id=645

- MSP Billing Code Chart which is available at <http://www.ngsmedicare.com/ngsmedicare/PartA/EducationandSupport/ToolsandMaterials/MSPBillingCodeChart.pdf>
- Adjustments Involving MSP Situations Chart which is available at <http://www.ngsmedicare.com/ngsmedicare/PartA/EducationandSupport/ToolsandMaterials/AdjustmentsBillTypeXX7InvolvingMSPsituations.pdf>

Note: Providers please disregard any references to the FISS/DDE pages in the above documents and an MSP 837I Quick Reference Guide will also be posted to our Web site.

Conclusion

NYAHSAs most recent [*Fiscal Digest*](#) features an article on MSP that members may also find helpful. Please contact me with any questions at pcucinelli@nyahsa.org or call 518-449-2707 ext. 145.

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