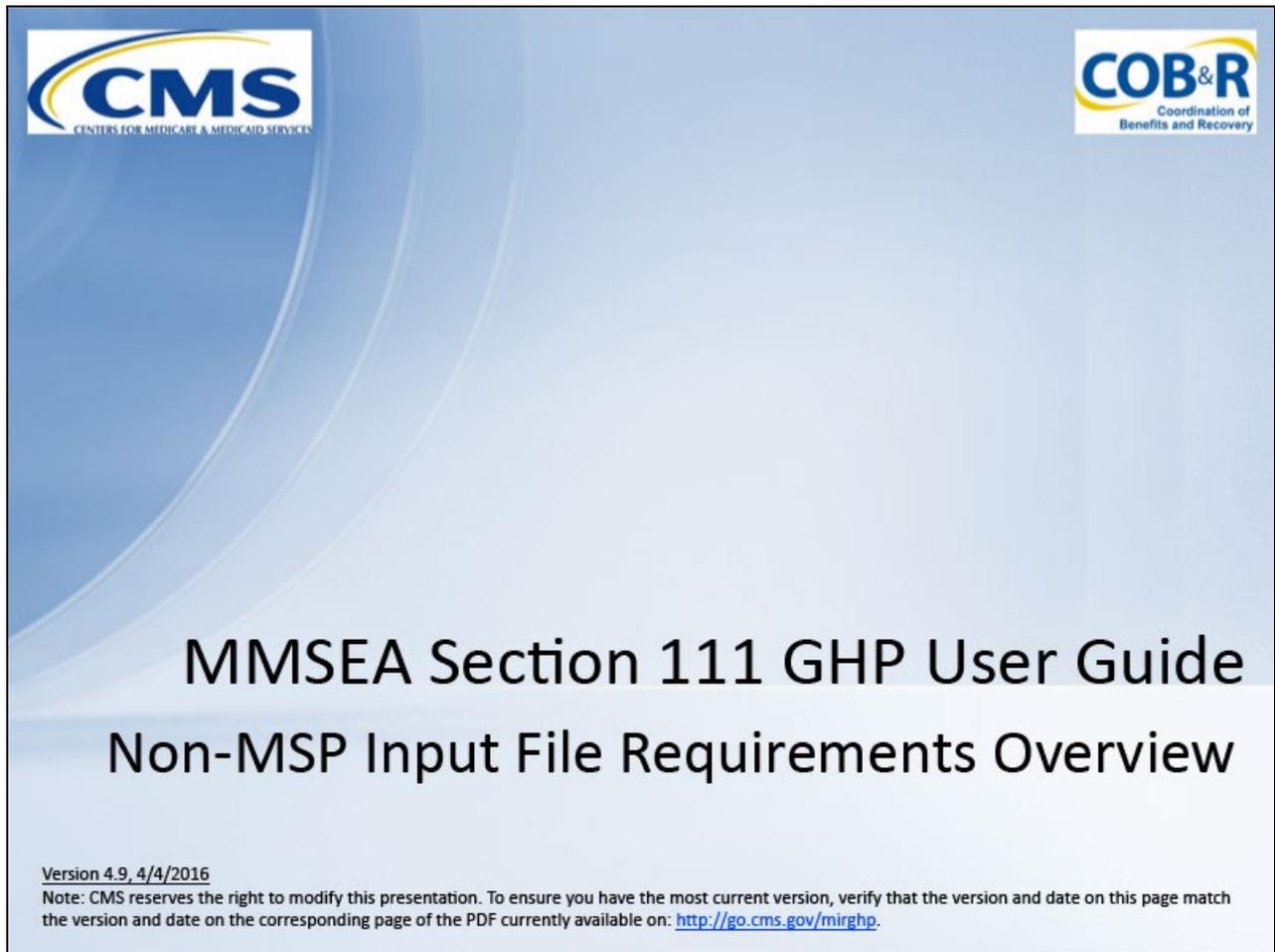


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CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

COB&R
Coordination of
Benefits and Recovery

MMSEA Section 111 GHP User Guide Non-MSP Input File Requirements Overview

Version 4.9, 4/4/2016
Note: CMS reserves the right to modify this presentation. To ensure you have the most current version, verify that the version and date on this page match the version and date on the corresponding page of the PDF currently available on: <http://go.cms.gov/mirghp>.

Slide notes

Welcome to the Non-Medicare Secondary Payer (Non-MSP) Input File Requirements Overview course.

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Disclaimer

While all information in this document is believed to be correct at the time of writing, this Computer Based Training (CBT) is for educational purposes only and does not constitute official Centers for Medicare and Medicaid Services (CMS) instructions for the MMSEA Section 111 implementation. All affected entities are responsible for following the instructions found at the following link:
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Course Overview

- Non-MSP Input File Exchange
- Inactive Covered Individuals
- Data Elements
- Uses
- Action Types
- File Format
- Supplemental Drug Coverage
- E-Mail Notifications



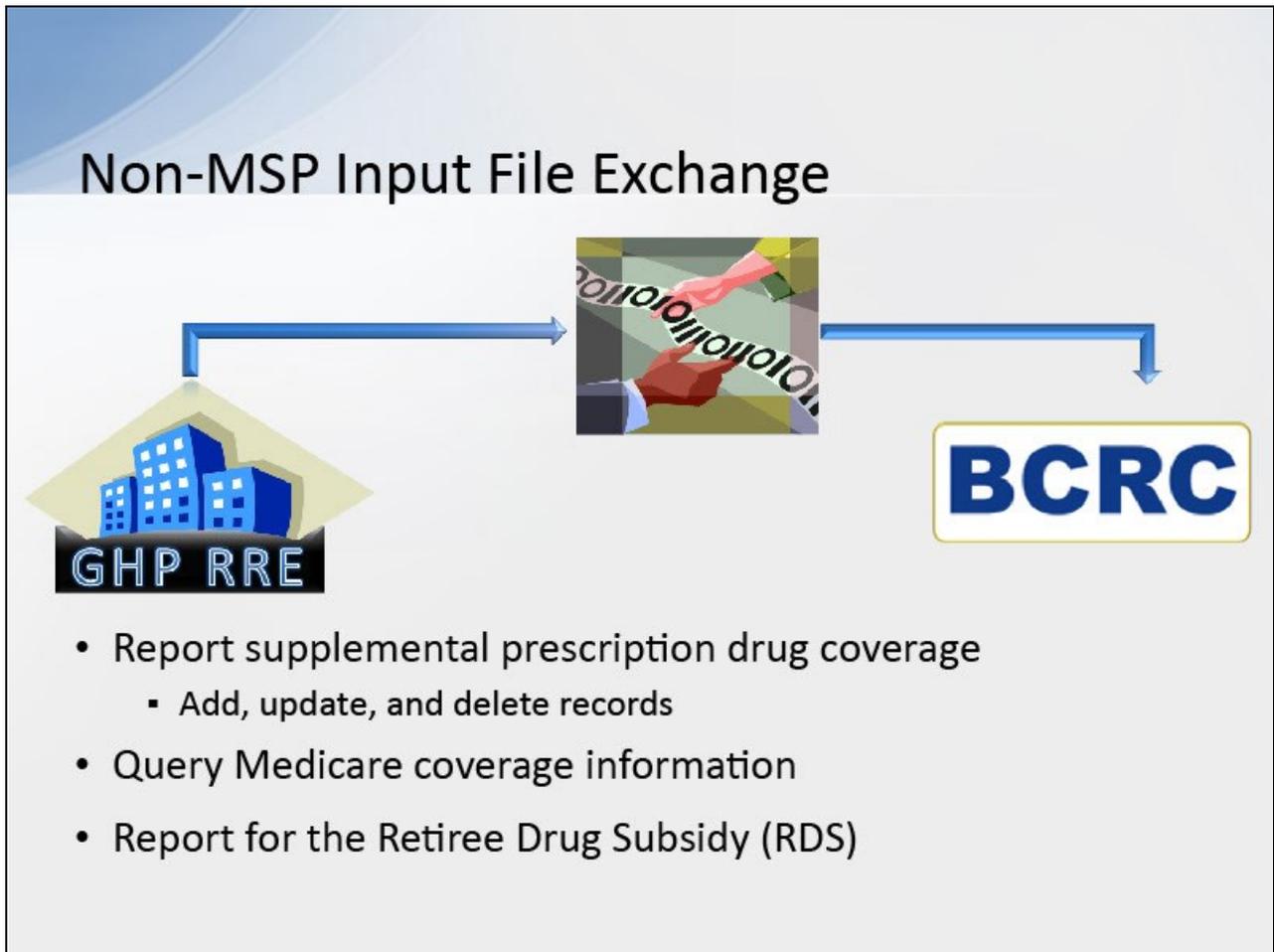
Slide notes

This learning module provides an introduction to Non-MSP Input File requirements, including the Non-MSP file exchange process, the definition of Inactive Covered Individuals, basic data elements, uses of the exchange, action types for different

types of records, and file format. We will also go over how your reported prescription drug coverage is determined to be supplemental to Medicare Part D

and the e-mail notifications you will receive from the Benefits Coordination & Recovery Center (BCRC) during the file processing.

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Slide notes

The Non-MSP Input File is the dataset that is transmitted from a GHP Responsible Reporting Entity (RRE) under the Expanded Reporting Option to the BCRC. This dataset is used to report information regarding the prescription

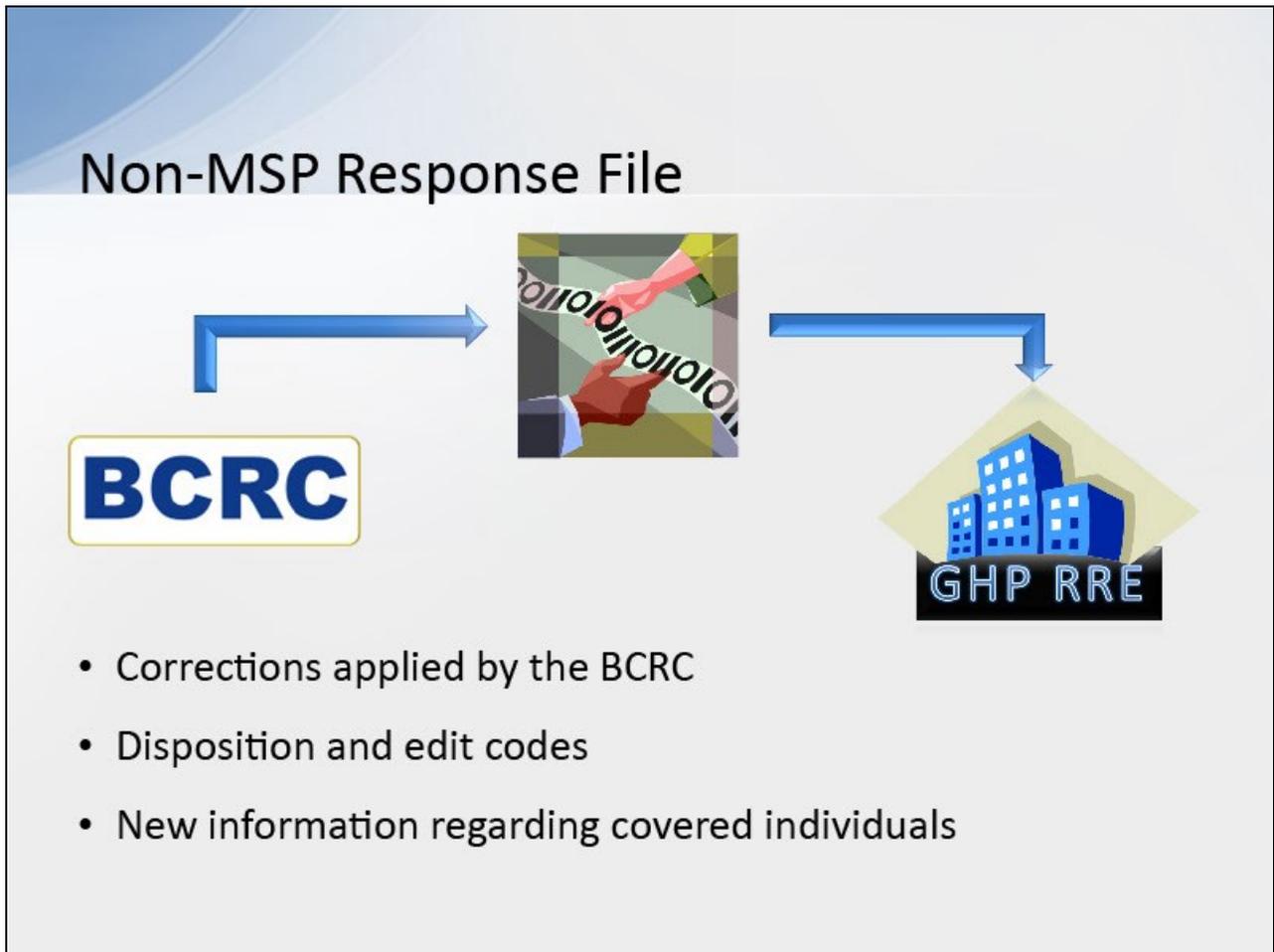
drug insurance coverage information of your Inactive Covered Individuals. While the MSP Input File is used to identify GHP coverage primary to Medicare, the Non-MSP Input File determines GHP coverage that is secondary to Medicare Part D

(i.e., used to collect prescription drug coverage information that may be supplemental prescription drug coverage to Medicare Part D). In addition, this file allows you to query Medicare coverage information and report for the Retiree Drug Subsidy (RDS). This file format requires you to initially send an add record for the initial report on supplemental prescription drug coverage for an Inactive Covered Individual or an RDS retiree file record.

If that record is accepted by the BCRC, then you only need to apply any changes to that information in update or delete records going forward. If the record is not accepted due to errors, you must correct it and resend it.

If the record is not accepted because the individual is not a Medicare beneficiary, then you may continue to send it as an add record on all subsequent submissions until the record is either accepted or your coverage is terminated.

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**Slide notes**

A Non-MSP Response File will be transmitted from the BCRC back to you after the information supplied in your Non-MSP Input File has been processed. It consists of the same data elements in the Non-MSP Input File,

with corrections applied by the BCRC, disposition and edit codes, which let you know what the BCRC did with the record, as well as new information regarding the covered individuals themselves, such as Medicare program coverage details.

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Who Must Be Reported

Inactive Covered Individual

- Is the spouse or dependent of the unemployed individual
- Has health benefits under the GHP
- Currently not employed, (usually covered as a retiree)



Slide notes

An Inactive Covered Individual is an individual, or spouse or dependent of the individual, who has health benefit coverage under a GHP, but who is not currently employed.

Most Inactive Covered Individuals are covered by the GHP as retirees under a retirement plan. The individual has health insurance benefit coverage but does not meet the definition of an Active Covered Individual.

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Non-MSP Input File – Data Elements

- Individual Identifying Information (e.g., name, SSN/HICN)
- Policy/Plan Information
- Prescription Drug Coverage Information

For additional information refer to Appendix C of the GHP User Guide

Slide notes

Data elements submitted on the Non-MSP Input File include: Information to identify the reported individual, such as the Inactive Covered Individual's name and Social Security Number, policy/plan information for the GHP,

and the prescription drug coverage information related to the coverage provided to the individual under the plan.

The Non-MSP File layout with detailed descriptions of each data element can be found in Appendix C of the Section 111 GHP User Guide.

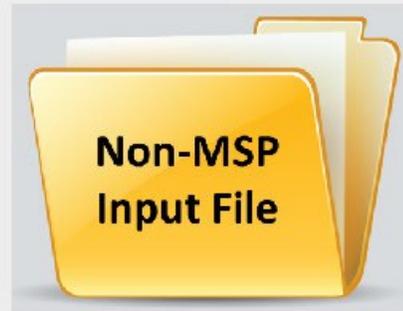
Note: CMS recommends that RREs send a covered individual's Health Insurance Claim Number (HICN) on Non-MSP Input File records whenever it is available. The HICN is CMS' Medicare identifier for Medicare beneficiaries and is the preferred data

element for matching purposes. RREs are encouraged to obtain HICNs from Medicare beneficiaries they cover. Once the HICN is returned on a response file, the RRE is required to use it on all subsequent transactions.

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Non-MSP Input File Uses

- Submit drug coverage information
 - Supplemental to Medicare Part D
- Query Medicare
 - Part A, B, C, and D coverage
- Submit retiree files to the RDS Center



Slide notes

The Non-MSP Input File is used to report drug coverage information that is supplemental prescription drug coverage to Medicare Part D. The Non-MSP Input File can also be used to query CMS about potential beneficiary

Medicare Part A, B, C, and D coverage. You may use this information in your claims processing to determine the primary payer. In most cases for Inactive Covered Individuals, if the individual is a Medicare beneficiary,

then Medicare will be the primary payer. This file may also be used as a way to submit retiree files to the RDS Center on behalf of Plan Sponsors, who are usually employers claiming the Retiree Drug Subsidy.

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Action Types

- Non-MSP Input File records have an Action Type in Field 20
- Action Type shows what the record represents

N	D	S
Non-Reporting Record/Query	Drug Reporting Record	Subsidy Reporting Record

Slide notes

Each record on the Non-MSP Input File contains an Action Type in Field 20 to indicate what the record represents. Action Type N is known as a Non-Reporting Record and is used to query Medicare entitlement and enrollment information.

The corresponding record in the Non-MSP Response File will contain Medicare entitlement and enrollment information requested for the individual. N records may be submitted for any covered individual.

They are not limited to Inactive Covered Individuals. Action Type D is known as a Drug Reporting Record and is used to submit prescription drug coverage information that is supplemental prescription drug coverage to Medicare Part D

for Inactive Covered Individuals. The corresponding record in the Non-MSP Response File will contain the Medicare entitlement and enrollment information requested for the individual, as well as information about whether the

supplemental drug record was accepted and posted by the BCRC on the Medicare Beneficiary Database, also known as MBD. Note: Since the D record response includes Medicare coverage information, there is no need to send a separate

N record if you already sent a D record. Action Type S is known as a Subsidy Reporting Record and is used to submit retiree file information to the RDS Center. The corresponding record in the Non-MSP Response File will contain information

from the RDS Center indicating whether the retiree was accepted for the subsidy program, Medicare entitlement and enrollment information for the individual, and whether the BCRC posted a supplemental drug record to the MBD.

Note that the use of N and S records is optional. However, in order to remain compliant with the requirements for the Expanded Reporting Option, you must submit supplemental drug coverage information on a regular basis using D

or S records. If you will not be submitting RDS retiree files to the BCRC on behalf of your employer plan sponsors, then you will not use the S record and your reporting of supplemental drug coverage will only be done using D records.

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Non-MSP File Format

Header Record for N/D Record File
N Record
D Record
D Record
D Record
Trailer Record for N/D Record File
Header Record for RDS Application 1
S Record
S Record
Trailer Record for RDS Application 1
Header Record for RDS Application 2
S Record
S Record
S Record
Trailer Record for RDS Application 2

Slide notes

The Non-MSP file is comprised of a header record, followed by detail records, ending in a trailer record. N and D records can be mixed together on one “logical” file between the same header and trailer records.

S records must be submitted on their own logical file with their own header and trailers. S records cannot be mixed in the same logical file as N/D records. Responsible Reporting Entities may send in retiree files for multiple Plan Sponsors

(employers) for multiple RDS applications. The RDS application number goes on the header record of the Non-MSP Input File. So if you are submitting retiree files for multiple Plan Sponsors,

you must put the S records associated with each application number in separate logical files separated by the corresponding header and trailer records. All of these logical files can either be submitted separately or be concatenated together

and submitted in one "physical" file as shown. However, only one logical Non-MSP Input File with N/D records will be accepted per month. Multiple Non-MSP Files with S records will be accepted and are to be sent on the frequency required

by the RDS Center. If you are not using the Non-MSP File to submit RDS retiree files, then one Non-MSP File can be submitted per month with a mixture of N and D records.

Non-MSP Input Files with N and D records may be submitted on a monthly basis, but no more than once per month. Non-MSP Files submitted with S records for RDS retiree file submission may be submitted as often as dictated by the RDS Center.

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RDS Retiree File - Files with S Records

Part D Retiree Drug Subsidy Program

For additional information refer to the CMS Web site:
<http://www.rds.cms.hhs.gov>

Slide notes

Section 111 Responsible Reporting Entities submitting retiree files for RDS may opt to do so using records with the S action type in the Non-MSP Input File format. S records require essentially the same data elements required for D records.

The BCRC acts as a pass-through for retiree files going to the RDS Center. The BCRC will perform some basic editing on subsidy records, but it is the RDS Center that makes the determination on whether the individual reported may be claimed

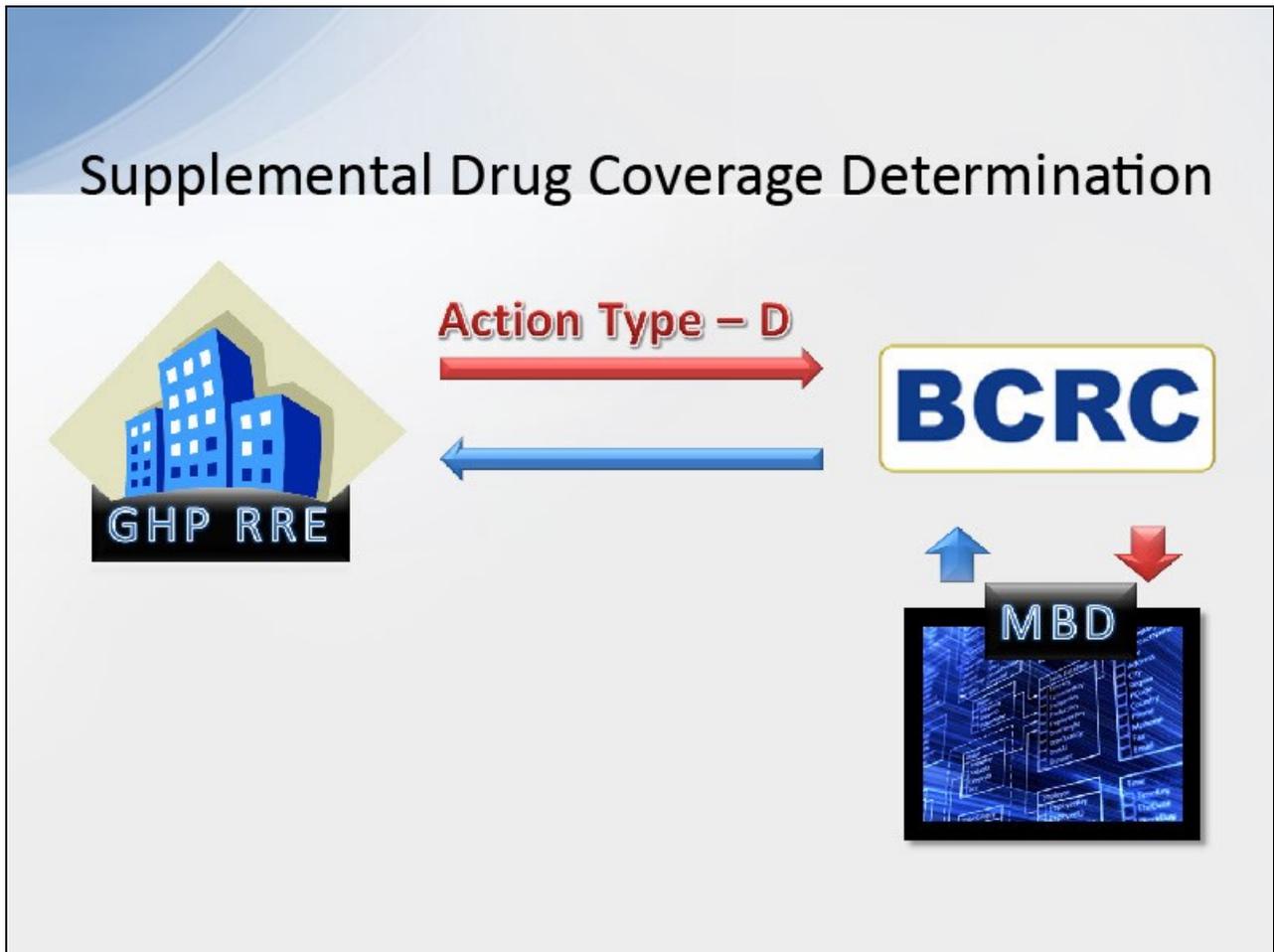
by the Plan Sponsor for the subsidy. Retiree files may be submitted directly to the RDS Center without using the BCRC as a conduit. However, since much of the data submitted on RDS retiree files is the same as that for supplemental drug

reporting to the BCRC, CMS offers this as an option to Responsible Reporting Entities who may find this method of submission more convenient. Note: If you are not submitting retiree file information to the RDS Center on behalf of a

Plan Sponsor participating in the Part D Retiree Drug Subsidy Program, then you may disregard all further information regarding S records. There is a course offered later in this curriculum that addresses the submission of retiree files

through Section 111 in more detail. For further information on the RDS Center, go to <http://www.rds.cms.hhs.gov>.

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**Slide notes**

The BCRC uses the information on the D records of the Non-MSP Input File to determine GHP coverage that is secondary to Medicare Part D for Medicare beneficiaries. This information is then used for proper claims payment and the

calculation of the beneficiary's True Out-of-Pocket (TrOOP) drug costs. If your prescription drug coverage for a Medicare beneficiary is secondary or supplemental to Medicare, the BCRC sets up a supplemental Part D record on the MBD.

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Individual Matching Criteria

- The BCRC must determine whether individual is a Medicare beneficiary

Must match your data to Medicare's
using

HICN

SSN

Slide notes

Before determining whether the drug coverage reported on the Non-MSP Input File is supplemental to Medicare or answering a query for Medicare coverage on an individual, the BCRC must determine whether the individual

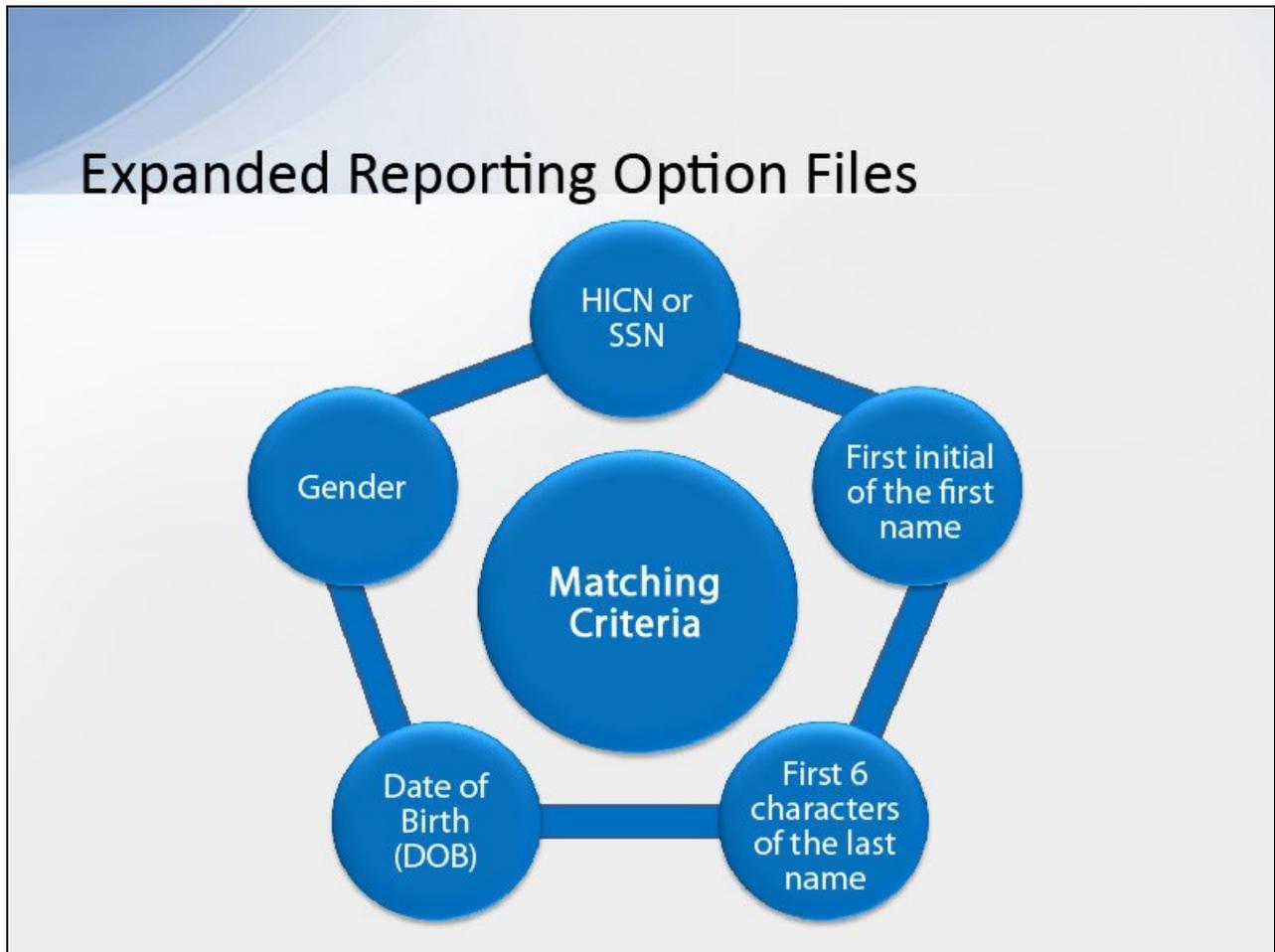
is a Medicare beneficiary. The BCRC must match your data to Medicare's. This matching can be done using either an individual's Medicare Health Insurance Claim Number, the HICN (commonly referred to as Medicare ID number)

or by using an individual's Social Security Number (SSN). The Medicare HICN is preferred. You must send either a HICN or an SSN as part of the individual's record in the Non-MSP Input File. Note that if an RRE submits both the

SSN and HICN on a Non-MSP Input File Detail Record, the system will only use the HICN for matching purposes and the SSN will be ignored. The system will attempt to match the HICN to any previously assigned HICN for the individual,

since HICNs can change or be reassigned by the Social Security Administration (SSA), but if no match is found using the HICN, it will not then attempt to match using the SSN provided.

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**Slide notes**

In order to match an individual to determine if the individual is a Medicare beneficiary, the BCRC must: Get an exact match with the HICN or SSN. If a match is found, then three out of four of the following data elements must match exactly:

The first initial of the first name; The first 6 characters of the last name; The date of birth (DOB); or Gender. Note: If a match is found, you will always be returned the correct HICN, which must be used on all future update

and delete transactions. You should store the HICN returned on the Non-MSP Response File in your internal system and are required to use it on future transactions.

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Supplemental Drug Coverage Dates

- Supplemental drug records posted to MBD
- Start and end dates based on:
 - Beneficiary's Medicare entitlement
 - Enrollment in Part D
 - GHP coverage dates
- If both GHP and Medicare coverage are active, the record will have an open-ended date
- End date applied when coverage ends



Slide notes

Once it has been determined that the individual reported is a Medicare beneficiary, the BCRC looks at the coverage dates for the reported prescription drug coverage and the coverage dates for the beneficiary's Medicare Part D coverage.

If the reported drug coverage is supplemental to Medicare Part D, a supplemental drug coverage record for the overlapping time period is posted to the MBD for the beneficiary. Supplemental drug records have start and end dates

based on the beneficiary's Medicare entitlement, enrollment in Part D, and your coverage dates. A supplemental Part D record will have an open-ended date if both your coverage and Medicare coverage are active.

An end date is applied when either your coverage or Medicare's coverage ends.

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File Processing Notifications

- File Receipt
- Response File Ready



Slide notes

E-mail notifications will be sent to the Section 111 Responsible Reporting Entity Account Manager after the BCRC has received your file and posted a receipt date.

Another e-mail notification will be sent when the BCRC has completed processing your file and a response file has been transmitted or is available for download.

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Additional Information

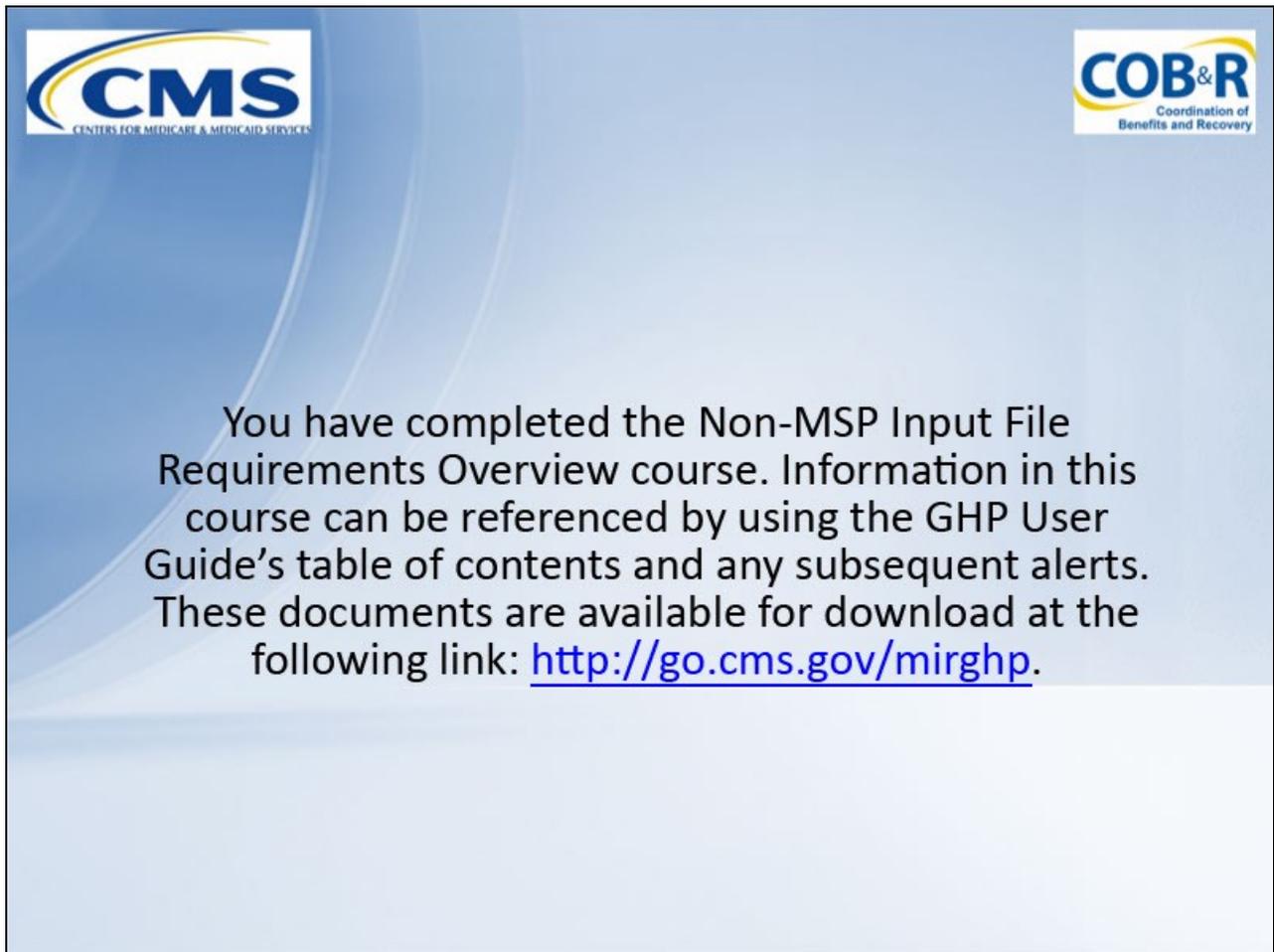
- Non-MSP Input and Response File and data field specifications can be found in Appendix C of the GHP User Guide



Slide notes

Non-MSP Input and Response File and data field specifications can be found in Appendix C of the Section 111 GHP User Guide. Each field description includes an explanation on how to use the field for the different record (action) types.

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