



Related MLN Matters Article #: MM5601 **Revised**

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### *Transitioning the Mandatory Medigap ("Claim-Based") Crossover Process to the Coordination of Benefits Contractor (COBC)*

#### Key Words

MM5601, CR5601, R1332CP, COB, COBC, Crossover, Coordination

#### Provider Types Affected

Physicians, providers, and suppliers that submit claims to Medicare Carriers, Durable Medical Equipment Medicare Administrative Contractors (DME MACs), or Part A/B Medicare Administrative Contractors (A/B MACs) for services provided to Medicare beneficiaries

**Note:** MLN Matters article MM5601 was revised on January 31, 2008, to add references and links to related articles SE0743, MM5662, and MM5837. These links may be found in the Important Links section below.

#### Key Points

- The effective date of the instruction is October 1, 2007.
- The implementation date is October 1, 2007.
- Currently, in accordance with §1842(h)(3)(B) of the Social Security Act and §4081(a)(B) of Public Law 100-203 (the Omnibus Budget Reconciliation Act of 1987), Part B contractors, including carriers, MACs, and DME MACs transfer participating provider claims to Medigap insurers when:
  - The beneficiary has assigned rights to payment to the provider, and
  - The other claims filing requirements are met.
- This form of claims transfer is commonly termed, "Medigap claims-based crossover."
- One of the "other" claims filing requirements for Medigap claim-based crossover is that the participating provider must include an Other Carrier Name and Address (OCNA) or N-key identification number on the incoming electronic claim to trigger the crossing over of the claim.
- During the transition period from June through September 2007, the COBC will assign new claim-based Coordination of Benefits Agreement (COBA) identifiers (IDs) to the Medigap insurers on a graduated basis throughout the three month period prior to the actual transition.

- Until the COBC assigns a new 5-digit COBA Medigap claim-based ID to a Medigap insurer, Medicare will continue to accept the older contractor-assigned OCNA or N-key identifiers for purposes of initiating Medigap claim-based crossovers.
- During June through September 2007, the affected contractors will also continue to cross claims over as normal to their Medigap claim-based crossover recipients.
- The Centers for Medicare and Medicaid Services (CMS) will be regularly apprising the affected Medicare contractors when the COBC has assigned new COBA Medigap claim-based IDs to the Medigap insurers and will post this information on its COB website, so that contractors **may direct providers to that link for purposes of obtaining regular updates.** (The COB website may be found at <http://www.cms.hhs.gov/COBGeneralInformation/> on the CMS website.)
- Effective with claims filed to Medicare on October 1, 2007:
  - All participating providers that have been granted a billing exception under the Administrative Simplification Compliance Act should enter CMS' newly assigned COBA Medigap claim-based ID within block 9-D of the incoming CMS-1500 claim for purposes of triggering Medigap claim-based crossovers.
  - All other participating providers must enter the newly assigned COBA Medigap claim-based ID (left-justified and followed by spaces) within the NM109 portion of the 2330B loop of the incoming Health Insurance Portability and Accountability Act (HIPAA) American National Standards Institute (ANSI) X12-N 837 professional claim **and** within field 301-C1 of the T04 segment on incoming National Council for Prescription Drug Programs (NCPDP) claims for purposes of triggering Medigap claim-based crossovers.
- Providers will need to make certain that claims are submitted with the appropriate identifier that begins with a "5" and contains five numeric digits.
- Claims for Medigap claim-based crossovers must feature a syntactic editing of the incoming COBA claim-based Medigap ID to ensure that the identifier begins with a "5" and contains five numeric digits.
- If a provider's claim does not follow the appropriate format, Medicare will continue to adjudicate their claim as normal but will notify the provider via the Electronic Remittance Advice and the beneficiary via the Medicare Summary Notice (MSN) that the information reported was insufficient to cause the claim to be crossed over.
- The Medicare contractor's screening process will also continue to verify that the provider participates with Medicare and that the beneficiary has assigned benefits to the provider.
- If the claim submitted to the Medicare contractor indicates that the claim contained an invalid claim-based Medigap crossover ID, **the Medicare contractor** will send the following standard message to the provider.
  - *"Information was not sent to the Medigap insurer due to incorrect/invalid information you submitted concerning the insurer. Please verify your information and submit your secondary claim directly to that insurer."*
- In these cases, if the Common Working File (CWF) system determines that the beneficiary was identified for crossover on a Medigap insurer's eligibility file, the CWF system will suppress crossover to the Medigap insurer whose information was entered on the incoming claim.

- Also, the Medicare contractor will include the following message on the beneficiary's MSN in association with the claim: (MSN #35.3):
  - *"A copy of this notice will not be forwarded to your Medigap insurer because the Medigap information submitted on the claim was incomplete or invalid. Please submit a copy of this notice to your Medigap insurer."*
- **As CMS's COBC assigns new 5-digit COBA Medigap claim-based identifiers to Medigap insurers, participating providers will be expected to include the new 5 digit identifier on incoming crossover claims for purposes of triggering claim-based Medigap crossovers.**
- Effective October 1, 2007, Medigap claim-based crossovers will occur exclusively through the COBC in the HIPAA ANSI X12-N 837 professional claim format (version 4010A1 or more current standard) and NCPDP claim format.

## Important Links

The related MLN Matters article can be found at

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5601.pdf> on the CMS website.

The official instruction (CR5601) regarding this change may be viewed at

<http://www.cms.hhs.gov/Transmittals/downloads/R1332CP.pdf> on the CMS website.

Providers may also want to review the following related MLN Matters articles:

- MM5662: "Notifying Affected Parties Regarding Changes to the Mandatory Medigap ("Claim-Based") Crossover Process" at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5662.pdf> on the CMS website.
- SE0743: "Clarification Concerning Provider Billing Procedures Related to the Transition of the Medigap claim-based Crossover Process to the Coordination of Benefits Contractor on October 1, 2007" at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0743.pdf> on the CMS website.
- MM5837: "Clarification Regarding the Coordination of Benefits Agreement (COBA) Medigap Claim-based Crossover Process" at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5837.pdf> on the CMS website.

If providers have any questions, they may contact their Medicare Carrier, A/B MAC, or DME MAC at their toll-free number, which may be found at

<http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.