

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services



News Flash – Effective January 1, 2012, Diversified Service Options, Inc., a wholly-owned subsidiary of Blue Cross and Blue Shield of Florida Inc., acquired Highmark Medicare Services from its parent company, Highmark Inc. As a result, Highmark Medicare Services changed its name to Novitas Solutions, Inc. Novitas will continue to be the Medicare Administrative Contractor (MAC) for the J12 jurisdiction and will also continue as the Section 1011 Administrative Contractor. In the near future, the Highmark website will be changing to <http://www.Novitas-Solutions.com> on the Internet.

MLN Matters® Number: MM7629

Related Change Request (CR) #: CR 7629

Related CR Release Date: May 18, 2012

Effective Date: July 20, 2012

Related CR Transmittal #: R2474CP

Implementation Date: July 20, 2012

Handling Misdirected Claims for Part B Items and Services

Provider Types Affected

This MLN Matters® Article is intended for physicians, other providers, and suppliers who bill Medicare carriers, Part A/B Medicare Administrative Contractors (A/B MACs) and Durable Medical Equipment Medicare Administrative Contractors (DME MACs) for services provided to Medicare beneficiaries.

Provider Action Needed



STOP – Impact to You

Your misdirected claims for Part B items and services (those that you send to the wrong Medicare contractor) will be returned as unprocessable.



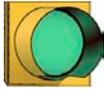
CAUTION – What You Need to Know

Change Request (CR) 7629, from which this article is taken, announces that effective July 20, 2012, your carrier or A/B MAC will return all misdirected claims as unprocessable; and your DME MAC will

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similarly return claims that should have been sent to a carrier or B MAC, as well as paper claims as that are sent to the wrong DME MAC.



GO – What You Need to Do

You should make sure that claims are submitted to the correct carrier, A/B MAC, or DME MAC. See the Background section for details.

Background

A “misdirected claim” is a claim that you submit to the wrong carrier, A/B MAC, or DME MAC. As each Fee-For-Service (FFS) claims administration contractor is assigned a specific geographic and subject matter jurisdiction for claims processing, you must submit your claims to the one having the appropriate jurisdiction.

Carriers and A/B MACs previously returned as unprocessable assigned claims for Part B items and services that were sent to the wrong carrier or A/B MAC, and denied such claims that were unassigned; and DME MACs denied paper claims if sent to the wrong DME MAC.

CR7629, from which this article is taken, implements new instructions on handling misdirected claims.

Misdirected Carrier and A/B MAC Claims

With implementation of CR7629, carriers and A/B MACs will return all misdirected claims as unprocessable, **regardless of their unassigned/assigned status**. This includes: Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) claims that are appropriately billable to a A/B MAC or carrier, but are billed to the wrong one; and Misfiled claims for United Mine Workers of America (UMWA) and Railroad Beneficiaries (RRB) beneficiaries.

Specifically, when it receives a claim for Medicare payment for items/services that have been furnished outside of its payment jurisdiction (other than for RRB and UMWA beneficiaries), your Part A/B MAC or carrier will return it as unprocessable; using the following messages:

- Claim Adjustment Reason Code (CARC) 109 – Claim not covered by this payer/contractor. You must send the claim to the correct payer/contractor.
- Remittance Advice Remark Code (RARC) N104 - This claim/service is not payable under our claims jurisdiction area. You can identify the correct Medicare contractor to process this claim/service through the CMS Web site at www.cms.gov.
- RARC MA130 - Your claim contains incomplete and/or invalid information, and no appeal rights are afforded because the claim is unprocessable. Please submit a new claim with the complete/correct information.

Note: These remittance and remark code messages remain the same, and Medicare Summary Notice messages have been removed.

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Similarly, effective for claims received on and after July 20, 2012, when it receives a claim for Medicare payment for items or services that are in a DME MAC's payment jurisdiction (other than for RRB and UMWA beneficiaries), your A/B MAC or carrier will return it as unprocessable, using the same messages.

Additionally, while DME MACs will continue to follow existing procedures for misdirected beneficiary-submitted claims (CMS Form 1490S) and electronic claims; effective with implementation of CR7629, a paper claim (Form CMS -1500), sent to the wrong DME MAC will be returned as unprocessable, using the same messages.

Misdirected Railroad Beneficiaries (RRB) Beneficiary Claims

Effective July 20, 2012, when it receives a claim for an RRB beneficiary (and therefore should be processed by the RRB contractor), your carrier, A/B MAC, or DME MAC will return it as unprocessable using the following messages:

- RA - Claim Adjustment Reason Code 109 – Claim not covered by this payer/contractor. You must send the claim to the correct payer/contractor.
- Remark code N105 - This is a misdirected claim/service for a RRB beneficiary. Submit paper claims to the RRB carrier: Palmetto GBA, P.O. Box 10066, Augusta, GA 30999. Call 866-749-4301 for RRB EDI information for electronic claims processing.
- RARC MA130 - Your claim contains incomplete and/or invalid information, and no appeal rights are afforded because the claim is unprocessable. Please submit a new claim with the complete/correct information.

United Mine Workers of America (UMWA) Beneficiary Claims

Effective July 20, 2012, when it receives a claim for Medicare payment that should be processed by the UMWA, your carrier, A/B MAC, or DME MAC will return it as unprocessable using the following messages:

- RA - Claim Adjustment Reason Code 109 - Claim not covered by this payer/contractor. You must send the claim to the correct payer/contractor.
- Remark code N127 – This is a misdirected claim/service for a United Mine Workers of America (UMWA) beneficiary. Please submit claims to them.
- RARC MA130 - Your claim contains incomplete and/or invalid information, and no appeal rights are afforded because the claim is unprocessable. Please submit a new claim with the complete/correct information.

Please note that this new guidance does not apply to:

- Misdirected beneficiary-submitted claims (please refer to the "Medicare Claims Processing Manual," Chapter 1 (General Billing Requirements), Section 80.3.2 (Handling Incomplete or Invalid Claims) regarding the handling of such claims);

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- Electronic claims for DMEPOS that are submitted to the incorrect DME MAC (misdirected DMEPOS claims are automatically routed to the appropriate DME MAC jurisdiction for processing); or
- A claim submitted to the wrong Part A MAC or Fiscal Intermediary (FI), including a Regional Home Health Intermediary (RHHI).

Additional Information

You can find the official instruction, CR7629, issued to your carrier, A/ B MAC, or DME MAC by visiting <http://www.cms.hhs.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R2474CP.pdf> on the CMS website.

If you have any questions, please contact your carrier, DME MAC, or A/B MAC at their toll-free number, which may be found at <http://www.cms.hhs.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

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