



The *Hospice Payment System Fact Sheet*, which offers providers information about the Medicare hospice benefit, is now available from the Centers for Medicare & Medicaid Services Medicare Learning Network in downloadable format at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/hospice_pay_sys_fs.pdf on the CMS website.

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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

Note: This article was updated on April 15, 2014, to show that the Coordination of Benefits Contractor (COBC) is now known as the Benefits Coordination and Recovery Center (BCRC). All other information remains unchanged

Provider Types Affected

Physicians and suppliers submitting claims to Part B Medicare contractors (including carriers, Medicare Administrative Contractors (A/B MACs), and durable medical equipment MACs (DME MACs))

Provider Action Needed

As instructed in *MLN Matters* article MM5601, all providers that bill their claims to Part B carriers, A/B MACs, or DMACs should, effective with October 1, 2007, begin to include a new Coordination of Benefits Agreement (COBA) Medigap 5-byte COBA ID (range 55000 to 59999) on incoming Medicare paper claims (CMS-1500), or incoming Health Insurance Portability and Accountability Act (HIPAA) 837 professional (version 4010A1), or National Council for Prescription Drug Programs (NCPDP) version 5.1 batch standard 1.1 claims to trigger crossovers to those Medigap insurers that are participating in the Centers for Medicare & Medicaid Services (CMS) new COBA Medigap claim-based process.

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Providers should be including **only** the new 5-byte COBA Medigap claim-based ID on incoming Medicare claims effective October 1, 2007, for the purpose of triggering crossovers to those Medigap insurers that have been assigned a COBA Medigap claim-based ID that falls in the range of 55000 through 59999. The link to the Medigap Billing ID spreadsheet, which providers or their billing vendors should consult for this purpose, remains as <http://www.cms.gov/Medicare/Coordination-of-Benefits-and-Recovery/COBA-Trading-Partners/Downloads/Medigap-Claim-based-COBA-IDs-for-Billing-Purpose.pdf> on the CMS website.

Though the number of entities that have requested COBA Medigap claim-based IDs is currently not very large, providers and their billing vendors should continue to consult this listing for purposes of noting changes. Please be assured the list is complete and accurate. Providers or their billing vendors should include **only** the Medigap COBA IDs on this list (range 55000 through 59999) on Medicare claims for purposes of triggering crossovers to Medigap insurers. Providers or their billing vendors should **not** include any of the eligibility file-based COBA IDs (ranges 00001-29999; 30000-54999; 60000-69999; 70000-79999; and 80000-89999) on inbound claims to Medicare.

Effective October 1, 2007, if a provider or its billing vendor files a Medicare claim with a COBA ID other than the COBA Medigap IDs on the above-referenced Medigap Billing ID list, Medicare will generate an MA-19 message on the provider's 835 electronic remittance advice (ERA) or other remittance advice in use. This message indicates: "Information was **not** sent to the Medigap insurer due to incorrect/invalid information you submitted concerning that insurer. Please verify your information and submit your secondary claim directly to that insurer."

As a reminder, all entities that participate in the COBA eligibility file-based crossover process or automatic complementary crossover process may be referenced at <http://www.cms.gov/Medicare/Coordination-of-Benefits-and-Recovery/COBA-Trading-Partners/Coordination-of-Benefits-Agreements/Coordination-of-Benefits-Agreement-page.html> on the CMS website.

Providers should **not** contact those insurers or payers listed as participating in the automatic crossover process for purposes of determining whether CMS has assigned them a COBA Medigap claim-based ID. As aforementioned, providers or their billing vendors should also **not** utilize COBA ID information from this listing on their incoming Medicare claims for the purpose of triggering Medigap claim-based crossovers. **IMPORTANT:** Not every Medigap insurer is utilizing the automatic crossover process for the purpose of identifying **all** of its covered members or policyholders for crossover purposes and for receiving crossover claims for those Medicare beneficiaries. An example of this scenario is as follows: If the BCRC was approached by a new Medigap insurer that specified that it needed to apply for a Medigap claim-based ID (range 55000 to 59999) for various segments of its covered membership, but will utilize the automatic complementary crossover process for the remainder of its Medigap membership, the BCRC would, following execution of the COBA crossover agreement with the insurer,

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assign it two COBA IDs—one for automatic crossover (range 30000 to 54999 for automatic Medigap eligibility file-based crossover) and the other for Medigap claim-based crossover (55000 to 59999). Thus, this Medigap insurer would appear on **both** the listing of automatic crossover insurers as well as the Medigap Billing ID listing at the respective URL links on the COB website, referenced above.

Background

All supplemental insurers are required to sign a national COBA crossover agreement with CMS' Coordination of Benefits Contractor (BCRC) if they participate in CMS' automatic complementary crossover (COBA eligibility file-based crossover) process **or** in the COBA Medigap claim-based crossover process. Providers should know that it is **never** their responsibility to request or obtain new Medigap 5-byte IDs for their patients' Medigap insurers through the signing of a national COBA crossover agreement.

In *MLN Matters* article, MM5662, CMS informed its affected provider community that, during June through August 2007, its BCRC would assign a new 5-byte COBA Medigap claim-based identifier (range=55000 to 59999) to a Medigap insurer after it has signed a national crossover agreement with the BCRC. Despite repeated outreach communications to the health insurance industry, not all Medigap insurers have, as instructed, contacted the BCRC to specify which approach, among three available options, they will exercise to ensure continued receipt of crossover claims on and after October 1, 2007.

The three (3) options available to each Medigap insurer for addressing its receipt of Medicare crossovers remain as follows:

- If applicable, continue to participate **fully** in the automatic crossover process (or COBA eligibility file-based crossover process) and discontinue use of any claim-based Medigap IDs;
- Continue to participate in part in the automatic crossover process for a segment of the insurer's covered membership but request a COBA Medigap claim-based ID through the BCRC to address crossovers for the remaining segments; or
- Request a new COBA Medigap claim-based crossover ID through the BCRC, with the understanding that the Medigap insurer would prefer **not** to participate in the automatic crossover process.

To be clear, if a Medigap insurer is currently participating **fully** in the automatic (or COBA eligibility file-based) crossover process, it merely needs to inform the BCRC of this decision. Upon doing so, that Medigap insurer will experience no disruption in its receipt of crossover claims. Based upon its most recent review of trending, CMS has noted that the vast majority of the larger, more commonly known Medigap insurers, which were already participating **fully** in the Medicare automatic crossover process, have informed CMS and the BCRC that they plan to continue to participate fully in the automatic crossover process for purposes of fulfilling their mandatory Medigap crossover

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payment responsibilities on behalf of their Medigap policyholders. In other words, the majority of the larger, more commonly known Medigap insurers have exercised option #1, above.

Additional Information

You can find MLN Matters articles MM5601 and MM5662 at <http://www.cms.gov/outreach-and-education/medicare-learning-network-mln/mlnmattersarticles/downloads/MM5601.pdf> and <http://www.cms.gov/outreach-and-education/medicare-learning-network-mln/mlnmattersarticles/downloads/MM5662.pdf> on the CMS website.

You may want to review MM5837 (Clarification Regarding the Coordination of Benefits Agreement (COBA) Medigap Claim-based Crossover Process) at <http://www.cms.gov/outreach-and-education/medicare-learning-network-mln/mlnmattersarticles/downloads/MM5837.pdf> on the CMS website. MM5837 provides formal confirmation of CMS' decision to not require Medicare Part B contractors to update their internal insurer tables or files with each Medigap insurer's newly assigned COBA Medigap claim-based ID.

If you have any questions, please contact your carrier, A/B MAC, or DME MAC at their toll-free number found at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/Review-Contractor-Directory-Interactive-Map> on the CMS website.

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