

Attention Physicians and Providers!



Medicare will delay claims payments during the last 9 days of fiscal year 2006 (September 22 through September 30).

For complete details, see MLN Matters article 4349 at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM4349.pdf>

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MLN Matters Number: SE0656

Related Change Request (CR) #: N/A

Related CR Release Date: N/A

Effective Date: N/A

Related CR Transmittal #: N/A

Implementation Date: N/A

End of Contingency for Electronic Remittance Advice (ERA) – ACTION

Provider Types Affected

Providers and physicians who bill Medicare fiscal intermediaries (FIs), regional home health intermediaries (RHHIs), and carriers, including durable medical equipment regional carriers (DMERCs)

Background

The purpose of this Special Edition article is to clarify for providers the information issued by the Centers for Medicare & Medicaid (CMS) regarding the date to end the contingency plan for ERAs.

Key Points

Effective October 1, 2006, Medicare will only generate Health Insurance Portability and Accountability Act (HIPAA) compliant remittance advice – transaction 835 version 004010A1 – to all electronic remittance advice receivers. In addition, CMS issued instructions in Change Request (CR) 5047 that required a one-time hold of Medicare payments for the period of September 22, 2006, to September 30, 2006, for claims that would have been paid during the last 9 business days of fiscal year 2006. (See the *MLN Matters* article on CR5047 at

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<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5047.pdf> on the CMS website.)

CMS has further instructed that on or after October 1, 2006:

- Any ERA for claims that would be held per CR5047 or for any other reason shall be created in the HIPAA compliant format.
- Any duplicate remittance advice per provider request shall be created in the HIPAA compliant, if electronic, or paper format.

Current figures indicate that 99% of all ERA receivers (providers and other entities that receive the ERA on behalf of providers) are receiving a HIPAA compliant ERA format and they are unaffected by the end of the contingency plan. The remaining **1% of legacy ERA receivers need to transition to a HIPAA compliant ERA format** between now and October 1, 2006. The following are the **options available** to you as a legacy ERA receiver:

- Start receiving HIPAA compliant ERAs beginning on October 1, 2006.
- Request to switch to Standard Paper Remittance (SPR) advice.
 - If you are already receiving an SPR, and do not want to receive the HIPAA compliant ERA, notify your Medicare FI, DMERC, RHHI, or carrier to stop sending any ERA.
 - If providers are not currently receiving SPR, and do not wish to switch to HIPAA compliant ERA, notify your Medicare FI, DMERC, RHHI, or carrier that you would like to start receiving SPR and not receive any ERA.

There are tools available to providers to view and print the remittance advice information using free Medicare software (PC Print for institutional providers and Medicare Remit Easy Print (MREP) for professional providers and suppliers). These free software packages are 835 version 004010A1 compatible and will not work with any legacy ERA. Both software packages have important advantages over the SPR. Both packages can also be used to generate a hard copy remittance to be sent for secondary/tertiary billing, and for accounts receivable reconciliation. See the additional information section of this article for MREP details.

Additional Information

To learn about more MREP benefits, download the brochure available at http://www.cms.hhs.gov/MLNProducts/downloads/remit_easy_print.pdf on the CMS website. Or, you can view Special Edition MLN Matters article SE0611 at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0611.pdf> or a related MLN Matters article (MM4376) at

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<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM4376.pdf> on the CMS website.

For more information about the MREP software and how to receive the HIPAA 835, please contact your FI, RHHI, carrier/DMERC. Medicare Part B Electronic Data Interchange (EDI) helpline phone numbers are available at <http://www.cms.hhs.gov/ElectronicBillingEDITrans/Downloads/MedicarePartBEDIHelpline.pdf> on the CMS website. Those billing for Part A services can find the appropriate toll free number at <http://www.cms.hhs.gov/ElectronicBillingEDITrans/Downloads/MedicarePartAEDIHelpline.pdf> on the CMS website.

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