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A MEDICARE LEARNING NETWORK® (MLN) EVENT

Qualified Medicare Beneficiary Program Billing Requirements

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Acronyms in this Presentation

- Claim Adjustment Reason Code (CARC)
- Centers for Medicare & Medicaid Services (CMS)
- Durable Medical Equipment (DME)
- Explanation of Benefits (EOB)
- Fee-For-Service (FFS)
- HIPPA Eligibility Transaction System (HETS)
- Medicare Administrative Contractor (MAC)
- Medicare Summary Notice (MSN)
- Qualified Medicare Beneficiary (QMB) Program
- Remittance Advice (RA)
- Remittance Advice Remark Code (RARC)

Agenda

- Background
- QMB Billing Requirements
- State Policies Regarding Medicare Cost-Sharing Payments
- QMB Billing Problems
- Upcoming System Changes to Help Providers Identify QMB Status
- Steps for Providers to Promote Compliance
- Questions and Answers
- Resources

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Background

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The Qualified Medicare Beneficiary (QMB) Program

- In 2016, 7.5 million people were enrolled in the QMB Program
  - One in eight Medicare beneficiaries
  - Annual incomes at or below $12,000

- The QMB program is an eligibility category under the Medicare Savings Program.

- People with Medicare who are in the QMB program are also enrolled in Medicaid and get help with their Medicare premiums and cost-sharing.

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QMB Billing Requirements

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QMB Billing Requirements

Medicare providers may not charge QMBs for Medicare cost-sharing for any Part A and B covered items and services.

Rules apply to all original Medicare and Medicare Advantage providers and suppliers.

For more information, see Prohibition on Billing Dually Eligible Individuals Enrolled in the QMB Program MLN Matters® Article.

State Policies Regarding Medicare Cost-Sharing Payments

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State Policies Regarding Medicare Cost-Sharing Payments

Once enrolled in the Medicaid program, providers and suppliers may bill State Medicaid agencies for Medicare cost-sharing amounts.

However, as permitted by federal law, most states limit their payment of Medicare deductibles, coinsurance, and copays for QMBs.

Regardless, persons enrolled in the QMB program have no legal liability to pay Medicare providers for Medicare Part A or Part B cost-sharing.

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QMB Billing Problems

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Improper Billing Is Occurring

Difficulties for Providers	Difficulties for Patients
Confusion about the billing rules	Confusion and lack of awareness regarding QMB status and rules
Difficulty in identifying QMB status	Many pay improper charges
	Unpaid balances sent to collections

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Upcoming System Changes to Help Identify QMB Status

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Medicare Eligibility System Includes QMB Data

Through the HIPPA Eligibility Transaction System (HETS), CMS releases Medicare eligibility data to Medicare providers, suppliers, or their authorized billing agents (including clearinghouses and third party vendors).

Providers use HETS to prepare accurate Medicare claims, determine beneficiary liability, or check eligibility for specific services.

- Providers send the 270 eligibility request.
- HETS returns the 271 response.

Effective November 4, 2017, HETS indicates periods during which the beneficiary is enrolled in QMB and owes $0 for Medicare Part A and B deductibles and coinsurance.

For more information, visit the HETS website.

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Timeline of CMS Changes for QMB RAs & the MSNs

October 2, 2017: Remittance Advice (RAs) and Medicare Summary Notices (MSNs) began identifying the QMB status of beneficiaries and reflecting their lack of liability for Medicare cost-sharing. (MLN Matters Article MM9911 and QMB RA Issue).

December 8, 2017: CMS temporarily suspended the system changes due to unforeseen issues affecting the processing of QMB cost-sharing claims by states and other payers secondary to Medicare.

March 2018: Medicare Administrative Contractors (MACs) began issuing replacement RAs for claims paid after October 2, 2017, and up to December 31, 2017, that have not been since voided or replaced (by December 20, 2018, for Part B MACs and by September 20, 2018, for Part A & Durable Medical Equipment (DME) MAC claims). (MLN Matters Article MM10494).

July 2018: CMS will reintroduce QMB information in the RA with modifications to avoid disrupting claims processed by secondary payers. (MLN Matters Article MM10433).

Reintroduction of QMB Information in the Remittance Advice

Starting July 2, 2018, for original Medicare claims, the RA will reintroduce revised QMB-specific Alert Remittance Advice Remark Codes (RARCs).

- N781 – Alert: Patient is a Medicaid/Qualified Medicare Beneficiary. Review your records for any wrongfully collected deductible. This amount may be billed to a subsequent payer.
- N782 – Alert: Patient is a Medicaid/Qualified Medicare Beneficiary. Review your records for any wrongfully collected coinsurance. This amount may be billed to a subsequent payer.

The RAs will retain the display of monetary values for deductible and coinsurance amounts in conjunction with Group Code “PR” and associated Claim Adjustment Reason Codes (CARCs) for cost-sharing amounts (“1” and “2”).

For more information, see Reinstating the QMB Indicator in the Medicare Fee-For-Service (FFS) Claims Processing System from CR 9911 MLN Matters Article.

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Reintroduction of QMB Information in Medicare Summary Notices (MSN)

Starting July 2, 2018, the MSN will clearly identify when the beneficiary was enrolled in the QMB program and will accurately reflect the beneficiary's cost-sharing liability ($0 for the period enrolled in the QMB program).

For more information, see Reinstating the QMB Indicator in the Medicare Fee-For-Service (FFS) Claims Processing System from CR 9911 MLN Matters Article.

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QMB Information from Medicare Advantage Plans

CMS advises plans to affirmatively inform providers about enrollee QMB status and exemption from cost-sharing liability through various means such as

- Real-time eligibility verification responses
- Provider portals and phone query mechanisms
- RA (Explanation of Payment)

CMS recommends that plans inform Medicare Advantage enrollees of their QMB status and zero cost-sharing liability for QMB enrollees in Explanation of Benefits (EOB).

Steps for Providers to Promote Compliance

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Steps for Providers to Promote Compliance

1. Establish processes to routinely identify the QMB status of your patients prior to billing.

2. Ensure that billing procedures and third-party vendors exempt QMBs from Medicare charges and remedy billing problems should they occur.

3.Determine the State processes to seek Medicare cost-sharing payments.

For more information, see Prohibition on Billing Dually Eligible Individuals Enrolled in the QMB Program MLN Matters Article.

Identify the QMB status of your patients prior to billing

Use Medicare system information to identify the QMB status of your patients

- Use QMB data and information in HETS. Ask your third party eligibility verification vendor how their products reflect QMB information from HETS.
- Starting July 2, 2018, use new QMB information in the RA for original Medicare claims.

Medicare Advantage (MA) providers and suppliers should also contact their MA plan for instructions.

Use State online Medicaid eligibility systems or other documentation, including Medicaid identification cards, documents issued by the State proving the patient is enrolled in the QMB program.

- Ask beneficiaries for a copy of their MSN.

Ensure Billing Procedures Reflect QMB Billing Requirements

Ensure that billing procedures and third-party vendors exempt individuals enrolled in the QMB program from Medicare charges.

Adopt procedures to detect if improper billing has occurred.

- MACs will conduct outreach to specific providers when 1-800-MEDICARE receives complaints about persistent improper billing.

If improper billing occurs, recall the charges (including referrals to collection agencies) and refund the invalid charges.

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Determine State Processes for Medicare Cost-Sharing Payments

Understand the processes to request payment for Medicare cost-sharing amounts if they are owed by your state.

States require all providers, including Medicare providers, to enroll in their Medicaid system for provider claims review, processing, and issuance of the Medicaid RA.

Different processes may apply to Original Medicare and Medicare Advantage QMB claims

- For Original Medicare claims, nearly all states have crossover processes to automatically receive Medicare-adjudicated claims.

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Question & Answer Session

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Resources

For More Information:

- Visit the QMB Program webpage
- Contact QMBbilling@cms.hhs.gov
- Contact your state Medicaid agency; see Medicaid.gov for state contacts.

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