

CMS Manual System

Pub 100-20 One-Time Notification

Transmittal 198

Department of Health &
Human Services (DHHS)

Centers for Medicare &
Medicaid Services (CMS)

Date: DECEMBER 9, 2005

Change Request 4231

SUBJECT: Termination of the Existing Eligibility-File Based Crossover Process at All Medicare Contractors

I. SUMMARY OF CHANGES: Through this change request, the CMS is providing instruction to the Medicare contractors concerning their responsibilities as they relate to the discontinuance of the current eligibility file-based crossover process effective with January 3, 2006.

NEW/REVISED MATERIAL

EFFECTIVE DATE: January 9, 2006

IMPLEMENTATION DATE: January 9, 2006

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R = REVISED, N = NEW, D = DELETED – *Only One Per Row.*

R/N/D	Chapter / Section / SubSection / Title
N/A	

III. FUNDING:

No additional funding will be provided by CMS; Contractor activities are to be carried out within their FY 2006 operating budgets.

IV. ATTACHMENTS:

One-Time Notification Attachment

**Unless otherwise specified, the effective date is the date of service.*

Attachment – One-Time Notification

Pub. 100-20	Transmittal: 198	Date: December 9, 2005	Change Request 4231
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SUBJECT: Termination of the Eligibility File-Based Crossover Process At All Medicare Contractors

I. GENERAL INFORMATION

A. Background: Since July 2004, the Centers for Medicare & Medicaid Services (CMS) has been testing its national Coordination of Benefits Agreement (COBA) consolidated crossover process with well over 120 trading partners. During this time, the CMS and the Coordination of Benefits Contractor (COBC) have brought the Health Insurance Portability and Accountability Act (HIPAA) American National Standards Institute (ANSI) X12-N 837 Coordination of Benefits (COB) claim files into high degrees of compliancy with the version 4010-A1 837 Institutional and Professional Claim Implementation Guides. Consequently, since June 2005, CMS has been moving trading partners into crossover production with the COBC, and that trend has recently been accelerating.

The CMS recently issued joint signature memorandum (JSM)-06026 to provide guidance to all Medicare contractors regarding the discontinuance of the existing eligibility file-based crossover process effective December 31, 2005. Through this communication, the CMS also described a waiver process that trading partners that will not be moving into COBA crossover production by December 31, 2005, must follow. CMS is issuing this instruction to clarify all Medicare contractor requirements as they relate to the discontinuance of the existing eligibility file-based crossover process. Also, through this instruction, CMS is updating the end date for the existing Medicare eligibility file-based crossover process to January 3, 2006, for Medicare contractor purposes. This enables the contractors to initiate the termination process for those trading partners that have not moved to COBA production on December 31, 2005.

B. Policy: CMS has decided that it will no longer cross claims over to trading partners pursuant to signed crossover agreements and the submission of COB eligibility files beyond January 3, 2006. As of that date, the COBC will exclusively cross over all claims to trading partners in the HIPAA ANSI X12-N 837 COB (version 4010-A1) formats via the COBA eligibility file-based crossover process, unless 1) Medicare contractors have submitted waiver requests to CMS on behalf of their current trading partners no later than December 16, 2005 (note: Trading partners would need to have submitted these requests to the Medicare contractors no later than December 7, 2005), and 2) the CMS has approved the trading partners' waiver requests in advance of January 3, 2006. (**Note:** CMS plans to reach a decision on all waiver requests no later than December 21, 2005, unless late waiver requests must be addressed.)

The CMS has developed a standard COBA Trading Partner Production Waiver Request form (see Attachment A) that Medicare contractors shall submit to trading partners when they contact them to request a waiver. The Waiver Request must be completed in its entirety and must document all Medicare contractors with whom the trading partner has executed crossover agreements. If a trading partner has executed crossover agreements with multiple Medicare contractors, the trading partner need only submit a single waiver request to one (1) of its associated Medicare contractors by December 7, 2005. Healthcare clearinghouses will be required to submit one (1) waiver request per client to at least one (1) of their affiliated Medicare contractors. As part of its review of a trading partner's waiver request, CMS will take

the responsibility for notifying all other affected Medicare contractors of the trading partner's requested waiver and estimated COBA production date. Trading partners should be reminded that, as confirmed in the attached Waiver Request form, their estimated production date cannot exceed March 31, 2006.

As aforementioned, all Medicare contractors shall submit COBA Trading Partner Production Waiver Request forms to CMS no later than December 16, 2005. Once a Medicare contractor receives a Waiver Request, it shall verify that the form was completed in its entirety. If the Medicare contractor determines that the form was incomplete, it shall return the form to the sender, specifying that the trading partner needs to complete all portions of the document (Section I.A through J). If complete Waiver Requests are received electronically via e-mail, they should be forwarded to CMS at COBAProcess@cms.hhs.gov. If, by contrast, complete Waiver Requests are received from trading partners via fax or mail, the forms may be faxed to CMS to the attention of Susan Oken at (410) 786-7030.

The CMS will approve or deny all waiver requests received by December 16, 2005, no later than December 21, 2005. Waiver requests that contain no justification or inadequate justification will be rejected. CMS responses will be sent to the Medicare contractor that submitted the waiver request. In addition, CMS will respond to all Medicare contractors listed in Section I. J of the COBA Trading Partner Production Waiver Request and will copy the designated trading partner contact.

Termination Process Notifications to Trading Partners That Have Not Requested a Waiver

All Medicare contractors shall begin the termination of the existing eligibility file-based crossover process with each individual trading partner that has not requested and received a waiver **no sooner than** January 3, 2006. That termination process shall include sending an individual trading partner notification that a waiver request was not received. Consequently, the Medicare contractor will immediately begin actions necessary to cease crossing eligibility file-based claims to the trading partner. Actions necessary to end the crossover process with a trading partner may include, but are not limited to, terminating the existing crossover Trading Partner Agreement; clearing residual claims from the payment floor; and submitting final invoices to the trading partner. Contractors shall ensure that the trading partner termination process notification includes a segment wherein the contractor specifies a final date by which these actions will be accomplished. Contractors shall submit a copy of their termination process notification to CMS at COBAProcess@cms.hhs.gov on the same date that the notice is transmitted to the individual trading partner. This will enable CMS to complete a side-by-side comparison, thereby ensuring that all trading partners that will not move into COBA production by December 31, 2005, will either have submitted a waiver or been targeted by Medicare contractors to receive a termination notification. In lieu of notifying CMS and the trading partner on the same date, the Medicare contractor may contact CMS prior to sending the termination process notification after January 3, 2006. CMS, in turn, will discuss each termination process notification with the associated Medicare contractors prior to the final date that actions will be accomplished by those Medicare contractors to end the eligibility file-based crossover process with an individual trading partner.

Impact on Mandatory Medigap ("Claim-Based") Crossovers

The January 3, 2006, end date does not apply to mandatory Medigap ("claim-based") crossovers, which are authorized by §4081(a)(B) of the Omnibus Budget Reconciliation Act of 1987 [Public Law 100-203], and currently supported by Part B and Durable Medical Equipment Regional Carrier (DMERC)

contractors. Part B and DMERC contractors shall continue to send such crossovers to Medigap insurers either via paper or electronic receipt, including the 837 Professional COB claim version 4010-A1 format, until further notice from CMS is provided subject to requirement #3273.4 in Change Request 3273.

The final Health Insurance Portability and Accountability Act (HIPAA) transaction and code set regulations stipulate that trading partners should be able to accept HIPAA American National Standards Institute (ANSI) X12-N 837 claims (version 4010-A1) from other payers. Therefore, Part B and DMERC contractors should ensure that new trading partners that request mandatory Medigap (claim-based) crossover claims, outside of a formal crossover agreement, will receive these claims in the appropriate HIPAA ANSI X12-N 837 Professional COB (version 4010-A1) formats. (NOTE: This practice does not violate the requirements provided in Transmittal 448, change request 3658, which applied to new eligibility file-based crossover agreements.)

II. BUSINESS REQUIREMENTS

“Shall” denotes a mandatory requirement

“Should” denotes an optional requirement

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
4231.1	Contractors shall discontinue their eligibility file-based crossover processes with trading partners effective January 3, 2006, unless they have received a waiver request from such entities and unless CMS has approved the waiver request by December 21, 2005 (or by December 30, 2005, for late waiver requests). (NOTE: COBA Production Waiver Requests shall be directed to COBAProcess@cms.hhs.gov and shall include “Waiver Request” in the subject line.)	X	X	X	X					
4231.1.1	Contractors shall post Attachments A and B on their websites in the appropriate section (e.g., crossover segment) for claims crossover trading partners to view.	X	X	X	X					

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
4231.1.2	Contractors that receive waiver requests beyond the trading partners’ deadline to such requests shall send a high priority e-mail alert, including the completed waiver forms, to CMS at COBAProcess@cms.hhs.gov , including “Waiver Request” in the subject line. CMS will then contact the Medicare contractors’ internal crossover staff to discuss next steps.	X	X	X	X					
4231.2	Contractors that receive requests from trading partners for waivers shall immediately send each entity a copy of CMS’ standard COBA Trading Partner Production Waiver Request form (see Attachment A) to be completed in its entirety along with the suggested language (see Attachment B).	X	X	X	X					
4231.3	Contractors shall inform each healthcare clearinghouse that seeks a waiver on behalf of its clients that it shall be required to submit one (1) waiver request for each insurer client to at least one (1) of its affiliated Medicare contractors.	X	X	X	X					
4231.3.1	If CMS does not approve a waiver request for a clearinghouse client, the contractor shall inform the healthcare clearinghouse to remove the client from its eligibility file no earlier than January 3, 2006, and no later than determined by the Medicare contractor to accomplish the actions necessary to end the eligibility file-based crossover process with the individual client. (See requirement #7.2 below for more information regarding the termination process notification procedure.)	X	X	X	X					
4231.4	Contractors shall offer to receive completed Waiver Request forms from trading partners via electronic e-mail or via facsimile (fax) or by mail only if the two foregoing receipt options are not available.	X	X	X	X					

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
4231.4.1	Each contractor shall include its contact information in its cover letter to trading partners regarding the discontinuance of eligibility-file based crossover (see Attachment B) and shall accompany the distribution of the Waiver Request form.	X	X	X	X					
4231.5	Upon receipt of a COBA Trading Partner Production Waiver Request form, the contractor shall verify that the trading partner completed pages 1 and 2 of the form (Section I.A-J) in their entirety.	X	X	X	X					
4231.5.1	If the contractor determines that the Waiver Request form was not fully completed, it shall return the form to the trading partner within two (2) business days of receipt, with instructions to complete any missing elements and a reminder of the due date.	X	X	X	X					
4231.5.2	Contractors shall return incomplete forms in the most expeditious manner possible (e.g., e-mail or fax), with a request for confirmation of receipt from the trading partner. This will ensure that trading partners will be able to meet their deadline for waiver submissions.	X	X	X	X					
4231.6	Contractors that receive fully completed Waiver Request forms from trading partners via electronic e-mail by their deadline for submitting such requests shall complete Section II and submit these forms to CMS at COBAProcess@cms.hhs.gov , including “Waiver Request” in the subject line, no later than December 16, 2005.	X	X	X	X					
4231.6.1	Contractors that receive fully completed Waiver Request forms from trading partners via fax by their deadline for submitting such requests shall complete Section II completed and submit them via fax to the attention of “Susan Oken” at (410) 786-7030. This action shall occur no later than December 16, 2005.	X	X	X	X					

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
4231.7	All Medicare contractors shall begin the termination of the existing eligibility file-based crossover process with each individual trading partner that has not requested and received a waiver no sooner than January 3, 2006.	X	X	X	X					
4231.7.1	To initiate this termination process, contractors shall send an individual trading partner notification to any existing trading partner that has not as yet submitted a completed COBA Trading Partner Production Waiver Request form. Consequently, the Medicare contractors will immediately begin actions necessary to cease crossing eligibility file-based claims to the trading partner.	X	X	X	X					
4231.7.2	Actions necessary to end the crossover process with a trading partner may include, but are not limited to, terminating the existing crossover Trading Partner Agreement; clearing residual claims from the payment floor; and submitting final invoices to the trading partner. (NOTE: Trading partners will be expected to take the same actions in terms of ceasing transmission of eligibility files and accepting and paying for residual contractor claims under this scenario as they would when they move into COBA production with the COBC.)	X	X	X	X					
4231.7.3	Contractors shall ensure that the trading partner termination process notification includes a segment wherein each contractor specifies a final date by which the termination actions will be accomplished.	X	X	X	X					
4231.7.4	Contractors shall submit a copy of their termination process notification to CMS at COBAProcess@cms.hhs.gov (including “Termination Notification” in the subject line) on the same date that the notice is transmitted to the individual trading partner. This will enable CMS to complete a side-by-side comparison,	X	X	X	X					

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
	thereby ensuring that all trading partners that will not move into COBA production by December 31, 2005, will either have submitted a waiver or been targeted by Medicare contractors to receive a termination notification.									
4231.7.5	In lieu of notifying CMS and the trading partner on the same date, in association with requirement 7.4 above, the Medicare contractor may contact the CMS prior to sending the termination process notification. (NOTE: CMS, in turn, will discuss each termination process notification with the associated Medicare contractors prior to the final date that contractor actions will be accomplished to end the eligibility file-based crossover process for an individual trading partner.)	X	X	X	X					
4231.7.6	For purposes of contacting CMS for requirement 7.5, the contractor shall call a member of the COBA team (Donna Kettish, 410-786-5462; Brian Pabst, 410-786-2487; Brian Johnson, 410-786-7601; Susan Oken, 410-786-6569) and send an e-mail to COBAProcess@cms.hhs.gov .	X	X	X	X					
4231.8	Part B and DMERC contractors shall continue to send mandatory Medigap (“claim-based”) crossovers to Medigap insurers either via paper or electronic receipt, including the 837 Professional COB claim (version 4010-A1) format, until further notice from CMS is provided.			X	X					
4231.8.1	The final Health Insurance Portability and Accountability Act (HIPAA) transaction and code set regulations stipulate that trading partners should be able to accept HIPAA American National Standards Institute (ANSI) X12-N 837 claims (version 4010-A1) from			X	X					

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
	<p>other payers. Therefore, Part B and DMERC contractors should ensure that new trading partners that request mandatory Medigap (claim-based) crossover claims, outside of a formal crossover agreement, will receive these claims in the appropriate HIPAA ANSI X12-N 837 Professional COB (version 4010-A1) formats. (NOTE: This practice does not violate the requirements provided in Transmittal 448, change request 3658, which applied to new eligibility file-based crossover agreements.)</p>									
4231.8.2	<p>Until further notice, Part B and DMERC contractors shall cease the sending of mandatory Medigap crossovers only if:</p> <p>1) They receive a Beneficiary Other Insurance (BOI) reply trailer (29) that includes a Medigap COBA ID and indicates that the trading partner is in production mode with the COBC per requirement # 3273.4 in Change Request 3273; <u>or</u></p> <p>2) They receive a request from a Medigap insurer to discontinue all Other Carrier Name and Address (OCNA) or N-key identification numbers (IDs), which are assigned for mandatory Medigap (claim-based) crossover purposes. (NOTE: This latter exception would only be applicable if the Medigap insurer went into COBA production with the COBC and would intend to identify its covered members via an eligibility file, per its termination notice.)</p>			X	X					
4231.9	<p>As stated in requirement 1.2 above, contractors that receive completed forms beyond the trading partners’ deadline for submitting waiver requests shall send a high priority e-mail alert</p>	X	X	X	X					

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)							
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers			
F I S S	M C S					V M S	C W F		
	to COBAProcess@cms.hhs.gov , including “Waiver Request” in the subject line. CMS will contact the Medicare contractors to discuss the late receipt of waiver requests.								

III. PROVIDER EDUCATION

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)							
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers			
F I S S	M C S					V M S	C W F		
4231.10	A provider education article related to this instruction will be available at www.cms.hhs.gov/medlearn/matters shortly after the CR is released. You will receive notification of the article release via the established "medlearn matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within 1 week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin and incorporated into any educational events on this topic. Contractors are free to supplement Medlearn Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.	X	X	X	X				

IV. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions: N/A

X-Ref Requirement #	Instructions

B. Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

C. Interfaces: N/A

D. Contractor Financial Reporting /Workload Impact: N/A

E. Dependencies: N/A

F. Testing Considerations: N/A

V. SCHEDULE, CONTACTS, AND FUNDING

Effective Date*: January 9, 2006 Implementation Date: January 9, 2006 Pre-Implementation Contact(s): Brian Pabst (brian.pabst@cms.hhs.gov ; 410-786-2487) or Susan Oken (susan.oken@cms.hhs.gov ; 410-786-6569) Post-Implementation Contact(s): Brian Pabst (brian.pabst@cms.hhs.gov ; 410-786-2487) or Susan Oken (susan.oken@cms.hhs.gov ; 410-786-6569)	No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2006 operating budgets.
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***Unless otherwise specified, the effective date is the date of service.**

Attachments A and B

COBA Trading Partner Production Waiver Request

Section I. To be completed by Trading Partner

A. Name of Trading Partner _____

B. Trading Partner Contact Information: Name _____
Phone Number ____ - ____ - _____ E-mail _____

C. All COBA IDs Covered by this Request _____

D. Date of Request _____

E. COBA Testing (Teleconference) Group Number _____

F. Date of First Eligibility Testing with the Coordination of Benefits Contractor (COBC) _____

G. Date of First Claims Testing with the COBC _____

H. Justification for Waiver Request _____

I. Date Expected/Scheduled to go into COBA Production with the COBC _____

**Note: (1) All Waiver Requests must be submitted to an associated Medicare contractor to be sent to CMS for approval by December 7, 2005.
(2) All Trading Partners must be in production by March 31, 2006. There will not be any waivers granted for production dates later than March 31, 2006.**

Section II. To be completed by Medicare Contractor

What format is currently used to cross claims for this Trading Partner?

Are all lines of business included under one Trading Partner Agreement?

Special Note: Volume of claims to be crossed weekly_____

Other Comments: _____

Section III. CMS Approval: **Yes**_____ **No**_____

Name_____ **Title**_____ **Date**_____

Comment(s) _____

Attachment B

Suggested Language For Letter To Trading Partners

The Centers for Medicare & Medicaid Services (CMS) has decided that it will not continue to maintain the current eligibility file-based crossover process at all Medicare contractors concurrently with the consolidated COBA process at the COBC. Therefore, Medicare contractors may no longer cross claims over to trading partners pursuant to signed crossover agreements and the submission of eligibility files, beyond December 31, 2005. As of that date, the COBC will exclusively cross over all claims to trading partners in the HIPAA ANSI X12-N 837 (version 4010-A1) COB formats via the eligibility file-based COBA process, unless Medicare contractors request specific waivers on behalf of current trading partners. Waivers will be granted on a case-by-case basis and must include a justification for not testing the COBA process with the COBC or why production with the COBA process is not possible by December 31, 2005.

If you have adequate justification for not being in production with the COBA consolidated crossover process by December 31, 2005, a Waiver Request must be submitted to Medicare contractors so that they are received no later than December 7, 2005. Requests can be submitted either electronically to _____ or by fax at ____-____-____ or by mail to _____.

If you have Trading Partner Agreements (TPAs) with multiple Medicare Contractors, you only need to complete the attached form for one of the contractors, but Section I. J. of the Waiver Request **must** include all other Medicare contractors for which you have TPAs, including Part A, Part B, and DMERC TPAs with the same contractor.

The December 31, 2005, end date does not apply to mandated Medigap (claim-based) crossover processes maintained by Part B and DMERC contractors. This process will continue at the Part B and DMERC contractors until further notice.

Please be certain that you return all three pages of the attached form.

Attachment