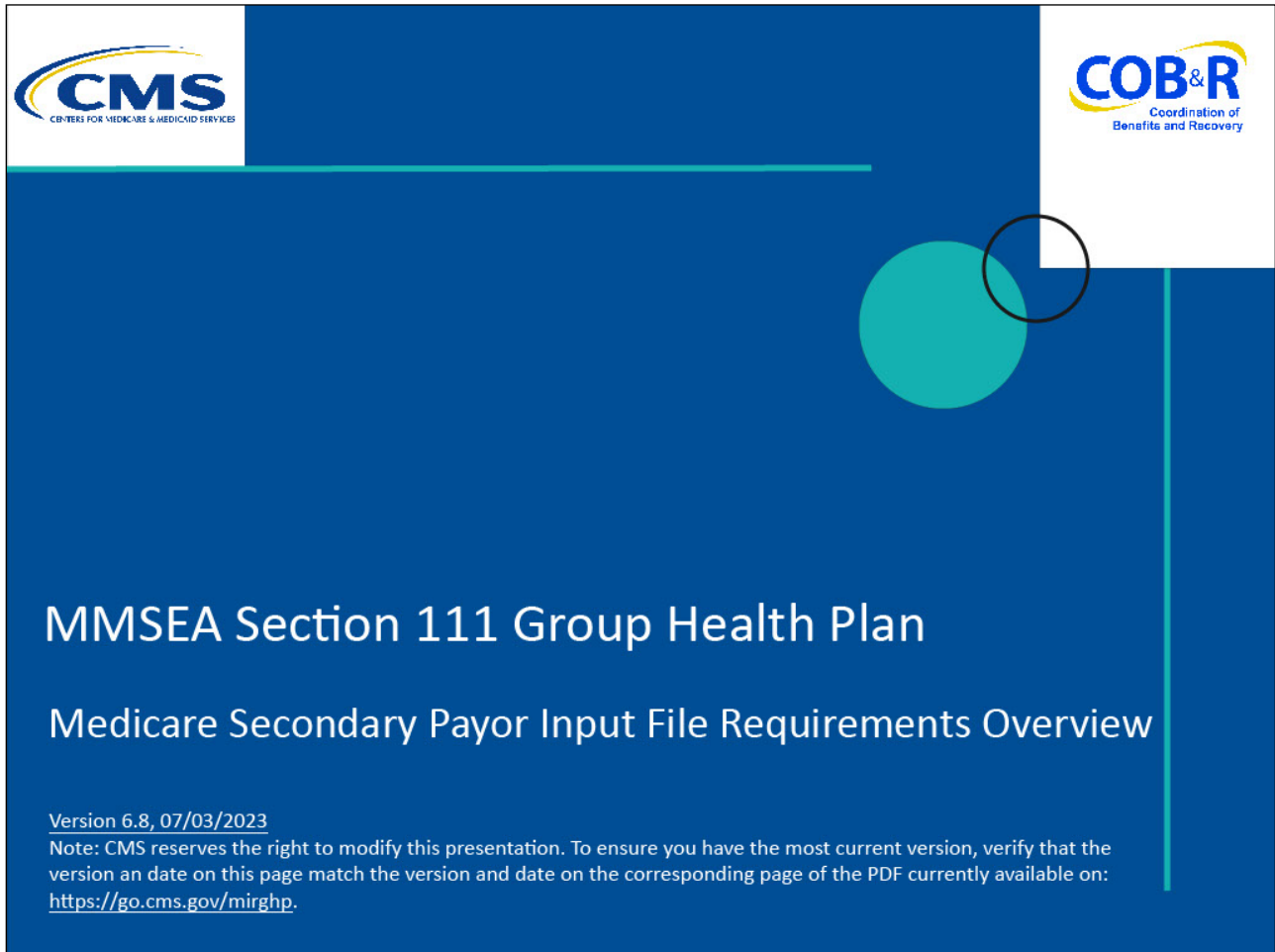


## MSP Input File Requirements Overview Introduction

### Slide 1 of 25 - MSP Input File Requirements Overview Introduction



**CMS**  
CENTERS FOR MEDICARE & MEDICAID SERVICES

**COB&R**  
Coordination of  
Benefits and Recovery

# MMSEA Section 111 Group Health Plan

## Medicare Secondary Payor Input File Requirements Overview

Version 6.8, 07/03/2023  
Note: CMS reserves the right to modify this presentation. To ensure you have the most current version, verify that the version and date on this page match the version and date on the corresponding page of the PDF currently available on:  
<https://go.cms.gov/mirghp>.

### Slide notes

Welcome to the Medicare Secondary Payer (MSP) Input File Requirements Overview course.

**Slide 2 of 25 - Disclaimer**

## Disclaimer

While all information in this document is believed to be correct at the time of writing, this Computer Based Training (CBT) is for educational purposes only and does not constitute official Centers for Medicare and Medicaid Services (CMS) instructions for the MMSEA Section 111 implementation. All affected entities are responsible for following the instructions found at the following link:

<https://go.cms.gov/mirghp>.

**Slide notes**



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**Slide 3 of 25 - Course Overview**

## Course Overview

- MSP Input File
  - Data Elements
  - Format
  - Individual Matching Criteria
  - MSP Occurrences
  - File Process Notifications



**Slide notes**

This learning module provides an introduction to MSP Input File requirements including data elements, format, individual matching criteria, MSP Occurrences, and file process notifications.

Slide 4 of 25 - MSP Input File

The diagram features a white background with two blue rectangular blocks at the top corners. The title 'MSP Input File' is centered at the top. Below it, a blue box contains the text 'Must be submitted to comply with Section 111'. A large blue downward-pointing arrow is positioned between this box and a second blue box below it. The second box contains the text 'Data set used to report GHP coverage information for Medicare beneficiaries who have GHP coverage which is primary to Medicare and Medicare is the secondary payer'.

MSP Input File

Must be submitted to comply with Section 111

Data set used to report GHP coverage information for Medicare beneficiaries who have GHP coverage which is primary to Medicare and Medicare is the secondary payer

**Slide notes**

All GHP Responsible Reporting Entities (RREs) must submit the MSP Input File in order to comply with the Section 111 requirements.

The MSP Input File is the data set used to report GHP coverage information for Medicare beneficiaries who have GHP coverage which is primary to Medicare and Medicare is the secondary payer.

**Slide 5 of 25 - Report on MSP Input File**

## Report on MSP Input File

- All GHP covered individuals who satisfy criteria of Active Covered Individual definition
  - **OR**
- GHP covered individuals identified as Medicare beneficiaries through the query
  - **OR**
- GHP covered individuals identified as Medicare beneficiaries through the Beneficiary Lookup Action
  - **OR**
- Beneficiary expand their insurance coverage (i.e., switch from hospital only to comprehensive coverage), then you will need to send an MSP Input File update record, as long as the coverage start and end dates match.
  - **OR**
- Beneficiary reduce their coverage (i.e., switch from hospital/medical/drug to just hospital/medical coverage), you should first terminate the record by providing an end date and then send an add record with the updated coverage.

**Slide notes**

The MSP Input File is used to report GHP coverage information for Active Covered Individuals who are Medicare beneficiaries.

It assists the Benefits Coordination & Recovery Center (BCRC) in determining when Medicare should be paying secondary for a GHP covered individual.

Since an RRE may not know whether a covered individual is a Medicare beneficiary, the RRE may choose one of the following approaches to determine whom to report on the MSP Input File.

The first approach requires the RRE to identify all GHP covered individuals who satisfy the requirements of the Active Covered Individual definition. Once identified, the RRE will report these individuals on the MSP Input File.

The second approach provides the RRE with a tool (i.e. the “Finder File”) whereby the RRE will query on their GHP covered individual’s Medicare entitlement and enrollment, prior to creating and submitting the MSP Input File.

Another approach is to use the Beneficiary Lookup Action where an RRE can submit up to 100 query requests per RRE ID per calendar month to determine if a covered individual can be matched to a Medicare beneficiary.

More information on the Active Covered Individual definition and use of the finder file can be found in the GHP User Guide and in the MSP Input File Reporting Methods course. Group Health Plan (GHP) Responsible Reporting Entities (RREs) must report primary prescription drug coverage through the Section 111 process for calendar quarters.

GHP RREs who report primary prescription drug coverage using the Basic reporting option will now receive Medicare Part D enrollment information on their response files. Please see the Beneficiary Lookup Action CBT for more information on this feature.

Should the beneficiary expand their insurance coverage (i.e., switch from hospital only to comprehensive coverage), then you will need to send an MSP Input File update record, as long as the coverage start and end dates match.

Should the beneficiary reduce their coverage (i.e., switch from hospital/medical/drug to just hospital/medical coverage), you should first terminate the record by providing an end date and then send an add record with the updated coverage.

Note: In instances where drug coverage was not being reported prior to the SUPPORT Act requirements in January 2020, you will need to send an MSP Input File update record as long as the coverage start dates for the original record and the drug record match.

Please see the Beneficiary Lookup Action CBT for more information on this feature.

**Slide 6 of 25 - MSP Input File - Data Elements**

## MSP Input File - Data Elements

- MSP Input File captures information the BCRC can use to identify Active Covered Individuals such as:
  - Name and SSN
- RREs should send a covered individuals Medicare ID whenever available
  - RREs must store Medicare ID returned on response files in internal system
  - RREs are required to store the Medicare ID returned on response files and use it on all subsequent transactions for the beneficiary
- Other data elements included on the file are:
  - GHP Coverage Information
  - Employer Information
  - Insurer Information

**Slide notes**

The MSP Input File will include many data elements. It will capture information the BCRC can use to identify the Active Covered Individuals being reported on each record such as the person's name and Social Security Number (SSN).

CMS recommends that RREs send a covered individual's Medicare ID on MSP Input File records whenever it is available.

The Medicare ID is CMS' Medicare identifier for Medicare beneficiaries and is the preferred data element for matching purposes. RREs are encouraged to obtain Medicare IDs from Medicare beneficiaries they cover for initial reporting.

RREs must store the Medicare ID returned on response files in their internal systems and are required to use it on all subsequent transactions for the beneficiary.

Other data elements that will be included on the MSP Input File are: Information about the GHP coverage you provide to each individual such as the Insurance Type, Effective Dates, and Policy Number.

Information about the Employer that sponsors the Group Health Plan and information about the insurer providing the GHP coverage.

Data elements and file layouts are found in Appendix A of the GHP User Guide.



**Slide 7 of 25 - Reporting Requirements**

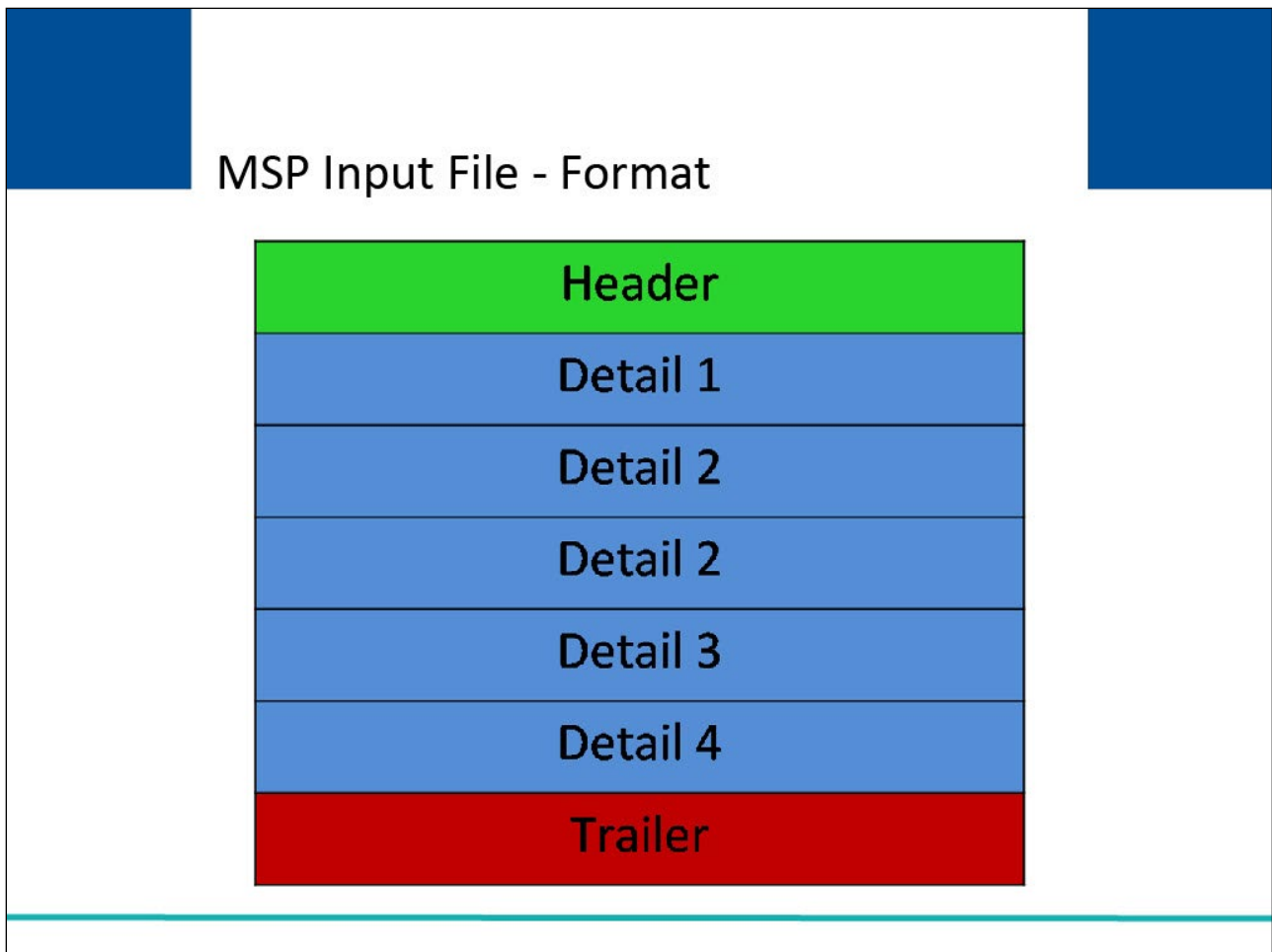
## Reporting Requirements

- MSP data about all “Active Covered Individuals” must be reported
  - CMS prefers the Medicare ID

**Slide notes**

Responsible Reporting Entities (RREs) are required to report MSP data about all “Active Covered Individuals”.

To do so, the RRE must include an individual’s Medicare ID or SSN on each detail record submitted. The Medicare ID is preferred.

**Slide 8 of 25 - MSP Input File - Format****Slide notes**

Each MSP Input File contains a header record, followed by each detail record followed by a trailer record that contains a count of the detail records supplied.

The MSP Input file format requires you to send an initial “add” record for each covered individual. If CMS accepts the add record, this means that Medicare is the secondary payer.

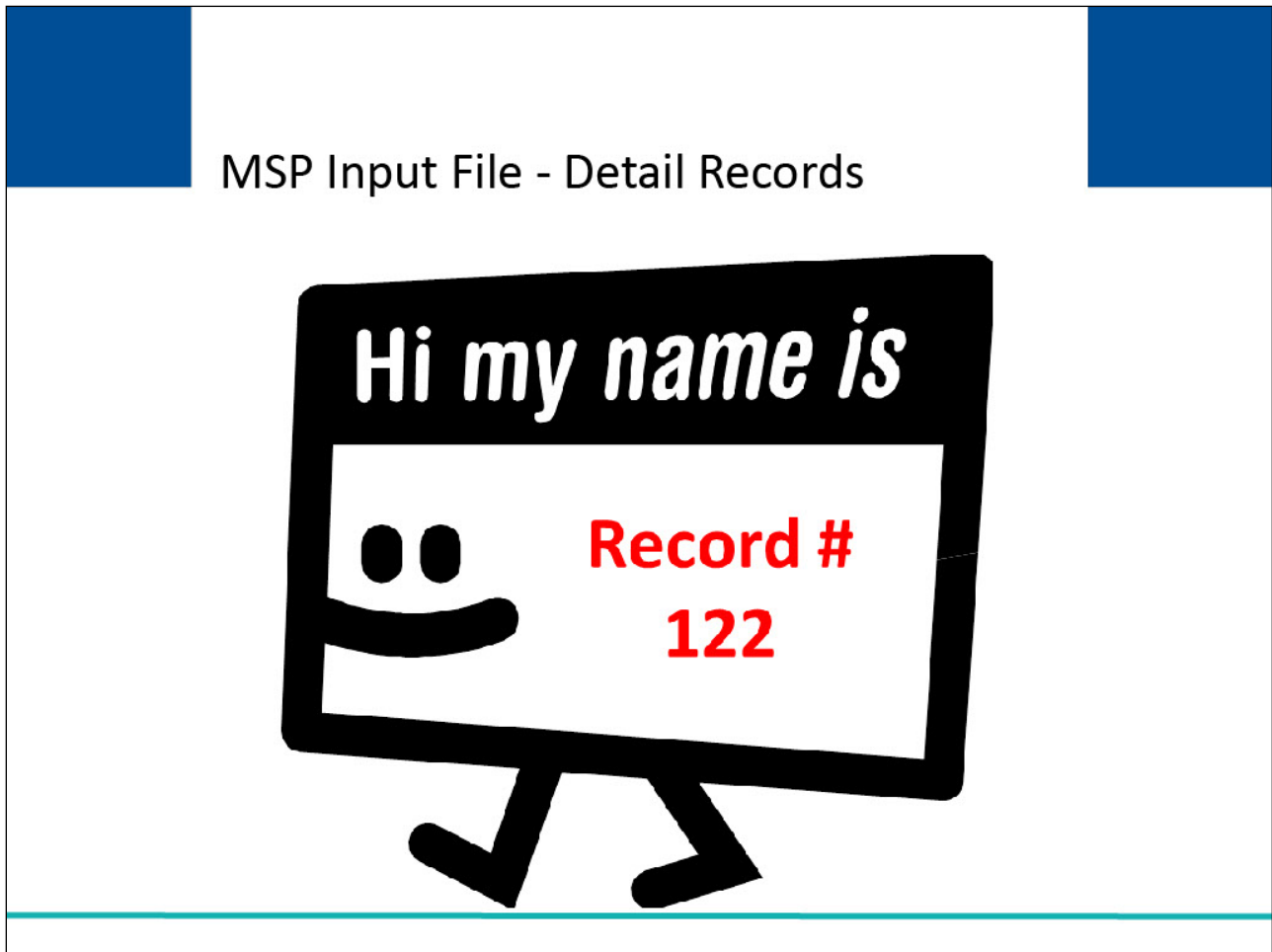
Any changes or deletions to these accepted records must then be made using an “update” or “delete” transaction. If CMS does not accept the initial “add” record due to errors, you are required to correct the record and resend it as an “add” record.

If CMS does not accept the initial “add” record due to errors, you are required to correct the record and resend it as an “add” record.

If CMS does not accept the initial “add” record because the individual is not a Medicare beneficiary, you must continue to resend the “add” record on each subsequent submission until the record is either accepted or the coverage is terminated.

Alternatively, you may monitor the Medicare status of the individual using the query process and resend the associated MSP record when Medicare entitlement is established or re-established.

## Slide 9 of 25 - MSP Input File - Detail Records

**Slide notes**

Each detail record on the MSP Input File must contain a unique Document Control Number (DCN) generated by the RRE. This number needs only be unique within the current file being submitted.

Records may be submitted with the same DCN in subsequent file submissions as long as they are unique within the file submitted.

This DCN is required so that response records can be matched and issues with files more easily identified and resolved.

You may use any format you wish to develop DCNs as long as each DCN is no more than 15 bytes long and contains only text characters.

For example, you might want to use the date the file was created and a record number to make up your DCNs.

**Slide 10 of 25 - Matching Criteria**

## Matching Criteria

- To determine whether an individual is a Medicare beneficiary, the BCRC matches your data to Medicare's
- Matching can be done using the Medicare ID or SSN
  - Medicare ID is preferred
  - RRE required to use Medicare ID on all subsequent transactions
- Must send Medicare ID or SSN on the individual's record in the MSP Input File or the Query Only Input File

**Slide notes**

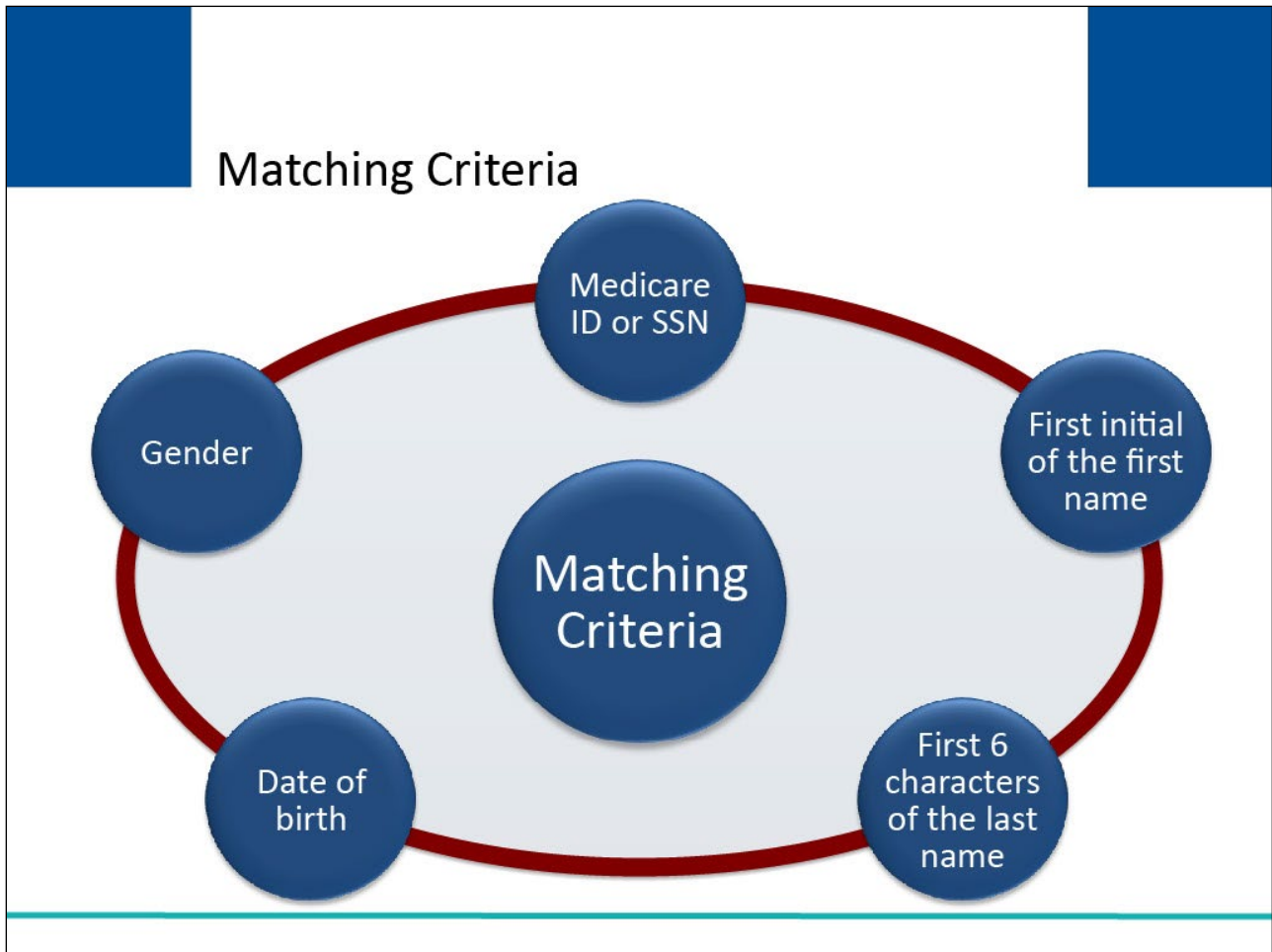
To determine whether an individual is a Medicare beneficiary, the BCRC must match your data to Medicare's.

This matching can be done using either an individual's Medicare ID or by using an individual's SSN.

The Medicare ID is preferred and once the Medicare ID is returned on a response file, the RRE is required to use it on all subsequent transactions.

To determine whether an individual is a Medicare beneficiary you must send either a Medicare ID or an SSN as part of the individual's record in the MSP Input File or the Query Only Input File.

Slide 11 of 25 - Matching Criteria



**Slide notes**

For matching an individual to determine if they are a Medicare beneficiary the BCRC uses: Medicare ID or SSN, First initial of the first name, First six characters of the last name, Date of birth, and Gender.

If a match is found, the correct Medicare ID will be returned. You must store this Medicare ID on your internal files. This Medicare ID must be used on all future update and delete transactions.

**Slide 12 of 25 - Matching Criteria**

## Matching Criteria

- MSP Input File Detail Records submitted for individuals under age 45 must include Medicare ID
  - If a match is found the system will return a Medicare ID on the Query Response File Detail Record
- The system will only use the Medicare ID for matching purposes; the SSN will be ignored
  - If no match is found using the Medicare ID the system will not then attempt to match it using the SSN provided

**Slide notes**

It is important to note that MSP Input File Detail Records submitted for individuals under age 45 must include the Medicare ID for that individual.

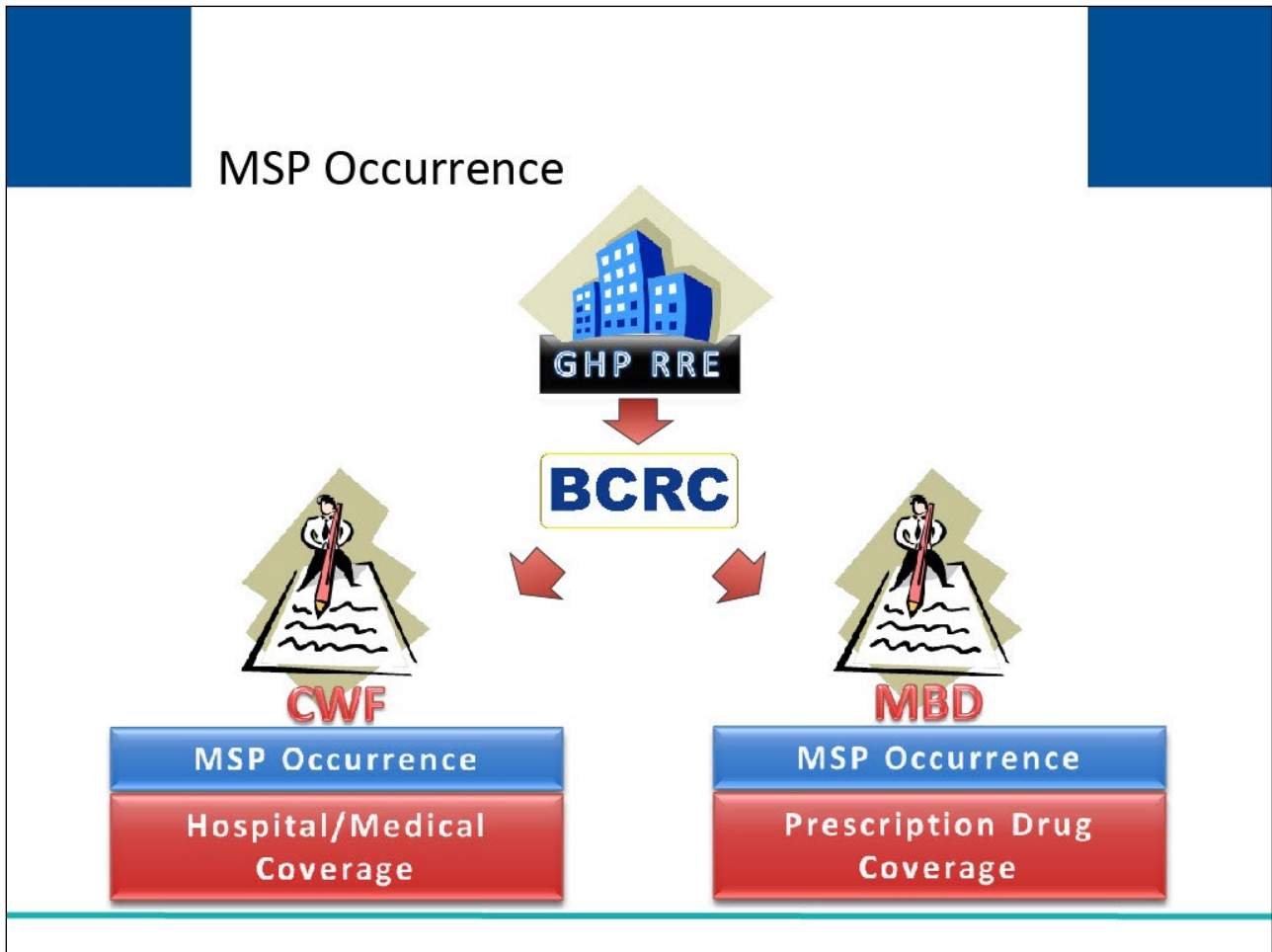
No matching will be done on an MSP Input File Detail Record, for an individual under age 45, if the Medicare ID is not submitted.

However, Query Input File Detail Records may be submitted with only the individual's SSN; the system will proceed with the matching process and return a Medicare ID on the Query Response File Detail Record if a match is found.

Also note that if an RRE submits both the SSN and Medicare ID on an MSP Input File Detail Record or a query record, the system will only use the Medicare ID for matching purposes, the SSN will be ignored.

The system will attempt to match the Medicare ID to any previously assigned Medicare ID for the individual, since Medicare IDs can change or be reassigned by the SSA, but if no match is found using the Medicare ID the system will not then attempt to match it using the SSN provided.

Slide 13 of 25 - MSP Occurrence



**Slide notes**

CMS uses the information in the MSP Input File to determine GHP coverage that is primary to Medicare in order to pay claims correctly.

If the GHP coverage for a Medicare beneficiary is primary to Medicare, the BCRC sets up what is known as an “MSP Occurrence” on the Medicare Common Working File (CWF).

Note: In the case of prescription drug coverage primary to Medicare, the MSP Occurrence is established on the Medicare Beneficiary Database (MBD). The CWF and the MBD are used in Medicare claims processing.

**Slide 14 of 25 - Common Working File (CWF)**

## Common Working File (CWF)

- Provides central source of Medicare:
  - Beneficiary Eligibility
  - Deductible Status
  - Utilization for Part A and B hospital and medical coverage
- Pre-payment claims validation
- Used by Medicare Administrative Contractors for claims payment processing

**Slide notes**

The Medicare Common Working file or CWF, is a database and system that provides a central source of Medicare beneficiary eligibility, deductible status, and utilization for Medicare Part A and Part B hospital and medical coverage.

Medicare systems responsible for coordinating related benefits and claims payment use this system to validate claims prior to issuing payment to providers.

The BCRC interfaces with the CWF to maintain other health insurance information related to hospital and medical benefits for Medicare beneficiaries.

Information regarding GHP coverage primary to Medicare gathered from the Section 111 process is sent from the BCRC to the CWF which stores the MSP Occurrence.

This information is then used by other systems for claims payment and recovery efforts for claims paid erroneously as primary rather than secondary by Medicare.



**Slide 15 of 25 - Medicare Beneficiary Database (MBD)**

## Medicare Beneficiary Database (MBD)

- Primary source for Medicare beneficiary data
- Stores prescription drug coverage MSP occurrences
- Used by Medicare Part D Plans

**Slide notes**

The Medicare Beneficiary Database or MBD is the primary source for Medicare beneficiary data. It is used by many Medicare systems as a source of Medicare beneficiary enrollment, entitlement and eligibility information.

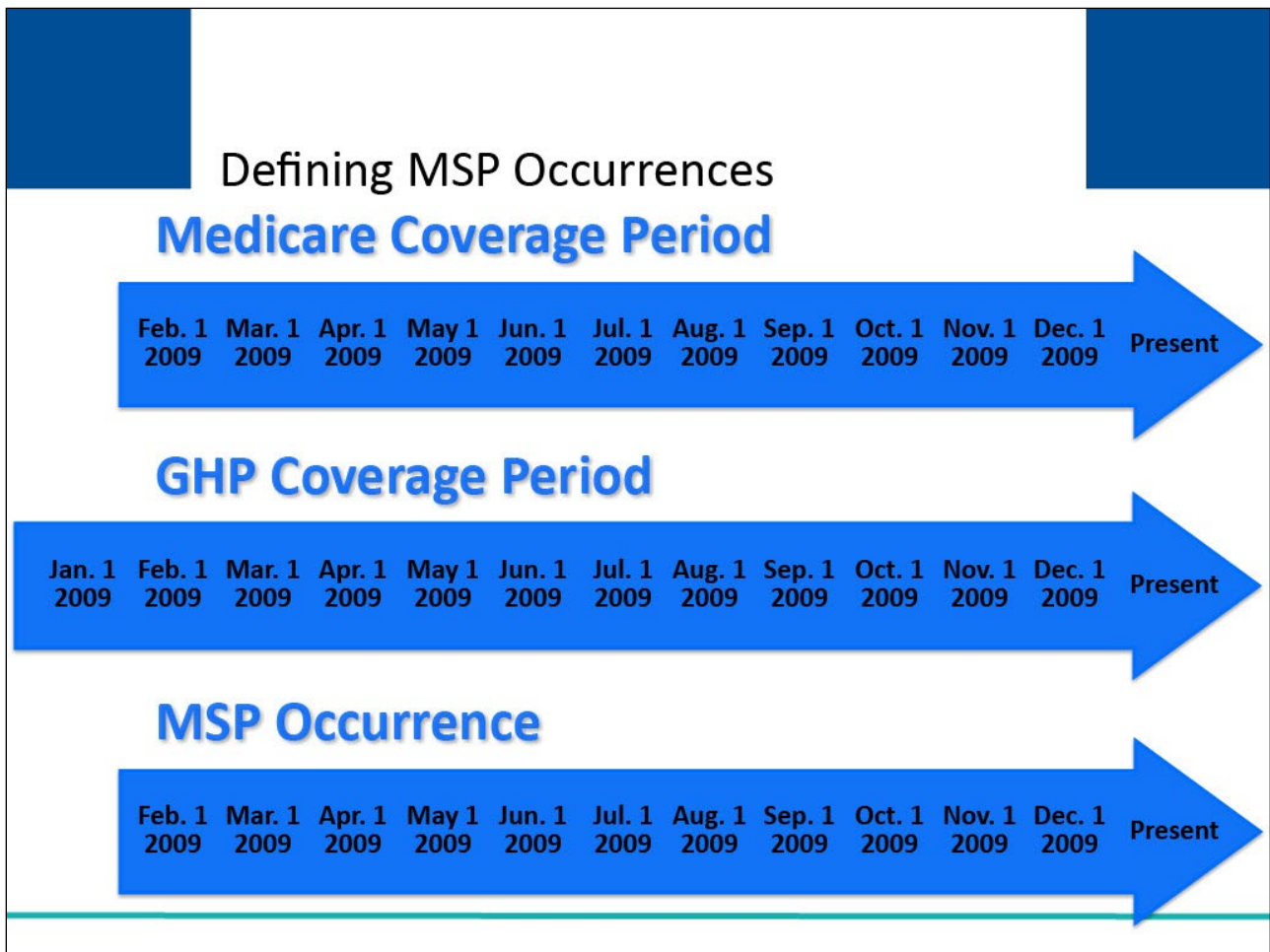
It is also used to support beneficiary enrollment in Medicare Advantage managed care plans and Medicare Part D prescription drug plans.

The BCRC interfaces with the MBD to maintain primary and secondary payer information related to Medicare beneficiary prescription drug coverage.

Information regarding GHP prescription drug coverage primary to Medicare Part D gathered from the Section 111 process is sent from the BCRC to the MBD which stores the prescription drug MSP Occurrence.

This information is then used by Medicare Part D plans for claims payment and recovery efforts.

Slide 16 of 25 - Defining MSP Occurrences



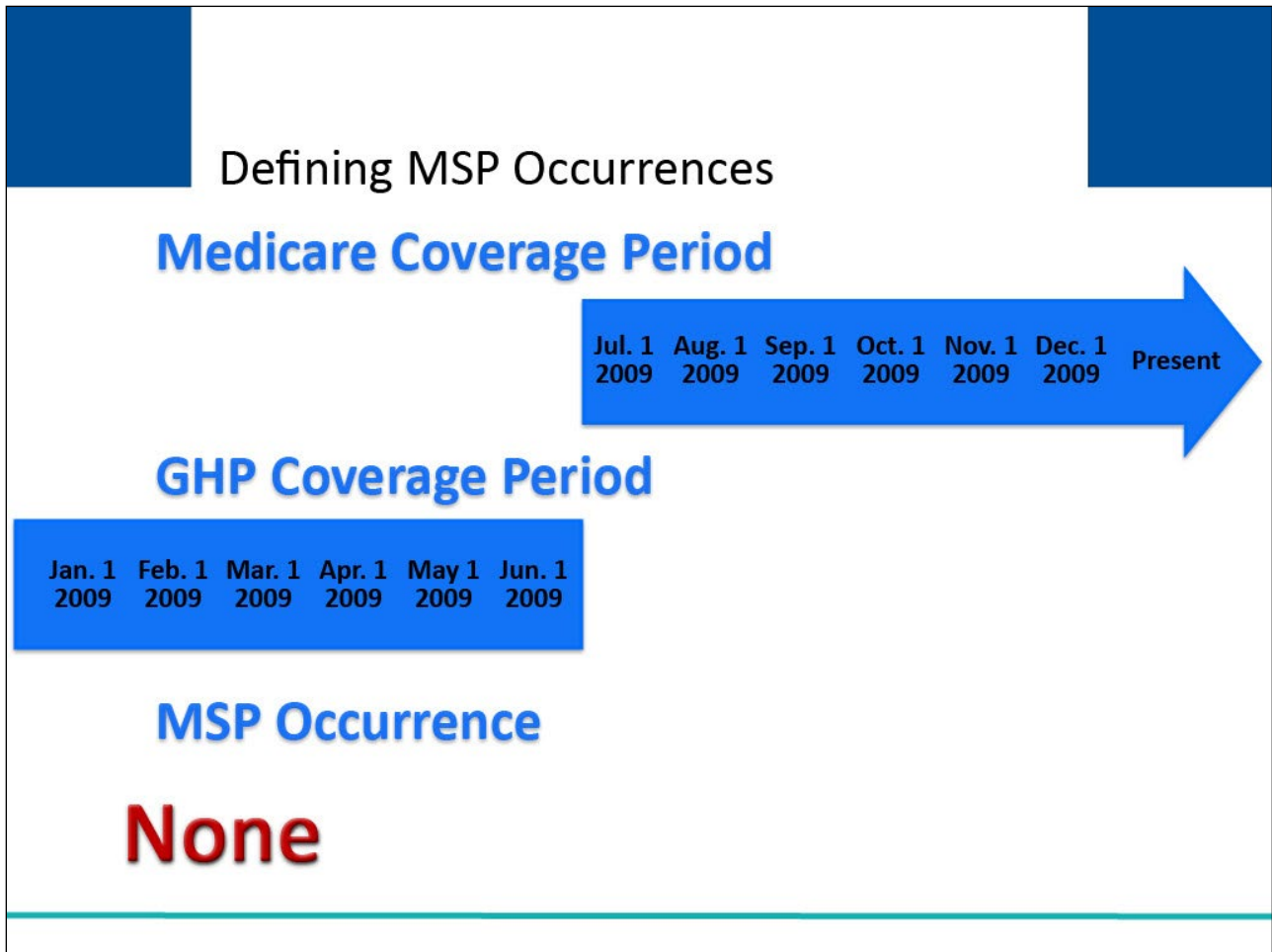
**Slide notes**

In simplest terms, an MSP Occurrence is defined when GHP and Medicare coverage for an Active Covered Individual overlap and the GHP is determined to be the primary payer and Medicare the secondary payer. Let’s look at some examples.

Suppose an Active Covered Individual’s Medicare coverage began February 1, 2009, and his GHP coverage was effective January 1, 2009. The GHP coverage is current and has no termination or end date which is also referred to as “open ended”.

When his GHP coverage is reported on the MSP Input file, the BCRC will define and post an MSP Occurrence beginning on February 1, 2009, with an open-ended Termination Date.

Slide 17 of 25 - Defining MSP Occurrences

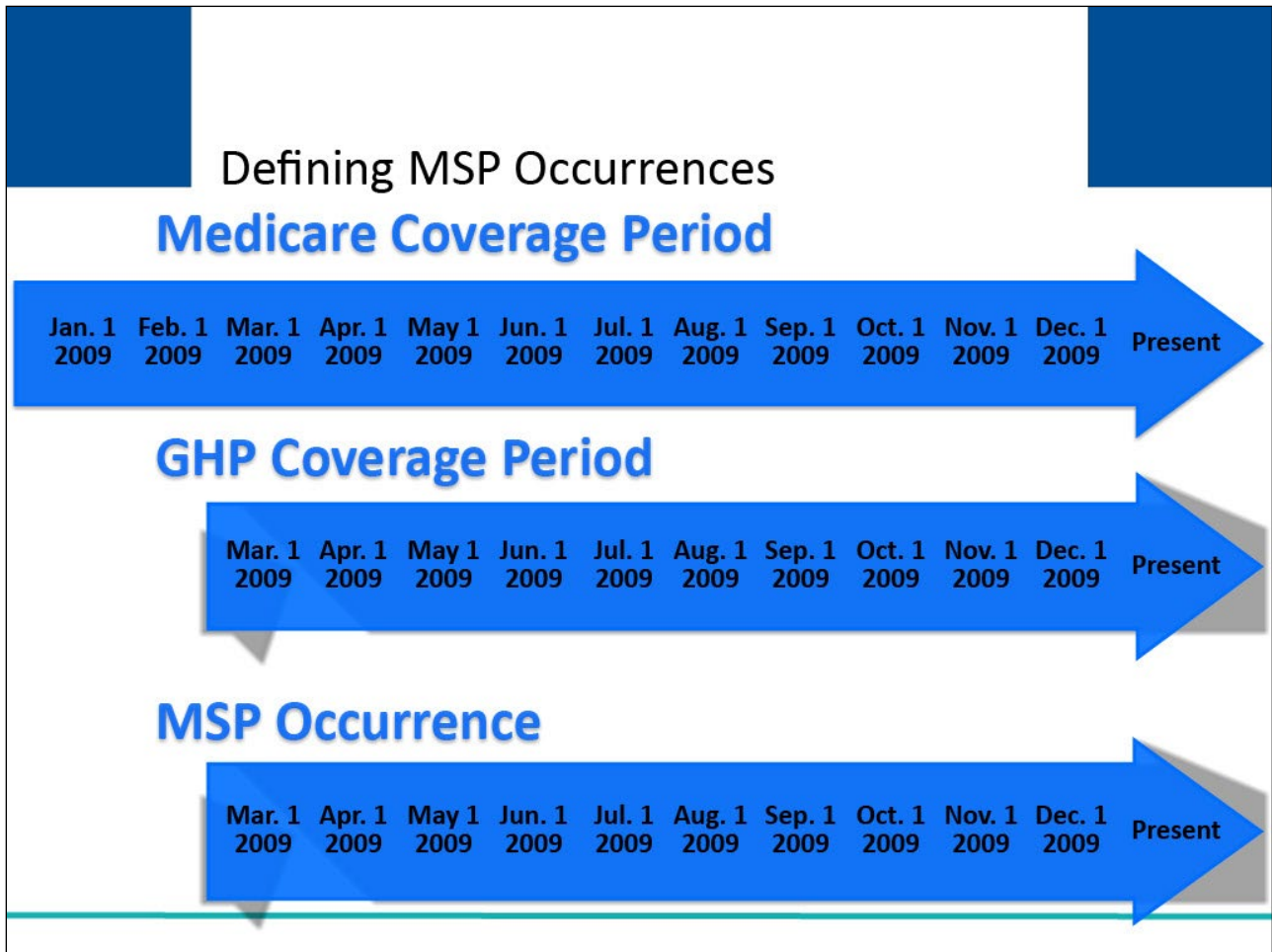


**Slide notes**

Now let's look at an example where an MSP Occurrence will NOT be created. The Active Covered Individual's Medicare coverage began on July 1, 2009.

His GHP coverage was reported to start on January 1, 2009, and end on June 30, 2009, due to retirement. Since there is no overlap of coverage, the BCRC will not create an MSP Occurrence.

Slide 18 of 25 - Defining MSP Occurrences

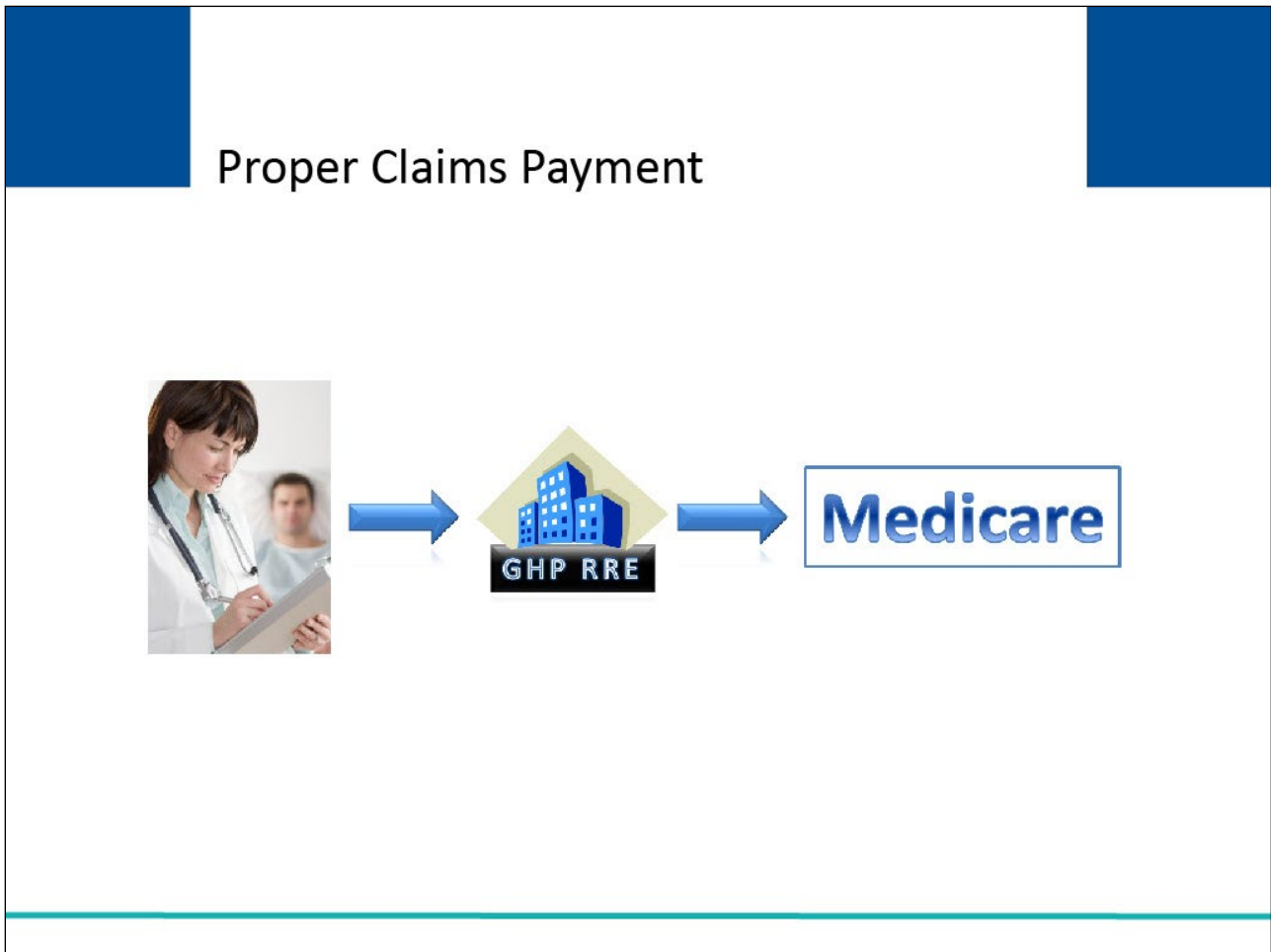


**Slide notes**

In this last example, the individual’s Medicare coverage started January 1, 2009. He started working and became covered by his employer’s GHP on March 1, 2009.

In this case, the BCRC will create an MSP Occurrence with an Effective Date of March 1, 2009.

Slide 19 of 25 - Proper Claims Payment

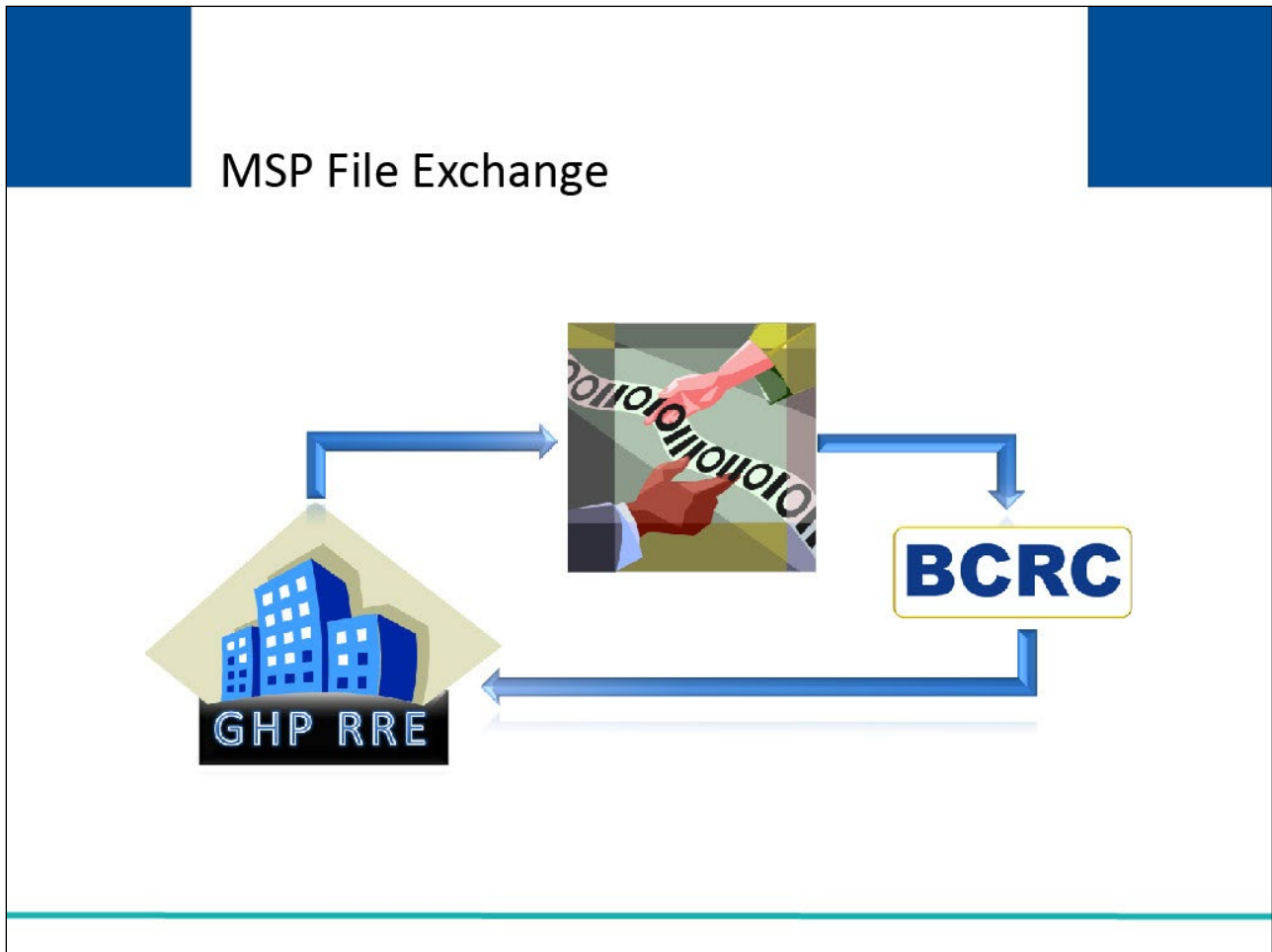


**Slide notes**

If an MSP Occurrence is established showing that the GHP is the primary payer, then it will facilitate the proper order of claims payment.

The provider of healthcare services will be paid by the GHP first and then the claim will go to Medicare for secondary claim payment consideration. This avoids costly recovery situations when claims are paid erroneously by the incorrect payer.

Slide 20 of 25 - MSP File Exchange



**Slide notes**

For each MSP Input File you send, an MSP Response File will be sent back to you by the BCRC. The MSP Response File is the data set transmitted from the BCRC after processing/editing the information supplied on the MSP Input File.

The response file consists of the same data elements in the input file, with corrections applied by the BCRC, disposition and error codes which let you know what the BCRC did with the record, as well as any new information regarding covered individuals such as Medicare entitlement and enrollment.

**Slide 21 of 25 - File Processing Notifications**

## File Processing Notifications

- File Receipt
- Response File Ready

**Slide notes**

To restrict file uploads to certain types, RREs using the HTTPS file transmission method can only upload files with the file extension of .txt. Any other file type will generate an Invalid File error message.

Once files have been submitted, E-mail notifications will be sent to the Section 111 Responsible Reporting Entity Account Manager assigned to the RRE ID after the BCRC has received your file and posted a receipt date.

Another e-mail notification will be sent when the BCRC has completed processing your file and a response file has been transmitted or is available for download. The retention period for downloading the response file is 60 days.

**Slide 22 of 25 - Additional Information**

## Additional Information

- MSP Input, TIN Reference, MSP Response and TIN Reference Response File layouts and data element specifications can be found in Appendix A of the GHP User Guide.

**Slide notes**

Please refer to Appendix A of the Section 111 GHP User Guide for the MSP Input, TIN Reference, MSP Response, and TIN Reference Response File layouts. Appendix A also provides detailed specifications for each data element on these files.



Slide 23 of 25 - Course Summary

# Course Summary

- MSP Input File
  - Data Elements
  - Format
  - Individual Matching Criteria
  - MSP Occurrences
  - File Process Notifications



**Slide notes**

This learning module provides an introduction to MSP Input File requirements including data elements, format, individual matching criteria, MSP Occurrences, and file process notifications.

**Slide 24 of 25 - Conclusion**



You have completed the MSP Input File Requirements Overview course. Information in this course can be referenced by using the GHP User Guide's table of contents and any subsequent alerts. These documents are available for download at the following link:  
<https://go.cms.gov/mirghp>.

**Slide notes**


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Slide 25 of 25 - Survey



If you have any questions or feedback on this material,  
please go the following URL:  
<https://www.surveymonkey.com/s/GHPTraining>.



**Slide notes**

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