Medlearn Matters
Information for Medicare Providers

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

Provider Types Affected

Physicians, suppliers, and providers billing Medicare carriers, including durable medical equipment regional carriers (DMERCs) and/or fiscal intermediaries (FIs), including regional home health intermediaries (RHHIs), for services to Medicare beneficiaries

Provider Action Needed

STOP – Impact to You

This article is based on Change Request (CR) 4231, which informs Medicare contractors (carriers, DMERCs, FIs, and RHHIs) about their responsibilities regarding the discontinuance of the current eligibility file-based crossover process effective January 3, 2006. The impact of CR4231 is primarily on CMS trading partners as defined later in this article. The article is primarily informational for providers.

CAUTION – What You Need to Know

The Centers for Medicare & Medicaid Services (CMS) will discontinue the current eligibility file-based crossover process effective January 3, 2006, and CR 4231 outlines the processes that Medicare contractors must follow when trading partners request a waiver to enable them to move into crossover production with the CMS Coordination of Benefits Contractor (COBC) beyond January 3, 2006.

GO – What You Need to Do

This article is informational only for providers, so they may be aware of the potential for changes in how their claims are forwarded to CMS trading partners for coordination of benefits activities. See the Background Section

of this article for further details regarding the termination of the existing eligibility file-based crossover process.

Background

CMS has been testing its national Coordination of Benefits Agreement (COBA) consolidated crossover process with over 120 trading partners starting in July 2004. During this time, CMS and its 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. Starting in June 2005, CMS has been moving trading partners into crossover production with the COBC, and this trend has recently been accelerating.

Note: "Trading Partner" is defined as an issuer of an insurance policy that supplements Medicare or a State agency responsible for administration of Title XIX of the Social Security Act. It is also defined as a federal agency, or contractor thereof, that administers and provides health care benefits for its eligible beneficiaries or an entity working under contract with a self-insured employer plan or an insurer to adjudicate claims and perform other insurance functions. A trading partner does not include entities that merely receive, route, and/or translate files, such as health care clearinghouses, network service vendors, data transmission services, and billing services. CMS and its COBC may, however, transmit crossover claims to trading partners through one of these entities.

CMS recently provided guidance to all Medicare contractors (carriers, DMERCs, FIs, and RHHIs) regarding the discontinuance of the existing eligibility file-based crossover process effective December 31, 2005 (JSM-06026), and described a waiver process that trading partners who will not be moving into COBA crossover production by December 31, 2005, must follow.

In addition, CR4231 is being issued to:

- Clarify all Medicare contractor requirements as they relate to the discontinuance of the existing eligibility file-based crossover process; and
- Update the end date for the existing Medicare eligibility file-based crossover process to January 3, 2006, for Medicare contractor purposes.

This will enable the Medicare contractors to initiate the termination process for those trading partners that have not moved to COBA production by December 31, 2005.

Note: The "eligibility file" is the data file provided by the Trading Partner containing the records required to identify Medicare beneficiaries for purposes of receiving Medicare Part A and B crossover claims and reporting existing prescription drug coverage by the trading partner.

CMS Medicare contractors will not cross claims over to trading partners beyond January 3, 2006, pursuant to signed crossover agreements and the submission of COB eligibility files. As of January 3, 2006, CMS' 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. 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.)

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

All Medicare contractors will 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.

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 the Omnibus Budget Reconciliation Act of 1987 [Public Law 100-203, Section 4081(a)(B)], and currently supported by Part B and DMERC contractors.

Implementation

The implementation date for this instruction is January 9, 2006.

Additional Information

For complete details, please see the official instruction issued to your carrier/DMERC/intermediary regarding this change. That instruction may be viewed at http://new.cms.hhs.gov/transmittals/downloads/R198OTN.pdf on the CMS web site.

If you have any questions, please contact your carrier/DMERC/intermediary at their toll-free number, which may be found at http://www.cms.hhs.gov/medlearn/tollnims.asp on the CMS web site.