

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-20 One-Time Notification</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 1467</b>	<b>Date: February 13, 2015</b>
	<b>Change Request 9050</b>

**SUBJECT: Reporting Force Balance Claim Payment on the Electronic Remittance Advice (ERA) 835 and Cross Over Beneficiary (COB) 837 Claim Transactions**

**I. SUMMARY OF CHANGES:** This change request (CR) is providing instruction to modify the way that Out of Balance (OOB) claim payment is reported by the Shared System Maintainers (SSMs) on the 837 COB and 835 transactions.

**EFFECTIVE DATE: July 1, 2015**

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

**IMPLEMENTATION DATE: July 6, 2015**

*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/revise 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

<b>R/N/D</b>	<b>CHAPTER / SECTION / SUBSECTION / TITLE</b>
N/A	N/A

**III. FUNDING:**

**For Medicare Administrative Contractors (MACs):**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

**IV. ATTACHMENTS:**

**One Time Notification**

# Attachment - One-Time Notification

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## I. GENERAL INFORMATION

**A. Background:** This CR modifies the way in which contractors report force balancing of OOB claim payment/adjudication. Currently, contractors are using Claim Adjustment Reason Code (CARC) A7 - Presumptive Payment Adjustment to report the balancing of OOB payments. CARC A7 is being deactivated on 7/1/2015 requiring contractors to begin using a different CARC. This CR instructs contractors to use CARC 121 - Indemnification adjustment - compensation for outstanding member responsibility in place of A7.

**B. Policy:** The Health Insurance Portability and Accountability ACT (HIPAA).

## II. BUSINESS REQUIREMENTS TABLE

*"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.*

Number	Requirement	Responsibility							
		A/B MAC		D M E M A C	Shared- System Maintainers				Other
		A	B		H H H	F I S S	M C S	V M S	
9050.1	Contractors shall begin using <b>CARC 121 - Indemnification adjustment - compensation for outstanding member responsibility</b> to report the force balancing of Electronic Remittance Advice (ERA) 835 transactions. Contractors will use Group Code OA - Other Adjustment as the required Group Code.	X		X	X	X		X	
9050.2	Contractors shall begin using <b>CARC 121 - Indemnification adjustment - compensation for outstanding member responsibility</b> to report the force balancing of Cross Over Benefits (COB) 837 transactions. Contractors will use Group Code OA- Other Adjustment as the required Group Code.	X		X	X	X			BCRC
9050.3	Contractors shall report off setting of Veterans Affairs claims at the provider level using PLB code J1 "Non-Reimbursable" and an off setting dollar amount.	X				X			
9050.4	Contractor shall notify appropriate VA staff of all VA	X							

Number	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared-System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
	ERA changes.									

### III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E M A C	C E D I
		A	B	H H H		
9050.5	MLN Article: A provider education article related to this instruction will be available at <a href="http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/">http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/</a> shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web sites 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 the contractor's next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.	X		X	X	

### IV. SUPPORTING INFORMATION

**Section A: Recommendations and supporting information associated with listed requirements:** N/A

*"Should" denotes a recommendation.*

X-Ref Requirement Number	Recommendations or other supporting information:

**Section B: All other recommendations and supporting information:** N/A

### V. CONTACTS

**Pre-Implementation Contact(s):** Lauren Vandegrift, 410-786-4882 or [lauren.vandegrift@cms.hhs.gov](mailto:lauren.vandegrift@cms.hhs.gov) , Sheena Pierce, 410-786-3449 or [sheena.pierce@cms.hhs.gov](mailto:sheena.pierce@cms.hhs.gov)

**Post-Implementation Contact(s):** Contact your Contracting Officer's Representative (COR).

### VI. FUNDING

**Section A: For Medicare Administrative Contractors (MACs):**

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**ATTACHMENTS: 0**