CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 3358	**Date: September 18, 2015**
	Change Request 8984

NOTE: This Transmittal is no longer sensitive and is being re-communicated on September 18, 2015. This instruction may now be posted to the Internet.

Transmittal 3213, dated March 6, 2015, is being rescinded and replaced by Transmittal 3358 dated September 18, 2015, to include the Common Working File (CWF) newly defined Medicare Secondary Payer (MSP) maintenance transaction error codes (also known as SP edits) in business requirements 8984.4. 2.2., 8984.4.2.6, 8984.4.3, and 8984.4.3.1. The CMS is also providing the CWF newly defined CWF 6800 series MSP utilization error codes in requirement 8984.4.5. Additionally, for each Internet Only Manual chapter and section included in this Transmittal, CMS is adding a URL link to the CWF maintenance documentation. The CMS is also providing a cross-reference to where the new MSP SP edits and 6800 series MSP utilization error codes may be referenced within Pub.100-05, chapter 6. All other information remains the same.

SUBJECT: Claims Processing Medicare Secondary Payer (MSP) Policy and Procedures Regarding Ongoing Responsibility for Medicals (ORM)

I. SUMMARY OF CHANGES: Through this instruction, the Centers for Medicare & Medicaid Services (CMS) outlines its Medicare claims processing requirements specific to Ongoing Responsibility for Medicals (ORM) for liability (including self-insurance), no-fault insurance, and workers' compensation in Medicare Secondary Payer (MSP) situations.

EFFECTIVE DATE: July 1, 2015; October 1, 2015
**Unless otherwise specified, the effective date is the date of service.*
IMPLEMENTATION DATE: July 6, 2015 - Design and Pre-Coding (CWF, FISS, and VMS); October 5, 2015 - Full implementation (CWF, FISS, MCS, and VMS)

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
R	27/80.2 - Inpatient, SNF, Outpatient, Home Health, and Hospice Utilization Error Codes
R	27/80.3- Part B/Carrier and DMEPOS Utilization Error Codes
R	27/80.7- MSP Maintenance Transaction Error Codes

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:

Business Requirements
Manual Instruction

Attachment - Business Requirements

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I. GENERAL INFORMATION

A. Background: Pursuant to Section 111 of the Medicare, Medicaid, and SCHIP Extension Act (MMSEA) in 2007, "applicable plans" (liability insurance (including self-insurance), no-fault insurance, and workers' compensation laws or plans) are required to report settlements, judgments, awards or other payments involving individuals who are or were Medicare beneficiaries to the Centers for Medicare & Medicaid Services (CMS). The applicable plan is the "Responsible Reporting Entity" (RRE) for this process. The required reporting includes instances where the RRE has assumed ongoing responsibility for medicals (ORM) associated to specified medical conditions. This information is collected to determine primary claims payment responsibility. Examples of ORM include, but are not limited to, a no-fault insurer agreeing to pay medical bills submitted to it until the policy in question is exhausted or a workers' compensation plan being required under a particular state law to pay associated medical costs until there is a formal decision on a pending workers' compensation claim.

The RRE may assume responsibility for ORM for one or more alleged injuries/illnesses without assuming ORM for all alleged injuries/illnesses in an individual's liability insurance (including self-insurance), no-fault insurance, or workers' compensation claim. For example, if an individual is alleging both a broken leg and a back injury, the RRE might assume responsibility for the broken leg but continue to dispute the alleged back injury.

When ORM ends (for example, a policy limit is reached or a settlement occurs which terminates the RRE responsibility to pay on an ongoing basis), the RRE reports an ORM Termination Date, and this information is uploaded to Common Working File (CWF) by the Benefit Coordination & Recovery Center (BCRC).

NOTE: A Section 111 ORM report is not a guarantee that medicals will be paid indefinitely or through a particular date.

The purpose of this change request (CR) is to educate and instruct the Medicare Administrative Contractors (MACs) and system maintainers about the policy and procedures surrounding MMSEA Section 111 ORM reporting. In addition, CMS plans to modify CWF to allow for a new 1-byte ORM indicator on the Medicare Secondary Payer Detail (MSPD) screen; the associated valid values are discussed herein. Further, this CR will instruct the MACs and system maintainers concerning how to handle and process claims based on the value present within the CWF ORM field on the MSPD screen.

NOTE: This CR represents the design and implementation requirements connected with CMS CR 8821.

B. Policy:

Pursuant to §1862(b)(2)(A)(ii) of the Social Security Act (42 U.S.C. 1395y(b)(2)(A)(ii)), Medicare is precluded from making payment where payment "has been made, or can reasonably be expected to be made…" under liability insurance (including self-insurance), no-fault insurance, or a workers' compensation law or plan, hereafter, referred to as Non-Group Health Plan (NGHP). Where ORM has been reported, the primary plan has assumed responsibility to pay, on an ongoing basis, for certain medical care related to the NGHP claim. Consequently, Medicare is not permitted to make payment for such associated claims absent documentation that the ORM has terminated or is otherwise exhausted.

This CR includes modifications to the Common Working File (CWF) Medicare Secondary Payer Detail (MSPD) screen. An ORM indicator is being added that will be populated with a "Y" for "Yes" (ORM responsibility assumed/exists) or a "space" (an ORM indicator of a "space" implies that an RRE has not assumed ORM). Please note that **where ORM is reported, this ORM indicator on associated MSP auxiliary records remains "Y" even where the ORM is subsequently terminated.** The "Y" denotes that the ORM existed for a particular period of time (not necessarily that it currently exists).

All Medicare Administrative Contractors (MACs) shall reference the modified CWF MSPD screen to determine if ORM exists in association with MSP D (No-Fault – 14), E (Workers Compensation -15), and L (Liability - 47) records for the date(s) of service at issue. After comparing the diagnosis code(s) on the claim with the diagnosis code(s) associated with the ORM record, all MACs shall deny claims where the 1-byte ORM indicator on the MSPD screen equals "Y" **and** the diagnosis code(s) match(es) (or match(es) within the family of diagnosis codes). As stated, documentation from the RRE that the ORM terminated or is otherwise exhausted may require that the previously denied claim be reprocessed.

NOTE: While it may not occur frequently, there may be situations where an RRE will continue to assume ORM for a particular injury/illness and at the same time have a lump sum type settlement or other payment with respect to other alleged injuries/illnesses for the same date of accident/injury/loss. Consequently, it is possible that CWF could have both an open ORM occurrence as well as an open Medicare Set-Aside (MSA) occurrence, just not for the same diagnosis code(s). Therefore, the MACs shall determine which record on CWF is applicable in order to process the claim appropriately. For example, the MAC can review the diagnosis codes on the claim and compare them to the diagnosis codes on the open ORM occurrence and the MSA occurrence, as well as any other open CWF occurrences that fall within the date perimeters being reviewed, to find the correct match for processing.

As stated above, MACs shall deny payment for claims with open ORM for the date of service for the associated diagnosis code(s) or family of diagnosis codes. The prompt payment rules do not apply to nor override this requirement. However, as stated, the reported ORM is not a guarantee that medicals will be

paid indefinitely or through a particular date. Consequently, if a claim is denied on the basis of ORM and the MAC receives information that the policy limit has been exhausted -- even though the claim in question is for services prior to the ORM termination date -- the claim may be paid if it is otherwise covered and reimbursable. This type of situation could occur where there has been a delay in billing to the RRE or where a portion of a group of claims submitted to the RRE was sufficient to exhaust the policy.

Unless otherwise mentioned below, MACs shall assume that normal MSP claims processing requirements apply (i.e., checking claim service dates against MSP auxiliary record effective and termination dates; matching diagnosis codes on the claim against those on CWF (including the family of diagnosis codes policy); and affording appeal rights on MSP claims).

NOTE: CMS will issue a separate instruction, for implementation in a different systems release, to enable MACs to make a residual secondary payment (i.e., an MSP secondary payment) in ORM situations (where MSP D, E, or L records contain an ORM indicator of "Y") when an RRE's payment of a claim is incomplete. Until that time, when MACs need to make a residual secondary payment, they shall follow existing procedures, to include requesting permission from their CMS Contracting Officer Representative (COR) to pay the claim outside CWF.

II. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
8984.4.1	The Benefits Coordination & Recovery Center (BCRC) shall submit Ongoing Responsibility for Medicals (ORM) MSP records to the Common Working File (CWF).									BCRC
8984.4.2	CWF shall modify its BCRC Health Utilization Secondary Payer (HUSP) transaction and modify the 03 trailer response to include a new 1-byte ORM indicator field (valid values=Y or a space).								X	BDS
8984.4.2.1	The shared systems shall ensure that their MACs are unable to enter any value in the "ORM" field within the "I" HUSP maintenance transactions that MACs create.					X	X	X		
8984.4.2.2	CWF shall create and the MACs and the shared system maintainers shall accept an SP edit (SP 79) that will set if an ORM value is included in the ORM field of an incoming "I" HUSP record. **NOTE:** CWF/MAC/VDC requirement. MACs control the new Error on the CW screen. VDC will need to load the updated version of the CABEDMSP file.	X	X	X	X	X	X		X	BDS, VDCs

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
8984.4.2.3	CWF shall add a new 1-byte indicator to the MSP Detail file (MSPD) [valid values=Y (Yes) or a space]. **NOTE:** This indicator shall identify whether the Responsible Reporting Entity (RRE) has assumed ORM. Where ORM is reported, the indicator remains "Y" even when ORM is subsequently terminated. A "Y" ORM indicator value denotes that the ORM existed for a period of time, not necessarily that it currently exists. An ORM indicator of a "space" implies that an RRE has not assumed ORM.						X		X	BCRC, BDS
8984.4.2.4	CWF shall only allow the 1-byte ORM indicator to be populated on an MSP "D, E, or L" record.								X	BCRC, BDS
8984.4.2.5	CWF shall apply the same MSP consistency edit codes that it now applies for MSP codes "D, E, and L" (14, 15, and 47, respectively) regardless of the ORM indicator reported.								X	BCRC, BDS
8984.4.2.6	CWF shall establish a new SP80 edit to ensure that the 1-byte indicator is only received on HUSP transactions with MSP codes "D, E, and L."								X	BCRC, BDS
8984.4.2.7	CWF shall allow only contractor numbers 11100, 11110, 11122, 11141, and 11142 to add, change, or delete MSP records with an ORM occurrence (ORM indicator=Y).								X	BCRC, BDS
8984.4.2.8	CWF shall apply edit SP50 if contractor numbers other than those listed in 8984.2.7 attempt to add, change, or delete MSP records with an ORM occurrence (ORM indicator=Y) .								X	BCRC, BDS

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
8984.4.3	The CWF shall create a new SP error code (SP81) that sets when there is an existing ORM record (ORM indicator=Y) and some other entity besides the following contractor numbers of 11100, 11110, 11122, 11141, and 11142 attempts to modify the existing record's ORM indicator to equal a "space."								X	BDS
8984.4.3.1	When the BCRC receives the SP edit (SP81), discussed in 8984.3 it shall research the situation in order to resolve the edit and update CWF where appropriate.									BCRC
8984.4.4	The MACs, shared systems, BCRC, and REMAS shall accept and process the new 1-byte ORM indicator that is on the MSP CWF screen. **NOTE:** HP/MCS and their users need to be mindful of their testing responsibility due to the changes to the HIMR integration software.	X	X	X	X	X	X	X	X	BCRC, BDS, REMAS
8984.4.4.1	The CWF shall return, and the shared system maintainers and MACs shall accept and process, a revised MSP HUSC transaction and the 03 trailer response that now includes the 1-byte ORM indicator (valid values = Y or a space).	X	X	X	X	X	X	X	X	BCRC
8984.4.5	The CWF maintainer shall create three (3) new MSP over-rideable utilization error codes (68XX), one for Liability (including self-insurance), No-Fault, and Workers' Compensation, as indicated below: • 6818-- "Liability record exists with a valid (Y) ORM indicator. MAC payment not allowed." • 6816-- "No- Fault record exists with a valid (Y) ORM indicator. MAC payment								X	BDS

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	not allowed." • 6817-- "Workers' Compensation record exists with a valid (Y) ORM indicator. MAC payment not allowed."									
8984.4.5.1	When determining whether to apply the three (3) new 68xx error codes, CWF shall take the following steps by referencing the MSP auxiliary file: • Validate that the ORM indicator on the open MSP ORM record on CWF equals "Y"; and • Determine if the diagnosis codes on the NGHP claim match the diagnosis codes (or match within the family of diagnosis codes) on the open MSP ORM record on CWF (matching determination performed by CWF).								X	BDS
8984.4.5.1.1	If CWF determines that the new 68xx error codes apply, it shall return them to the A/B MAC or DME MAC with disposition code UR.								X	BDS
8984.4.5.2	When returning one of the new 68xx edits to the MACs, CWF shall also send a trailer 39 to the MACs to ensure that, as applicable, they can determine to which service detail lines the 68xx edit applies.								X	BDS
8984.4.5.3	The MACs and shared systems shall accept the three (3) new overrideable utilization error codes (68XX) when returned with a 08 trailer. **NOTE:** There may be contractor maintenance to add new error code to CW screen.	X	X	X	X	X	X	X		BDS
8984.4.5.4	When applying its 68XX editing logic for the applicable Liability, No-Fault, or Workers' Compensation record, CWF shall ensure that open NGHP MSP records with a "Y" ORM indicator are given precedence over another NGHP record,								X	BDS

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	where all other variables except the ORM indicator match.									
8984.4.5.5	MACs shall still be required on occasion and part of normal processes/procedures to make determinations on claims that are suspended for review with an associated ORM occurrence if : • The ORM indicator on the MSPD screen equals "Y"; and • The diagnosis codes on the NGHP claim match the diagnosis codes (or match within the family of diagnosis codes) on the open MSP ORM record on CWF.	X	X	X	X					
8984.4.6	The MACs and shared systems shall assume that normal MSP claims processing requirements apply in association with the ORM requirements, including, but not limited to, all of the following: • Verify if claim's service dates fall inside or outside the MSP auxiliary record when making the claims payment determinations; • Confirm that the diagnosis codes on the claim match the diagnosis codes (or match within the family of diagnosis codes) contained in the MSP auxiliary record, in accordance with CMS prior claim payment direction; and • Continue to afford appeal rights on MSP claims.	X	X	X	X	X	X	X	X	BDS
8984.4.7	Upon denying the claim with an open ORM	X		X		X			X	BDS

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	occurrence (with an indicator of "Y"), the A/B MACs (A, HHH) and shared systems shall create a “22” No Pay Code in the appropriate claim line and header of their HUIP, HUOP, HUHH, HUHC claim before sending it to CWF.									
8984.4.7.1	Upon denying the claim with an open ORM occurrence (with an indicator of "Y"), the A/B MACs (B) and DME MACs and shared systems shall create a “22” Payment Denial indicator in the HUBC and HUDC claim header transactions and a “22” in the claim detail pay process field before sending the claim to CWF.		X		X		X	X	X	BDS
8984.4.8	The MACs and the shared systems shall include Claim Adjustment Reason Codes (CARCs) 19, 20, and 21 as applicable, on the outbound 835 and the 837 crossover claims when denying claims due to ORM, together with CAS Group Code PR. These three (3) CARC codes are defined as follows : • CARC 19-- “This is a work-related injury/illness and thus the liability of the Workers’ Compensation Carrier.” • CARC 20– “This injury/illness is covered by the liability carrier.” • CARC 21-- “This injury/illness is the liability of the no-fault carrier.”	X	X	X	X			X		
8984.4.8.1	The MACs and shared systems shall ensure that the new Remittance Advice Remark Code (RARC) - N728 – (when CARC 19 is used) - is applied to outbound 835 Electronic Admittance Advices (ERAs) and 837 crossover claims when denying claims due to an ORM indicator of “Y”	X	X	X	X			X		

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	on an open Workers' Compensation Insurance ("E" MSP Code) record. The definition of this RARC is as follows: • N728: A workers' compensation insurer has reported having ongoing responsibility for medical services (ORM) for this diagnosis. (NOTE: To be used with Group Code PR.)									
8984.4.8.2	The MACs and shared systems shall ensure that the new RARC N725 (when CARC 20 is used) is applied to outbound 835 ERAs and 837 cross over claims when denying claims due to an ORM indicator of "Y" on an open Liability Insurance ("L" MSP Code) record. The definition of this RARC is as follows: • N725: A liability insurer has reported having ongoing responsibility for medical services (ORM) for this diagnosis. (NOTE: To be used with Group Code PR.)	X	X	X	X			X		
8984.4.8.3	The MACs and shared systems shall ensure that the new RARC N727 (when CARC 21 is used) is applied to outbound 835 ERAs and 837 crossover claims when denying claims due to an ORM indicator of "Y" on an open Auto/No-Fault Insurance ("D" MSP Code) record. The definition of this RARC is as follows: • N727: A no-fault insurer has reported having ongoing responsibility for medical services (ORM) for this diagnosis. (NOTE: To be used with Group Code PR.)	X	X	X	X			X		
8984.4.9	As part of their denial of claims due to workers' compensation ORM, the MACs shall generate the	X	X	X	X			X		

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	new Medicare Summary Notice (MSN) message 21.33 on their communications to beneficiaries. MSN 21.33 reads as follows: "This claim was denied. Your workers' compensation insurance plan has the on-going responsibility for medicals (ORM). Your workers' compensation insurance plan is responsible for paying this claim." Spanish,21.33 – "El reclamo fue denegado. Su seguro de compensación al trabajador aún es responsable del pago de los gastos médicos (ORM). Por lo tanto, debe pagar este reclamo."									
8984.4.9.1	As part of their denial of claims due to liability insurance (including self-insurance) ORM, the MACs shall generate the new MSN message 21.34 on their communications to beneficiaries. MSN message 21.34 reads as follows: "This claim was denied. Your liability insurance plan has the on-going responsibility for medicals (ORM). Your liability insurance plan is responsible for paying this claim." Spanish, 21.34 – ". El reclamo fue denegado. Su seguro de responsabilidad civil aún es responsable del pago de los gastos médicos (ORM). Por lo tanto, debe pagar este reclamo."	X	X	X	X			X		
8984.4.9.2	As part of their denial of claims due to no-fault insurance ORM, the MACs shall generate the new MSN message 21.35 on their communications to beneficiaries. MSN message 21.35 reads: "This claim was denied. Your no-fault insurance plan has the on-going responsibility for medicals (ORM). Your no-fault insurance plan is responsible for paying this claim." Spanish, 21.35–" El reclamo fue denegado. Su	X	X	X	X			X		

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	seguro de auto/sin parte culpable aún es responsable del pago de los gastos médicos (ORM). Por lo tanto, debe pagar este reclamo.”									
8984.4.10	MACs and shared systems shall only apply the prompt payment rules for liability insurance, no-fault insurance and workers’ compensation, if the ORM indicator on the MSPD screen equals a “space,” which means ORM does not exist for this MSP record.	X	X	X	X	X	X	X		
8984.4.11	MACs and shared systems shall not allow or make Medicare payments on open ORM occurrences that contain an ORM indicator of “Y,” unless the Claim Adjustment Reason Codes (CARC) on the claim permits Medicare to make a payment as identified in 8984.11.1.	X	X	X	X	X	X	X		
8984.4.11.1	MACs and shared systems shall make a Medicare payment for services if the following codes and conditions are met (assumption: primary payer did not pay for an acceptable reason; e.g., benefits exhausted or benefits no longer covered due to state imposed limits): • Any of the following CARCs are found on the ORM claim : 26, 27, 31, 32, 35, 49, 50, 51, 53, 55, 56, 60, 96, 119, 149, 166, 167, 170, 184, 200, 204, 242, 256, B1 (if a Medicare covered visit), B14, and • The service is covered and payable by Medicare.	X	X	X	X	X	X	X		
8984.4.11.2	The MACs and the shared systems shall make a payment, as appropriate, for those services related to diagnosis codes associated with the ORM MSP auxiliary record when the ORM record is terminated (i.e., claim’s service date falls outside the termination date on the MSP auxiliary record) or deleted.	X	X	X	X	X	X	X		

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
8984.4.12	FISS shall ensure that its current screen-scraping routines used for creating "I" records will not, in any way, modify already existing MSP D, E, or L records having an ORM indicator of "Y."					X				
8984.4.13	CWF shall ensure that error code 68XX may be overridden by MACs and shared systems as follows: • Allow the 68xx to be entered in the claim header if applicable to the entire claims on which MSP NGHP diagnosis codes do not apply; or • Allow for individual claim service lines on which MSP NGHP diagnosis codes do not apply to be overridden with an "N." (**NOTE:** In these cases, CWF shall not apply the line level override to the entire claim but only to the identified claim service detail lines.)								X	BDS
8984.4.14	The shared systems, A/B MACs (B), and DME MACs shall allow for the override of payable lines with override code "N." **NOTE:** There maybe contractor maintenance to add new error code to CW screen.		X		X		X	X		
8984.4.15	A/B MACs (A, HHH) and shared system shall allow for the 68xx code to be entered in the claim header when: • The override applies to the entire claim; and • The diagnosis code on the claim is not related to the MSP occurrence.	X		X		X				
8984.4.15.1	Additionally, the shared system shall allow the claim to be overridden with code "N" at the claim or line level when the diagnosis code is not					X				

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	related, as will happen for outpatient-related facility claims.									
8984.4.15.2	The A/B MACs (A, HHH) and shared systems shall input an "N" on the "001" Total Revenue Charge line of the claim if the claim is to be allowed to pay.	X		X		X				
8984.4.16	In reopening or claim appeal situations where the appellant or individual initiating the reopening is stating that ORM no longer applies due to benefits exhaustion, MACs shall continue to follow their current procedures for determining sufficiency of the information received as a basis for overturning or paying the claim at issue.	X	X	X	X					
8984.4.16.1	If MAC appeals or claims staff obtain an itemized schedule of payments from a third party payer (ORM entity) that confirms exhaustion of available benefits as of a specified date, these individuals, together with internal MSP staff, shall take the following steps, as applicable: • Appeals or claims staff shall contact your internal MSP personnel who regularly submit ECRS requests to the BCRC to request that they alert the BCRC that they have received documentation confirming exhaustion of benefits for a given MSP ORM occurrence. • MSP staff shall initiate an ECRS Assistance Request using existing action codes that will alert the BCRC that the benefits tied to a given MSP ORM occurrence have been exhausted. (**NOTE**: A third party payer letter indicating benefits were exhausted without an accompanying itemized schedule of payments is **not** sufficient evidence for initiating an alert to the BCRC via the ECRS process.)	X	X	X	X					
8984.4.16.2	When submitting an ECRS Assistance Request to the BCRC, the MACs shall indicate this relates to	X	X	X	X					

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	an open MSP record with ORM indicator=Y and shall provide the following: • The name of the third party payer; and • A request to apply a termination date to the record that equals the benefits exhaustion date, in accordance with the third party payer's itemized schedule of payment notice.									
8984.4.16.3	At CMS's direction, the BCRC shall take the indicated action specified by the MACs via the ECRS Assistance Request.									BCRC
8984.4.16.4	From a claims processing scenario, should MACs obtain an incoming claim that contains PR*119 (benefits exhaustion) or any of the CARCs specified in 8984.11.1, they shall pay primary, in accordance with current procedures. **(NOTE:** MACs shall not initiate ECRS Assistance Requests to the BCRC in these situations.)	X	X	X	X					
8984.4.17	The CWF copy book shall be updated to show the MSP NGHP ORM indicator and the valid one (1) byte field indicator values of "Y" or a space.								X	BDS
8984.4.18	NGD shall modify its systems to accept and allow the 1 byte MSP NGHP ORM indicator (Valid values: Y or a space).								X	BDS, NGD
8984.4.19	1-800 Medicare call scripts shall be updated with the new ORM policy and procedures									1-800 Medicare
8984.4.20	**NOTE:** CMS will issue a separate instruction for a different systems release to enable MACs to make a residual secondary payment in ORM situations (where MSP D, E, or L records contain an ORM indicator of "Y") when an RRE's payment of a claim is incomplete.	X	X	X	X					

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	Until that time, when MACs need to make a residual secondary payment, they shall following existing procedures, as applicable. (for some this includes requesting permission from their CMS COR to pay the claim outside CWF)									

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			DME MAC	CEDI
		A	B	HHH		
8984.4.21	MLN Article: A provider education article related to this instruction will be available at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/ 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 5 business days after receipt of the notification from CMS announcing the availability of the 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	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: N/A

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

V. CONTACTS

Pre-Implementation Contact(s): Karen Ochab, 410-786-6406 or karen.ochab@cms.hhs.gov ((Brian Pabst; brian.pabst@cms.hhs.gov; 410-786-2487); (Rick Mazur; richard.mazur2@cms.hhs.gov; 410-786-1418))

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

VI. FUNDING

Section A: 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.

ATTACHMENTS: 0

Medicare Claims Processing Manual
Chapter 27 - Contractor Instructions for CWF

80.2 - Inpatient, SNF, Outpatient, Home Health, and Hospice Utilization Error Codes

(Rev.3358, Issued: 09-18-15, Effective: 07-01-15, Implementation: 07-06-15 Design and Pre-Coding (CWF, FISS, and VMS); October 5, 2015 - Full implementation (CWF, FISS, MCS, and VMS)

See CWF documentation at: https://cwf.2020llc.com/cwf/downloads/docs/pdfs/editutil.pdf
Information regarding Medicare Secondary Payer (MSP) Utilization Errors (6800 series) may be referenced in Pub.100-05, chapter 6, section 40.8.

80.3 - Part B/Carrier and DMEPOS Utilization Error Codes

(Rev.3358, Issued: 09-18-15, Effective: 07-01-15, Implementation: 07-06-15 Design and Pre-Coding (CWF, FISS, and VMS); October 5, 2015 - Full implementation (CWF, FISS, MCS, and VMS)
Refer to the following site for the CWF documentation for the latest information regarding the A/B MAC (B) and DMEPOS Utilization (UR) Error Codes: https://cwf.2020llc.com/cwf/downloads/docs/pdfs/editutil.pdf

All MSP-specific Utilization Error codes (6800 series error codes) may be referenced in Pub.100-05, chapter 6, section 40.8.

80.7 - MSP Maintenance Transaction Error Codes

(Rev.3358, Issued: 09-18-15, Effective: 07-01-15, Implementation: 07-06-15 Design and Pre-Coding (CWF, FISS, and VMS); October 5, 2015 - Full implementation (CWF, FISS, MCS, and VMS)

Information concerning all MSP Maintenance Transaction Error Codes also (known as "SP" edit or error codes) may now be found in Pub.100-05, chapter 6, section 30.3.