CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

COB&R
Coordination of Benefits and Recovery

Group Health Plan (GHP)
Section 111 Reporting Webinar

September 10, 2024

Presentation Overview

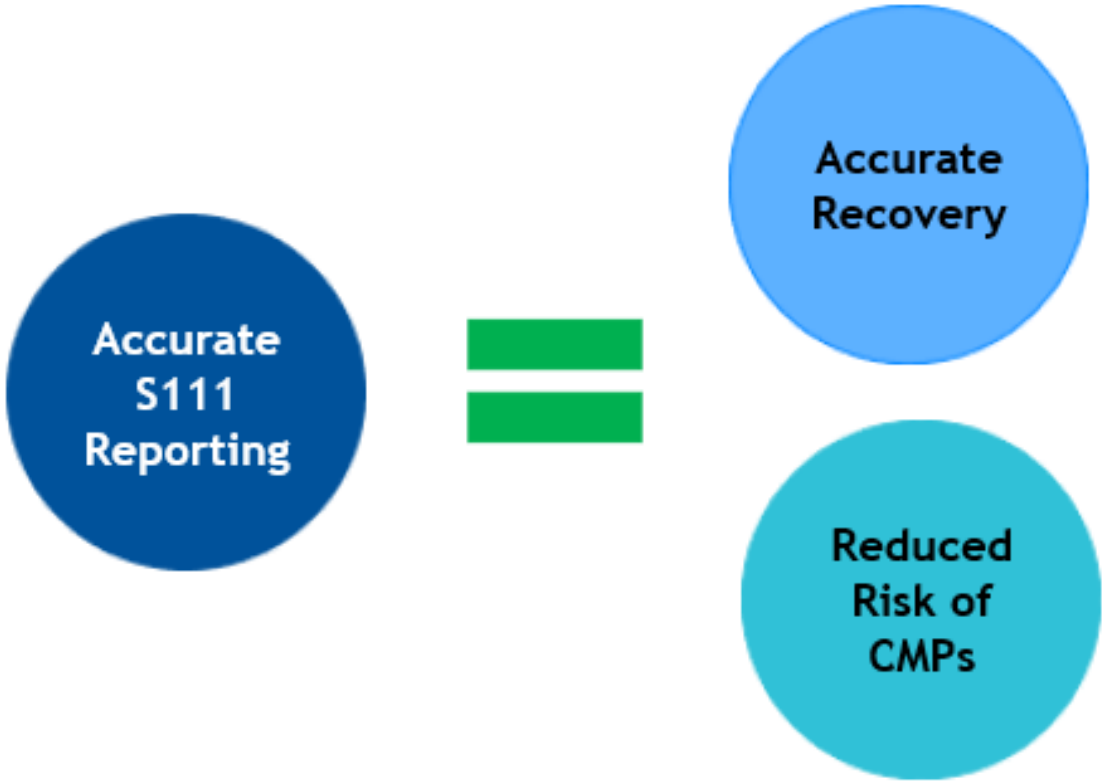
S111 Reminders and Best Practices

Upcoming Changes

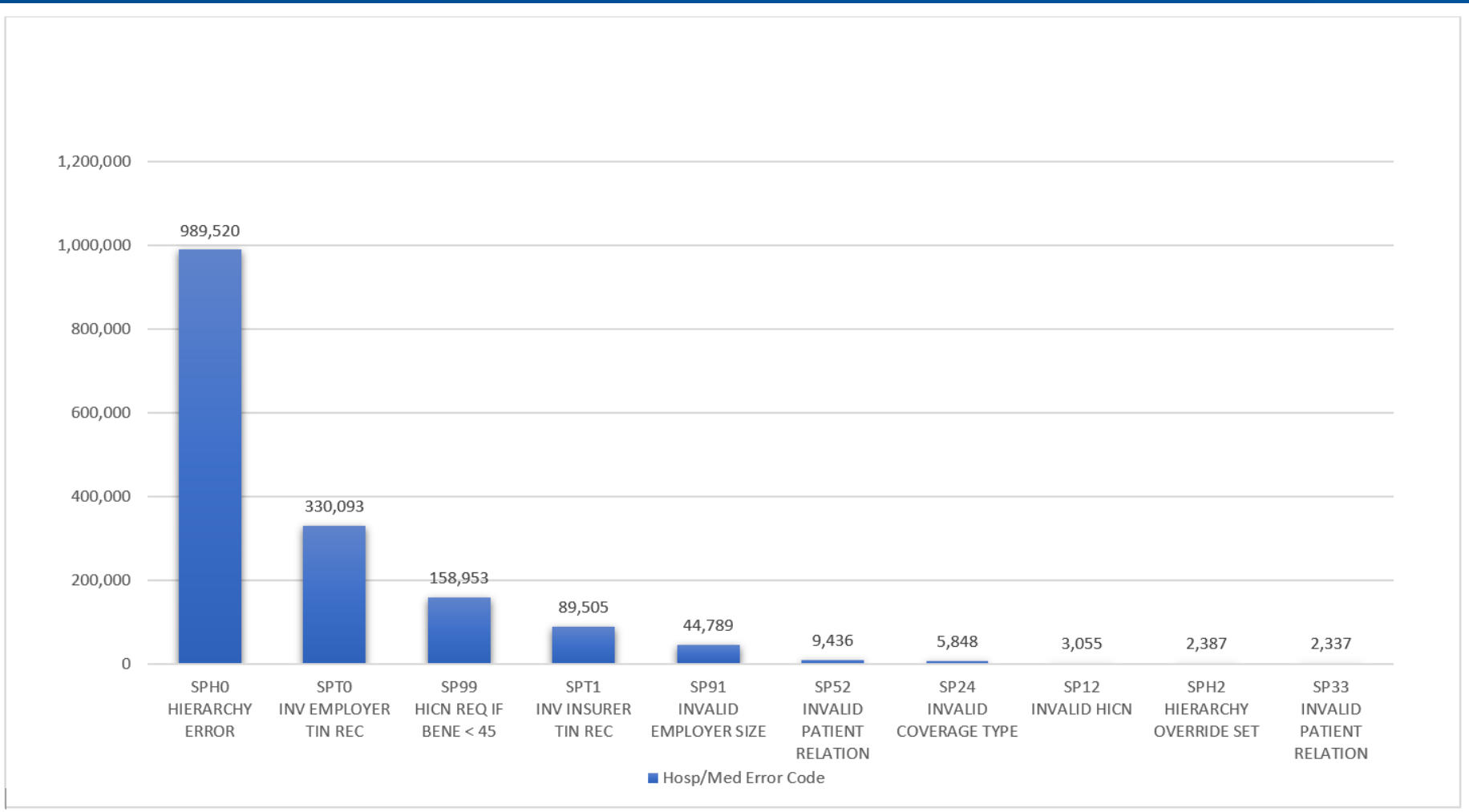
Additional Resources

Questions & Answers

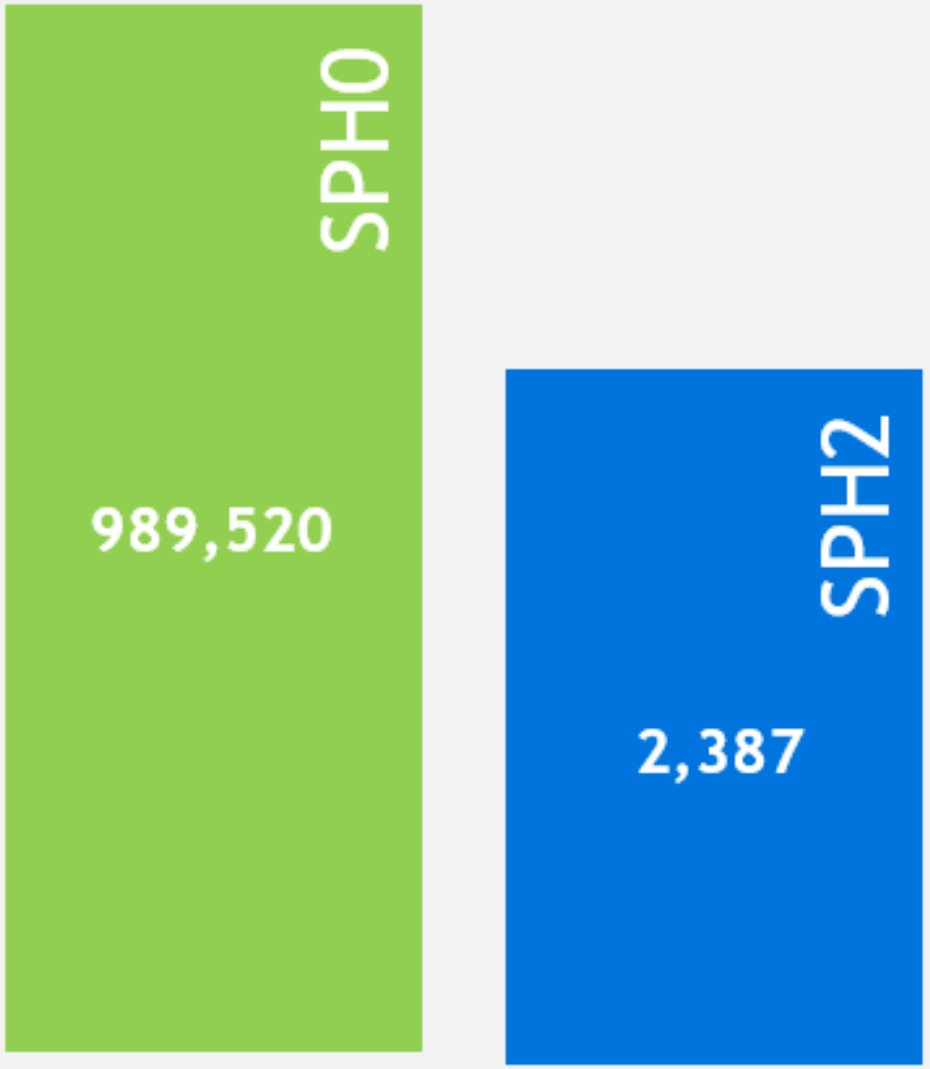
Why Accurate Reporting Matters



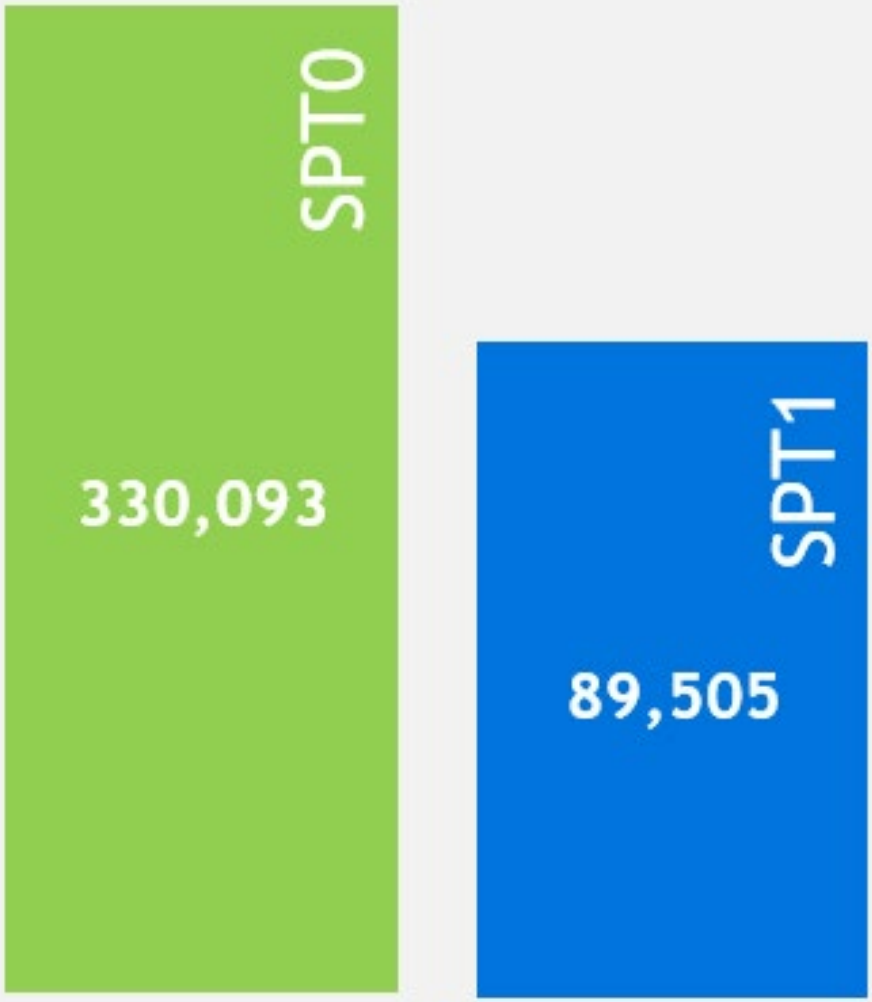
Top 10 Hospital/Medical Error Codes
Jan 1st – June 15th, 2024



Hierarchy Errors

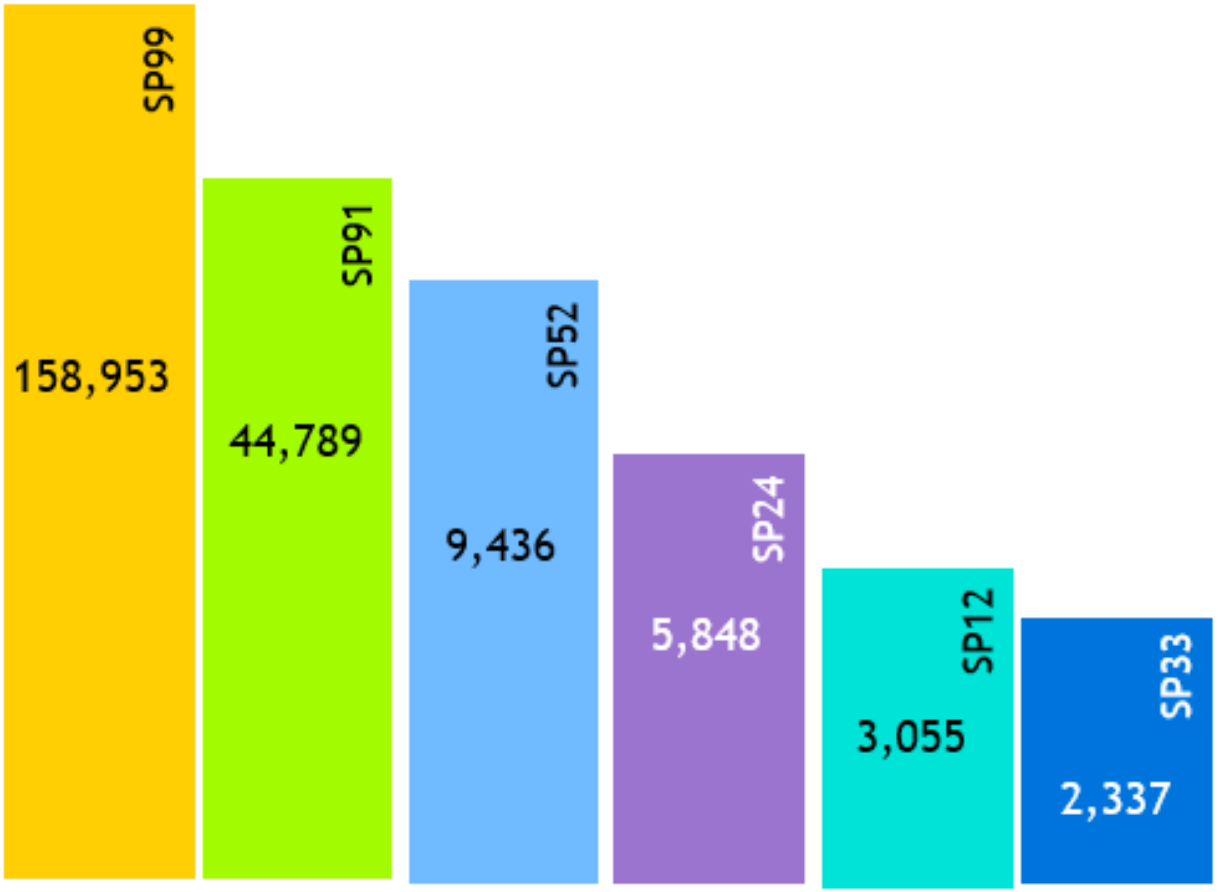


TIN Related Errors



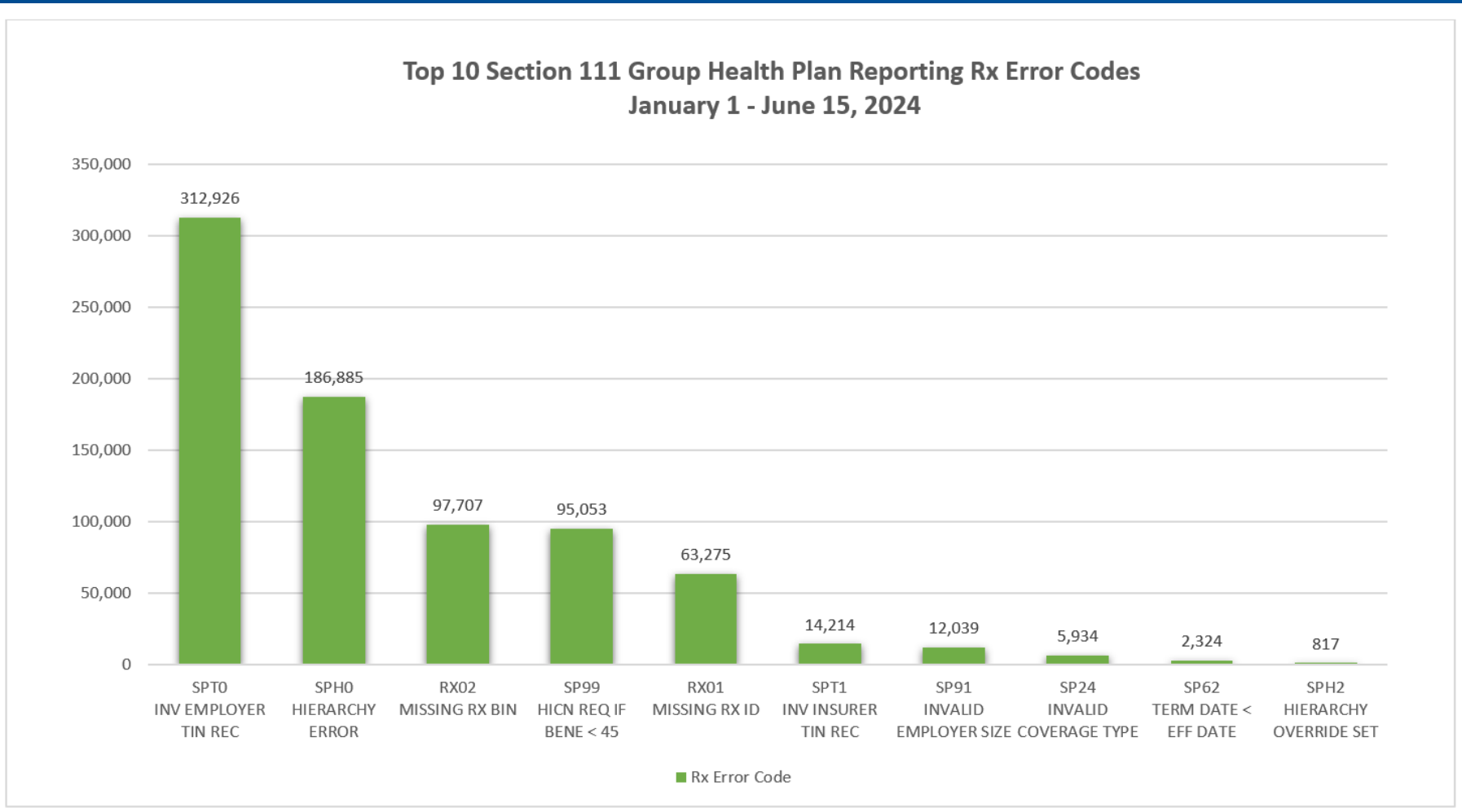
USPS Address Validation

Acme Insurance Company
123 Smith Rd
Anytown, NY 12345-1234

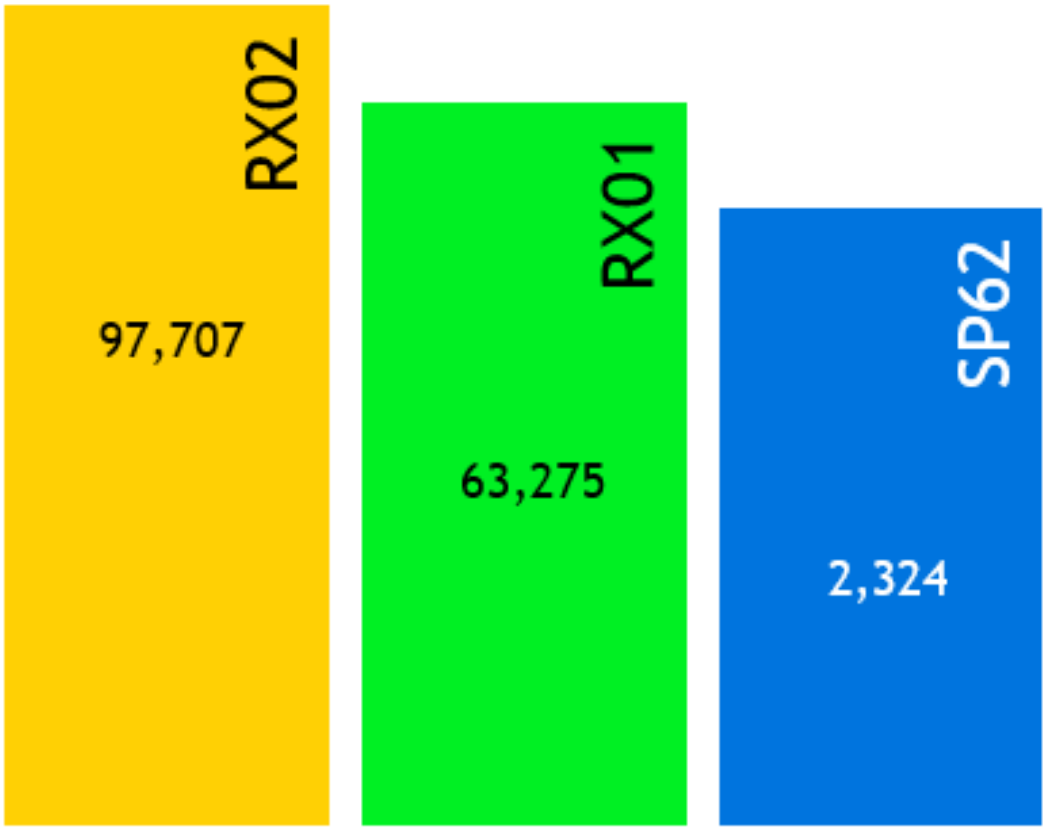


Other Common Errors

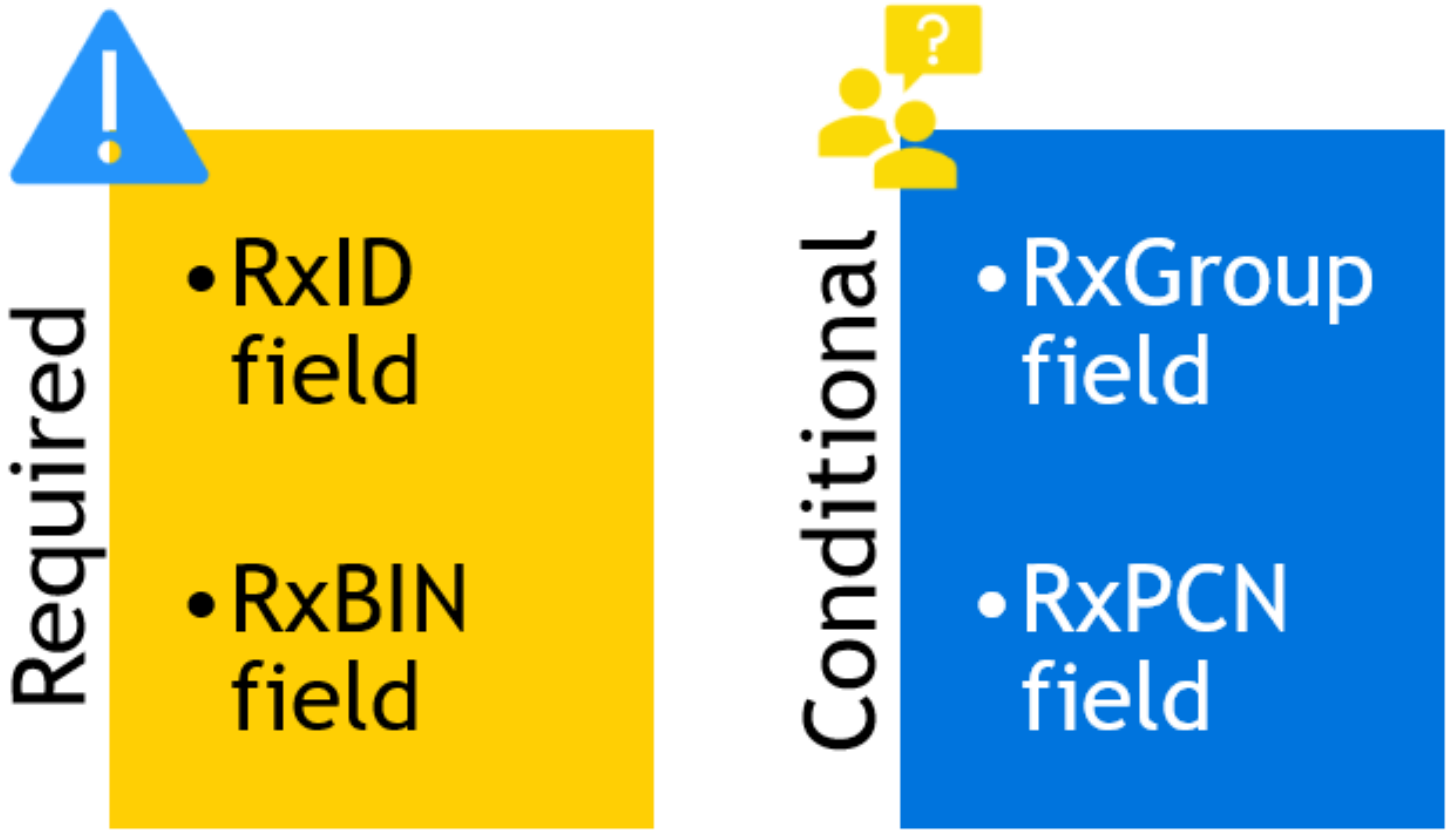
Top 10 Rx Error Codes Jan 1st – June 15th, 2024



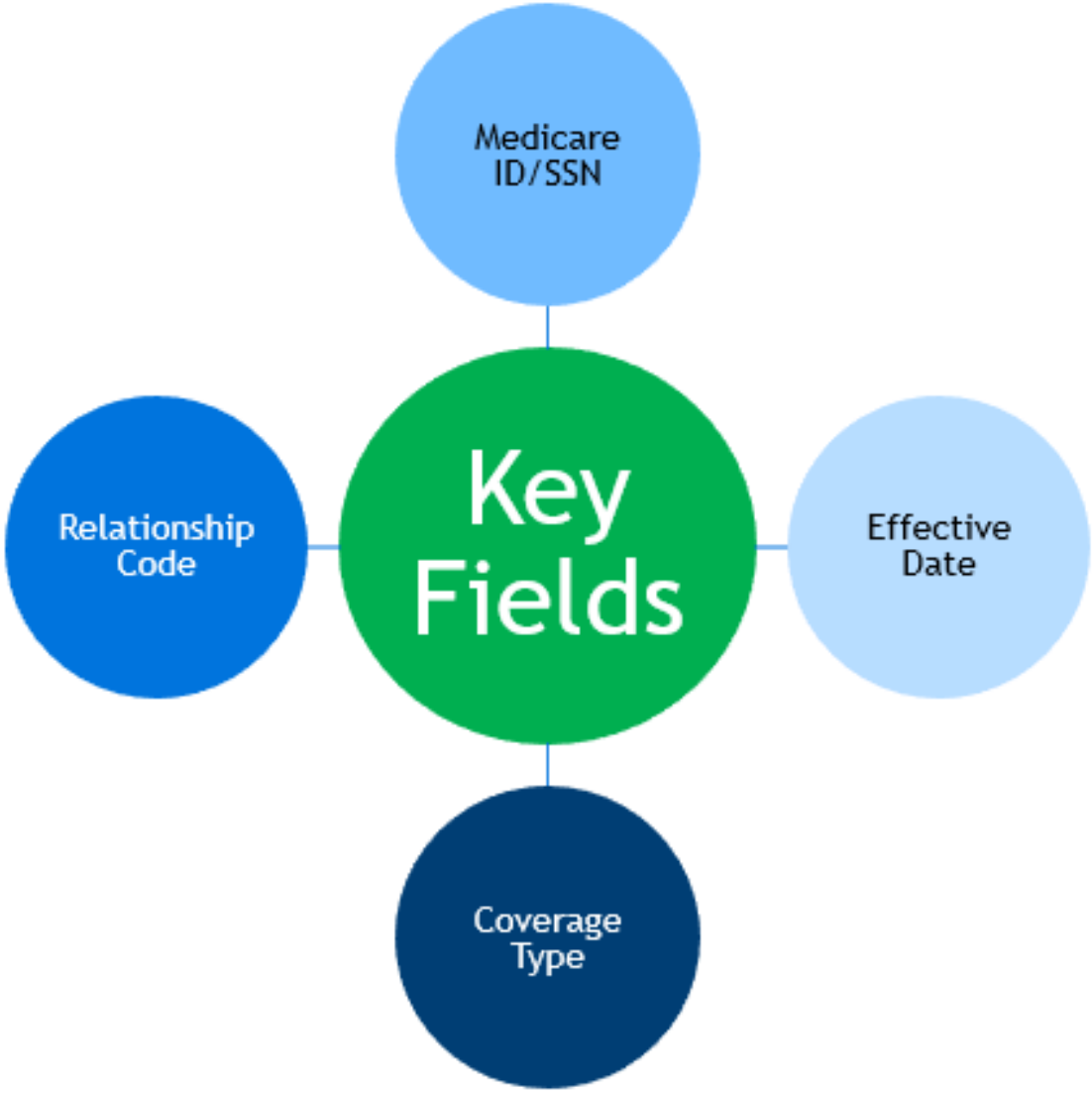
RX Related Errors



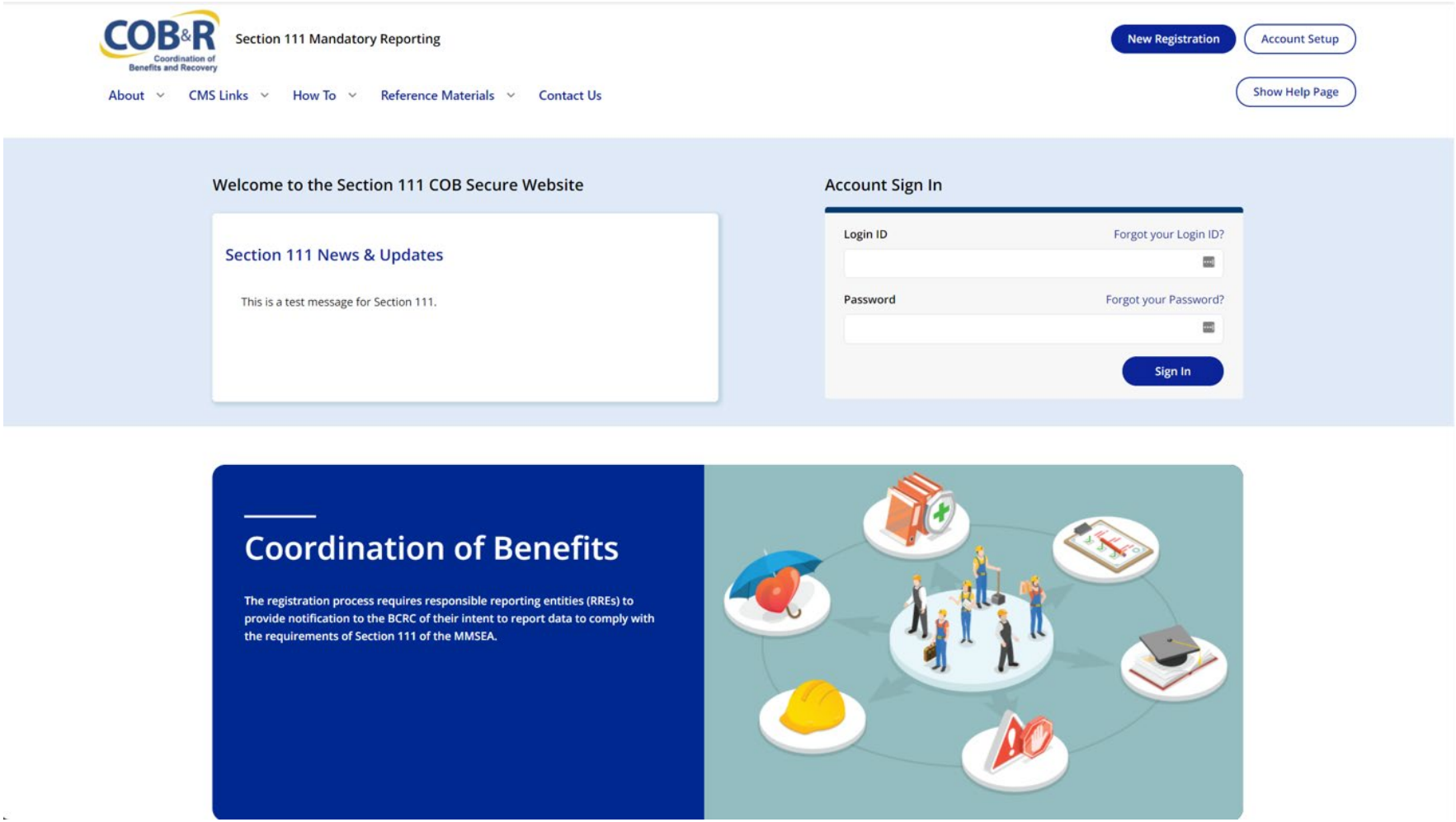
Rx Reporting Reminder



Key Fields and the Delete/Add Process



S111 Coordination of Benefits Secure Website (COBSW) Upgrade



Coming Soon

CMP Webinars Coming in October

Email CMP Questions To:

Sec111CMP@cms.hhs.gov

Additional Resources

The EDI Department is available for assistance at (646) 458-6740.

For additional information, please also see the following resources:

- Section 111 GHP User Guide
- Section 111 GHP Training Materials
- Section 111 Mailbox:
  PL110-173SEC111-comments@cms.hhs.gov

Questions & Answers

Slide 0: Group Health Plan (GHP) Section 111 Reporting Webinar

Slide 1: Presentation Overview

During this presentation we want to offer some Section 111 best practices, go over some important dates and reminders, and remind you of additional resources that are available. Lastly, we will open the call up for questions and answers.

Slide 2: Why Accurate Reporting Matters

We want to begin today by reminding everyone why accurate S111 reporting is so important.

The purpose of Section 111 reporting is to allow Centers for Medicare & Medicaid Services (CMS) to pay appropriately for Medicare-covered items and services furnished to Medicare beneficiaries. Section 111 GHP reporting of applicable coverage information helps CMS determine when other insurance coverage is primary to Medicare, meaning that it should pay for the items and services first, before Medicare considers its payment responsibilities.

This essentially means that the more accurate your S111 reporting is the more accurate the recovery process will be. And the upcoming implementation of Civil Money Penalties (CMPs) will mean that the accuracy and timeliness of your reporting will be more important than ever.

Let's look at some tips and reminders to help you have the most accurate reporting possible.

Slide 3: Top 10 Hospital/Medical Error Codes January 1 to June 15, 2024

Now let's talk about what happens when you receive an error. We are always looking at trends when it comes to error codes. We hope that by pointing these out the Benefits Coordination & Recovery Center (BCRC) will see fewer of them in the future and your files will process more smoothly.

Let's look in more detail at the top Hospital/Medical error codes for the last six months. It's important to remember that these errors are a snapshot in time for January to June. While Responsible Reporting Entities (RREs) may have already corrected these issues, we thought it would still be beneficial to go over them so others can learn from these mistakes and prevent future errors.

CMS posts these error code trend charts to CMS.gov bi-annually, so they are a good reference to use to keep an eye on trends relating to error codes.

Slide 4: Hierarchy Errors

The BCRC is charged with collecting information to identify other health insurance that Medicare beneficiaries have that is primary to Medicare coverage. To obtain comprehensive other insurance information and post it to the common working file in a timely fashion to prevent mistaken Medicare payments, the BCRC utilizes various methods of data collection: Mandated Section 111 reporting, voluntary data sharing agreements, and telephone calls to the Beneficiary Call Center and the BCRC Call Center.

While each of these methods has proven effective, CMS has found that historically, some sources are more reliable than others and collection from different entities can result in conflicting information. Most often, the conflicting information was related to the Medicare Secondary Payer (MSP)

Termination Date. To resolve this issue, CMS implemented a hierarchy of sources to determine which source's update should take precedent.

For example, a beneficiary is calling the BCRC and reporting their retirement before an RRE sends an updated record. In these situations, the BCRC would update the record. The BCRC takes precedence in the hierarchy so it will result in a hierarchy error back to the RRE if they send an update for that member.

The most common hierarchy errors are:

SPH0 – This error occurs when a transaction attempted to update/delete an MSP occurrence last updated by a higher-ranking source where the MSP occurrence is not locked. After receipt of the SPH0 error, an RRE should review submitted information and determine if the update/delete must be applied. If it is determined that the update/delete must be applied, then the transaction should be submitted again in the next quarterly file submission with a value of HB (Hierarchy Bypass) in the Override Code (Field 33) of the MSP Input File Detail Record. If it is determined that the update/delete does not need to be applied, then the information should be updated in the RRE's internal system and the RRE should not submit this update/delete transaction again in subsequent file submissions.

SPH2 – This error is given when a transaction attempted to bypass hierarchy (using HB in the override code field) prior to receiving the SPH0 error. RREs will receive this error if they submit an Override Code on the first attempt of the update/delete, as well as an "SP" disposition code. RREs must first receive the SPH0 error and then submit the Override Code on the record in your next quarterly file submission after verifying that the override is appropriate and necessary. It should be noted that RREs who opt into and use the Unsolicited MSP Response File can submit an update transaction on their MSP Input File using the Hierarchy Override Code (HB) before receiving the SPH0 error.

To avoid hierarchy errors, RREs are strongly encouraged to opt into the Unsolicited File process. RREs who opt in receive notification of these types of updates so they can proactively review these records for accuracy and remove them from their MSP input file to avoid receiving these hierarchy errors.

RREs that identify mistakes with records from the unsolicited file can also submit the HB override code before receiving the SPH0 code on their next quarterly file.

Slide 5: Tax Identification Number (TIN) Related Errors

TIN related errors continue to trend as some of the most common error codes. As a reminder, RREs must first receive a "01" TIN disposition code on their TIN reference file before submitting the TIN on their MSP input file. Any TIN that receives a TIN disposition code on their TIN reference file will result in an error on their MSP response file.

Errors on TIN Reference File records will result in rejection of subsequently processed MSP Input File Detail Records with matching Insurer/Third Party Administrator (TPA) or employer TINs. TIN records returned with errors must be corrected and resubmitted for the corresponding MSP records to process correctly.

The Insurer/TPA TIN (MSP Input Field 22) and Employer TIN (MSP Input Field 21) will be matched to the Coordination of Benefits (COB) database table of valid, accepted TIN Reference File records submitted by the RRE.

If a match is not found to a valid TIN record, the MSP Input File Detail Record will be rejected and returned on the MSP Response File with an "SP" disposition code and an error code indicating that a valid TIN record could not be found.

RREs will have to refer to the errors returned on their TIN Reference Response Files to determine what caused the matching TIN record to be rejected. It will be necessary for an RRE to resubmit corrected TIN Reference File records, along with resubmitting the corresponding MSP Input File Detail Records that were rejected, in its next file submission.

The two codes in question are:

SPT0 – This is the most common TIN error. It indicates no matching valid TIN Reference File Detail Record was found for the Employer TIN submitted. The main cause for this error is an incorrect employer TIN was submitted on the MSP Input File Detail Record. In this case, the RRE should correct and resubmit the MSP Input File Detail Record. This could also occur because a corresponding TIN Reference File Detail Record was not submitted for the employer TIN or was submitted and rejected with errors. In that case, the RRE should refer to the errors returned on the TIN Reference Response File, submit an updated/corrected TIN Reference File, and resubmit the MSP Input File record.

SPT1 – Another very common error. It indicates no matching valid TIN Reference File Detail Record was found for the Insurer/TPA TIN submitted. It can be caused by an incorrect Insurer/TPA TIN being submitted on the MSP Input File Detail Record. In this case, the RRE should correct and resubmit the MSP Input File Detail Record. This could also occur because a corresponding TIN Reference File Detail Record was not submitted for the Insurer/TPA TIN or was submitted and rejected with errors. For this latter situation, an RRE should refer to the errors returned on the TIN Reference Response File, submit an updated/corrected TIN Reference File, and resubmit the MSP Input File record.

Also remember that when you are reporting TIN information this identifies who the debtor should be for recovery actions. If you are reporting records for a federal employer, make sure to report the correct federal employer TIN and report it as an "F" TIN. This will identify that the Insurer/TPA for any related cases should be the debtor.

Slide 6: USPS Address Validation

We also want to take a moment to talk about the most common reason for TIN errors, which are invalid addresses. TIN Reference File records that pass the basic field validation edits are then processed by the BCRC using a postal software tool. This tool is used to validate and improve the deliverability of mailing addresses.

Non-foreign addresses will be reformatted into the standardized format as recommended by the United States Postal Service (USPS), so that they can be matched against a database of valid, deliverable addresses. To this end RREs can only use addresses that are validated by the USPS website, and, as much as possible, are in the format that is shown by the USPS website. For example, "RD" instead of "ROAD" or "STE" instead of "Suite."

RREs are encouraged to pre-validate employer and Insurer/TPA addresses using postal software or online tools available on the USPS website pages. RREs should use standard abbreviations and adhere to USPS standards. The address validation enhancements effective in the Section 111 system will "scrub" addresses submitted on the TIN Reference File using USPS standards, but it is recommended that RREs attempt to adhere to these standards as well to improve results. And if your address fails

validation with USPS, you must visit your local USPS office to correct this issue. Please make the correction immediately, as TIN errors delay records posting.

We are aware that RREs may rely on their employer clients as to the validity of the addresses, but we strongly encourage RREs to work with their employer clients to provide addresses that are valid with the USPS website.

While we are on the topic of addresses, we also want to offer an additional address-related reminder. It is important for RREs to remember that when updating an address, as well as making the update on the TIN Reference File, you must also send an Update transaction for all the related MSP Records so that the addresses are updated for each of them as well.

Slide 7: Other Common Errors

There are a few other codes that come up often so let's go over them.

SP99 – If an RRE submits an MSP Input File Detail record for a covered individual under the age of 45 and does not supply a Medicare ID (Health Insurance Claim Number [HICN] or Medicare Beneficiary Identifier [MBI]) on that record, then the record will be rejected with an “SP99” error code. If an RRE needs to submit GHP coverage information for a Medicare beneficiary under age 45, the RRE must first obtain the Medicare ID for the beneficiary.

SP91 – The Invalid Employer Size error occurs most often because the Employer Size field is left blank. This is a required field and should be populated with the appropriate value which are “0” for 1 to 19 employees, “1” for 20 to 99 employees and “2” for 100 or more employees.

SP52 – This error will occur if the RRE submits a relationship in Field 16 (Relationship Code) that is not acceptable for the Medicare entitlement. For example, an RRE may be sending the patient relationship code as “20” (domestic partner) when the Beneficiary entitlement and reason the GHP coverage is primary is working aged. Since the domestic partner patient relationship is only acceptable when the beneficiaries Medicare entitlement is due to disability it will trigger the SP52 error.

SP24 – This error is for an invalid coverage type (field 11). Most of these errors happen when an RRE leaves this field blank when it is a required field. The RREs should review the valid coverage types in the GHP User Guide, update, and resubmit the record on the MSP Input File.

SP12 – This error occurs when an invalid Medicare ID (Health Insurance Claim Number (HICN or MBI) is submitted. Most commonly this error occurs because of incorrect formatting of the Medicare ID. For example, recently there was an issue with MBIs being submitted with invalid characters like a dash which will cause the SP12 error.

SP33 – The most common reason for this error is that the patient relationship field code (which is a required field) is left blank. The RRE should check the relationship codes in the GHP User Guide to verify the correct code and resubmit.

Slide 8: Top 10 Error Codes January 1 to June 15, 2024

Now let’s look at the most common Rx error codes in the past six months. Many are the same as the Hospital/Medical that we just discussed but there are a few others that we also want to point out.

Slide 9: Rx Related Errors

The first two error codes we want to discuss are specifically Rx error codes. The Rx error codes (Response Fields 71-74) are specific to the prescription drug coverage data elements on the MSP Input File, including Rx Insured ID, Rx Group, Rx PCN, Rx BIN, Toll-Free Number, and Person Code. Drug records may also have errors for the nondrug-specific fields in the regular error codes found in Response Fields 40-43.

RX02 is received for a missing or invalid RxBIN for a drug record. The RRE should update/correct the RxBIN field and resubmit the record on the MSP Input File.

RX01 is received when there is a missing RXID for a drug record. The RRE should update the RXID field and resubmit the record on the MSP Input File.

Lastly, we have also seen quite a few SP62 errors. This error occurs when an RRE fails to note CMS modification of the RRE's MSP Effective Date to correspond with the commencement of the Medicare entitlement. The RRE should go back to its previous response file and identify the correct MSP Effective Date for this record. If the Termination Date is earlier than the MSP Effective Date on the previous response file, this indicates that there was no MSP, and the RRE should send a transaction to delete the record.

Slide 10: Rx Reporting Reminder

When we look at prescription drug reporting and the related errors, there are often questions around what is required and what is not. The required data when reporting drug coverage are the RxID and the RxBIN fields. RREs must complete these fields.

However, the RxGroup and RxPCN fields are conditional. There may be values not created or assigned by an insurer so in that case, these fields may be left blank.

However, if assigned, RREs are required to complete these fields. Providing these details helps with the Coordination of Benefits for Medicare Part D.

Slide 11: Key Fields and the Delete/Add Process

Next let’s talk about key fields.

The key fields are:

- Medicare ID/SSN – Fields 1 or 9 (the wrong person was submitted)
- Effective Date – Field 10
- Coverage Type – Field 8 (except changing ‘A’ to ‘W’)
- Relationship Code – Field 12

If you need to correct one of the key matching fields used for MSP occurrences, you need to follow a special process to make this update. First, a “delete transaction” must be sent in your file to remove the previously added record. It must match on all key fields to ensure it is deleted.

The “delete transaction” should then be followed by an “add transaction” in the same file to add the record back, if applicable, with the corrected information. This process will completely replace the previously added MSP occurrence with the correct information.

RREs should not be using the Delete-Add process if the beneficiary has an MBI or new MBI but was previously reported with a different identifier.

Please note that if you are correcting the coverage type from ‘A’ (Hospital/Medical) to ‘W’ (Comprehensive coverage), please submit only an update record.

Lastly, to update any fields other than a key field, you should use the update process. You can always reference the GHP User Guide Chapter 8.7 for specific events.

Slide 12: S111 Coordination of Benefits Secure Website (COBSW) Upgrades

We also just want to mention the recent upgrade to the Section 111 COB Secure Website. I am sure many of you have noticed the recent change.

The purpose of the upgrade was to enhance the end user experience across the application. While the functionality of the system didn’t change, the layout and flow are new.

An updated user guide and help pages are available to assist you in navigating the changes. Should you experience any issues or have additional questions please contact your Electronic Data Interchange (EDI) Representative.

Slide 13: Coming Soon

The other major upcoming change is the implementation of Civil Money Penalties (CMPs)s. We just wanted to let you know that CMS will be hosting CMP webinars in October. So, stay tuned to CMS.gov for those announcements.

And in the meantime, if you have any CMP related questions you can submit them to the CMP dedicated mailbox at Sec111CMP@cms.hhs.gov.

Slide 14: Additional Resources

Before we end the presentation and start the Q&A section of the call, we want to remind you of other resources available to you.

The EDI Department is available to assist you with reporting questions and issues at 646-458-6740.

You can also find assistance on CMS.gov where the GHP User Guide and GHP Training materials are located. Lastly, if you have S111 questions, you can submit them to the Section 111 mailbox. As a reminder, please do not submit any Personally Identifiable Information (PII) or Protected Health Information (PHI) in your email.

Slide 15: Question & Answers