



Financial Services Group

DATE: August 23, 2013

TO: All Section 1833 and 1876 Cost-based Contracts

FROM: Julia Gorner
Director, Division of Capitated Plan Audits

SUBJECT: Duplicate Payment Detection Costs

Effective January 2012, the Centers for Medicare & Medicaid Services (CMS) made provisions for cost plans to receive their Part B claims information from Carriers/ Medicare Administrative Contractors (MACs) at no cost. This information is required for your duplicate payment detection functions in accordance with section 300, Chapter 17B of the Medicare Managed Care Manual.

The CMS is aware that not all cost plans took advantage of this benefit. To obtain your Part B claims information at no charge, each cost plan must complete the following steps:

- Sign a customized Coordination of Benefits Base Agreement (COBA) for Health Care Pre-Payment Plans and Cost Health Maintenance Organizations with the Coordination Of Benefits Contractor (COBC); and
- Complete a COBA Attachment to apply for a COBA identifier, within the range 89000 through 89999, to activate the no-cost process.

To complete the COBA Attachment:

- Select “New COBA ID” on page 1 to request a new COBA ID in the range 89000 through 89999.
- Select option 5 “Other” on page 2 and denote “HCPP/Cost HMO” in the line provided immediately beneath that option.
- Unless some changes are necessary, other portions of the COBA Attachment (especially Sections IV and V) should mimic the previous COBA Attachment the plan completed with the COBC.

Plans should feel free to contact their designated COBC Electronic Data Interchanges representative for assistance in completing the COBA Base Agreement and Attachment.

As a result of changes described above, any fees paid to the Carriers/ MACs after January 1, 2014 for obtaining Part B claims data will be considered unnecessary and improper and must be reported as Non-allowable on the cost reports. Additionally, CMS reminds you that all other reasonable costs incurred for Medicare duplicate payment detection must be classified as Administrative and General, not Special Administration.

If you have any questions or concerns, please send them to CostMCO@cms.hhs.gov.