CMS Manual System	**Department of Health & Human Services (DHHS)**
Pub 100-04 Medicare Claims Processing	**Centers for Medicare & Medicaid Services (CMS)**
Transmittal 2112	**Date: December 3, 2010**
	Change Request 6625

NOTE: Transmittal 2014, dated July 30, 2010, is being rescinded and replaced by Transmittal 2112, dated December 3, 2010. Stating that the Common Working File shall Implement this Change Request in the July 2011 release. All other Contractor and Shared Systems Implementation Dates Remain the Same. All other information remains the same.

SUBJECT: Common Working File (CWF) Unsolicited Response Adjustments for Certain Claims Denied Due to an Open Medicare Secondary Payer (MSP) Group Health Plan (GHP) Record Where the GHP Record was Subsequently Deleted or Terminated.

I. SUMMARY OF CHANGES: This CR instructs the CWF to implement an automated process to reopen certain MSP claims when MSP GHP records were 1) deleted, or 2) under some circumstances, certain MSP GHP records were terminated and claims were denied due to MSP or Medicare made a secondary payment before the termination date was accreted.

EFFECTIVE DATE: * January 1, 2011, Analysis and Design – VMS and CWF;
April 1, 2011 – VMS and FISS Analysis and Design; July 1, 2011 – FISS, VMS and CWF Coding and Implementation

IMPLEMENTATION DATE: January 3, 2011, Analysis and Design – VMS and CWF;
April 4, 2011, – VMS and FISS Analysis and Design; July 5, 2011, – FISS, VMS and CWF Coding and Implementation

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-

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
R	4/1/130.6/Adjustments to Reprocess Certain Claims Denied Due to an Open Common Working File (CWF) Medicare Secondary Payer (MSP) Group Health Plan (GHP) Record Where the GHP Record Was Subsequently Deleted or Terminated.

III. FUNDING:

For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs) and/or Carriers:
No additional funding will be provided by CMS; contractor activities are to be carried out within their operating budgets.

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

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

Attachment - Business Requirements

Pub. 100-04	Transmittal: 2112	Date: December 3, 2010	Change Request: 6625

NOTE: Transmittal 2014, dated July 30, 2010, is being rescinded and replaced by Transmittal 2112, dated December 3, 2010. Stating that the Common Working File shall Implement this Change Request in the July 2011 release. All other Contractor and Shared Systems Implementation Dates Remain the Same. All other information remains the same.

SUBJECT: Common Working File (CWF) Unsolicited Response Adjustments for Certain Claims Denied Due to an Open Medicare Secondary Payer (MSP) Group Health Plan (GHP) Record Where the GHP Record was Subsequently Deleted or Terminated

Effective Date: January 1, 2011, Analysis and Design – VMS and CWF
April 1, 2011, – VMS and FISS Analysis and Design; July 1, 2011, – FISS, VMS and CWF Coding and Implementation

Implementation Date: January 3, 2011, Analysis and Design – VMS and CWF
April 4, 2011, – VMS and FISS Analysis and Design; July 5, 2011, – FISS, VMS and CWF Coding and Implementation

I. GENERAL INFORMATION

A. Background: Group Health Plan (GHP) Medicare Secondary Payer claims are not reprocessed automatically in situations where Medicare becomes the primary payer after an MSP GHP record has been deleted, or when an MSP GHP record was terminated, after claims were processed subject to the CWF record. It is currently the responsibility of the beneficiary, provider, physician or other supplier to contact the Medicare contractor and request the denied claims be reopened when reopening was permitted. This is a burden on the beneficiary, physician, or other supplier. This CR instructs the CWF to implement an automated process to reopen certain MSP claims when MSP GHP records were 1) deleted, or 2) under some circumstances, certain MSP GHP records were terminated and claims were denied (rejected for Part A claims) due to MSP or Medicare made a secondary payment before the termination date was accreted. This CR impacts Part A, Part B and Durable Medical Equipment contractors.

The Coordination of Benefits Contractor (COBC) currently identifies, deletes, and terminates MSP GHP records on the CWF when appropriate. The 1-800 Medicare also applies simple terminations to MSP GHP working aged records only. Upon deletion of an MSP record, or where a termination date is added to an MSP GHP (MSP Codes 12, 13, 43) record, this change request instructs the CWF to search the claims history for claims, with dates of service within 180 days of the deletion date, or the date the termination date was applied, which were processed for secondary payment or were denied (rejected for Part A claims) because of the MSP edit as set forth in 42 CFR 405, subpart G, H and I. These claims shall be reopened, as necessary, including locating any claims billed to Medicare as primary, or secondary, and denied (rejected for Part A claims) on the basis of the subsequently deleted CWF MSP GHP record. Claims with added termination dates shall be reopened no earlier than the termination date applied to CWF.

The CWF will also generate an unsolicited response "W" and send this response, with the 24 and 10 trailers containing the identifying information regarding any such claims found, to the shared system. The unsolicited response will include the necessary information to identify the claim(s), including the Document Control Number/Internal Control Number/Claim Control Number, Health Insurance Claim number, beneficiary name, and date(s) of service. The CWF will electronically transmit this unsolicited response to the processing contractor(s) that originally processed the claim(s) or send the claim to the MAC contractor that assumed the workload for the original legacy contractor that processed the claim. The previously denied claim(s) (rejected for Part A claims) will not be canceled and will remain on the CWF claims history pending subsequent adjustment as warranted.

Upon receipt of the unsolicited response, the shared system software shall read the claim information in the trailer for each claim and perform an automated reopening to each claim. The claim(s) must be reopened and adjusted as warranted for all non-reimbursed/claim denials or terminations that were based upon the MSP GHP record that was just deleted or terminated. The MSP unsolicited response will receive a '03' Trailer when COBC deletes an MSP occurrence, the same way the current MSP response does today. Adjustments will be subject to all applicable edits as the original claim(s) and sent to the CWF so that the claim(s) on the CWF history are replaced with the adjusted claim(s) records.

MSP Alerts

The automated MSP GHP reprocessing requirement allows CWF to alert the shared system when a MSP GHP record is deleted or a termination date added for specific beneficiaries. The shared systems and Medicare Contractors shall receive an IUR transaction response from CWF alerting the system to reprocess certain MSP GHP claims where the open GHP record was deleted /terminated by the COBC. Simple terminations are applied by 1-800-Medciare for GHP working aged MSP records only. This unsolicited transaction is sent to the contractors on record at CWF that had claim history for the associated beneficiary within the 180 day period. The CWF system is already programmed to send an updated MSP transaction (HUSC transaction) any time a change is made to an MSP record and this process will not change.

B. Policy: N/A

II. BUSINESS REQUIREMENTS TABLE

Use"Shall" to denote a mandatory requirement

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
6625.1	Upon deletion of an MSP record, or where a termination date is added to an MSP GHP (MSP Codes 12, 13, 43) record, this change request instructs the CWF to search the claims history for claims, with dates of service within 180 days of the deletion date, or the date the termination date was applied, which were processed for secondary									X	

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
	payment or were denied (rejected for Part A claims only) because of the MSP edit as set forth in 42 CFR 405, subpart G, H and I.										
6625.1.1	The Shared Systems shall reopen these claims, as necessary, including any claims billed to Medicare as primary, or secondary, or were denied (rejected for part A MSP claims) on the basis of the subsequently deleted CWF MSP GHP record and adjust all payments and CARC amounts as necessary.						X		X		
6625.1.2	Claims with added termination dates shall be reopened no earlier than the termination date applied to CWF.						X		X		
6625.1.3	The shared systems shall create a report for the contractors showing all adjustments that were created, adjustments that could not be created and identifies when an unsolicited response is sent from CWF.	X	X	X	X	X	X		X		
6625.2	When the CWF identifies claim(s) matching the criteria in requirement 6625.1 the CWF shall generate an unsolicited response to the claims processing contractor(s) that processed the claim(s) identified by the CWF.									X	
6625.2.1	The CWF shall generate an unsolicited response "W" and send this response with a 24 and 10 trailer containing the identifying information regarding any such claims found to the shared system.						X		X	X	
6625.3	The unsolicited response shall include all the necessary information to identify the claim, including the Document Control Number/Internal Control Number/Claim Control Number, Health Insurance Claim number, beneficiary name, and date(s) of service.						X		X	X	
6625.4	The HUSC unsolicited transaction shall be sent to the contractors on record at CWF who had claim history for the associated beneficiary.	X	X	X	X	X	X		X	X	
6625.5	Upon receipt of the unsolicited response, the shared system software shall read the claim information in the trailer for each claim and perform an automated reopening to each claim.						X		X		
6625.6	The claim(s) shall be reopened and adjusted as warranted for all non-reimbursed/claim denials/where Medicare paid secondary or terminations that were based upon the MSP GHP record that was just deleted or terminated.						X		X		
6625.7	The MSP unsolicited responses shall receive a '03' Trailer when COB deletes an MSP occurrence.						X		X	X	
6625.8	Adjustments shall be subject to all applicable edits as the						X		X	X	

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
	original claim(s) and sent to the CWF, so that the claim(s) on the CWF history are replaced with the adjusted claim(s) records.										
6625.9	The previously denied (rejected for Part A) claim(s) shall not be canceled and shall remain on the CWF claims history pending subsequent adjustment as warranted.	X	X	X	X	X	X		X	X	
6625.10	If an MSP claim record is terminated for a date that falls within an inpatient stay such claims shall not be adjusted.	X		X		X	X				
6625.11	Each claims processing contractor shall create the appropriate Medicare Summary Notice (MSN) message, Remittance Advice Remark Code (RARC) and Claim Adjustment Reason Code (CARC) for each claim adjusted. MSN: 31.10 - This is an adjustment to a previously processed charge (s). This notice may not reflect the charges as they were originally submitted. RARC: N420 - Claim payment was the result of a payer's retroactive adjustment due to a Coordination of Benefits or Third Party Liability Recovery. CARC 23 - The impact of prior payer(s) adjudication including payments and/or adjustments	X	X	X	X	X	X		X		

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
6625.12	A provider education article related to this instruction will be available at	X	X	X	X	X					

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
	http://www.cms.hhs.gov/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 site and include information about it in a listserv message within one week of the availability of the provider education article. In addition, the provider education article shall be included in your 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.										

IV. SUPPORTING INFORMATION

Section A: For any recommendations and supporting information associated with listed requirements, use the box below:
Use "Should" to denote a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
6625.1	For claims processing to be in compliance with 42 CFR 405, subpart G, H and I

Section B: For all other recommendations and supporting information, use this space:

V. CONTACTS

Pre-Implementation Contact(s): Richard Mazur, (410) 786-1418, Richard.Mazur2@cms.hhs.gov

Post-Implementation Contact(s): Richard Mazur, (410) 786-1418, Richard.Mazur2@cms.hhs.gov

VI. FUNDING

Section A: For *Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs),* and/or *Carriers*:

No additional funding will be provided by CMS; contractor activities are to be carried out within their operating budgets.

Section B: ***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.

Medicare Claims Processing Manual

Chapter 1 - General Billing Requirements

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(Rev.2112, 12-03-10)

130.6 - Adjustments to Reprocess Certain Claims Denied Due to an Open Common Working File (CWF) Medicare Secondary Payer (MSP) Group Health Plan (GHP) Record Where the GHP Record Was Subsequently Deleted *or Terminated*

(Rev.2112, Issued: 12-03-10, Effective: 01-01-11, Implementation: 01-03-11)

Group Health Plan (GHP) Medicare Secondary Payer claims were not reprocessed automatically in situations where Medicare becomes the primary payer after an MSP GHP record was deleted, or when an MSP GHP record was terminated, after claims were processed subject to the CWF record. It was the responsibility of the beneficiary, provider, physician or other supplier to contact the Medicare contractor and request the denied claims be reopened when reopening was permitted. This was a burden on the beneficiary, physician, or other supplier. This instruction directs CWF to implement an automated process to reopen certain MSP claims when MSP GHP records were 1) deleted, or 2) under some circumstances, certain MSP GHP records were terminated and claims were denied (rejected for Part A claims) due to MSP or Medicare made a secondary payment before the termination date was accreted.

The COBC currently identifies, deletes, and terminates MSP GHP records on the CWF when appropriate. The 1-800 Medicare also applies simple terminations to MSP GHP working aged records only. Upon deletion of an MSP record, or where a termination dated added to an MSP GHP (MSP Codes 12, 13, 43) record, this instruction directs the CWF to search the claims history for claims, with dates of service within 180 days of the deletion date, or the date the termination date was applied, which were processed for secondary payment or were denied because of the MSP edit as set forth in 42 CFR 405, subpart G, H and I. The Shared Systems shall reopen these claims, as necessary, including locating any claims billed to Medicare as primary, or secondary, and denied (rejected for Part A claims) on the basis of the subsequently deleted CWF MSP GHP record. Claims with added termination dates shall be reopened no earlier than the termination date applied to CWF.

The CWF shall generate an unsolicited response "W" and send this response with the 24 and 10 trailers containing the identifying information regarding any such claims found to the shared system. The unsolicited response shall include all the necessary information to identify the claim(s), including the Document Control Number/Internal Control Number/Claim Control number, Health Insurance Claim number, beneficiary name, and date(s) of service. The CWF electronically transmits this unsolicited response to the claims processing contractor(s) that originally processed the claim(s) or send the claim to the MAC contractor that assumed the workload for the original legacy contractor that processed the claim. The previously denied claim(s) (rejected for Part A) is not to be canceled and remains on the CWF claims history pending subsequent adjustment as warranted.

Upon receipt of the unsolicited response, the shared system software reads the claim information in the trailer for each claim and performs an automated reopening to each claim. The claim(s) must be reopened and adjusted as warranted for all non-reimbursed/claim denials (part A rejections)/ where Medicare paid secondary or terminations that were based upon the MSP GHP record that was just deleted or terminated. The MSP unsolicited responses are reported with the current MSP responses when COB deletes an MSP record a "03" will be received. The shared systems release the adjusted claims. Adjustments are subject to all applicable edits as the original claim(s) and sent to the CWF so that the claim(s) on the CWF history are replaced with the adjusted claim(s) records.

The automated MSP GHP reprocessing requirement allows CWF to alert the shared system when a MSP GHP record is deleted or a termination date added for specific beneficiaries. The shared systems and Medicare Contractors receive an IUR transaction response from CWF alerting the system to reprocess certain MSP GHP claims where the open GHP record was deleted /terminated by the Coordination of Benefits Contractor (COBC) or 1-800-Medicare. This unsolicited transaction is sent to the contractors on record at CWF who had claim history for the associated beneficiary within the 180 day period. The CWF system is already programmed to send an updated MSP transaction (HUSC transaction) any time a change is made to an MSP record and this process does not change.