
PROGRAM MEMORANDUM INTERMEDIARIES/CARRIERS

Department of Health
and Human Services

Health Care Financing
Administration

Transmittal No. AB-00-128

Date: DECEMBER 20, 2000

This Program Memorandum re-issues Program Memorandum AB-99-93, Change Request 817 dated December 1999. The only change is the discard date; all other material remains the same.

This Program Memorandum re-issues Program Memorandum AB-99-17, Change Request 817 dated April 1999. The only change is the discard date; all other material remains the same.

CHANGE REQUEST 817

SUBJECT: Extension of the Limitation on Payment for Services to Individuals Entitled to Benefits on the Basis of End Stage Renal Disease (ESRD) Who Are Covered by Group Health Plans (GHPs)

Section 4631(b) of the Balanced Budget Act (BBA) of 1997 changed the period of time during which Medicare benefits are secondary to benefits payable under a GHP in the case of individuals entitled to benefits on the basis of ESRD from an 18 to a 30-month coordination period. Program Memorandum AB-98-55 provided instructions to contractors to permanently extend the coordination period from 18 to 30 months for any individual whose coordination period began on or after March 1, 1996. Therefore, individuals who had not completed an 18-month coordination period by July 31, 1997 will have a 30-month coordination period under the new law.

A one-time utility program was run in the Common Working File (CWF) to extend the coordination period for applicable individuals (those records with a Medicare Secondary Payer (MSP) code of "B" and a coordination period termination date of August 1997, or later) to 30 months. Any ESRD MSP termination dates which were added to CWF for which the coordination period would have ended in August 1997 or later should have reflected the 30-month period. The termination dates for these periods would be after January 1, 2000. Some contractors indicated they could not submit dates after December 31, 1999 until their systems were millennium compliant. These contractors submitted an end date of December 31, 1999 as a default with the understanding that they would correct these dates once their systems were millennium compliant.

This Program Memorandum is a reminder to affected contractors that they must submit the correct end date for coordination periods where they submitted December 31, 1999 as a default. All such corrections should be made by July 1, 1999. If these changes are not made, coordination periods will be closed early and Medicare will make incorrect primary payments.

These instructions should be implemented within your current operating budget.

Contact person for this Program Memorandum is Tom Bouchat on (410) 786-4621.

| This instruction may be discarded on December 31, 2001.