
Program Memorandum Intermediaries/Carriers

Department of Health and
Human Services (DHHS)
HEALTH CARE FINANCING
ADMINISTRATION (HCFA)

Transmittal AB-00-119

Date: DECEMBER 1, 2000

CHANGE REQUEST 1400

SUBJECT: Change in the Collection of Comprehensive Encounter Data for the Medicare Choices Demonstration, Long-Term Care Demonstrations (Social Health Maintenance Organization (SHMO), Evercare), Department of Defense (DOD) Subvention Demonstration, and Dual Eligible Demonstrations

We are conducting the following demonstrations to (1) expand the types of managed care (MC) plans available to Medicare beneficiaries and (2) test different payment methods:

- o Medicare Choices;
- o DOD Subvention;
- o Long-Term Care (SHMO), Evercare); and
- o Dual eligible beneficiaries.

For evaluation and payment purposes, we have required these demonstration plans to electronically transmit encounter claims data for Medicare-covered and most non-covered services on the standard formats (institutional: UB-92; physician/supplier: National Standard Format (NSF) OR 837) through the normal claims processing systems. The assigned MC plan contract numbers ("H"+four digits) were used to identify the claims for the appropriate demonstration data.

The Medicare Choices demonstration ends on December 31, 2000. At that time five of the Medicare Choices plans are converting over to the M+C program with the remaining plans terminating. Additionally, for budgetary reasons, it has been decided for the plans participating in the long-term care demonstrations, DOD Subvention demonstration, and the dual eligible demonstrations to change the submittal of encounter data from using the Medicare Choices demonstration process provided under Change Request 994 to the M+C processing system in the HCFA Data Center.

This Program Memorandum (PM) contains the requirements for intermediaries and carriers to process demonstration claims for the period after November 30, 2000.

MEDICARE CHOICES DEMONSTRATION

Effective January 1, 2001, the five Medicare Choices plans listed below will be converting over to the M+C program. As of December 1, 2000, these plans will stop submitting UB-92s and 1500s to their designated intermediaries and carriers. As of January 1, 2001, the plans will be M+C organizations and should begin submitting abbreviated or full UB-92s for hospital inpatient services to Palmetto GBA for processing, and M+C NSF encounters for physician services through Palmetto GBA to the M+C processing system in the HCFA Data Center. The carriers and intermediaries should take no action within the front end or the processing systems to cut off submissions from Choices demonstration plans. The carriers and intermediaries should take steps to ensure that all encounters submitted by December 31, 2000, are sent to CWF by January 1, 2001. The carriers and intermediaries will not be required to migrate history to the new processor.

Any data submitted to the original Choices demonstration processors should be processed in the standard system regardless of the date of submission or the date of service. Because these five Choices plans are being removed from the CWF Choices table, any Choices encounters from these plans that are submitted to CWF after January 1, 2001, will receive CWF rejects. The carriers and

intermediaries should deny these Choices encounters whenever a CWF reject is received. If any former Choices plan inquires as to why an encounter was rejected, the plan should be informed that they must submit under the M+C encounter system. All plan questions regarding the M+C process should be referred to the Encounter Data Customer Service and Support Center, 1-800-534-2772.

H3668 – Mount Carmel Health System

H1961 – New Orleans Regional Physician Hospital Organization, Inc.

H3963 – Independence Blue Cross

H3964 – Health Partners of Philadelphia

H1463 – Health Alliance Medical Plan

The remaining plans, which will terminate on December 31, 2000, will continue to submit their claims through the Medicare Choices demonstration processing system. The beneficiaries enrolled in these plans will have their plan effective dates terminated in CWF through the normal HMO update process.

OTHER DEMONSTRATIONS

Change Request 994 was completed in the summer of 2000 which allowed the plans participating in the demonstrations listed below to be able to submit their encounter data through the Medicare Choices demonstration process. These plans have been developing their data processing systems but were not at the point of actually submitting claims to the intermediaries and carriers. However, it has been decided that these plans will not be required to submit encounter data for all Medicare services through the Medicare Choices demonstration process but will be subject to the same encounter data submittal requirements as a M+C plan. Thus, beginning December 1, 2000, these plans will be required to submit abbreviated or full UB-92s for hospital inpatient services and M+C NSF 1500s for physician services through the M+C processing system in the HCFA Data System.

DOD Subvention Demonstration

H5077 – Madigan Army Medical Center

H4586 – Wilford Hall Medical Center

H0533 – Naval Medical Center San Diego

H2551 – Keesler Air Force Base

H0667 – Air Force Academy

H0853 – Dover Air Force Base

SHMO I Demonstration

H9103 – Kaiser Permanente

H9101 – Elderplan

H9104 – Senior Care Action Network

SHMO II Demonstration

H2961 – Health Plan of Nevada

EverCare Demonstration

H2259 – Boston, MA

H2155 – Baltimore, MD

H1083 – Tampa, FL

H1151 – Atlanta, GA

H0662 – Englewood, CO

H0357 – Phoenix, AZ

Dual Eligible Beneficiaries Demonstrations

H3319 – Health Care Initiatives, Inc.

H3318 – Chronic Care Network, Inc.

H5209 – Elder Care of Dane County

H5204 – Community Living Alliance

H5206 – Community Health Program

H5207 – Community Care for the Elderly

H2456 – UCARE Minnesota

H2457 – Metropolitan Health Plan

H2458 – Medica

INTERMEDIARIES AND CARRIERS

The following are the intermediaries and carriers that have been processing claims for the demonstration plans:

- o Blue Cross of Florida (Part A)
- o AdminaStar Federal (Part A)
- o TriSpan (Part A)
- o Trailblazers (Texas and Virginia) (Part A and B)
- o Palmetto (DME)
- o Blue Shield of Arkansas (Part B)

NOTE: No standard system changes are required to implement this PM.

The effective date for this PM is December 1, 2000.

The implementation date for this PM is January 1, 2001.

Funding is available through the regular budget process for costs required for implementation.

This PM may be discarded December 31, 2001.

The demonstration person for this PM is Cynthia Mason at (410) 786-6680.