| CMS Manual System | Department of Health & Human Services (DHHS) |
|---|---|
| **Pub. 100-05 Medicare Secondary Payer** | Centers for Medicare & Medicaid Services (CMS) |
| Transmittal 8 | Date: February 6, 2004 |

**CHANGE REQUEST 2775**

**I.  SUMMARY OF CHANGES:**  The CMS currently has a set of matching criteria in CWF that is used to determine if a MSP record has already been created on CWF.  After searching CWF by HICN, additional criteria are used to prevent a duplicate MSP record from occurring on CWF.  When the matching criteria is met, CWF shall overlay all fields on that MSP auxiliary record including the insurance type.  The CWF will also allow a space in the second position of the insurer name field provided the third position contains a valid character other than a space.

The CWF will only allow some Coordination of Benefit Contractor (COBC) numbers to delete other originating COBC contractor numbers.  Please see the table inserted in §20.1.3 for the exact criteria for deletion of COBC contractor numbers.

The CWF will no longer send COBC UR alerts for updates that were made to COBC contractor numbers (e.g., 111XX contractor numbers) as COBC receives a disposition that informs COBC that the transaction was accepted.

**NEW/REVISED MATERIAL - EFFECTIVE DATE: July 1, 2004**
                                                    ***IMPLEMENTATION DATE: July 6, 2004**


*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 only receive the new\revised information, and not the entire table of contents.*

**II.  CHANGES IN MANUAL INSTRUCTIONS: (***N/A if manual not updated.***)**
    **(R = REVISED, N = NEW, D = DELETED – (***Only One Per Row.***)**

| R/N/D | CHAPTER/SECTION/SUBSECTION/TITLE |
|---|---|
| R | Chapter 6/Section 20/Subsection 1.1/MSP Add Transactions |
| R | Chapter 6/Section 20/Subsection 1.2/MSP Change Transaction |
| R | Chapter 6/Section 20/Subsection 1.3/MSP Delete Transaction |
| R | Chapter 6/Section 30/Subsection 4/Automatic Notice of Change to MSP Auxiliary File |
| | |
| | |

**III.  FUNDING:  *Medicare contractors only:**

**These instructions should be implemented within your current operating budget.**

**IV.  ATTACHMENTS:**

| | |
|---|---|
| X | Business Requirements |
| X | Manual Instruction |
| | Confidential Requirements |
| | One-Time Special Notification |

# Business Requirements

| Pub. 100-05 | Transmittal: 8 | Date:   February 6, 2004 | Change Request 2775 |

## I.  GENERAL INFORMATION

### A.  Background:

**1)   Matching Criteria**

The CMS currently has a set of matching criteria in CWF that is used to determine if a MSP record has already been created on CWF.  After searching CWF by HICN, additional criteria are used to prevent a duplicate MSP record from occurring on CWF.  The matching criteria used are patient relationship, insurance type J & K, effective date and MSP type.  The CWF shall overlay all fields on the auxiliary record if a match occurs including the insurance type.  Currently, CWF does not overlay the insurance type.

At present, the CWF insurer name field does not allow an insurer name to be entered on CWF if the second space in the insurer name field is blank. The CWF currently allows spaces in all other positions of the insurer name field. Upon issuance of this instruction, CWF will allow a space in the second position provided the third position contains a valid character other than a space.  For example, K Mart requires a space in the second position of the insurer name field and contains a valid character in the third position; therefore, CWF will allow this insurer name.

**2)   Coordination of Benefits Contractor (COBC) Contractor Numbers**

The CMS determined that some of COBC contractor numbers are able to delete other COBC contractor numbers.  Only some COBC contractor numbers may delete other originating COBC contractor numbers.  Please see the attached table for the exact criteria for deletion of COBC contractor numbers.  A match shall occur in order to delete the originating COBC contractor number with another COBC contractor number. For example, COBC contractor number 11112, 11100, 11109, 11110, 11111, are the only contractor numbers that may delete originating COBC contractor number 11112.  The COBC will remain the sole contractor that may delete COBC contractor numbers.  Medicare Contractors shall follow the current restrictions regarding deletion of MSP records.

**3)   Unsolicited Response (UR) Alerts to COBC**

Currently, UR alerts are sent to Medicare contractors when an update is made to a MSP record.  Medicare contractors shall continue to receive UR alerts. Although, COBC is not required to receive UR alerts for updates that were made to COBC contractor numbers (e.g., 111XX contractor numbers) as COBC receives a disposition that informs COBC that the transaction was accepted.

Processing UR alerts initiated by COBC adds duplication to COBC's database and requires excessive processing.  The CWF is no longer required to transmit UR alerts to COBC for updates that were made to contractor number 111XX.

**B.  Policy:**

**1)**  The CWF shall overlay all fields on the auxiliary record if the incoming transaction matches based on the matching criteria.

**2)**  The CWF edits must allow originating COBC contractor numbers to be deleted by specific COBC contractor numbers as defined in the attached spreadsheet.

**3)**  Processing UR alerts initiated by COBC adds duplication to COBC's database and requires excessive processing.

**C.  Provider Education:**  None.

**II.  BUSINESS REQUIREMENTS**

| Requirement # | Requirements | Responsibility |
|---|---|---|
| 2775.1 | The CWF shall overlay all fields, including the insurance type on the MSP auxiliary record if the incoming transaction matches using the current matching criteria (HICN, insurance type J & K, effective date, and MSP type). | CWF |
| 2775.2 | The CWF shall remove the edit for spaces in the second position of the insurer name field. | CWF |
| 2775.2.1 | The CWF shall allow a space in the second position of the insurer name field provided the third position contains a valid character other than a space. | CWF |
| 2775.3 | The CWF shall modify the delete criteria regarding MSP transactions that were accreted under an originating COBC contractor number per the attached table.  (For example, COBC contractor numbers 11100, 11109, 11110, 11111, 11112 are the only contractor numbers that may delete originating COBC contractor number 11112.) | CWF |
| 2775.4 | The CWF shall no longer transmit UR alerts to COBC for updates that were made to contractor number 111XX. | CWF |

## II.  SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

### A.  Other Instructions:

| X-Ref Requirement # | Instructions |
|---|---|
| 2775.3 | Current restrictions for Medicare contractors regarding deletion of MSP records shall remain the same. |

### B.  Design Considerations:

| X-Ref Requirement # | Recommendation for Medicare System Requirements |
|---|---|
| N/A | |

### C.  Interfaces: N/A

### D.  Contractor Financial Reporting /Workload Impact: N/A

### E.  Dependencies: N/A

### F.  Testing Considerations: N/A

## IV.  OTHER CHANGES

| Citation | Change |
|---|---|
| N/A | |

## SCHEDULE, CONTACTS, AND FUNDING

| | |
|---|---|
| **Effective Date:** July 1, 2004<br><br>**Implementation Date:** July 6, 2004<br><br>**Pre-Implementation Contact(s):** Olivia White @ owhite2@cms.hhs.gov<br><br>**Post-Implementation Contact(s):** Olivia White @ owhite2@cms.hhs.gov | These instructions should be implemented within your current operating budget. |

**Exhibit A**

*COBC Contractor Numbers
That Can Delete Other
COBC Contractor Numbers
in the Matching Criteria*

R8_MSP2.xls

| Originating Contractor | Can be deleted by contractor: |
|---|---|
| 11100 | 11100 |
| 11101, 99999 | 11100, 11101, 11102, 11109, 11110, 11111 |
| 11102, 77777 | 11100, 11102, 11109, 11110, 11111 |
| 11103, 55555 | 11100, 11103, 11109, 11110, 11111 |
| 11104, 33333 | 11100, 11104, 11109, 11110, 11111, 11112 |
| 11105 | 11100, 11105, 11109, 11110, 11111 |
| 11106 | 11100, 11106, 11109, 11110, 11111 |
| 11107 | 11100, 11107, 11109, 11110, 11111 |
| 11108 | 11100, 11108, 11109, 11110, 11111 |
| 11109 | 11100, 11109, 11110, 11111 |
| 11110 | 11100, 11109, 11110, 11111 |
| 11111 | 11100, 11109, 11110, 11111 |
| 11112 | 11100, 11109, 11110, 11111,11112 |
| 11113 | 11100, 11109, 11110, 11111, 11113 |
| 11114 | 11100, 11109, 11110, 11111, 11114 |
| 66666 | 11100, 11109, 11110, 11111 |

## 20.1.1 - MSP Add Transaction

*(Rev. 8, 2-6-04)*

**B3-4307.2.A.1, A3-3696.2.A.1, AB-00-107**

The two situations in which the "add" maintenance transaction is used are:

- There is no MSP auxiliary file record for a beneficiary. In this case, the "add" transaction creates an MSP auxiliary record containing the new MSP transaction and sets the MSP indicator on the beneficiary's master record; or

- There is an MSP auxiliary file record but no matching occurrence for the beneficiary. In this case, the "add" transaction adds the maintenance transaction as a new occurrence.

The following fields are mandatory for a validity indicator of "Y" or "I" (Another insurer is responsible for payment):

- HICN;
- MSP type (MSP code);
- Validity indicator;
- MSP effective date;
- Contractor identification number;
- Insurer name *(CWF will allow a space in the second position provided the third position contains a valid character other than a space.)*;
- Patient relationship; and
- Insurance type.

A "Y" or "I" record CANNOT be established without the insurer name.

**NOTE:** Although the insurer address cannot be MANDATORY, it should be provided whenever possible.

## 20.1.2 - MSP Change Transaction

*(Rev. 8, 2-6-04)*

**B3-4307.2.A.2, A3-3696.2.A.2**

An MSP change transaction occurs when the MSP type and effective date on the incoming maintenance transaction matches an existing MSP auxiliary occurrence.

A match occurs when the following items are the same:

- *HICN*
- MSP type;
- MSP effective date;

- Insurance type *J & K*; and
- Patient relationship

When these items match, the balance of the record is overlaid.

No change transactions will be permitted to records established, except for the addition of a termination date.

## 20.1.3 - MSP Delete Transaction

*(Rev. 8, 2-6-04)*

**B3-4307.2.A.3, A3-3696.2.A.3, PM-AB-01-25**

The MSP maintenance type "1" is used to delete an MSP auxiliary occurrence. This transaction checks the beneficiary's master record for an MSP indicator. The COBC is responsible for submitting this transaction. Intermediaries and carriers advise the COBC, via the Electronic Correspondence Referral System (ECRS), of the need to process an MSP maintenance type 1 transaction (delete).

*Only some COBC contractor numbers may delete other originating COBC contractor numbers. Please see the table below for the exact criteria for deletion of COBC contractor numbers. A match shall occur in order to delete the originating COBC contractor number with another COBC contractor number. For example, COBC contractor number 11100, 11109, 11110, 11111, and 11112 are the only contractor numbers that may delete originating COBC contractor number 11112. The COBC will remain the sole contractor that may delete COBC contractor numbers. Medicare Contractors shall follow the current restrictions regarding deletion of MSP records.*

| Originating Contractor | Can be deleted by contractor: |
|---|---|
| *11100* | *11100* |
| *11101, 99999* | *11100, 11101, 11102, 11109, 11110, 11111* |
| *11102, 77777* | *11100, 11102, 11109, 11110, 11111* |
| *11103, 55555* | *11100, 11103, 11109, 11110, 11111* |
| *11104, 33333* | *11100, 11104, 11109, 11110, 11111, 11112* |
| *11105* | *11100, 11105, 11109, 11110, 11111* |
| *11106* | *11100, 11106, 11109, 11110, 11111* |
| *11107* | *11100, 11107, 11109, 11110, 11111* |
| *11108* | *11100, 11108, 11109, 11110, 11111* |
| *11109* | *11100, 11109, 11110, 11111* |
| *11110* | *11100, 11109, 11110, 11111* |
| *11111* | *11100, 11109, 11110, 11111* |
| *11112* | *11100, 11109, 11110, 11111, 11112* |
| *11113* | *11100, 11109, 11110, 11111, 11113* |
| *11114* | *11100, 11109, 11110, 11111, 11114* |
| *66666* | *11100, 11109, 11110, 11111* |

## 30.4 - Automatic Notice of Change to MSP Auxiliary File

*(Rev. 8, 2-6-04)*

The Common Working File (CWF) sends MSP transactions to all contractors of record when an MSP auxiliary record is created or changed for any beneficiary. The CWF sends this electronic transaction, known as a HUSC transaction, daily to the appropriate contractors' standard system. All contractors shall update their internal MSP files with HUSC transactions automatically. After the internal MSP files have been updated automatically, the contractor's MSP staff shall follow their current instructions regarding MSP recovery activities. This includes (1) initiating claims history searches within existing post-pay guidelines using HUSC transaction information and (2) initiating recovery actions on potential mistaken payments when appropriate.

*Alerts are sent to Medicare contractors when an update is made to an MSP record. Medicare contractors shall continue to receive Unsolicited Response (UR) alerts. Although, COBC is not required to receive UR alerts for updates that were made to COBC contractor numbers (e.g., 111XX contractor numbers) as COBC receives a disposition that informs COBC that the transaction was accepted. Processing UR alerts initiated by COBC adds duplication to COBC's database and requires excess processing. The CWF is no longer required to transmit UR alerts to COBC for updates that were made to contractor number 111XX.*