Medicare
Carriers Manual
Part 3 - Claims Process

Department of Health and Human Services (DHHS)
Centers for Medicare & Medicaid Services (CMS)

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THIS TRANSMITTAL MANUALIZES THE FOLLOWING CHANGE REQUESTS: 1194, 1325, 1586, and 1616.

HEADER SECTION NUMBERS	PAGES TO INSERT	PAGES TO DELETE
Table of Contents – Chapter IV	4-4.3 – 4-4.5 (3 pp.)	4-4.3 – 4-4.5 (3 pp.)
4480.6 - 4480.6 (Cont.)	4-315 – 4-318 (4 pp.)	4-315 – 4-318 (4 pp.)
4481 - 4481 (Cont.)	4-319 – 4-324 (6 pp.)	----

NEW/REVISED MATERIAL--*EFFECTIVE DATE:* Not Applicable
***IMPLEMENTATION DATE:* Not Applicable**

Section 4480.6, Roster Billing, is revised to make various technical corrections.

Section 4480.8, Specialty Code/Place of Service (POS) Processing Requirements, is revised to make various technical corrections.

Section 4481, Centralized Billing for Flu and Pneumococcal (PPV) Vaccination Claims, incorporates all instructions previously issued in Program Memorandum (PM) B-00-28, Change Request (CR) 1194 dated June 2000; PM B-00-47, CR 1325 dated August 31, 2000, PM B-01-19, CR 1586 dated March 8, 2001; and PM B-01-24, CR 1616 dated April 5, 2001. It provides claims processing instructions to the designated processing carrier for centrally billed flu and PPV claims. **In addition, it provides provider education instructions for all carriers.**

DISCLAIMER: The revision date and transmittal number only apply to the redlined material. All other material was previously published in the manual and is only being reprinted.

These instructions should be implemented within your current operating budget.

CHAPTER IV

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Submission of Claims to Medigap Insurers

Global Surgery

CHAPTER IV

National Emphysema Treatment Trial

Nongovernmental entities that do not charge patients who are unable to pay or reduce their charges for patients of limited means, yet expect to be paid if the patient has health insurance coverage for the services provided, may bill Medicare and expect payment.

Governmental entities (such as public health clinics (PHCs)) may bill Medicare for PPV, hepatitis B, and influenza virus vaccine administered to Medicare beneficiaries when services are rendered free of charge to non-Medicare beneficiaries.

4480.6 Roster Billing.--The simplified roster billing process was developed to enable Medicare beneficiaries to participate in mass PPV and influenza virus vaccination programs offered by PHCs and other individuals and entities that bill the Medicare carriers. Medicare has not developed roster billing for hepatitis B vaccinations.

Properly licensed individuals and entities conducting mass immunization programs may submit claims using a simplified claims filing procedure known as roster billing to bill for the influenza virus vaccine benefit for multiple beneficiaries if they agree to accept assignment for these claims. They may not collect any payment from the beneficiary. Effective November 1, 1996, roster billing is also available to individuals and entities billing for PPV.

Effective July 1, 1998, immunization of at least five beneficiaries on the same date is no longer required for any individual or entity to qualify for roster billing. However, the rosters should not be used for single patient bills and the date of service for each vaccination administered must be entered.

Entities that submit claims on roster bills must accept assignment and may not collect any "donation" or other cost sharing of any kind from Medicare beneficiaries for PPV or influenza vaccinations. However, the entity may bill Medicare for the amount, which is not subsidized from its own budget. For example, an entity that incurs a cost of $7.50 per vaccination and pays $2.50 of the cost from its budget may bill Medicare the $5.00 cost which is not paid out of its budget.

A. Provider Enrollment Criteria.—Those entities and individuals that desire to provide mass immunization services, but may not otherwise be able to qualify as a Medicare provider, may be eligible to enroll as a provider type “Mass Immunizer.” These individuals and entities must enroll with the carrier by completing the Provider/Supplier Enrollment Application, Form HCFA-855. Individuals and entities enrolled as the provider type “Mass Immunizer” must roster bill and must accept assignment. They may not submit claims for any services or items other than for influenza and PPV vaccines and their administration. Carriers must establish an edit to identify “Mass Immunizers” and limit the services they can bill to flu and PPV vaccines and their administration. In addition, carriers must edit to only allow the provider type “Mass Immunizer” to be reimbursed at the assigned payment rate.

B. Modified Form HCFA-1500.—Those individuals or entities that qualifies to roster bill may use a preprinted Form HCFA-1500 that contains standardized information about the individual or entity and the benefit.

Individuals or entities submitting roster claims to carriers must complete the following blocks on a single modified Form HCFA-1500 which serves as the cover document for the roster for each facility where services are furnished.

Item 1: An X in the Medicare block

Item 2 (Patient's Name): "SEE ATTACHED ROSTER"

Item 11 (Insured's Policy Group or FECA Number): "NONE"

Item 17A (I.D. Number or Referring Physician): This number is required for PPV and hepatitis B vaccines only. Effective for claims with dates of service on or after July 1, 2000, this number will no longer be required for PPV.

Item 20 (Outside Lab?): An "X" in the NO block

Item 21 (Diagnosis or Nature of Illness):
Line 1:

PPV: "V03.82"
Influenza Virus: "V04.8"

Item 24B (Place of Service (POS)):
Line 1: "60"
Line 2: "60"

NOTE: POS code "60" must be used for roster billing.

Item 24D (Procedures, Services, or Supplies):
Line 1:

PPV: "90732"
Influenza Virus: "90659"

Line 2:

PPV: "G0009"
Influenza Virus: "G0008"

Item 24E (Diagnosis Code):
Lines 1 and 2: "1"

Item 24F ($ Charges): The entity must enter the charge for each listed service. If the entity is not charging for the vaccine or its administration, it should enter 0.00 or "NC" (no charge) on the appropriate line for that item. If your system is unable to accept a line item charge of 0.00 for an immunization service, do not key the line item. Likewise, electronic media claim (EMC) billers should submit line items for free immunization services on EMC PPV or influenza virus vaccine claims only if your system is able to accept them.

Item 27 (Accept Assignment): An "X" in the YES block

Item 29 (Amount Paid): "$0.00"

Item 31 (Signature of Physician or Supplier): The entity's representative must sign the modified Form HCFA-1500.

Item 32 (Name and Address of Facility): N/A

Item 33 (Physician's, Supplier's Billing Name): If the provider number is not shown on the roster billing form, the entity must complete this item to include the Provider Identification Number (not the Unique Physician Identification Number) or Group Number, as appropriate.

Separate Form HCFA-1500 claim forms, along with separate roster bills, must be submitted for PPV and influenza roster billing.

If other services are furnished to a beneficiary along with PPV or influenza virus vaccine, individuals and entities must submit claims using normal billing procedures; i.e., submission of a Form HCFA-1500 or electronic billing for each beneficiary.

Providers submitting electronic roster bills must submit their claims in a National Standard Format (NSF) or the American National Standards Institute Accredited Standards Committee X12 837 Health Care Claim (ANSI ASC X12 837).

C. Roster Claim Form.--Qualifying individuals and entities must attach to the Form HCFA-1500 claims form a roster, which contains the variable claims information regarding the supplier of the service and individual beneficiaries. While qualifying entities must use the modified Form HCFA-1500 without deviation, work with these entities to develop a mutually suitable roster that contains the minimum data necessary to satisfy claims processing requirements for these claims. Key information from the beneficiary roster list and the abbreviated Form HCFA-1500 to process PPV and influenza virus vaccination claims.

The roster must contain at a minimum the following information:

- o Provider name and number;
- o Date of service;

NOTE: Although physicians who provide PPV or influenza virus vaccinations may roster bill if they vaccinate fewer than five beneficiaries per day, they must include the individual date of service for each beneficiary's vaccination on the roster form.

- o Control number for contractor;
- o Patient's health insurance claim number;
- o Patient's name;
- o Patient's address;
- o Date of birth;
- o Patient's sex; and
- o Beneficiary's signature or stamped "signature on file."

NOTE: A stamped "signature on file" qualifies as an actual signature on a roster claim form if the provider has a signed authorization on file to bill Medicare for services rendered. In this situation, the provider is not required to obtain the patient signature on the roster but instead has the option of reporting signature on file in lieu of obtaining the patient's actual signature.

The PPV roster must contain the following language to be used by providers as a precaution to alert beneficiaries prior to administering PPV.

WARNING: Ask beneficiaries if they have been vaccinated with PPV.

- o Rely on patients' memory to determine prior vaccination status.
- o If patients are uncertain whether they have been vaccinated within the past 5 years, administer the vaccine.

o If patients are certain that they have been vaccinated within the past 5 years, do not revaccinate.

For payment floor purposes, roster bills are considered paper bills and are not paid as quickly as electronic medical claims (EMC). If available, offer electronic billing software free or at-cost to PHCs and other properly licensed individuals and entities. Ensure that the software is as user friendly as possible for the PPV and influenza virus vaccine benefits.

Create and count one claim per beneficiary from roster bills. Split claims in accordance with §3000.1. Providers must show the unit cost for one service on the modified Form HCFA-1500 since they will have to replicate the claim for each beneficiary listed on the roster.

Provide Palmetto-Railroad Retirement Board (RRB) with local pricing files for PPV and influenza vaccine and their administration. According to §§3000.2, 3103, and 3110.B, replicate the roster and the Form HCFA-1500, highlighting the RRB beneficiary on the roster, and forward the material to Palmetto-RRB.

If PHCs or other individuals or entities inappropriately bill PPV or influenza vaccination using the roster billing method, return the claim to the provider with a cover letter explaining why they are being returned and the criteria for the roster billing process. Do not deny these claims.

Providers must retain roster bills with beneficiaries' signatures at their permanent location for a time period consistent with Medicare regulations.

4480.7 Health Maintenance Organization (HMO) Processing Requirements.--HMOs may use roster billing only if vaccinations are the only Medicare-covered services furnished by the HMO to Medicare patients who are not members of the HMO. HMOs must use Place of Service (POS) code 60 for processing roster bill claims.

4480.8 Specialty Code/Place of Service (POS) Processing Requirements.--Entities and individuals other than PHCs and pharmacists use the HCFA specialty code that best defines their provider type. If no appropriate HCFA specialty code exists for their provider type, providers should use HCFA specialty code 99 (Unknown Physician Specialty). PHCs should use specialty code 60 (Public Health or Welfare Agencies (Federal, State, and Local)). Pharmacists should use specialty code 87 (all other suppliers (drug stores, department stores)).

State or local PHCs use POS code 71 (State or Local Public Health Clinic). Use POS 99 (Other Unlisted Facility) if no other POS code applies. It is not intended that POS 71 be used by individuals/entities other than PHCs (e.g., a mobile unit that is non-PHC affiliated should use POS 99). Preprinted Form HCFA-1500s used for roster billing should show POS 60 (Mass Immunization Center) regardless of the site where vaccines are given (e.g., a PHC or physician’s office that roster bills should use POS 60). Individuals/entities administering influenza and PPV vaccinations in a mass immunization setting, regardless of the site where vaccines are given, should use POS 60 for roster bills, paper claims, and electronically filed claims.

4481. CENTRALIZED BILLING FOR FLU AND PNEUMOCOCCAL (PPV) VACCINATION CLAIMS

CMS currently authorizes a limited number of providers to centrally bill for flu and PPV immunization claims. Centralized billing is an optional program available to providers who qualify to enroll with Medicare as the provider type "Mass Immunizer," as well as to other individuals and entities that qualify to enroll as regular Medicare providers. Centralized billers must roster bill, must accept assignment, and must bill electronically.

To qualify for centralized billing, a mass immunizer must be operating in at least three payment localities for which there are 3 different carriers processing claims. Individuals and entities providing the vaccine and administration must be properly licensed in the State in which the immunizations are given which the carrier must verify through the enrollment process.

Centralized billers must send all claims for flu and PPV immunizations to a single carrier for payment, regardless of the carrier jurisdiction in which the vaccination was administered. (This does not include claims for the Railroad Retirement Board, United Mine Workers or Indian Health Services. These claims must continue to go to the appropriate processing entity.) Payment will be made based on the payment locality where the service was provided. This process is only available for claims for the flu and PPV vaccines and their administration. The general coverage and coding rules found in §2049.4 and §4480 are also applicable to centrally billed flu and PPV claims.

This section applies only to those individuals and entities that will provide mass immunization services for flu and PPV vaccinations and that have been authorized by CMS to centrally bill. All other providers, including those individuals and entities that will provide mass immunization services that are not authorized to centrally bill, must continue to bill for these claims to their regular carrier per the instructions in §4480.

The claims processing instructions in this section apply only to the designated processing carrier. However, all carriers must follow the instructions in §4481L, Provider Education Instructions for **All** Carriers.

A. Processing Carrier.-- TrailBlazer Health Enterprises is designated as the sole carrier for the payment of flu and PPV claims for centralized billers from October 1, 2000 through the extent of the contract. CMS central office (CO) will notify centralized billers as to the appropriate carrier to bill when they receive their notification of acceptance into the centralized billing program.

B. Request for Approval.--If an individual or entity's request is approved for centralized billing, the approval is limited to 12 months from October 1 to September 30 of the next year. It is the responsibility of the centralized biller to reapply to CMS CO for approval each year by June 1. Carriers may not process claims for any centralized biller without prior permission from CMS CO. If claims are submitted by a provider that is not currently approved as a centralized biller, the carrier must return the claims to the provider to submit to the local carrier for payment.

C. Notification of Provider Participation to the Processing Carrier.--Before October 1 of every year, CMS CO will notify the designated carrier as to the names of the entities that are authorized to participate in centralized billing for the twelve month period beginning October 1 and ending September 30 of the next year.

D. Enrollment.--Though centralized billers may already have a Medicare provider number, for purposes of centralized billing, they must also obtain a provider number from the processing carrier for centralized billing through completion of the Form HCFA-855 (Provider Enrollment Application).

Whether an entity enrolls as a provider type "Mass Immunizer" or some other type of provider, all normal enrollment processes and procedures must be followed. Authorization from CO to participate in centralized billing is dependent upon the entity's ability to qualify as some type of Medicare provider. In addition, as under normal enrollment procedures, the carrier must verify that the entity is fully qualified and certified per State requirements in each State in which they plan to operate.

The carrier will activate the provider number for the twelve month period from October 1 through September 30 of the following year. If the provider is authorized to participate in the centralized billing program the next year, the carrier will extend the activation of the provider number for another year. The entity need not re-enroll with the carrier every year. However, should the States in which the entity plans to operate change, the carrier will need to verify that the entity meets all State certification and licensure requirements in those new States.

E. Electronic Submission of Claims on Roster Bills.—Centralized billers must agree to submit their claims on roster bills in an Electronic Media Claims standard format using either the National Standard Format (NSF) or American National Standards Institute (ANSI) X12.837 format (or the HIPAA ANSI X12N 837(version 4010) when required). The processing carrier must provide instructions on acceptable roster billing formats to the approved centralized billers. Paper claims will not be accepted.

F. Required Information on Roster Bills for Centralized Billing.--In addition to the roster billing instructions found in the Medicare Carriers Manual, §4480.6, Roster Billing, centralized billers must complete on the electronic format the area that corresponds to Item 32, (Name and Address of Facility, including zip code) on Form HCFA-1500. The carrier must use the zip code in this field to determine the payment locality for the claim.

For electronic claims, report the name and address of the facility in:

The National Standard Format, record EA0, field 39 (facility/lab name) and record EA1, fields 6 through 10 (facility/lab address, city, state and zip code),

The ANSI X12N 837 (version (3051): Claim level loop 2310, 2-250-NM1, with a value of "61" (Performed at the Facility where work was performed) in NM101, a value of "FA" (Facility ID) or "ZZ" (NPI - when implemented) in NM108, and the Provider Number in NM109. Report the address in N3 and N4,

The HIPAA ANSI X12N 837(version 4010): Claim level loop 2310D, 2-250-NM1, with a qualifier value of "FA" (Facility) in NM101, a value of "XX" (NPI) - when implemented) in NM108, and the Provider Number ID in NM109. Prior to NPI, enter the Provider Number in loop 2310D position 2-271-REF using "1C" (Medicare Provider Number) in REF01 and the facility ID in REF02. Report the address in N3 and N4.

G. Payment Rates and Mandatory Assignment.--The payment rates for the administration of the vaccinations will be based on the Medicare Physician Fee Schedule (MPFS) for the appropriate year. Payment made through the MPFS is based on geographic locality. Therefore, payments vary based on the geographic locality where the service was performed.

The HCPCS codes G0008 and G0009 for the administration of the vaccines are not paid on the MPFS. However, they must be paid at the same rate as HCPCS code 90782, which is on the MPFS. The designated carrier must pay per the correct MPFS file for each calendar year based on the date of service of the claim.

In order to pay claims correctly for centralized billers, designated carrier must have the correct name and address, including zip code, of the entity where the service was provided. If a claim is received with a zip code that is not included on the zip code file maintained by designated carrier, they should refer to the United State Postal Service (USPS) website to determine if the zip code presented is valid. If the zip code is valid, add it to the designated carrier maintained zip code file and pay the claim using the appropriate payment locality.

If a claim is received with a zip code that is not valid for the street address given and designated carrier can determine the correct zip code from the USPS website, correct the zip code on the claim and pay the claim using the appropriate payment locality.

If the zip code presented is not a valid zip code, or is not a valid zip code with the given street address, and the correct zip code can not be determined from the USPS web site, deny the claim.

Use the following remittance advice and Explanation of Medicare Benefits (EOMB) or Medicare Summary Notice (MSN) messages:

Claim adjustment reason code 16, "Claim/service lacks information which is needed for adjudication," in addition to remittance advice remark code MA114, "Did not complete or enter accurately the name and address, the carrier assigned PIN, or the Regional Office assigned OSCAR number of the entity where the services were furnished." (Substitute "NPI" for "PIN" when effective.

> EOMB 9.33, "Your service was denied because information required to make payment was missing. We have asked your provider to resubmit a claim with the missing information so that it may be processed."
>
> MSN 9.4, "This item or service was denied because information required to make payment was incorrect."

The payment rates for the vaccines must be determined by the standard method used by Medicare for reimbursement of drugs and biologicals which is based on the lower of cost, or 95 percent of the AWP.

Effective for claims with dates of service on or after February 1, 2001, §114 of the Benefits Improvement and Protection Act of 2000 mandated that all drugs and biologicals be paid based on mandatory assignment. Therefore, all providers of flu and PPV vaccines must accept assignment for the vaccine. In addition, as a requirement for both centralized billing and roster billing, providers must agree to accept assignment for the administration of the vaccines as well. This means that they must agree to accept the amount that Medicare pays for the vaccine and the administration. And, since there is no coinsurance or deductible for the flu and PPV benefit, accepting assignment means that Medicare beneficiaries can not be charged for the vaccination.

H. Common Working File Information.--To better identify these claims in their internal systems and to enable central office data collection on the project, special processing number 39 has been assigned. The number should be entered on the HUBC claim to CWF in field 49, (Demonstration Number), positions 272 and 273.

I. Provider Education Instructions for the **Processing** Carrier.--The processing carrier must fully educate the centralized billers on the processes for centralized billing as well as for roster billing. General information on flu and PPV coverage and billing instructions is available on the CMS home page for providers.

J. Provider Education Instructions for **All** Carriers.--By April 1 of every year, all carriers must publish in their bulletins and put on their websites the following notification to providers. Questions from interested providers should be forwarded to the central office address below. Carriers must enter the name of the assigned processing carrier where noted before sending.

Notification to Providers

Centralized billing is a process in which a provider, who provides mass immunization services for influenza and Pneumococcal (PPV) immunizations, can send all claims to a single carrier for payment regardless of the geographic locality in which the vaccination was administered. This process is only available for claims for the flu and PPV vaccines and their administration. The administration of the vaccinations will be reimbursed at the assigned rate based on the Medicare Physician Fee Schedule for the appropriate locality. The vaccines will be reimbursed at the assigned rate using the Medicare standard method for reimbursement of drugs and biologicals which is based on the lower of cost or 95 percent of the Average Wholesale Price (AWP).

Individuals and entities interested in centralized billing must contact CMS central office (CO), in writing, at the following address by June 1 of the year they wish to begin centrally billing.

Division of Practitioner Claims Processing
Provider Billing and Education Group
Center for Medicare and Medicaid Services
7500 Security Boulevard
Mail Stop C4-12-18
Baltimore, Maryland 21244

By agreeing to participate in the centralized billing program, providers agree to abide by the following criteria.

CRITERIA FOR CENTRALIZED BILLING

- To qualify for centralized billing, an individual or entity providing mass immunization services for flu and pneumonia must provide these services in at least three payment localities for which there are at least 3 different carriers processing claims.

- Individuals and entities providing the vaccine and administration must be properly licensed in the State in which the immunizations are given.

- Centralized billers must agree to accept assignment (i.e., they must agree to accept the amount that Medicare pays for the vaccine and the administration). Since there is no coinsurance or deductible for the flu and PPV benefit, accepting assignment means that Medicare beneficiaries can not be charged for the vaccination, i.e., beneficiaries may not incur any out-of-pocket expense. For example, a drugstore may not charge a Medicare beneficiary $10 for an influenza vaccination and give the beneficiary a coupon for $10 to be used in the drugstore. This practice is unacceptable.

- The carrier assigned to process the claims for centralized billing is chosen at the discretion of CMS based on such considerations as workload, user-friendly software developed by the contractor for billing claims, and overall performance. The assigned carrier for this year is [Fill in name of carrier.]

- o The payment rates for the administration of the vaccinations will be based on the Medicare Physician Fee Schedule (MPFS) for the appropriate year. Payment made through the MPFS is based on geographic locality. Therefore, payments received may vary based on the geographic locality where the service was performed. Payment will be made at the assigned rate.

- o The payment rates for the vaccines will be determined by the standard method used by Medicare for reimbursement of drugs and biologicals which is based on the lower of cost, or 95 percent of the AWP. Payment will be made at the assigned rate.

- o Centralized billers must submit their claims on roster bills in an Electronic Media Claims standard format using either the National Standard Format (NSF) or American National Standards Institute ANSI X12N 837 (version 3051) format (or the HIPAA ANSI X12N 837(version 4010) when required). Paper claims will not be accepted.

- o Centralized billers must obtain certain information for each beneficiary including name, health insurance number, date of birth, sex, and signature. [Fill in name of carrier] must be contacted prior to the season for exact requirements. The responsibility lies with the centralized biller to submit correct beneficiary Medicare information (including the beneficiary's Medicare Health Insurance Claim Number) as the carrier will not be able to process incomplete or incorrect claims.

- o Centralized billers must obtain an address for each beneficiary so that an Explanation of Medicare Benefits (EOMB) or Medicare Summary Notice (MSN) can be sent to the beneficiary by the carrier. Beneficiaries are sometimes confused when they receive an EOMB or MSN from a carrier other than the carrier that normally processes their claims which results in unnecessary beneficiary inquiries to the Medicare carrier. Therefore, centralized billers must provide every beneficiary receiving an influenza or PPV vaccination with the name of the processing carrier. This notification must be in writing, in the form of a brochure or handout, and must be provided to each beneficiary at the time he or she receives the vaccination.

- o Centralized billers must retain roster bills with beneficiary signatures at their permanent location for a time period consistent with Medicare regulations. [Fill in name of carrier] can provide this information.

- ? Though centralized billers may already have a Medicare provider number, for purposes of centralized billing, they must also obtain a provider number from [Fill in name of carrier]. This can be done by completing the Form HCFA-855 (Provider Enrollment Application) which can be obtained from [Fill in name of carrier].

- o If an individual or entity's request for centralized billing is approved, the approval is limited to the twelve-month period from October 1 through September 30 of the following year. It is the responsibility of the centralized biller to reapply to CMS CO for approval each year by June 1. [Fill in name of carrier] will not process claims for any centralized biller without permission from CMS CO.

- o Each year the centralized biller must contact [Fill in name of carrier] to verify understanding of the coverage policy for the administration of the PPV vaccine, and for a copy of the warning language that is required on the roster bill.

- o The centralized biller will be responsible for providing the beneficiary with a record of the PPV vaccination.

The information in items 1 through 6 below must be included with the individual or entity's annual request to participate in centralized billing:

1. Estimates for the number of beneficiaries who will receive influenza virus vaccinations;
2. Estimates for the number of beneficiaries who will receive PPV vaccinations;
3. The approximate dates for when the vaccinations will be given;
4. A list of the States in which flu and PPV clinics will be held;
5. The type of services generally provided by the corporation (e.g., ambulance, home health, or visiting nurse); and
6. Whether the nurses who will administer the flu and PPV vaccinations are employees of the corporation or will be hired by the corporation specifically for the purpose of administering flu and PPV vaccinations.