



## Office of Financial Management/Financial Services Group

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May 11, 2009

### Implementation of Medicare Secondary Payer Mandatory Reporting Provisions in Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (See 42 U.S.C. 1395y(b)(7) & (8))

### **ALERT for Liability Insurance (Including Self-Insurance), No-Fault Insurance, and Workers' Compensation Responsible Reporting Entities**

This ALERT addresses the following issues:

1. Extension of Registration Period
2. Change/Delay in the Testing Period for the Claim Input File and in the Start Date for the Live Production Submission of the Claim Input File
3. Start Date for Query Function Availability
4. Exception Regarding Total Payment Obligation to the Claimant (TPOC) Reporting Dates and Reporting for Multiple TPOC Amounts Where the Reporting Threshold is a Consideration
5. Summary of Changes to the Implementation Timeline

#### **Extension of Registration Period:**

- The registration period for liability insurance (including self-insurance), no-fault insurance, and workers' compensation RREs has been extended. RREs now have from May 1, 2009, through September 30, 2009 to register.

#### **Change/Delay in Testing Period for the Claim Input File and in the Start Date for the Live Production Submission of the Claim Input File:**

- All RREs must submit their first live production file no later than their assigned submission window for the April – June calendar quarter of 2010.
- Testing for the submission of the Claim Input File will now take place from January 1, 2010, through March 31, 2010. Once testing is completed for an RRE ID, the system will set the RRE ID to a production status. However, testing may continue up until the first production Claim Input File is due. Test files will always continue to be accepted and processed after a production status has been attained.

- RREs that complete testing before their assigned submission window for the January – March calendar quarter of 2010 may submit their first live production file in that calendar quarter during the file submission timeframe assigned to the RRE ID.
- Instructions obsoleted by this ALERT: Version 1.0 of the User Guide reflects testing for liability insurance (including self-insurance), no-fault insurance, and workers’ compensation RREs during the July – September quarter of 2009 with live production files scheduled for the October – December quarter of 2009. The supplemental ALERT issued dated March 20, 2009, extended the permissible testing period through December 31, 2009.

**Start Date for Query Function Availability:**

- The Query Function will be available as of July 1, 2009, for those RREs who have completed registration and are in testing status (the RRE’s signed Profile Report has been received by CMS’ Coordination of Benefits Contractor (COBC)). Both test Query Input Files and production Query Input Files will be accepted and processed for an RRE ID in a testing status.
- Although RREs have until September 30, 2009, to register, RREs cannot submit Query Input Files until they have completed registration and are in testing status for the applicable RRE ID(s).

**Exception Regarding TPOC Reporting Dates and Reporting for Multiple TPOC Amounts Where the Reporting Threshold is a Consideration:**

- CMS has determined that the Section 111 reporting will not include the reporting of TPOC amounts with dates prior to January 1, 2010. Please disregard version 1.0 of the User Guide that reflects a requirement to report TPOC amounts dated on or after July 1, 2009.

*Note:* Dates associated with the Reporting of ORM have not changed.

- Please refer to the supplemental ALERT dated March 20, 2009, regarding “Interim Reporting Thresholds.” Item 4.d. reads:

*Where there are multiple TPOCs reported by the same RRE on the same record, the combined TPOC amounts must be considered in determining whether or not the reporting exception threshold is met. For TPOCs involving a deductible, where the RRE is responsible for reporting both any deductible and any amount above the deductible, the threshold applies to the total of these two figures.*

Where a TPOC amount dated on or after January 1, 2010, falls below the threshold amount, the RRE must add all associated TPOC amounts dated on or after January 1, 2010, in determining if the reporting threshold is met. Any associated TPOC amount occurring prior to January 1, 2010 should not be considered when calculating the TPOC amount for purposes of the reporting threshold.

When the combined TPOC amounts meet the reporting threshold, the RRE shall report all TPOC amounts where the applicable TPOC date is on or after January 1, 2010. Timeliness will be determined based upon the applicable date for the TPOC which caused the threshold

to be met. Each TPOC amount will be reported separately, the earliest as TPOC #1 in Fields 100 and 101 of the Claim Input File Detail Record, the next as TPOC #2 in Fields 90 and 91 of the Claim Input File Auxiliary Record, and so on.

- Any subsequent additional TPOCs shall be reported, following the instructions for reporting additional TPOC amounts.
- Although RREs are not required to report TPOCs where the applicable TPOC date is prior to January 1, 2010, a record will not be rejected based upon a TPOC date which is prior to January 1, 2010.

### **Summary of Changes to the Implementation Timeline:**

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| • May 1, 2009 --_September 30, 2009 | Registration  |
| • July 1, 20009                     | Test and Production Query Input Files Accepted      |
| • January 1, 2010                   | Claim Input File Testing Begins                     |
| • January 1, 2010                   | Production Claim Input Files Accepted               |
| • April 1, 2010 -- June 30, 2010    | Initial Production Claim Input File Submissions Due |