



## Modification to the National Coordination of Benefits Agreement (COBA) Crossover Process

MLN Matters Number: MM11307

Related Change Request (CR) Number: 11307

Related CR Release Date: August 2, 2019

Effective Date: January 1, 2020

Related CR Transmittal Number: R2331OTN

Implementation Date: January 6, 2020

### PROVIDER TYPE AFFECTED

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This MLN Matters Article is for providers, including hospices, submitting institutional claims to Medicare Administrative Contractors (MACs) requiring Coordination of Benefits (COB) for services provided to Medicare beneficiaries.

### PROVIDER ACTION NEEDED

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CR 11307 explains actions the Centers for Medicare & Medicaid Services (CMS) is taking to ensure that the MACs handle certain Medicare Fee-For-Service inpatient claims submitted without a required diagnosis code or incorrect Claim Adjustment Group Code, as included on submissions for incoming Medicare Secondary Payer (MSP) claims, in a standard manner. Make sure your billing staffs are aware of this information.

### BACKGROUND

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Medicare must follow the specifications in both the National Uniform Billing Committee (NUBC) and National Uniform Claims Committee (NUCC) manuals, as well as the Technical Report Version 3 (TR-3) Implementation Guides with respect to 837 claims transactions. Medicare is also required to comply with the Council for Affordable Quality Health Care, Inc., Committee on Operating Rules for Informational Exchange (CAQH-CORE) requirements governing Claim Adjustment Reason Code (CARC) and Remittance Advice Remark Code (RARC) combinations and associated use of Claim Adjustment Group Codes.

CMS recently determined it was not consistently following the NUBC Manual guidance concerning the requirement of an admitting diagnosis code on Type of Bill (TOB) 18x (Hospital Swing Beds—Inpatient), 21x (Skilled Nursing Facility-Inpatient), and 41x (Religious Non-Medical Health Care Institutions--Inpatient) claims. CMS also determined that Medicare is currently accepting and adjudicating incoming electronic MSP claims that have an incorrect Group Code

(OA, for example) included with CARC 45.

Per CAQH-CORE requirements, CARC 45 [defined as, “Charge exceeds fee schedule/maximum allowable or contracted/legislated fee arrangement.”] may only be used with Group Codes “PR” (patient responsible) and “CO” (contractual obligation), not with other Group Codes such as “OA” (other adjustment) or “PI” (payer-initiated).

Medicare is detecting these issues on incoming electronic and hard-copy (paper) claims and on claims submitted via Direct Data Entry (DDE). CMS will create new edits to address incoming electronic claims with these characteristics through a separate instruction. CMS will address Part B MAC requirements relating to a primary payer’s incorrect usage of Group Code OA and PI on incoming MSP claims through a future change request.

CMS is addressing Fiscal Intermediary Shared System (FISS) and MAC requirements relating to incoming hard-copy (paper) and DDE-submitted claims, as applicable, through CR11307.

FISS will create a new Return to Provider (RTP) edit to be used by associated MACs when an incoming TOB) 18x (Hospital Swing Beds—Inpatient), 21x (Skilled Nursing Facility-Inpatient), or 41x (Religious Non-Medical Health Care Institutions--Inpatient)TOB DDE-keyed claim or hard-copy UB04 21x TOB claim is submitted without an Admitting Diagnosis Code. Upon receipt of the newly created RTP edit, the Part A MAC will return the claim to the provider for correction. FISS will also create an RTP edit the MACs will use when an incoming MSP claim, submitted either via DDE or as a hard-copy UB04 claim with an accompanying Explanation of Benefits (EOB), contains a Group Code OA or PI with CARC 45.

Upon receipt of the newly created RTP edit, the MACs, including the Home Health and Hospice (HH&H) MAC, must return the claim to the provider for corrections.

## ADDITIONAL INFORMATION

The official instruction, CR 11307, issued to your MAC regarding this change is available at <https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/2019Downloads/R2331OTN.pdf>.

If you have questions, your MACs may have more information. Find their website at <http://go.cms.gov/MAC-website-list>.

## DOCUMENT HISTORY

Date of Change	Description
August 2, 2019	Initial article released.

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