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NGS PROVIDER EXPERIENCE
Innovation | Education | Collaboration

Medicare Part B 2024

Spring/Summer Virtual Conference

Mastering Medicare: Tuesday Tutorials

Medicare Part B Secondary Payer Post-Pay Overpayments

6/18/2024

Closed Captioning: *Auto-generated closed captioning is enabled in this course and is at best 70-90% accurate. Words prone to error include specialized terminology, proper names and acronyms.*

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NGS Medicare University
Meaningful | Informative | Simplified

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

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Objective

After this session, you'll have a better understanding on how to report MSP post-pay overpayments properly to NGS.

Today's Presenters

- Provider Outreach and Education Consultants
  - Carleen Parker
  - Lori Langevin

Agenda

- Coordination of Benefits (COB)
- Determining Medicare Secondary Payment Amounts
- How to Refund Medicare
- Benefits Automation Process

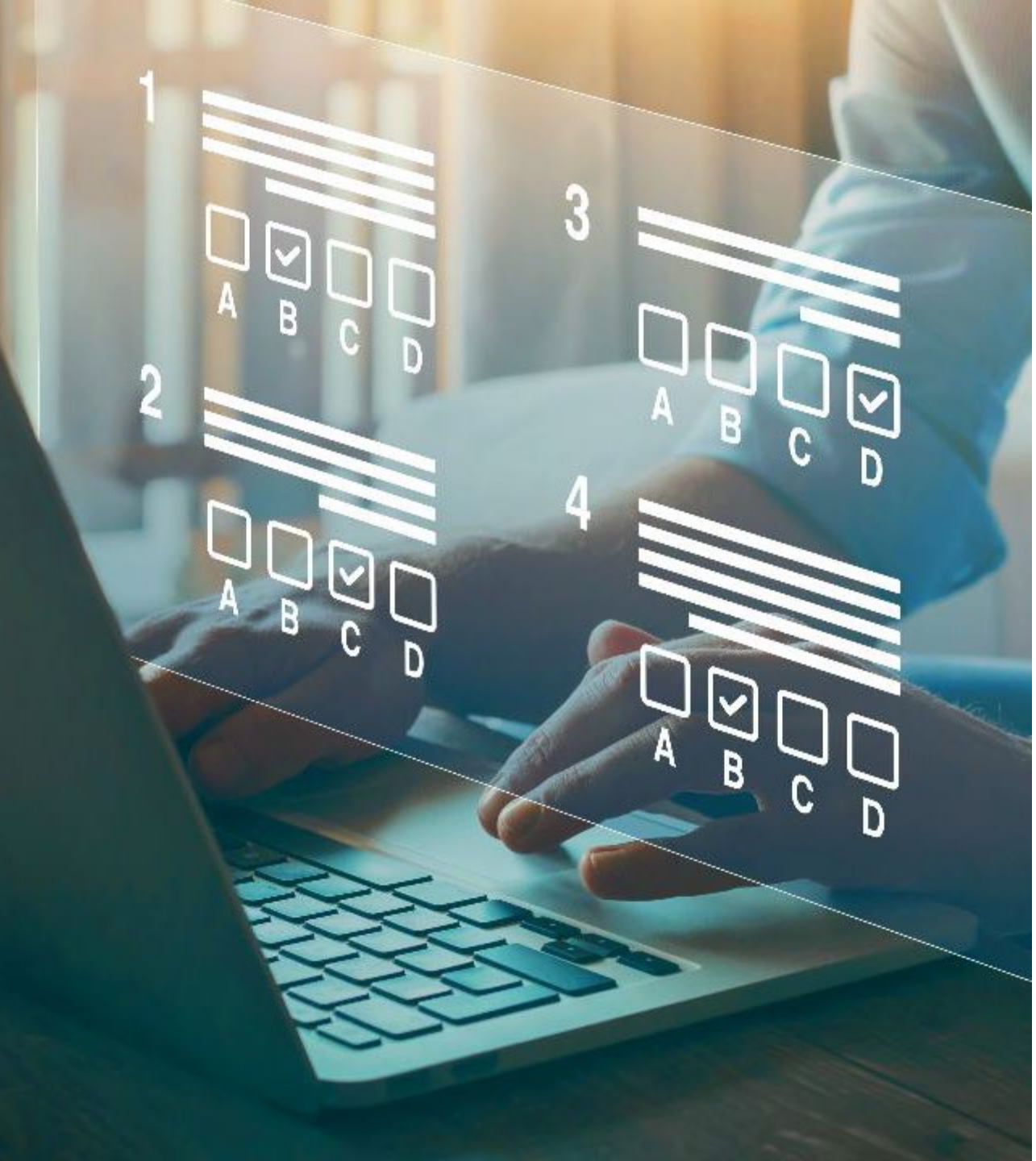
Coordination of Benefits (COB)

Coordination of Benefits

- Coordination of benefits rules decide which entity pays first
- There are a variety of methods and programs used to identify situations in which Medicare beneficiaries have other insurance primary to Medicare
- After a Medicare claim is paid, CMS receives new information indicating Medicare has made a primary payment by mistake and CMS takes action to recover mistaken Medicare payment
- Coordination of Benefits

MSP Overpayment

- MSP overpayment is a payment providers receive in excess of amounts properly payable under Medicare statutes and regulations
- Money becomes debt owed to federal government
  - Provider responsibility when MSP overpayments are received to report and return within 60 days
- CMS IOM Publication 100-05, *Medicare Secondary Payer (MSP) Manual*, Chapter 3, Section 10.4



MSP Overpayments

- Occur when Medicare has processed and paid claim as primary payer, but should have paid secondary
- Prior to refunding, check patient eligibility
- Avoid MSP overpayments
  - Verify MSP online data and use model admission questions with your patient
  - CMS IOM Publication 100-05, *Medicare Secondary Payer (MSP) Manual*, Chapter 3, Section 20.2. and 20.2.1

Avoiding Overpayments

- Ask Medicare patients if there's other insurance
  - Your Billing Responsibilities
  - CMS IOM Publication 100-05, *Medicare Secondary Payer (MSP) Manual*, Chapter 3, Section 20.2.1- Model Admission Questions to Ask Medicare Beneficiaries
- Submit MSP claims with appropriate data
  - Electronic Data Interchange: Medicare Secondary Payer ANSI Specifications for 837P

Provider Responsibility

- MSP overpayment is a payment providers receive in excess of amounts properly payable under Medicare statutes and regulations
- Money becomes debt owed to federal government
  - Provider responsibility when MSP overpayments are received to report and return within 60 days
- CMS IOM Publication 100-05, *Medicare Secondary Payer (MSP) Manual*, Chapter 3, Section 10.4

Multiple Primary Payments Received

- If Medicare should be secondary
  - Medicare must be repaid within 60 days of receiving payment from primary plan
  - Repay difference between
    - Amount Medicare actually paid
    - Amount Medicare should have paid (if any)
- CMS IOM Publication 100-05, *Medicare Secondary Payer (MSP) Manual*, Chapter 3, Section 10.4

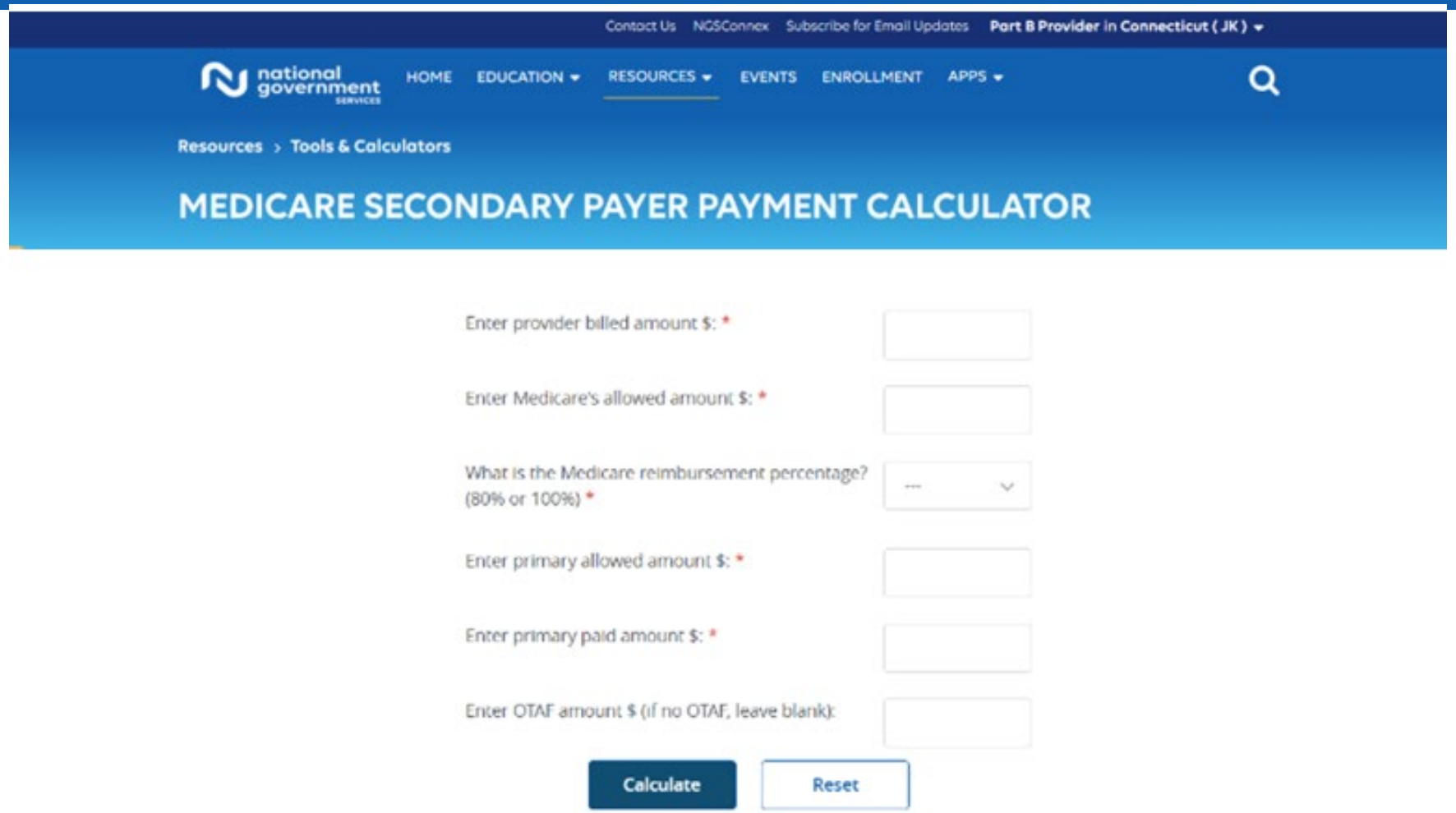
Determining Medicare Secondary Payment Amounts

How to Determine Medicare Secondary Payment Amounts

- MSP payment is determined by the following
  - Actual charge by provider or OTAF minus amount paid by primary
  - Usual Medicare payment determination
    - Fee Schedule amount (minus any unmet deductible 2024 – $240)
    - Multiply results by 80% (or other as appropriate)
  - Highest allowed amount minus amount paid by primary
    - MPFS or amount payable under Medicare (not including deductible or coinsurance)
    - Primary payer's allowed amount
  - The Medicare payment is the lowest of the three amounts

NGS MSP Resources

MSP Payment Calculator



Step-By-Step Example

- Example
  - Physician's charge = $175
  - Primary payer's allowed charge = $150
  - Primary payer paid 80% of allowed charge = $120
  - Medicare fee schedule amount = $125
  - Patient's Part B deductible met

- Calculations
  1. Actual charge by physician minus primary payers' payment
     - $175 - $120 = $55
  2. Usual Medicare payment determination
     - 80% x $125 = $100
  3. Highest allowed amount minus amount paid by primary
     - $150 - $120 = $30

How to Refund Medicare

Refunds Determine Practice Set Up

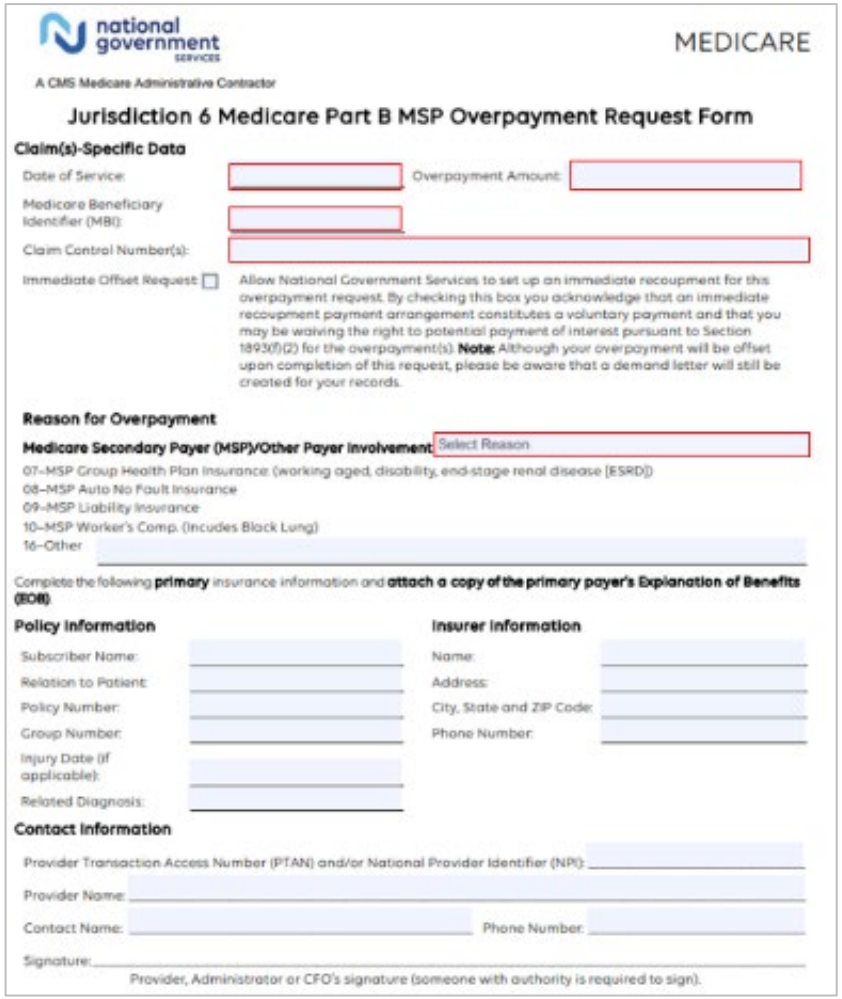
- Practices on automatic immediate recoupments all and future
  - If providers are set up for immediate recoupment, demanded overpayments are offset by day 16
  - Saves administrative burden and interest accrual
- Practices not on automatic immediate recoupments
  - Interest without immediate recoupment
  - Interest accrual on day 31
  - Offset with interest on day 40

Providers on Automatic Immediate Recoupments

- Complete Medicare Part B MSP Overpayment Request Form (no check)
- Include the EOB from the primary plan and the appropriate form
  - Jurisdiction 6 Medicare Part B MSP Overpayment Request Form
  - Jurisdiction K Medicare Part B MSP Overpayment Request Form
- When claim(s) is adjusted, Medicare will issue demand letter, but offset will occur automatically

Part B Overpayment Request Form

- Use appropriate form based on practice location
  - JK Part B: CT-MA-ME-NH-NY-RI-VT
    MAC MSP Overpayment Recovery Unit P.O. Box 6178
    Indianapolis, IN 46206-6178
    - Or fax this completed form and primary EOB to 502-889-4703
  - J6 Part B: IL-MN-WI
    MAC MSP Overpayment Recovery Unit P.O. Box 6475
    Indianapolis, IN 46206-6475
    - Or fax this completed form and primary EOB to 315-442-4151



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A CMS Medicare Administrative Contractor

Jurisdiction 6 Medicare Part B MSP Overpayment Request Form

Claim(s)-Specific Data

Date of Service: _____ Overpayment Amount: _____

Medicare Beneficiary Identifier (MBI): _____

Claim Control Number(s): _____

Immediate Offset Request: ☐ Allow National Government Services to set up an immediate recoupment for this overpayment request. By checking this box you acknowledge that an immediate recoupment payment arrangement constitutes a voluntary payment and that you may be waiving the right to potential payment of interest pursuant to Section 1893(f)(2) for the overpayment(s). **Note:** Although your overpayment will be offset upon completion of this request, please be aware that a demand letter will still be created for your records.

Reason for Overpayment

Medicare Secondary Payer (MSP)/Other Payer Involvement: Select Reason

07–MSP Group Health Plan Insurance (working aged, disability, end-stage renal disease [ESRD])
08–MSP Auto No Fault Insurance
09–MSP Liability Insurance
10–MSP Worker's Comp. (Incudes Black Lung)
16–Other _____

Complete the following **primary** insurance information and **attach a copy of the primary payer's Explanation of Benefits (EOB)**

Policy Information

Subscriber Name: _____
Relation to Patient: _____
Policy Number: _____
Group Number: _____
Injury Date (if applicable): _____
Related Diagnosis: _____

Insurer Information

Name: _____
Address: _____
City, State and ZIP Code: _____
Phone Number: _____

Contact Information

Provider Transaction Access Number (PTAN) and/or National Provider Identifier (NPI): _____
Provider Name: _____
Contact Name: _____ Phone Number: _____
Signature: _____
Provider, Administrator or CFO's signature (someone with authority is required to sign).

Providers not on Automatic Immediate Recoupments

- Complete Medicare Secondary Payer Part B Voluntary Refund Form-JK or Medicare Secondary Payer Part B Voluntary Refund Form-J6 and attach a check for the overpayment amount and include EOB from primary plan
- Complete Jurisdiction K Medicare Part B MSP Overpayment Request Form or Jurisdiction 6 Medicare Part B MSP Overpayment Request Form and include EOB from primary plan

Notification of Overpayment

- Use appropriate form based on practice location
  - JK Part B: CT-MA-ME-NH-NY-RI-VT
    MAC MSP Overpayment Recovery Unit P.O. Box 6178
    Indianapolis, IN 46206-6178
    - Or fax this completed form and primary EOB to 502-889-4703
  - J6 Part B: IL-MN-WI
    MAC MSP Overpayment Recovery Unit P.O. Box 6475
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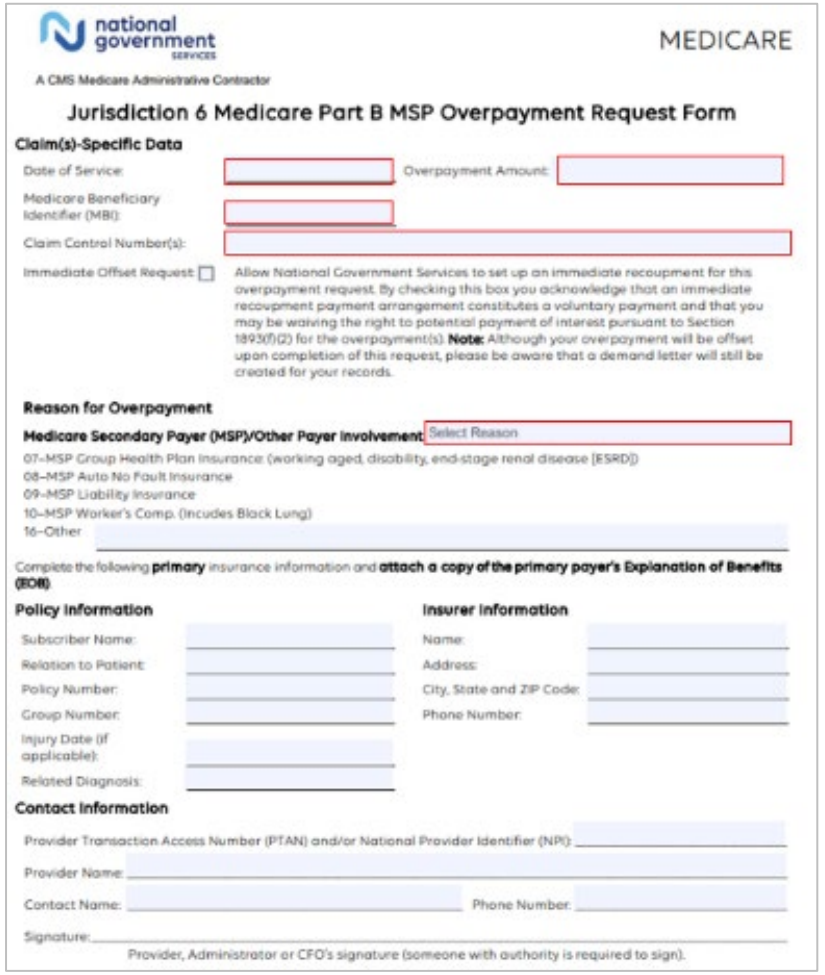
    - Or fax this completed form and primary EOB to 315-442-4151



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Medicare Secondary Payer (MSP)/Other Payer Involvement: Select Reason

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08–MSP Auto No Fault Insurance
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16–Other _____

Complete the following **primary** insurance information and **attach a copy of the primary payer's Explanation of Benefits (EOB)**.

Policy Information

Subscriber Name: _____
Relation to Patient: _____
Policy Number: _____
Group Number: _____
Injury Date (if applicable): _____
Related Diagnosis: _____

Insurer Information

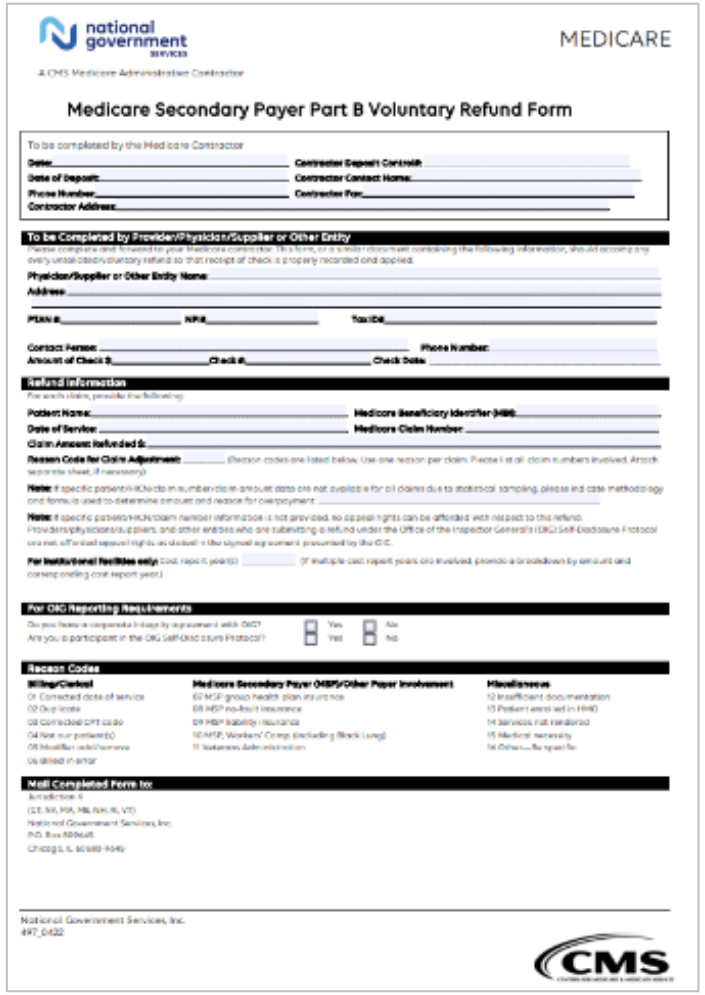
Name: _____
Address: _____
City, State and ZIP Code: _____
Phone Number: _____

Contact Information

Provider Transaction Access Number (PTAN) and/or National Provider Identifier (NPI): _____
Provider Name: _____
Contact Name: _____ Phone Number: _____
Signature: _____
Provider, Administrator or CFO's signature (someone with authority is required to sign).

MSP Voluntary Refund Form

- Providers Not on Automatic Immediate Recoupments
  - Use appropriate form for line of business
  - Medicare Secondary Payer Part B Voluntary Refund Form-JK or Medicare Secondary Payer Part B Voluntary Refund Form-J6 and a copy of the demand letter
  - Submit check with Part B MSP Voluntary Refund Form and include EOB from primary plan
  - When claim(s) is adjusted, Medicare will apply overpayment amount to AR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Medicare Secondary Payer Part B Voluntary Refund Form

To be completed by the Medicare Contractor

Date: Contractor Deposit Control#:

Date of Deposit: Contractor Contact Name:

Phone Number: Contractor Fax:

Contractor Address:

To be Completed by Provider/Physician/Supplier or Other Entity

Physician/Supplier or Other Entity Name:

Address:

PEAN #: NPI#: Tax ID#:

Contact Person: Phone Number:

Amount of Check $: Check #: Check Date:

Refund Information

Patient Name: Medicare Beneficiary Identifier (MBI):

Date of Service: Medicare Claim Number:

Claim Amount Refunded $:

Reason Code for Claim Adjustment:

For Institutional Facilities only:

For OIG Reporting Requirements

Reason Codes

Billing/Clerical

Medicare Secondary Payer (MSP)/Other Payer Involvement

Miscellaneous

Mail Completed Form to:

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Benefits of Automation Process

Benefits of Automatic Immediate Recoupments

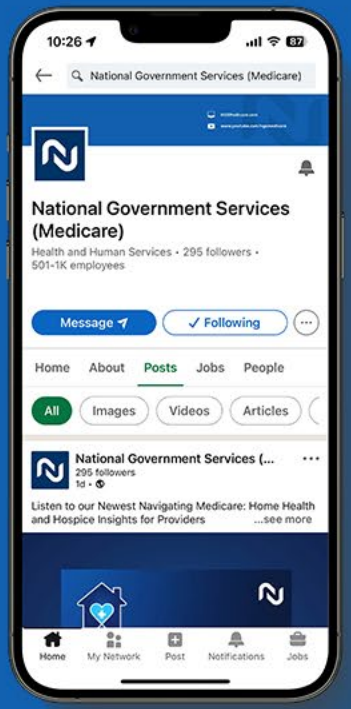
- Avoids making payment by check and assessment of interest if immediate recoupment pays the debt in full before day 31
- Interest on debt payments accrues monthly rather than daily
- Treasury rate ranges from nine to ten percent or more
- Providers who activate automatic immediate recoupment
  - Generally, have their debts offset and recouped on day 16
  - Payments are considered on time
  - Recoupment does not begin until 16th day from the date of the demand letter, so there is time to file an appeal if you disagree with contractor-initiated overpayments
- Note: Ensure that your organization does have claims being submitted and scheduled Medicare payments
- CMS IOM Publication 100-06, *Medicare Financial Management Manual* transmittal updated quarterly

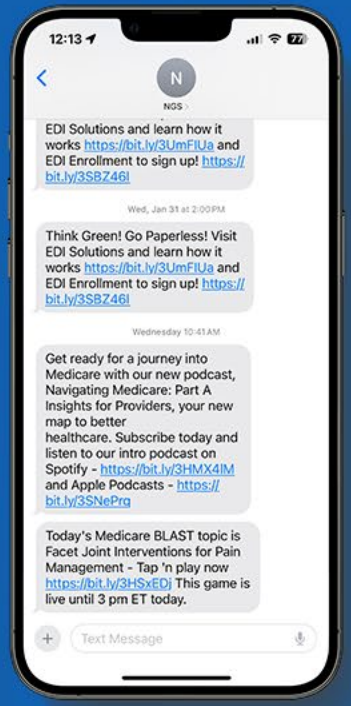
Activating Automated Immediate Recoupments

- NGS website
- Accept Attestation
- From the Part B home page, select Overpayments
- On right, select All Forms, then select Immediate Recoupment Request Form – Electronic/E-Mail and complete
  - For Immediate Recoupment Type, select Current and Future Overpayments
  - Fill in remainder of electronic form with your provider information
  - Ensure contact information is listed
  - Check Demand Letter Number box, if no demand letter number
  - Click the Submit button
- Note
  - If the form continues to display, you will need to make corrections
  - If form disappears, your submission was successful, and you will receive email confirmation

Questions?

Thank you!





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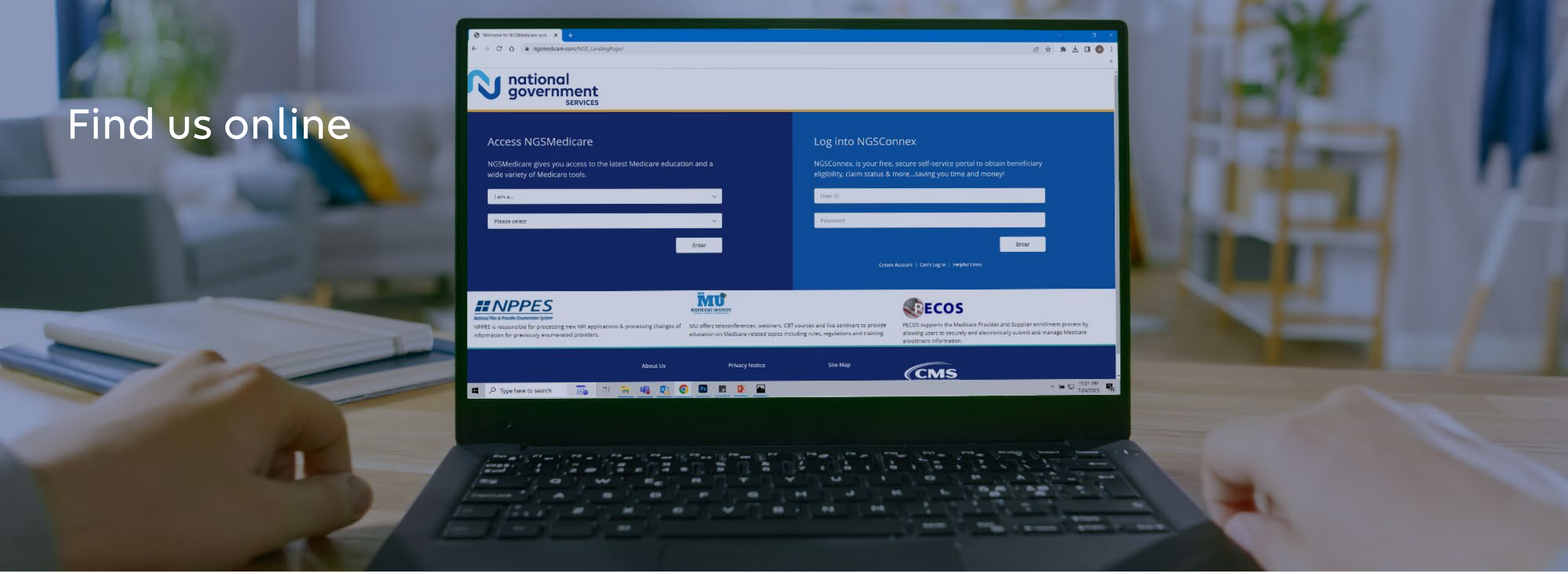

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