Activation of New Coordination of Benefits Agreement (COBA) Trading Partner Dispute Error Code Within the National Crossover Process – JA6640

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Implementation Date: October 26, 2009

Key Words	MM6640, CR6640, R562OTN, COBA, Trading, Error
Contractors Affected	• Part A/B Medicare Administrative Contractors (A/B MACs) • Fiscal Intermediaries (FIs) • Regional Home Health Intermediaries (RHHIs) • DME MACs (DME MACs) • Carriers
Provider Types Affected	Physicians, providers, and suppliers submitting claims to Medicare Carriers, DME MACs, FIs, A/B MACs, and/or RHHIs for services provided to Medicare beneficiaries

Change Request (CR) 6640 conveys a new COBA trading partner, dispute error code (000400) that the COB contractor (COBC) will return to Medicare contractors when certain claims are not accepted by supplemental payers.

Provider Needs to Know…	• The COB contractor (COBC) will activate dispute reason code 000400 as a new "333" trading partner dispute code within the National Crossover process. • With the activation of code 000400, the COBC will: 1. Transmit error code 000400 to the Medicare contractor when indicated via the COBC Detailed Error Report; and 2. Include within the error description field on the COBC Detailed Error Report the following standard message: "No provider agreement with Medicaid/other payer; claims crossover not possible." • As a result of CR6640, all Medicare contractors will generate error code 000400 when received via their COBC Detailed Error Report with accompanying error message on their outgoing notification letters to providers, physicians, or suppliers. • Upon receipt of the contractor-generated special letters, affected providers, physicians, or suppliers may wish to contact their patient's indicated supplemental payer to determine next steps.
Background	• The COBC consolidates the activities that support the collection, management, and reporting of other insurance coverage for Medicare beneficiaries. • The Centers for Medicare & Medicaid Services (CMS) developed and further refined the COBC Detailed Error Report process through the issuance of CR3709 (Transmittal 474, dated February 11, 2005) and CR5472 (Transmittal 1189, dated February 28, 2007). • Providers may want to review CR3709 at *http://www.cms.hhs.gov/transmittals/downloads/R474CP.pdf* and CR5472 at *http://www.cms.hhs.gov/Transmittals/Downloads/R1189CP.pdf* on the CMS website. • Under the COBC Detailed Error Report process, the COBC reports to Medicare contractors, via a standard Detailed Error Report layout, any of the following error conditions that resulted in their claims not being crossed over: – Incoming flat file contained structural problems ("111" flat file errors); – Incoming flat file contained claims with Health Insurance Portability and Accountability Act (HIPAA), American National Standards Institute compliance errors ("222" errors); and – The COBA trading partner rejected the contractors' claims ("333" trading partner dispute errors). NOTE: Crossover is the transfer of processed claim data from Medicare operations to commercial insurance companies that sell supplemental insurance benefits to Medicare beneficiaries and to Medicaid (or state) agencies. • Depending upon the error percentage encountered in association with errored claims, Medicare contractors then, after five (5) business days, automatically generate special provider notification letters informing the affected physician/supplier/provider that the

beneficiary's claim(s) cannot be crossed over.

- In earlier instructions, CMS directed Medicare contractors to suppress creation of their standard provider notification letters when they receive any of the following "333" dispute reason codes via the COBC Detailed Error Reports:
  - 00100 - duplicate claim;
  - 000110 - duplicate claim within the same ISA-IEA loop; and
  - 000120 - duplicate claim within the same ST-SE loop.
- CMS made this decision primarily for two reasons:
  - It was believed that these particular error conditions were out of the control of the billing provider; and
  - It would be futile for the provider to bill the claims to the COBA trading partner outside the crossover process, given that the entity had already received the claim, as witnessed by its lodging of a dispute on the basis of duplicate claim receipt.
- Currently, the only in-use "333" dispute codes that will trigger provider notification letters are the following:
  - 000200 - Claim for provider ID/state should have been excluded;
  - 000300 - Beneficiary not on eligibility-file;
  - 000500 - Incorrect claim count;
  - 000600 - Claim does not meet selection criteria;
  - 000700 - HIPAA Error; and
  - 009999 - Other.

Operational Impact	N/A
Reference Materials	The related MLN Matters® article can be found at *http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6640.pdf* on the CMS website. The official instruction (CR6640) regarding this change may be viewed at *http://www.cms.hhs.gov/Transmittals/downloads/R562OTN.pdf* on the CMS website.