CMS Manual System

Pub 100-04 Medicare Claims Processing

Transmittal 837

Department of Health & Human Services (DHHS)

Centers for Medicare & Medicaid Services (CMS)

Date: FEBRUARY 3, 2006

Change Request 4277

SUBJECT: Coordination of Benefits Agreement (COBA) Full Claim File Repair Process

I. SUMMARY OF CHANGES: Through this Change Request, CMS details the Medicare contractor requirements for a full claim file repair process. This process will respond to COBA trading partner concerns in the event that a shared system contingency that would negatively impact virtually all outbound crossover claims should occur. CMS is creating a new section within Chapter 28 of Pub. 100-04 for the purpose of manualizing this instruction. CMS is also updating the Coordination of Benefits Contractor (COBC) Detailed Error Report layouts contained within Chapter 28, Section 70.6.1 as part of this instruction.

NEW/REVISED MATERIAL
EFFECTIVE DATE: July 01, 2006
IMPLEMENTATION DATE: July 03, 2006

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)
R = REVISED, N = NEW, D = DELETED – *Only One Per Row.*

R/N/D	Chapter / Section / SubSection / Title
R	28/Table of Contents
R	28/70.6.1/Coordination of Benefits Agreement (COBA) Detailed Error Report Notification Process
N	28/70.6.2/Coordination of Benefits Agreement (COBA) Full Claim File Repair Process

III. FUNDING:
No additional funding will be provided by CMS; Contractor activities are to be

carried out within their FY 2006 operating budgets.

IV. ATTACHMENTS:

Business Requirements
Manual Instruction

**Unless otherwise specified, the effective date is the date of service.*

Attachment - Business Requirements

Pub. 100-04	Transmittal: 837	Date: February 3, 2006	Change Request 4277

SUBJECT: Coordination of Benefits Agreement (COBA) Full Claim File Repair Process

I. GENERAL INFORMATION

A. Background: Through Transmittal 474, Change Request (CR) 3709, all Medicare contractors were instructed regarding the processes they should implement when they receive confirmation, via receipt of the COBC Detailed Error Report, indicating that specified claims will not be crossed over due to claim data errors. One of the centerpieces of that instruction was the Medicare contractors' requirement to create provider notification letters within five (5) business days of receipt of the Coordination of Benefits Contractor (COBC) Detailed Error Report to inform physician, suppliers, and other providers that specific claims would not be crossed over and they could, in turn, bill each beneficiary's supplemental payer/insurer for any claim balances due.

The Centers for Medicare & Medicaid Services (CMS) has decided to develop a full claim file repair process at its Medicare contractors to address situations where one or more of the contractor shared systems inadvertently introduced (a) severe error condition(s) into the claims processing cycle, with the effect being that the Health Insurance Portability and Accountability Act (HIPAA) American National Standards Institute (ANSI) X12-N 837 Coordination of Benefits (COB) Institutional and Professional crossover claims files or National Council for Prescription Drug Programs (NCPDP) claim files become unusable for coordination of benefits purposes. When contractors and their shared systems initiate the full claim file repair process, the contractors' systems shall suppress the generation of the provider notification letters, which would be created to alert their affiliated physicians, suppliers, or other providers of service that the affected claims will not be crossed over.

B. Policy: When a Medicare contractor, the COBC, or a COBA trading partner identifies a shared system problem that will prevent, or has prevented, the COBA trading partner from accepting a HIPAA ANSI X12-N 837 COB Institutional and Professional claims file from the COBC, the Medicare contractor shall work with its shared system maintainer to assess the feasibility of executing a full claim file repair. Contractors shall utilize the COBC Detailed Error Reports to determine the percentage of errors present for each error source code—"111" (flat file) errors, "222" (HIPAA ANSI X12-N 837 COB) errors, and "333" (trading partner dispute) errors. When the contractors or their shared system maintainers determine that the error percentages are at or above the established parameters, the contractors shall begin the process of analyzing the claim files for a possible full claim repair process. If the Medicare contractors and their shared systems subsequently initiate a full claim file repair process, that process shall be accomplished within a maximum of 14 work days, unless determined otherwise by CMS. Specific requirements concerning the COBA full claim repair process appear below.

II. BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement
"Should" denotes an optional requirement

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		FI	RHHI	Carrier	DMERC	Shared System Maintainers				Other
						FISS	MCS	VMS	CWF	
4277.1	CMS shall ensure that the COBC Detailed Error Reports will be modified to include the following new elements: Total Number of Claims for Processing date; Total Number of "111" (flat file) Errors and corresponding percentage; Total Number of "222" (HIPAA ANSI X12-N 837 COB) Errors and corresponding percentage; and Total Number of "333" (trading partner dispute) Errors and corresponding percentage. (See Attachment A for the revised Institutional, Professional, and NCPDP Claim layouts.)									X
4277.2	When a contractor or its shared system maintainer receives a COBC Detailed Error Report (see Attachment A) that indicates that the trading partner is in production and the percentage of "111" (flat file) errors is equal to or greater than one (1) percent, the contractor's shared system shall suppress the generation of provider notification letters, as required by CR 3709, until after the severe error condition(s) has/have been analyzed. (**NOTE:** If the "222" and/or "333" errors indicated on the COBC Detailed Error Report do **not** exceed the four (4) percent parameter, then the contractor shall continue with the generation of the provider notification letters for those errors while it is analyzing the "111" severe error(s).)	X	X	X	X	X	X	X		
4277.2.1	When a contractor or its shared system maintainer receives a COBC Detailed Error Report that indicates that the trading partner is in production and the percentage of "222" (HIPAA ANSI X12-N 837) errors and "333" (trading partner dispute) errors is equal to or	X	X	X	X	X	X	X		

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		FI	RHHI	Carrier	DMERC	Shared System Maintainers				Other
						FISS	MCS	VMS	CWF	
	greater than four (4) percent, the contractor's shared system shall suppress the generation of provider notification letters, as required by CR 3709, until after the severe error condition(s) has/have been analyzed. (**NOTE:** If the "111" errors indicated on the COBC Detailed Error Report do **not** exceed the one (1) percent parameter, then the contractor shall continue with the generation of the provider notification letters for those errors while it is analyzing the "222" and "333" severe errors.)									
4277.2.2	For each of the severe error situations discussed above, contractors, or their shared systems, shall suppress the provider notification letters for a minimum of five (5) business days. (See requirement 4277.2.4 for the requirement allowing the contractors' systems to extend this time frame.)	X	X	X	X	X	X	X		
4277.2.3	Also, for each of the situations discussed above, the contractors' shared systems shall establish percentage parameters for each error source code that allow for flexibility within a range (e.g., 1 to 10 percent).					X	X	X		
4277.2.4	The contractors' shared systems shall have the capability to adjust the parameters for generation of provider notification letters of up to 14 work days while analysis of the claims that are being held for possible full claim file repair is proceeding.					X	X	X		
4277.3	When a contractor, working with its shared system maintainer, identifies a severe error condition that will negatively impact the claims that it has transmitted to the COBC, the contractor shall, upon detection, immediately notify CMS and the COBC by sending e-mail communications to:	X	X	X	X					

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		FI	RHHI	Carrier	DMERC	Shared System Maintainers				Other
						FISS	MCS	VMS	CWF	
	COBAProcess@cms.hhs.gov and cobva@ghimedicare.com .									
4277.4	The contractor shall work closely with its system maintainer to determine the timeframes for developing, testing, and applying a fix to correct the severe error(s) that was/were identified within the 837 or NCPDP files that were previously transmitted to the COBC.	X	X	X	X	X	X	X		
4277.4.1	The Part A, Part B, or DMERC shared system maintainers shall report the timeframes for developing, testing, and applying a fix to the full claim file problem in accordance with their procedures as outlined in their systems maintenance contract.					X	X	X		
4277.4.2	If CMS determines that the timeframes for affecting a full claim file repair of the previously transmitted claims exceed what is considered reasonable (a maximum of 14 work days, unless determined otherwise by CMS), a designated COBA team representative will notify the Medicare contractors and their shared system maintainers via e-mail to cancel the full claim file repair process.									X
4277.4.3	Upon receipt of a notification from the CMS COBA team representative that indicates that the timeframes for fixing a full claim file problem exceed those that are acceptable to CMS, the contractors' shared systems shall cancel the full claim file repair process.					X	X	X		
4277.4.4	Contractors shall then follow the requirements provided in Transmittal 474, CR 3709, with respect to the provider notification letters and other COBA crossover operational processes. In such cases, however, contractors shall **not** be required to wait the customary five (5) business days before generating the provider notification	X	X	X	X					

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		FI	RHHI	Carrier	DMERC	Shared System Maintainers				Other
						FISS	MCS	VMS	CWF	
	letters to their affected physicians, suppliers, or other providers of service.									
4277.4.5	In the event that CMS indicates that a full claim file repair process is feasible, the contractors' shared systems shall have the ability to cancel the generation of the provider notification letters, as required by Transmittal 474, CR 3709, for the "repaired" claims **and** only generate the provider notification letters for the claims containing legitimate 111, 222, or 333 errors that are not connected with the severe error condition(s).					X	X	X		
4277.5	Once the contractors' shared systems have determined that they are able to affect a "timely" repair to the full claim files that were previously transmitted, they shall take the following actions: a) Apply the fix to the unusable claims; b) Compare the claim files previously sent to the COBC with the repaired claims file to isolate the claims that previously did **not** contain the error condition(s); c) Strip off the claims that did not contain the error condition(s), including claims that contained 111, 222, and 333 errors that were not connected with the error condition(s). For the latter set of claims (those with 111, 222, and 333 errors that were not connected to the severe error condition), contractors shall then generate the provider notification letters as noted above in requirement 4277.4.5; d) Recreate the job; and e) Send only the "repaired" claims to the COBC.					X	X	X		

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		FI	RHHI	Carrier	DMERC	Shared System Maintainers				Other
						FISS	MCS	VMS	CWF	
4277.5.1	Contractors' shared systems shall add an indicator "18" to the BHT02 (Beginning of the Hierarchical Transaction/Transaction Set Purpose Code) segment of the HIPAA 837 flat file to designate that the file contains repaired claims.					X	X	X		
4277.5.2	In addition, the contractor systems shall include the repaired full file claims in different ST-SE envelopes to differentiate the repaired claims from normal 837 flat file transmissions.					X	X	X		
4277.5.3	The Durable Medical Equipment Regional Carrier (DMERC) contractor system shall add an indicator "R" after the COBA ID reported in the Batch Header Record in the Receiver ID field (field number 880-K7) of the NCPDP claim when transmitting recreated/repaired claims to the COBC.							X		
4277.6	Contractors and their shared systems shall process COBC Institutional and Professional Detailed Error Reports that contain one of the following combinations of error source codes, error/trading partner dispute codes, and error descriptions: a) Error source code "111" will be reported in field 10, along with a 6-digit error code in field 11 (note: unlike routine reporting of flat file errors, a full claim file error condition would be indicated if there were numerous instances of the same error code repeated throughout a Report); and a description of the problem(s) that has/have caused the full claim file to be unusable will be reported in field 12; b) Error code "222" will be reported in	X	X	X	X	X	X	X		

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		FI	RHHI	Carrier	DMERC	Shared System Maintainers				Other
						FISS	MCS	VMS	CWF	
	field 10, along with a 6-digit error code in field 11 that begins with an "N"; the description of the problem(s) that has/have caused the full claim file to be unusable will be reported in field 12; c) Error source code "333" will be reported in field 10; an error/trading partner dispute code "999" (trading partner dispute—"other") will be reported in field 11; and a description of the problem(s) that has/have caused the full claim file to be unusable will be reported in field 12.									
4277.6.1	DMERC contractors and their shared system shall process NCPDP Detailed Error Reports returned from the COBC that contain one of the following combination of error source codes, error/trading partner dispute codes, and error descriptions: a) Error source code "111" will be reported in field 9, along with a 6-digit error code in field 10 (note: unlike routine reporting of flat file errors, a full claim file error condition would be indicated if there were numerous instances of the same error code repeated throughout a Report); and a description of the problem(s) that has/have caused the full claim file to be unusable will be reported in field 11; **or** b) Error source code "333" will be reported in field 9; an error/trading partner dispute code "999" will be reported in				X			X		

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		FI	RHHI	Carrier	DMERC	Shared System Maintainers				Other
						FISS	MCS	VMS	CWF	
	field 10; and a description of the problem(s) that has/have caused the full claim file to be unusable will be reported in field 11.									

III. PROVIDER EDUCATION

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		FI	RHHI	Carrier	DMERC	Shared System Maintainers				Other
						FISS	MCS	VMS	CWF	
4277.7	None.	X	X	X	X					

IV. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions: N/A

X-Ref Requirement #	Instructions

B. Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

C. Interfaces: N/A

D. Contractor Financial Reporting /Workload Impact: N/A

E. Dependencies: N/A

F. Testing Considerations: N/A

V. SCHEDULE, CONTACTS, AND FUNDING

Effective Date*: July 1, 2006 **Implementation Date:** July 3, 2006 **Pre-Implementation Contact(s):** Brian Pabst (410) 786-2487; brian.pabst@cms.hhs.gov **Post-Implementation Contact(s):** Brian Pabst (410) 786-2487; brian.pabst@cms.hhs.gov	**No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2006 operating budgets.**

***Unless otherwise specified, the effective date is the date of service.**

Attachment A

ATTACHMENT A

The Institutional Error File Layout will be used for Part A claim files.

COBC Institutional Error File Layout				
Field	***Name***	***Size***	***Displacement***	***Description***
1.	Date	8	1-8	Date *Processed by the COBC* (CCYYMMDD)
2.	Control Number	9	9-17	Transaction Set Control Number (Record 100, Field 26, ST02)
3.	COBA-ID	10	18-27	Receiver ETIN (Record 100, Field 55, NM109)
4.	Subscriber ID/HICN	12	28-39	Other Subscriber HICN (Record 590, Field 9, NM109)
5.	Claim DCN/ICN	14	40-53	Other Subscriber Secondary ID (Record 590, Field 17, REF02)
6.	Record Number	9	54-62	Record Sequence number in dataset sent. **(NOTE:** Will only be returned for claims with "111" error source codes.)
7.	Record/Loop Identifier	6	63-68	Either Record Identifier (e.g., 100, 200, 300) or Loop Identifier (e.g., 1000A, 2010AA, 2300).
8.	Segment	3	69-71	Segment Name
9.	Element	2	72-73	Element Name
10.	Error Source Code	3	74-76	Numeric value to identify source of error (e.g., flat file, HIPAA ANSI level, or trading partner dispute). The possible Error Source Codes for HIPAA Institutional claims are: 111= flat file error; 222=HIPAA ANSI file error; 333=trading partner dispute.
11.	Error /Trading Partner Dispute Code	6	77-82	Alpha-numeric Error /Trading Partner Dispute Code
12.	Error Description	100	83-182	Detailed Reason for Rejection
13.	Field Contents	50	183-232	Field Contents for Element in

COBC Institutional Error File Layout				
Field	***Name***	***Size***	***Displacement***	***Description***
				Error
14.	BHT 03 Identifier	22	233-254	An identifier that contains contractor number, julian date, sequence number, Data Center ID, and COBA test/production indicator.
15.	*Total Number of Claims for Processing date*	*10*	*255-264*	*The total number of claims for the processing date indicated in field 1 above.*
16.	*Number of "111" Errors*	*10*	*265-274*	*The number of "111" errors received on the processing date indicated in field 1 above.*
17.	*Percentage of "111" Errors*	*3*	*275-277*	*The number of "111" errors divided by the total number of claims for the processing date indicated in field 1 above.*
18.	*Number of "222" Errors*	*10*	*278-287*	*The number of "222" errors received for claims with a processing date that is 1 day earlier than the date expressed in field 1 above.*
19.	*Percentage of "222" Errors*	*3*	*288-290*	*The number of "222" errors divided by the total number of claims for the processing date that is 1 day earlier than the date expressed in field 1 above.*
20.	*Number of "333" Errors*	*10*	*291-300*	*The number of "333" errors.*
21.	*Percentage of "333" Errors*	*3*	*301-303*	*The percentage of "333" errors reported.*

The Professional Error File Layout will be used for Part B and DMERC claim files.

COBC Professional Error File Layout				
Field	***Name***	***Size***	***Displacement***	***Description***
1.	Date	8	1-8	Date *Processed by the COBC* (CCYYMMDD)
2.	Control Number	9	9-17	Transaction Set Control Number ST Segment, ST02 element
3.	COBA-ID	10	18-27	Receiver ETIN; 1000B Loop, NM1 segment, NM109 element
4.	Subscriber ID/HICN	12	28-39	Other Subscriber HICN; 2010BA Loop, NM1 segment, NM109 element
5.	Claim DCN/ICN	14	40-53	Other Subscriber Secondary ID; 2330B Loop, REF segment, REF02 element with REF01 = F8–
6.	Record Sequence Number	9	54-62	Record Sequence number in dataset sent. **(NOTE:** Will only be returned for claims with "111" error source codes.)
7.	Loop Identifier	6	63-68	Loop Identifier (e.g., 1000A, 2010AA, 2300
8.	Segment	3	69-71	Segment Name
9.	Element	2	72-73	Element Name
10.	Error Source Code	3	74-76	Numeric value to identify source of error (e.g., flat file, HIPAA ANSI level, or trading partner dispute). The possible Error Source Codes for HIPAA Professional claims are: 111= flat file error; 222=HIPAA ANSI file error; 333=trading partner dispute.
11.	Error /Trading Partner Dispute Code	6	77-82	Alpha-numeric Error /Trading Partner Dispute Code
12.	Error Description	100	83-182	Detailed reason for rejection

COBC Professional Error File Layout				
Field	***Name***	***Size***	***Displacement***	***Description***
13.	Field Contents	50	183-232	Field contents for element in error
14.	BHT 03 Identifier	22	233-254	An identifier that contains contractor number, julian date, sequence number, Data Center ID, and COBA test/production indicator.
15.	*Total Number of Claims for Processing date*	*10*	*255-264*	*The total number of claims for the processing date indicated in field 1 above.*
16.	*Number of "111" Errors*	*10*	*265-274*	*The number of "111" errors received on the processing date indicated in field 1 above.*
17.	*Percentage of "111" Errors*	*3*	*275-277*	*The number of "111" errors divided by the total number of claims for the processing date indicated in field 1 above.*
18.	*Number of "222" Errors*	*10*	*278-287*	*The number of "222" errors received for claims with a processing date that is 1 day earlier than the date expressed in field 1 above.*
19.	*Percentage of "222" Errors*	*3*	*288-290*	*The number of "222" errors divided by the total number of claims for the processing date that is 1 day earlier than the date expressed in field 1 above.*
20.	*Number of "333" Errors*	*10*	*291-300*	*The number of "333" errors.*
21.	*Percentage of "333" Errors*	*3*	*301-303*	*The percentage of "333" errors reported.*

The NCPDP Error File Layout will be used for by DMERCs for Prescription Drug Claims.

COBC NCPDP Error Report Layout				
Field	***Name***	***Size***	***Displacement***	***Description***
1.	Date	8	1-8	Date *Processed by the COBC* (CCYYMMDD)
2.	Batch Number	7	9-15	Batch number from the Header Record
3.	COBA ID	5	16-20	5-digit COBA ID
4.	HICN	12	21-32	HICN (first 12 positions of the Patient ID field) in the G1/01 Record
5.	CCN	14	33-46	CCN from G1/00 record
6.	Record Sequence Number	9	47-55	Record Sequence Number in dataset sent. **(NOTE:** Will only be returned for claims with "111" error source codes.)
7.	Batch Record Type	2	56-57	Batch Record Type from Header Record
8.	Segment ID	2	58-59	Segment ID from Header Record
9.	Error Source Code	3	60-62	Numeric value to identify source of error (e.g., flat file or trading partner dispute). The possible Error Source Codes for NCPDP claims are: 111= flat file error; 333=trading partner dispute.
10.	Error/ Trading Partner Dispute Code	6	63-68	Alpha-numeric Error/Trading Partner Dispute Code. (**NOTE:** Will not include Claredi-Faciledi HIPAA ANSI error codes.)
11.	Error Description	100	69-168	Detailed reason for rejection
12.	Field Contents	50	169-218	Field contents for element in error
13.	Unique File Identifier	22	219-240	Equivalent of BHT03 identifier in HIPAA 837 layouts. Included in field 504-F4 (Message) of the

COBC NCPDP Error Report Layout				
Field	***Name***	***Size***	***Displacement***	***Description***
				NCPDP claim (field length=35).
14.	*Total Number of Claims for Processing date*	*10*	*241-250*	*The total number of claims for the processing date indicated in field 1 above.*
15.	*Number of "111" Errors*	*10*	*251-260*	*The number of "111" errors received on the processing date indicated in field 1 above.*
16.	*Percentage of "111" Errors*	*3*	*261-263*	*The number of "111" errors divided by the total number of claims for the processing date indicated in field 1 above.*
17.	*Number of "333" Errors*	*10*	*264-273*	*The number of "333" errors.*
18.	*Percentage of "333" Errors*	*3*	*274-276*	*The percentage of "333" errors reported.*
19.	*Filler*	*13*	*277-289*	*Reserved for future use.*

Medicare Claims Processing Manual
Chapter 28 - Coordination With Medigap, Medicaid, and Other Complementary Insurers

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(Rev. 837, 02-03-06.)

70.6.1 - Coordination of Benefits Agreement (COBA) Detailed Error Report Notification Process

(Rev. 836, Issued: 02-03-06; Effective: 07-01-06; Implementation: 07-03-06)

Effective with the July 2005 release, CMS will implement an automated process to notify physicians, suppliers, and providers that specific claims that were previously tagged by the Common Working File (CWF) for crossover will not be crossed over due to claim data errors. Claims transmitted via 837 flat file by the Medicare contractor systems to the COBC may be rejected at the flat file level, at an HIPAA ANSI pre-edit validation level, or by trading partners as part of a financial dispute arising from an invoice received. By contrast, claims transmitted via NCPDP file will be rejected only at the flat file and trading partner dispute levels. Effective with the April 2005 release, the contractor systems will have begun to populate the BHT 03 (Beginning of Hierarchical Reference Identification) portion of their 837 COB flat file submissions to the COBC with a unique 22-digit identifier. This unique identifier will enable the COBC to successfully tie a claim that is rejected by the COBC at the flat file or HIPAA ANSI pre-edit validation levels as well as claims disputed by trading partners back to the original 837 flat file submissions.

Effective with October 4, 2005, contractors or their shared systems will receive notification via the COBC Detailed Error Reports, whose file layout structures appear below, that a COBA trading partner is in test or production mode via the BHT 03 identifier that is returned from the COBC.

A. Inclusion of the Unique 22-Digit Identifier on the 837 Flat File and NCPDP File

1. Populating the BHT 03 Portion of the 837 Flat File

The contractor shared systems shall populate the BHT 03 (Beginning of Hierarchical Transaction Reference Identification; field length=30 bytes) portion of their 837 flat files that are sent to the COBC for crossover with a 22-digit Contractor Reference Identifier (CRI). The identifier shall be formatted as follows:

a. Contractor number (9-bytes; until the 9-digit contractor number is used, report the 5-digit contractor number, left-justified, with spaces for the remaining 4 positions);

b. Julian date as YYDDD (5 bytes);

c. Sequence number (5 bytes; this number begins with “00001,” so the sequence number should increment for each ST-SE envelope, which is specific to a trading partner, on a given julian date);

d. Data Center ID (2 bytes; a two-digit numeric value assigned by CMS; see Table below for specific value for each contractor Data Center); and

e. COBA Test/Production Indicator (1-byte alpha indicator; acceptable values=”T” [test] and “P” [production]).

The 22-digit CRI shall be left-justified in the BHT 03 segment of the 837 flat file, with spaces used for the remaining 8 positions. (**NOTE:** The CRI is unique inasmuch as no two files should ever contain the same combination of numbers.)

Data Center Name	**Data Center Identification Number for BHT 03 Field**
AdminaStar Federal	01
Alabama (Cahaba)	02
Arkansas BCBS	03
CIGNA	04
EDS/MCDC2 (Plano)	05
EDS/MCDC2 (Sacramento)	06
Empire Medicare Services	07
Florida BCBS	08
Highmark	09
IBM/MCDC1 (Southbury, CT)	10
Info Crossing	11
Medicare Northwest/Regence of Oregon	12
Mutual of Omaha	13
South Carolina BCBS (Palmetto GBA)	14
TrailBlazer Health Enterprises	15
Veritus Medicare Services	16

2. NCPDP 22-Digit Unique Identifier

The DMERC contractor system shall also adopt the unique 22-digit format, referenced directly above under "Populating the BHT 03 Portion of the 837 Flat File." However, the system shall populate the unique 22-digit identifier in field 504-F4 (Message) within the NCPDP file (field length=35 bytes). The DMERC contractor system shall populate the new identifier, left justified, in the field. Spaces shall be used for the remaining bytes in the field.

B. COBC Institutional, Professional, and NCPDP Detailed Error Reports

The contractor systems shall accept the COBC Institutional, Professional, and NCPDP Detailed Error Reports received from the COBC. The formats for each of the Detailed Error Reports appear below.

The Institutional Error File Layout will be used for Part A claim files.

Field	**Name**	**Size**	**Displacement**	**Description**
1.	Date	8	1-8	Date *Processed by the COBC* (CCYYMMDD)
2.	Control Number	9	9-17	Transaction Set Control Number

Field	Name	Size	Displacement	Description
				(Record 100, Field 26, ST02)
3.	COBA-ID	10	18-27	Receiver ETIN (Record 100, Field 55, NM109)
4.	Subscriber ID/HICN	12	28-39	Other Subscriber HICN (Record 590, Field 9, NM109)
5.	Claim DCN/ICN	14	40-53	Other Subscriber Secondary ID (Record 590, Field 17, REF02)
6.	Record Number	9	54-62	Record Sequence number in dataset sent. (NOTE: Will only be returned for claims with "111" error source codes.)
7.	Record/Loop Identifier	6	63-68	Either Record Identifier (e.g., 100, 200, 300) or Loop Identifier (e.g., 1000A, 2010AA, 2300), left-justified.
8.	Segment	3	69-71	Segment Name
9.	Element	2	72-73	Element Name
10.	Error Source Code	3	74-76	Numeric value to identify source of error (e.g., flat file, HIPAA ANSI level, or trading partner dispute). The possible Error Source Codes for HIPAA Institutional claims are: 111= flat file error; 222=HIPAA ANSI file error; 333=trading partner dispute.
11.	Error /Trading Partner Dispute Code	6	77-82	Alpha-numeric Error /Trading Partner Dispute Code
12.	Error Description	100	83-182	Detailed Reason for Rejection
13.	Field Contents	50	183-232	Field Contents for Element in Error
14.	BHT 03 Identifier	22	233-254	An identifier that contains contractor number, julian date, sequence number, Data Center ID, and COBA test/production indicator.

Field	Name	Size	Displacement	Description
15.	*Total Number of Claims for Processing date*	*10*	*255-264*	*The total number of claims for the processing date indicated in field 1 above.*
16.	*Number of "111" Errors*	*10*	*265-274*	*The number of "111" errors received on the processing date indicated in field 1 above. (When all bytes are not used, the number reported will be right-justified and prefixed with zeroes.)*
17.	*Percentage of "111" Errors*	*3*	*275-277*	*The number of "111" errors divided by the total number of claims for the processing date indicated in field 1 above. (**NOTE**: Expressed as "010" when the value is 10 percent and as "005" when the value is 5 percent.)*
18.	*Number of "222" Errors*	*10*	*278-287*	*The number of "222" errors received for claims with a processing date that is 1 day earlier than the date expressed in field 1 above. (When all bytes are not used, the number reported will be right-justified and prefixed with zeroes.)*
19.	*Percentage of "222" Errors*	*3*	*288-290*	*The number of "222" errors divided by the total number of claims for the processing date that is 1 day earlier than the date expressed in field 1 above. (**NOTE**: Expressed as "010" when the value is 10 percent and as "005" when the value is 5 percent.)*
20.	*Number of "333" Errors*	*10*	*291-300*	*The number of "333" errors with various receipt dates. (When all bytes are not used, the number reported will be right-*

Field	**Name**	**Size**	**Displacement**	**Description**
				justified and prefixed with zeroes.)
21.	*Percentage of "333" Errors*	*3*	*301-303*	*The percentage of "333" errors reported. (Note: Expressed as "010" when the value is 10 percent and as "005" when the value is 5 percent.)*

The Professional Error File Layout will be used for Part B and DMERC claim files.

Field	Name	Size	Displacement	Description
1.	Date	8	1-8	Date *Processed by the COBC* (CCYYMMDD)
2.	Control Number	9	9-17	Transaction Set Control Number ST Segment, ST02 element
3.	COBA-ID	10	18-27	Receiver ETIN; 1000B Loop, NM1 segment, NM109 element
4.	Subscriber ID/HICN	12	28-39	Other Subscriber HICN; 2010BA Loop, NM1 segment, NM109 element
5.	Claim DCN/ICN	14	40-53	Other Subscriber Secondary ID; 2330B Loop, REF segment, REF02 element with REF01 = F8–
6.	Record Sequence Number	9	54-62	Record Sequence number in dataset sent. (NOTE: Will only be returned for claims with "111" error source codes.)
7.	Loop Identifier	6	63-68	Loop Identifier (e.g., 1000A, 2010AA, 2300), left-justified
8.	Segment	3	69-71	Segment Name
9.	Element	2	72-73	Element Name
10.	Error Source Code	3	74-76	Numeric value to identify source of error (e.g., flat file, HIPAA ANSI level, or trading partner dispute). The possible Error Source Codes for HIPAA Professional claims are: 111= flat file error; 222=HIPAA ANSI file error; 333=trading partner dispute.
11.	Error /Trading Partner Dispute Code	6	77-82	Alpha-numeric Error /Trading Partner Dispute Code
12.	Error Description	100	83-182	Detailed reason for rejection
13.	Field Contents	50	183-232	Field contents for element in

Field	Name	Size	Displacement	Description
				error
14.	BHT 03 Identifier	22	233-254	An identifier that contains contractor number, julian date, sequence number, Data Center ID, and COBA test/production indicator.
15.	*Total Number of Claims for Processing date*	*10*	*255-264*	*The total number of claims for the processing date indicated in field 1 above.*
16.	*Number of "111" Errors*	*10*	*265-274*	*The number of "111" errors received on the processing date indicated in field 1 above. (When all bytes are not used, the number reported will be right-justified and prefixed with zeroes.)*
17.	*Percentage of "111" Errors*	*3*	*275-277*	*The number of "111" errors divided by the total number of claims for the processing date indicated in field 1 above. (**NOTE**: Expressed as "010" when the value is 10 percent and as "005" when the value is 5 percent.)*
18.	*Number of "222" Errors*	*10*	*278-287*	*The number of "222" errors received for claims with a processing date that is 1 day earlier than the date expressed in field 1 above. (When all bytes are not used, the number reported will be right-justified and prefixed with zeroes.)*
19.	*Percentage of "222" Errors*	*3*	*288-290*	*The number of "222" errors divided by the total number of claims for the processing date that is 1 day earlier than the date expressed in field 1 above. (Note: Expressed as "010"*

Field	Name	Size	Displacement	Description
				when the value is 10 percent and as "005" when the value is 5 percent.)
20.	*Number of "333" Errors*	*10*	*291-300*	*The number of "333" errors with various receipt dates. (When all bytes are not used, the number reported will be right-justified and prefixed with zeroes.)*
21.	*Percentage of "333" Errors*	*3*	*301-303*	*The percentage of "333" errors reported. (Note: Expressed as "010" when the value is 10 percent and as "005" when the value is 5 percent.)*

The NCPDP Error File Layout will be used for by DMERC Contractors for Prescription Drug Claims

Field	Name	Size	Displacement	Description
1.	Date	8	1-8	Date *Processed by the COBC* (CCYYMMDD)
2.	Batch Number	7	9-15	Batch number from the Header Record
3.	COBA ID	5	16-20	5-digit COBA ID.
4.	HICN	12	21-32	HICN (first 12 positions of the Patient ID field) in the G1/01 Record
5.	CCN	14	33-46	CCN from G1/00 record
6.	Record Sequence Number	9	47-55	Record Sequence Number in dataset sent. (NOTE: Will only be returned for claims with "111" error source codes.)
7.	Batch Record Type	2	56-57	Batch Record Type from Header Record

Field	Name	Size	Displacement	Description
8.	Segment ID	2	58-59	Segment ID from Header Record
9.	Error Source Code	3	60-62	Numeric value to identify source of error (e.g., flat file or trading partner dispute). The possible Error Source Codes for NCPDP claims are: 111= flat file error; 333=trading partner dispute.
10.	Error/ Trading Partner Dispute Code	6	63-68	Alpha-numeric Error/Trading Partner Dispute Code. (NOTE: Will not include Claredi-Faciledi HIPAA ANSI error codes.)
11.	Error Description	100	69-168	Detailed reason for rejection
12.	Field Contents	50	169-218	Field contents for element in error
13.	Unique File Identifier	22	219-240	Equivalent to the BHT03 identifier used for the HIPAA 837 COB formats. Included in field 504-F4 (Message) of the NCPDP claim (field length=35)
14.	*Total Number of Claims for Processing date*	*10*	*241-250*	*The total number of claims for the processing date indicated in field 1 above.*
15.	*Number of "111" Errors*	*10*	*251-260*	*The number of "111" errors received on the processing date indicated in field 1 above. (When all bytes are not used, the number reported will be right-justified and prefixed with zeroes.)*
16.	*Percentage of "111" Errors*	*3*	*261-263*	*The number of "111" errors divided by the total number of claims for the processing date indicated in field 1 above. (Note: Expressed as "010" when the value is 10 percent and as "005" when the value is 5 percent.)*

Field	Name	Size	Displacement	Description
17.	*Number of "333" Errors*	*10*	*264-273*	*The number of "333" errors.*
18.	*Percentage of "333" Errors*	*3*	*274-276*	*The percentage of "333" errors reported.*
19.	*Filler*	*13*	*277-289*	*Reserved for future use.*

If a claim is rejected back to the contractor system for 2 or more COBA Identification Numbers (IDs), the contractor system shall receive a separate error record for each COBA ID. Also, if a file submission from a contractor system to the COBC contains multiple provider, subscriber, or patient level errors for one COBA ID, the system will receive a separate error record for each provider, subscriber, or patient portion of the file on which errors were found.

C. Further Requirements of the COBA Detailed Error Report Notification Process

1. Error Source Code

Contractors, or their shared systems, shall use all information supplied in the COBC Detailed Error Report (particularly error source codes provided in Field 10 of Attachment B) to (1) identify shared system changes necessary to prevent future errors in test mode or production mode (Test/Production Indicator=T or P) and (2) to notify physicians, suppliers, and providers that claims with the error source codes "111," "222," and "333" will not be crossed over to the COBA trading partner.

The DMERC contractors, or their shared system, will only receive error source codes for a flat file error ("111") and for a trading partner dispute ("333"). Both error types shall be used to identify shared system changes necessary to prevent future errors and notify physicians, suppliers, and providers that claims with error source codes of "111" and "333" will not be crossed over to the COBA trading partner.

2. Time frames for Notification of Contractor Financial Management Staff and Providers

Contractors, or their shared systems, shall provide notification to contractor financial management staff for purposes of maintaining an effective reconciliation of crossover fee/ complementary credit accruals within five (5) business days of receipt of the COBC Detailed Error Report.

Effective with the October 2005 release, contractors and their shared systems shall receive COBC Detailed Error Reports that contain BHT03 identifiers that indicate "T" (test) or "P" (production) status for purposes of fulfilling the provider notification requirements. (Note: The "T" or the P" portion of the BHT03 indicator will be identical to the Test/Production indicator originally returned from CWF on the processed claim.)

Special Automated Provider Correspondence

Contractors, or their shared systems, shall also take the following actions indicated below only when they determine via the Beneficiary Other Insurance (BOI) reply trailer (29) that a COBA trading partner is in crossover production mode with the COBC (Test/Production Indicator=P). After a contractor, or its shared system, has received a COBC Detailed Error Report that contains claims with error source codes of "111" (flat file error) "222" (HIPAA ANSI error), or "333" (trading partner dispute), it shall take the following actions within five (5) business days:

1. Notify the physician, supplier, or provider via automated letter from your internal correspondence system that the claim did not cross over. The letter shall include specific claim information, not limited to, Internal Control Number (ICN)/Document Control Number (DCN), Health Insurance Claim (HIC) number, Medical Record Number (for Part A only), Patient Control Number (only if it is contained in the claim), beneficiary name, date of service, and the date claim was processed. In addition, the letter shall contain the following message: "The above claim(s) was/were not crossed over to the patient's supplemental insurer due to claim data errors." NOTE: Contractors, or their shared systems, are not required to reference the COBA trading partner's name on the above described automated letter, since the original remittance advice (RA)/electronic remittance advice (ERA) would have listed that information, if appropriate.
2. Update its claims history to reflect that the claim(s) did not cross over as a result of the generation of the automated letter.

70.6.2 – Coordination of Benefits Agreement (COBA) Full Claim File Repair Process

(Rev. 836, Issued: 02-03-06; Effective: 07-01-06; Implementation: 07-03-06)

Effective with the July 2006 release, CMS will implement a full claim file repair process at its Medicare contractors to address situations where one or more of the contractor shared systems inadvertently introduced a severe error condition into the claims processing cycle, with the effect being that the Health Insurance Portability and Accountability Act (HIPAA) American National Standards Institute (ANSI) X12-N 837 Coordination of Benefits (COB) Institutional and Professional crossover claims files or National Council for Prescription Drug Programs (NCPDP) claim files become unusable for COB purposes.

When a Medicare contractor, the COBC, or a COBA trading partner identifies a shared system problem that will prevent, or has prevented, the COBA trading partner from accepting a HIPAA ANSI X12-N 837 COB Institutional and Professional claims file from the COBC, the Medicare contractor shall work with its shared system maintainer to assess the feasibility of executing a full claim file repair. Contractors shall utilize the COBC Detailed Error Reports to determine the percentage of errors present for each error source code—"111" (flat file) errors, "222" (HIPAA ANSI X12-N 837 COB) errors, and "333" (trading partner dispute) errors. When the contractors or their shared

system maintainers determine that the error percentages are at or above the parameters discussed later within this section, the contractors shall begin the process of analyzing the claim files for a possible full claim repair process. If the Medicare contractors and their shared systems subsequently initiate a full claim file repair process, that process shall be accomplished within a maximum of 14 work days, unless determined otherwise by CMS.

1. Medicare Contractor or Shared System Identification of a Full Claim File Problem and Subsequent Actions

When a contractor, working with its shared system maintainer, identifies a severe error condition that will negatively impact the claims that it has transmitted to the COBC, the contractor shall, upon detection, immediately notify CMS and the COBC by calling current COBC or CMS COBA crossover contacts and sending e-mail communications to: COBAProcess@cms.hhs.gov and cobva@ghimedicare.com.

The contractor shall work closely with its system maintainer to determine the timeframes for developing, testing, and applying a fix to correct the severe error(s) that was/were identified within the 837 or NCPDP files that were previously transmitted to the COBC. The Part A, Part B, or DMERC shared system maintainers shall then report the timeframes for developing, testing, and applying a fix to the full claim file problem in accordance with their procedures as outlined in their systems maintenance contract. If CMS determines that the timeframes for affecting a full claim file repair of the previously transmitted claims exceed what is considered reasonable (a maximum of 14 work days, unless determined otherwise by CMS), a designated COBA team representative will notify the Medicare contractors and their shared system maintainers via e-mail to abort the full claim file repair process.

Upon receipt of a notification from the CMS COBA team representative that indicates that the timeframes for fixing a full claim file problem exceed those that are acceptable to CMS, the contractors' shared systems shall abort the full claim file repair process. Contractors shall then follow the requirements provided in §70.6.1 of this chapter with respect to the special provider notification and other COBA crossover operational processes. In such cases, however, contractors shall not be required to wait the customary five (5) business days before generating the special provider notification letters to their affected physicians, suppliers, or other providers of service.

2. Alerting Contractors to the Possible Need for a Full Claim File Repair via the COBC Detailed Error Reports and Subsequent Contractor Actions

a. Severe Error Percentage Parameters and Suppression of the Special Provider Notification Letters

Effective with July 2006, the CMS, working in conjunction with the COBC, shall modify the COBC Detailed Error Report layouts, as found in §70.6.1 of this chapter, to include the following new elements: Total Number of Claims for Date of Receipt; Total Number of "111" (flat file) Errors and corresponding percentage; Total Number of "222" (HIPAA ANSI X12-N 837 COB) Errors and corresponding percentage; and Total Number of "333" (trading partner dispute) Errors and corresponding percentage.

*When a contractor or its shared system maintainer receives a COBC Detailed Error Report that indicates that the trading partner is in production and the percentage of "111" (flat file) errors is equal to or greater than one (1) percent, the contractor's shared system shall suppress the generation of special provider notifications, as provided in § 70.6.1 of this chapter, until after the severe error condition(s) has/have been analyzed. (**NOTE:** If the "222" and/or "333" errors indicated on the COBC Detailed Error Report do **not** exceed the four (4) percent parameter, then the contractor shall continue with the generation of the provider notification letters for those errors while it is analyzing the "111" severe error(s).*

*When a contractor or its shared system maintainer receives a COBC Detailed Error Report that indicates that the trading partner is in production and the percentage of "222" (HIPAA ANSI X12-N 837) errors and "333" (trading partner dispute) errors is equal to or greater than four (4) percent, the contractor's shared system shall suppress the generation of special provider notifications, as provided in § 70.6.1 of this chapter, until after the severe error condition(s) has/have been analyzed. (**NOTE:** If the "111" errors indicated on the COBC Detailed Error Report do **not** exceed the one (1) percent parameter, then the contractor shall continue with the generation of the provider notification letters for those errors while it is analyzing the "222" and "333" severe errors.*

For each of the severe error situations discussed above, contractors, or their shared systems, shall suppress the special provider notification for a minimum of five (5) business days. However, the contractors' shared systems shall also have the capability to adjust the parameters for generation of the provider notification letters, as referenced in §70.6.1 of this chapter, of up to 14 work days while analysis of the claims that are being "held" for possible full claim file repair is proceeding.

Also, for each of the situations discussed above, the contractors' shared systems shall establish percentage parameters for each error source code (111, 222, and 333) that allow for flexibility within a range (e.g., 1 to 10 percent).

b. Additional Information Highlighting Possible Severe Error Conditions on the COBC Detailed Error Reports.

Effective with July 2006, the COBC will report one of the following error sources and error codes/trading partner dispute codes that may be indicative of a severe error condition on the returned COBC Institutional and Professional Detailed Error Reports:

1) *Error source code "111" will be reported in field 10, along with a 6-digit error code in field 11 (note: unlike routine reporting of flat file errors, a full claim file error condition would be indicated if there were numerous instances of the same error code repeated throughout a Report); the description of the problem(s) that has/have caused the*

full claim file to be unusable will be reported in field 12 (error description);

2) *Error source code "222" will be reported in field 10, along with a 6-digit error code in field 11 that begins with an "N"; the description of the problem(s) that has/have caused the full claim file to be unusable will be reported in field 12 (error description);*

3) *Error source code "333" will be reported in field 10; an error/trading partner dispute code "999" (trading partner dispute—"other") will be reported in field 11, left-justified and followed by spaces; and a description of the problem(s) that has/have caused the full claim file to be unusable will be reported in field 12 (error description).*

DMERC contractors and their shared systems shall process NCPDP Detailed Error Reports returned from the COBC that contain the following combination of error source codes, error/trading partner dispute codes, and error descriptions within the Reports:

1) *Error source code "111" will be reported in field 9, along with a 6-digit error code in field 10 (note: unlike routine reporting of flat file errors, a full claim file error condition would be indicated if there were numerous instances of the same error code repeated throughout a Report); and a description of the problem(s) that has/have caused the full claim file to be unusable will be reported in field 11;* ***or***

2) *Error source code "333" will be reported in field 9; an error/trading partner dispute code "999" will be reported in field 10, left-justified and followed by spaces; and a description of the problem(s) that has/have caused the full claim file to be unusable will be reported in field 11 (error description).*

C. Contractor Actions Following Suppression of the Special Provider Notification Letters to Analyze Possible Severe Error Conditions

When contractors receive COBC Detailed Error Reports that contain "111," "222," or "333" errors with percentages that are at or above the established parameters, they shall work closely with their system maintainers to determine the timeframes for developing, testing, and applying a fix to correct the severe error(s) that was/were identified within the 837 or NCPDP files that were previously transmitted to the COBC. The Part A, Part B, or DMERC shared system maintainers shall then report the timeframes for developing, testing, and applying a fix to the full claim file problem in accordance with their procedures as outlined in their systems maintenance contract. If CMS determines that the timeframes for affecting a full claim file repair of the previously transmitted claims exceed what is considered reasonable (a maximum of 14 work days, unless determined otherwise by CMS), a designated COBA team representative will notify the Medicare

contractors and their shared system maintainers via e-mail to abort the full claim file repair process.

Upon receipt of a notification from the CMS COBA team representative that indicates that the timeframes for fixing a full claim file problem exceed those that are acceptable to CMS, the contractors' shared systems shall abort the full claim file repair process. Contractors shall then follow the requirements provided in §70.6.1 of this chapter with respect to the special provider notification and other COBA crossover operational processes. In such cases, however, contractors shall not be required to wait the customary five (5) business days before generating the special provider notification letters to their affected physicians, suppliers, or other providers of service.

In the event that CMS indicates that a full claim file repair process is feasible, the contractors' shared systems shall have the ability to cancel the generation of the provider notification letters, as stipulated in §70.6.1 of this chapter, for the "repaired" claims ***and*** *only generate the provider notification letters for the claims containing legitimate 111, 222, or 333 errors not connected with the severe error condition(s).*

3. Steps for Ensuring that Only "Repaired" Claims are Re-transmitted to the COBC

Once the contractors' shared systems have determined that they are able to affect a "timely" repair to the full claim files that were previously transmitted to the COBC, they shall take the following actions:

a) *Apply the fix to the unusable claims;*

b) *Compare the claims files previously sent to the COBC with the repaired claims file to isolate the claims that previously did* ***not*** *contain the error condition(s);*

c) *Strip off the claims that did not contain the error condition(s), including claims that contained 111, 222, and 333 errors that were not connected with the severe error condition(s). For the latter set of claims (those with 111, 222, and 333 errors that were* ***not*** *connected to the severe error condition), contractors shall then generate the provider notification letters, as stipulated in §70.6.1 of this chapter and specified in the concluding paragraph of the above sub-section entitled, "Contractor Actions Following Suppression of the Special Provider Notification Letters to Analyze Possible Severe Error Conditions";*

d) *Recreate the job; and*

e) *Send only the "repaired" claims to the COBC.*

Contractors' shared systems shall add an indicator"18" to the BHT02 (Beginning of the Hierarchical Transaction/Transaction Set Purpose Code) segment of the HIPAA 837 flat file to designate that the file contains only repaired claims. In addition, the contractor

systems shall include the repaired claims in different ST-SE envelopes to differentiate the repaired claims from normal 837 flat file transmissions.

The DMERC contractor system shall add an indicator "R" after the COBA ID reported in the Batch Header Record in the Receiver ID field (field number 880-K7) of the NCPDP claim when transmitting the repaired claims to the COBC.