

CMS Manual System

Department of Health & Human Services

Pub 100-05 Medicare Secondary Payer

Centers for Medicare & Medicaid Services

Transmittal 33

Date: AUGUST 12, 2005

Change Request 3768

NOTE: Transmittal 28, dated April 8, 2005 is rescinded and replaced with Transmittal 33, dated August 12, 2005. There were changes to the address in section 10.4 of the manual. All other information remains the same.

SUBJECT: Working Aged Exception for Small Employers in Multi-Employer Group Health Plans (GHPs)

I. SUMMARY OF CHANGES: Effective with these instruction, the Coordination of Benefits Contractor (COBC) will process requests for working aged Small Employer Exceptions. These instructions explain regulations to obtain exceptions and provides a model letter for contractors to submit any inquiries or requests.

NEW/REVISED MATERIAL :

EFFECTIVE DATE : May 20, 2005

IMPLEMENTATION DATE : May 20, 2005

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	2/10/10.4/Working Aged Exception for Small Employers in Multi-Employer Group Health Plans (GHPs)

III. FUNDING:

Medicare contractors shall implement these instructions within their current operating budgets.

IV. ATTACHMENTS:

Business Requirements

Manual Instruction

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

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
F I S S	M C S					V M S	C W F			
3768.1	All inquiries and requests submitted directly to contractors shall be forwarded, with all accompanying documentation, to the COBC for further action.	X	X	X	X					
3768.2	Upon forwarding of requests and inquiries with accompanying documentation, contractors shall issue the PC generated model interim reply letter.	X	X	X	X					

III. PROVIDER EDUCATION

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
F I S S	M C S					V M S	C W F			
	None.									

IV. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions: none

X-Ref Requirement #	Instructions

3768.1	Existing demands shall remain and collections pursued.
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B. Design Considerations: none

X-Ref Requirement #	Recommendation for Medicare System Requirements

C. Interfaces: None

D. Contractor Financial Reporting /Workload Impact: None

E. Dependencies: None

F. Testing Considerations: None

V. SCHEDULE, CONTACTS, AND FUNDING

Effective Date*: May 20, 2005 Implementation Date: May 20, 2005 Pre-Implementation Contact(s): Tina Merritt Post-Implementation Contact(s): Tina Merritt	Medicare contractors shall implement these instructions within their current operating budgets.
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Medicare Secondary Payer (MSP) Manual

Chapter 2 - MSP Provisions

10.4 – Working Aged Exception for Small Employers in Multi-Employer Group Health Plans (GHPs)

(Rev. 33, Issued: 08-12-05; Effective/Implementation: 05-20-05)

A multi-employer GHP having at least one employer participating that has at least one employer with 20 or more employees may **prospectively** request to except employees (and their spouses) of identified employers with fewer than 20 employees from the working aged provision. Such members and their spouses are not subject to the working aged provision once an exception has been granted as long as the employer continues to meet the requirements for the exception.

Be advised that it is the GHP's responsibility to provide written updates of any information that may affect the original exception request (updates should include identification of any employees not previously identified as well as information on any terminated coverage issues, etc.) to the COBC as soon as any changes take place. Updates must be submitted in writing.

If a Small Employer Exception inquiry or request is submitted directly to an FI, Carrier, or DMERC, it shall be forwarded to the COBC within 14 calendar days of receipt (this includes the previously specified documentation). The contractor shall simultaneously issue the PC generated model interim response shown in Exhibit A. Additionally, if the contractor receives an inquiry or request via telephone, the contractor shall inform the caller that the COBC is responsible for addressing such issues. The contractor will then direct the caller to submit the inquiry or request in writing to the COBC.

Exhibit A

[Insert: DATE]

[Insert: Name of Individual/Entity Who Made the Inquiry]

[Insert: Street Address]

[Insert: City, State, Zip]

Re: Procedures for Excepting Small Employers Participating in a Multi-employer Plan for the Working Aged

[Insert: Name of employer and/or GHP if included in the inquiry]

Dear (Sir/Madame)

Thank you for your inquiry on the multi-employer exception to the Medicare Secondary Payer provisions for the working aged employers with less than 20 employees. In order for your inquiry to be appropriately addressed, it will be forwarded to the Coordination of Benefits Contractor (COBC). After reviewing your inquiry, the COBC will respond accordingly.

Please be advised that it is the GHP's responsibility to provide written updates of any information that may affect/change the original exception request. Updates include identification of any employees not previously identified as well as information on any terminated coverage issues, etc. This information must be submitted to the COBC as soon as any change takes place. Updates must be submitted in writing directly to the COBC at the address provided below.

*Medicare Coordination of Benefits
Attn: Small Employer Exception Request
P.O. Box 125
New York, NY 10274-0125*

If you have any questions concerning this letter, please call the COBC at 1-800-999-1118.

Sincerely,