

COB Fact Sheets: MSP Claims Investigation Fact Sheet for Providers

The Coordination of Benefits Contractor (COBC) initiates a Medicare Secondary Payer (MSP) investigation when it learns that a beneficiary has other insurance. The purpose of this investigation is to determine whether Medicare or the other insurance has primary responsibility for meeting the beneficiary's health care costs. This process involves developing additional information related to the beneficiary's health benefit coverage and resolving any conflicts in the information to ensure Medicare pays only what it is obligated to pay.

The goal of these MSP information-gathering activities is to identify MSP situations rapidly, thus ensuring correct primary and secondary payments by the responsible parties. Providers, physicians, and other suppliers benefit from these activities because the total payments received for services provided to Medicare beneficiaries are greater when Medicare is a secondary payer to a group health plan (GHP) than when Medicare is the primary payer.

MSP Claims Investigation

Trauma Development

Trauma/injury diagnosis codes submitted on a Medicare claim or information received will alert the COBC that an accident or traumatic injury may have occurred, and the possibility of an MSP situation warrants development. This process is known as **Trauma Development (TD)**.

In situations where the medical services are related to a workers' compensation injury, automobile accident, or other liability, another payer has the primary responsibility for payment of medical claims related to the injury. When the possibility of a liability situation arises to the extent that payment has been made or can reasonably be expected to be made by another liable party, and the Medicare claim submitted does not contain pertinent information about the other payer, a development questionnaire is issued. Payment may not be made under Medicare when payment has been made or can reasonably be expected to be made promptly (120 days) for covered items or services under any no-fault insurance (including a self-insured plan). Medicare is secondary to no-fault insurance even if state law or a private contract of insurance stipulates that its benefits are secondary to Medicare benefits or otherwise limits its payments to Medicare beneficiaries. If Medicare payments have been made but should not have been, or if the payments were made on a conditional basis, they are subject to recovery. If an MSP liability situation is identified after the Medicare claim is paid primary, you may be required to reimburse Medicare. The claim may be reprocessed or adjusted to reflect Medicare as the secondary payer.

A properly filed claim prevents the need for follow-up development and expedites the payment process. In these situations, it is important to include the date of incident and the insurance carrier's name, address, and policy number on the Medicare claim.

The Provider's Role in Data Gathering

Prior to billing Medicare, providers must ensure that they are billing the correct primary payer. A few minutes during each visit can later save time and money. When collecting this data, the provider must indicate if the health care coverage is due to retirement and a supplemental policy.

A sample of the kind of questions a provider should ask are listed below:

- Does the patient have any group health plan (GHP) coverage based upon his/her current employment? (Medigap coverage should not be indicated.)
- Does the patient have any GHP coverage based upon his/her former employment?
- How many employees, including the patient, work for the employer from whom the patient has health insurance?
- Does the patient have any GHP coverage based upon his/her spouse's or another family member's current employment?
- Does the patient have any GHP coverage based upon his/her spouse's or another family member's former employment?
- How many employees, including the patient's spouse or other family members, work for the employer from whom the patient has health insurance?
- Is the patient receiving Black Lung benefits?
- Is the patient receiving workers' compensation benefits?
- Is the patient receiving treatment for an injury or illness for which another party could be held liable or is covered under automobile no-fault insurance?

The answers to these questions will assist you with completing a beneficiary's claim and submitting it to the correct primary payer. It is important that the questionnaire be completed in its entirety and in the exact format of the questionnaire.

Contacting the COBC

Questions regarding the First Claim Development process and all other MSP Claims Investigation processes should be directed to the COBC. Please call the COBC's Customer Service Department toll-free at 1-800-999-1118 or TTY/TDD: 1-800-318-8782 for the hearing and speech impaired. Customer Service Representatives are available to assist you from 8 a.m. to 8 p.m., Monday through Friday, Eastern Time, except holidays. Providers must identify themselves by supplying the representative with a valid UPIN, OSCAR, or NSC number. This ensures the privacy of the beneficiary's information. The mailing address for written inquiries is indicated below. Please visit the COBC's Web site at <http://cms.hhs.gov/medicare/cob> for more information regarding the COBC and the MSP Claims Investigation Project.

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