

# MEDICARE PART A BULLETIN

September 25, 1997

General Medicare Bulletin G-301

TO: All Medicare Providers

FROM: Provider Relations

SUBJECT: **EXTENSION OF THE LIMITATION ON PAYMENT FOR SERVICES TO INDIVIDUALS ENTITLED TO BENEFITS ON THE BASIS OF END STAGE RENAL DISEASE (ESRD) WHO ARE COVERED BY GROUP HEALTH PLANS (GHP)**

**ATTENTION MEDICARE BUSINESS OFFICE MANAGER:** Please distribute to all appropriate health care facility personnel.

Prior to enactment to the Balanced Budget Act (BBA) of 1997, Medicare benefits were secondary to benefits payable under a GHP in the case of individuals entitled to benefits on the basis of ESRD during an 18-month coordination period. The coordination period begins with the first month the individual is eligible for Medicare, whether or not the individual is actually entitled or enrolled. Medicare is secondary during this period even though the employer policy or plan contains a provision stating that its benefits are secondary to Medicare, or otherwise excludes or limits its payments to Medicare beneficiaries.

Under this provision, the GHP must be billed first for services provided to a Medicare ESRD beneficiary. If the GHP does not pay for covered services in full, Medicare may pay secondary benefits. This provision applies to all Medicare covered items and services (not just treatment of ESRD) furnished to beneficiaries who are in the coordination period.

Section 4631(b) of the BBA of 1997 permanently extends the coordination period to 30 months for any individual whose coordination period began on or after March 1, 1996. Therefore, individuals who have not completed an 18-month coordination period by July 31, 1997, will have a 30 month coordination period under the new law. Claims will be denied for primary payment that are submitted for applicable individuals during the 30-month coordination period. This provision does not apply to individuals who would reach the 18-month point on or before July 31, 1997. These individuals would continue to have an 18-month coordination period. Claims submitted for ESRD beneficiaries requesting primary payment from Medicare during the coordination period will be denied

## EXAMPLE

GROUP HEALTH PLANS ENTITLEMENT	OLD 18-MONTH COORDINATION PERIOD	NEW 30-MONTH COORDINATION PERIOD
March 1, 1996	July 1, 1997	N/A
April 1, 1996	August 1, 1997	August 1, 1998

## **DENIAL MESSAGES**

Claims submitted with Medicare as the primary payer for ESRD beneficiaries during the coordination period, will be denied using the following existing messages:

- Medicare Summary Notice (MSN):

“Our records show that Medicare is your secondary payer. This claim must be sent to your primary insurer first. We have asked your provider to resubmit the claim with the missing or correct information.”

Remittance Advice:

“Our records indicate that there is insurance primary to Medicare; however, you did not complete or enter accurately the required information.”

The following special informational message will be placed in the optional information block at the beginning of all paper remittances:

“The coordination period for ESRD beneficiaries was extended from 18 months to 30 months by the Balanced Budget Act of 1997, effective for coordination periods that began March 1, 1996, or later.”

Any questions regarding this bulletin may be addressed to the Medicare Part A Customer Service Department by calling (904) 355-8899.