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Guidance for Part A Providers Switching to Electronic Remittance Advices (ERAs)

Note: This article was revised to contain Web addresses that conform to the new CMS web site and to show they are now MLN Matters articles. All other information remains the same.

Provider Types Affected

Providers who bill Fiscal Intermediaries (FIs).

Provider Action Needed

This Special Edition reminds providers that FIs are prohibited from sending providers Standard Paper Remittance (SPR) Advices if the providers have switched to receiving electronic remittance advices (ERAs). This is effective the 31st day after providers switch to the ERAs.

Background

The Centers for Medicare & Medicaid Services (CMS) issued the Medicare Part A Implementation Guide 4A.01 for the ANSI ASC X12 835 Version 003051 Electronic Remittance Advice as a tool to provide assistance in the development and execution of the electronic transfer of remittance advice data and/or payment. The purpose of implementing the electronic RA is to expedite the goal of achieving a totally paperless claims processing and payment system.

The *Medicare Claims Processing Manual, Publication 100-4, Chapter 22, Section 40.1*, states that FIs can allow providers to receive a hard copy remittance in addition to the ERAs during the first 30 days of receiving the ERAs and during other testing. After that time, FIs cannot send an SPR to providers in addition to the electronic transmission. This same requirement was included in the Medicare Intermediary Manual, the predecessor of the current manual, for more than five years.

CMS recently issued a memorandum to its FIs when it came to their attention that FIs were not adhering to these requirements. The memorandum states that by January 1, 2005, FIs must terminate the issuance of SPRs to those providers (or billing agents, clearinghouses, or other entities representing providers) currently receiving ERAs and begin enforcing the termination of SPRs effective with the 31st day after providers switch to the ERA.

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Additional Information

For more information on ERAs, refer to the Medicare Electronic Billing & EDI web page at http://www.cms.hhs.gov/ElectronicBillingEDITrans/11_Remittance.asp#TopOfPage on the CMS web site.

You may also refer to Chapter 22 of the *Medicare Claims Processing Manual, Publication 100-4*, which can be found at <http://www.cms.hhs.gov/manuals/downloads/clm104c22.pdf> on the CMS web site.

If you have any questions regarding this issue, you may also contact your FI at their toll free number, which is available at <http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.pdf> on the CMS web site.

To speak to your FI's contact regarding a switch to ERAs, contact your FI's Electronic Data Interchange coordinator. Their phone number may be found at the Electronic Billing and EDI transactions web page at http://www.cms.hhs.gov/ElectronicBillingEDITrans/01_Overview.asp#TopOfPage on the CMS web site.

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