
Medicare

Carriers Manual

Part 3 - Claims Process

Department of Health &
Human Services (DHHS)
Centers for Medicare &
Medicaid Services (CMS)

Transmittal 1733

Date: DECEMBER 13, 2001

This revision manualizes Program Memorandum B-01-10, Change Request 1553, dated February 2001, and Program Memorandum B-01-38, Change Request 1701, dated June 2001.

<u>HEADER SECTION NUMBERS</u>	<u>PAGES TO INSERT</u>	<u>PAGES TO DELETE</u>
Table of Contents – Chapter IV 4455 – 4455.1	4-4.1 – 4-4.2 (2 pp.) 4-290 (1 p.)	4-4.1 – 4-4.2 (2pp.) -----

MANUALIZATION--*EFFECTIVE DATE: Not Applicable*
IMPLEMENTATION DATE: Not Applicable

Section 4455, Mandatory Submission of Assigned Claims for Drugs and Biologicals.--Under §114 of BIPA, payment for any drug or biological covered under Part B of Medicare may be made only on an assignment-related basis.

Section 4455.1, Claims for Drugs and Biologicals.--No charge or bill may be rendered to anyone for these drugs and biologicals for any amount except the Medicare Part B deductible and coinsurance amounts. This section provides the billing instructions.

DISCLAIMER: The revision date and transmittal number only apply to the redlined material. All other material was previously published in the manual and is only being reprinted.

These instructions should be implemented within your current operating budget.

CHAPTER IV

Stem Cell Transplantation.....	4183
General	4183.1
HCPCS and Diagnostic Coding	4183.2
Non-Covered Conditions	4183.3
Edits	4183.4
Suggested MSN/EOMB and RA Messages	4183.5

Provider-Based Physician Billing

Billing for Provider-Based Physician Services	4200
---	------

Other Billings

Billing by Carrier-Dealing Group Practice Prepayment Plans.....	4255
Billing by Direct Dealing Group Practice Prepayment Plan.....	4260
Billing By Organizations on HCFA-1500 or HCFA-1490U	4265
Health Maintenance Organization (HMO) - Claims For Physician/Supplier Services Furnished to HMO Member	4267
Claims Processing Procedures for Physician/Supplier Services to HMO Members ...	4267.1
Procedures for Handling Claims Transferred by the HMO.....	4267.2
ESRD Bill Processing Procedures	4270
Home Dialysis Supplies and Equipment	4270.1
Bill Review of Laboratory Services.....	4270.2
Home Dialysis Patients' Option for Billing.....	4271
Payment for Dialysis Furnished to Patients Who are Traveling.....	4271.1
Monthly Capitation Payments for Physician's Services to Maintenance Dialysis Patients.....	4272
Billing Requirements for the Monthly Capitation Payment.....	4272.1
Data Elements Required for Claims for Payment under the Monthly Capitation Payment Method	4272.2
Controlling Claims Paid Under the Monthly Capitation Payment Method	4272.3
Physician's Services Furnished to a Dialysis Patient Away from Home or Usual Facility	4272.4
Claims for Payment for Epoetin Alfa (EPO)	4273
Completion of Initial Claims for EPO	4273.1
Completion of Subsequent Claims for EPO.....	4273.2
Initial Method Payment for Physician's Services to Maintenance Dialysis Patients.....	4275
Billing Requirements for the Initial Method (IM)	4275.1
Definitions	4275.2
Abortion Services	4276
Conditions of Coverage.....	4276.1
Billing Instructions.....	4276.2
Common Working File (CWF) Edits.....	4276.3
Medicare Summary Notice (MSN) Explanation of Your Medicare Benefits (EOMB) Remittance Advice Message.....	4276.4
External Counterpulsation (ECP)	4277

Medicare as Secondary Payer

Intermediary Notification of Other Insurance Involvement.....	4300
Reviewing Claims for the Working Aged.....	4301
Processing Claims for Primary Medicare Benefits Where Working Aged Provisions May Apply.....	4301.1
Reviewing Claims Involving Automobile Medical, Automobile No Fault, and Any Liability Insurance	4302

CHAPTER IV

	<u>Section</u>
Paying Secondary Benefits Where EGHP has Paid Primary	
Benefits for ESRD Beneficiary.....	4303
Reviewing Medicare Claims Where VA Liability May Be Involved	4304
Payment Safeguards.....	4304.1
Performance Indicators	4304.2
Selected Trauma Related Codes for MSP Development	4305
Medicare Secondary Payment (MSP) Modules (MSPPAY).....	4306
Payment Calculation for Physician/Supplier	
Claims (MSPPAYB Module)	4306.1
Payment Calculation for Physician/Supplier	
Claims (MSPPAYBL).....	4306.2
Medicare Secondary Payer (MSP) Claims Processing Under Common Working	
File (CWF)	4307
Definition of MSP/CWF Terms.....	4307.1
MSP Maintenance Transaction Record Processing	4307.2
MSP Claim Processing.....	4307.3
MSP Cost Avoided Claims.....	4307.4
First Claim Development	4307.5
First Claim Development Audit Trail for CPEP Purposes.....	4307.6
CWF MSP On-Line Inquiry	4307.7
MSP Purge Process.....	4307.8
Exhibit 1 - CWF MSP Assistance Request	
Exhibit 2 - MSP Utilization Edits and Correct Resolution	

Request for Information From the Public

Request for Information Required in the Development of MSP Claims	4308
Model Development Letter Questions	4308.1
Example 1 - Model Working Age Questionnaire	
Example 2 - Model ESRD Questionnaire	
Example 3 - Model Disability Questionnaire	
Example 4 - Model Questionnaire for Disabled Adult Child	
Example 5 - Model Questionnaire for Disabled Widow/Widower Nonparticipating	
Physicians to Provide Notices For Elective Surgery.....	4360
Provide Notice of Requirement	4360.1
New Physicians.....	4360.2
Handling Beneficiary Complaints.....	4360.3

Parenteral and Enteral Nutrition

Parenteral and Enteral Nutrition (PEN)	4450
Mandatory Submission of Assigned Claims for Drugs and Biologicals	4455
Claims for Drugs and Biological	4455.1

Oral Anti-Emetic Drugs When Used as Full Replacement for Intravenous Anti-Emetic Drugs

Payment for Oral Anti-Emetic Drugs When Used as Full Replacement for Intravenous	
Anti-Emetic Drugs As Part of A Cancer Chemotherapeutic Regimen.....	4460
HCPCS Codes.....	4460.1
Claims Processing Jurisdiction	4460.2
Payment for Intravenous Iron Replacement Therapy Drugs.....	4461
Sodium Ferric Gluconate Complex in Sucrose Injection.....	4461.1
Iron Sucrose Injection	4461.2
Messages for Use with Denials	4461.3

4455. MANDATORY SUBMISSION OF ASSIGNED CLAIMS FOR DRUGS AND BIOLOGICALS

Under §114 of BIPA, payment for any drug or biological covered under Part B of Medicare may be made only on an assignment-related basis. Therefore, no charge or bill may be rendered to anyone for these drugs and biologicals for any amount except the Medicare Part B deductible and coinsurance amounts.

4455.1 Claims for Drugs and Biologicals.--Process all claims for drugs and biologicals with a date of service on or after February 1, 2001, as though the physician or non-physician practitioner had taken assignment. If only drugs and biologicals are billed on the claim, and the claim was submitted as unassigned, change the claim to assigned and process as an assigned claim. If a physician or non-physician practitioner submits an unassigned claim that contains both codes for drugs or biologicals and codes for other services, split the claim into two claims. The first claim will be an unassigned claim for services other than drugs or biologicals, and the second will be an assigned claim for drugs or biologicals furnished on or after February 1, 2001.

When a claim for drugs and biologicals is submitted as an unassigned claim and you change the claim to assigned status (regardless of whether you had to split the claim), use remittance advice remark code N71, "Your unassigned claim for a drug or biological, clinical diagnostic laboratory services or ambulance service was processed as an assigned claim. You are required by law to accept assignment for these types of claims."

Additionally appropriate message for physicians, suppliers and beneficiaries should be added as necessary.