CMS Manual System

Pub 100-04 Medicare Claims Processing

Transmittal 943

SUBJECT: Deported Medicare Beneficiaries

I. SUMMARY OF CHANGES: This change request (CR) manualizes CR 2377. Continue to follow the original instructions for CR 2377.

NEW/REVISED MATERIAL
EFFECTIVE DATE: June 5, 2006
IMPLEMENTATION DATE: August 7, 2006

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	1/Table of Contents
N	1/10.5/Claims Processing Requirements for Deported Beneficiaries
N	1/10.5.1/Implementation of Payment Policy for Deported Beneficiaries

III. FUNDING:

No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2006 operating budgets.

IV. ATTACHMENTS:

Business Requirements
Manual Instruction

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

Attachment - Business Requirements

Pub. 100-04	Transmittal: 943	Date: May 5, 2006	Change Request 5051

SUBJECT: Deported Medicare Beneficiaries

I.   GENERAL INFORMATION

A.   Background: On November 8, 2002, CMS issued Transmittal AB-02-162, CR 2377, which provided instructions on handling claims for beneficiaries that have been deported. This instruction manualizes CR 2377.

B.   Policy: For policy instructions, please see the attached update to the Claims Processing Manual, Section 10.5 and 10.5.1.

II.   BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement
"Should" denotes an optional requirement

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		FI	RHHI	Carrier	DMERC	Shared System Maintainers				Other
						FISS	MCS	VMS	CWF	
5051.1	Contractors and maintainers shall be in compliance with the instructions in Pub. 100-04, Medicare Claims Processing Manual, Chapter 1, Section 10.5 and 10.5.1.	X	X	X	X	X	X	X		

III. PROVIDER EDUCATION

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		FI	RHHI	Carrier	DMERC	Shared System Maintainers				Other
						FISS	MCS	VMS	CWF	
	None.									

IV.   SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A.   Other Instructions:

X-Ref Requirement #	Instructions
CR 2377	This instruction manualizes our original instruction CR 2377. The instructions are not changing. Continue to follow CR 2377.

B.   Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

C.   Interfaces: N/A

D.   Contractor Financial Reporting /Workload Impact: N/A

E.   Dependencies: N/A

F.   Testing Considerations: N/A

V.   SCHEDULE, CONTACTS, AND FUNDING

Effective Date*: June 5, 2006 **Implementation Date:** August 7, 2006 **Pre-Implementation Contact(s):** Joan Proctor-Young at joan.proctoryoung@cms.hhs.gov or (410) 786-0949 **Post-Implementation Contact(s):** Appropriate regional office	**No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2006 operating budgets.**

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Medicare Claims Processing Manual

Chapter 1 – General Billing Requirements

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10.5 -- Claims Processing Requirements for Deported Beneficiaries
(Rev. 943, Issued: 05-05-06; Effective Date: 06-05-06; Implementation Date: 08-07-06)

Section 202(n) of the Social Security Act (the Act), requires the termination of Title II benefits upon deportation. Moreover, Sections 226 and 226(A) of the Act provide that no payments may be made for benefits under Part A of Title XVIII of the Act if there is no monthly benefit payable under Title II. Section 1836 of the Act limits Part B benefits to those who are either entitled to Part A benefits or who are age 65 and a United States (U.S.) resident, U.S. citizen, or a lawfully admitted alien residing permanently in the U.S. Given that, a deported beneficiary is not allowed to enter the U.S. and cannot be lawfully present in the United States to receive Medicare-covered services, Medicare payment cannot be made for Part B Benefits.

An audit of Medicare payments by the Office of Inspector General identified a vulnerability for the Medicare trust fund with respect to this issue. The study identified improper payments for beneficiaries, who, on the date of service on the claim, had been deported. To address this vulnerability, CMS is establishing claim level editing using data from the Social Security Administration (SSA). Specifically, the data contains the name and Health Insurance Claim (HIC) of the Medicare beneficiary and the month the deportation is effective. CWF will reject claims where the effective date on the Master Beneficiary Record is equal to or greater than the date of service on the claim. All claims rejected by CWF shall be denied by the respective Carrier, DMERC, RHHI or intermediary that submitted the claim to CWF.

Policy:

Medicare payment shall not be made for an item or service furnished to an individual that has been deported from the United States.

Appeals:

A party to a claim denied in whole or in part under this policy may appeal the initial determination on the basis of the deportation status at the time the item or service was furnished.

10.5.1 -- Implementation of Payment Policy for Deported Medicare Beneficiaries
(Rev. 943, Issued: 05-05-06; Effective Date: 06-05-06; Implementation Date: 08-07-06)

A. CWF Editing of Claims

1. An auxiliary file shall be established in the Common Working File to contain deportation status.

2. This auxiliary file will be the basis for an edit that rejects claims submitted by Medicare contractors.

3. *The edit will reject a claim where the beneficiary HIC number on the claim matches the HIC number on the Master Beneficiary Record and the date of service is on or after the date of deportation.*

B. Carriers/DMERCs

1. *Carriers and DMERCs shall deny claims for items and services when rejected by CWF.*

2. *Carriers and DMERCs shall refer to the CWF documentation on this subject for the error code assigned to this editing.*

3. *Upon receipt of an error code that is specific to this edit, carriers and DMERCs shall use reason code 96, non-covered charges, with Remark Code N126 "Social Security Records indicate that this individual has been deported. The payer does not cover items and services furnished to individuals who have been deported."*

4. *When CWF rejects a claim, carriers and DMERCs shall use MSN message #16.56 "Claim denied because information received from the Social Security Administration indicates that you have been deported." Spanish translation for 16.56 reads "La reclamación fue denegada porque la información proporcionada por la Administración del Seguro Social indica que usted ha sido deportado(a)."*

5. *All denials will provide appeal rights as specified in section 10.5.*

C. Intermediaries/RHHIs

1. *Intermediaries and RHHIs shall deny claims for items and services when rejected by CWF.*

2. *Intermediaries and RHHIs shall refer to the CWF documentation on this subject for the error code assigned to this editing.*

3. *Upon receipt of an error code that is specific to this edit, intermediaries and RHHIs shall use reason code 96, non-covered charges, with Remark Code N126 "Social Security Records indicate that this individual has been deported. The payer does not cover items and services furnished to individuals who have been deported."*

4. *When CWF rejects a claim on the basis that the beneficiary was deported on the date of service(s), intermediaries and RHHIs shall use MSN message #16.56 "Claim denied because information received from the Social Security Administration indicates that you have been deported." Spanish translation for 16.56 reads "La reclamación fue denegada porque la información proporcionada por la Administración del Seguro Social indica que usted ha sido deportado (a).*

5. *All denials will provide appeal rights as specified in section 10.5.*