

Government Affairs Alert

August 19, 2009

CMS Issues Version 2.0 of Medicare/Medicaid and SCHIP Extension Act (MMSEA) Section 111 Non-Group Health Plan (NGHP) User Guide

and

CMS Issues Documentation Regarding Authorized Representative and Account Manager Designation

On July 31, 2009, the Centers for Medicare and Medicaid Services (CMS) issued Version 2.0 of the MMSEA Section 111 User Guide pertaining to liability (including self-insurance), no-fault and workers' compensation plans (Non-Group Health Plans).

The updated User Guide increases from 180 pages to 225 pages and includes various revisions. To view Version 2.0 of the NGHP User Guide, [click here](#).

Update and Addition Summary

PMSI Settlement Solutions has detailed some of the most pertinent updates and additions below. This is not an exhaustive list, and due to the significant amount of important changes, PMSI recommends all RREs thoroughly review the entire User Guide 2.0.

- Information regarding use of ICD-9 codes – including a listing of insufficient codes and a link to current valid ICD-9 codes
- Clarification for handling foreign addresses
- How to report multiple total payment obligations/settlements to the claimant (TPOCs)
- A listing of e-mails generated by the Coordination of Benefits Contractor (COBC) and their respective recipients
- A Section 111 acronym list
- Changes to the listing of key fields
- Additions to the list of fields which require “update” transactions when field information changes
- New and updated examples found in Section 11.7.4 – Event Table
- Additional fields added to the Claim Input File, the Auxiliary Record and the Claim Response File
- Additional response File Error Codes are now included
- An updated procedure and escalation process for contacting the EDI Department

- Future dates for ongoing responsibility for medical (ORM) will be accepted in field 99 of the Claim Input File
- The threshold check percentage for “delete” transactions was lowered to 4% – meaning no more than 4% of the total records submitted can be a “delete” transaction
- Updated information in the areas of registration, file submission and transmission, reporting ongoing responsibility for medicals (ORM), medical payment coverage and personal injury protection (PIP), exposure claims, the query file and testing
- Language regarding workers’ compensation periodic payments as previously referenced in the CMS July 13, 2009 Alert
- Interim reporting thresholds were updated and additional information on when they should be applied was provided. These changes are noted in bold below:

Workers’ Compensation ORM Threshold Updates

For workers’ compensation ORM, claims meeting *ALL* of the following criteria are excluded from reporting for file submissions due through **December 31, 2011**:

- The claim is for “medicals only” and
- The associated “lost time” for the worker is **no more than the number of days permitted by applicable workers’ compensation law for a “medicals only” claim** (or 7 calendar days if **applicable law has no such limit**) and
- All payment(s) has/have been made directly to the medical provider and
- Total payment for medicals does not exceed **\$750.00**

TPOC Threshold Updates – see Section 11.4 for additional information and guidelines

- Claim reports **where last (most recent) TPOC date is January 1, 2010 through December 31, 2011** with TPOC amounts totaling \$0.00 – \$5,000.00, are exempt from reporting
- Claim reports **where last (most recent) TPOC date is January 1, 2012 through December 31, 2012** with TPOC amounts totaling \$0.00 – \$2000.00, are exempt from reporting
- Claim reports **where last (most recent) TPOC date is January 1, 2013 through December 31, 2013**, with TPOC amounts totaling \$0.00 – \$600.00 are exempt from reporting
- **No threshold applies to claims where last (most recent) TPOC date is January 1, 2014 or later**

Anticipated Changes to Section 7.1

CMS also issued a separate Alert dated July 31, 2009, to all entities classified as a Required Reporting Entity (RRE) of CMS’s intent to amend language currently found in Section 7.1 of the NGHP User Guide. This Alert called for RREs to review draft language and encouraged any concerned RRE or other entity impacted to submit comments directly to CMS by midnight August 16, 2009. CMS intends that upon completion of the comment

period and review by CMS, the final proposed language will replace the existing Section 7.1 of the NGHP User Guide regarding “Who Must Report.” A previous PMSI Settlement Solutions alert regarding this CMS publication can be referenced by [clicking here](#).

Information on Authorized Representative and Account Manager Designations

On July 17, 2009, CMS issued an Alert regarding the determination of an RRE’s Authorized Representative and Account Manager. This document indicated that CMS identified difficulty on the part of RRE’s when registering for MMSEA Section 111 reporting related to designation of Authorized Representative and Account Manager roles. It is critical to appoint the proper personnel to these roles in order to successfully complete the MMSEA Section 111 registration process. An outline of the process can be found in the NGHP User Guide 2.0, Section 8.

MMSEA Section 111 reporting is being performed through CMS’ Coordination of Benefits Contractor (COBC). If an RRE determines they have appointed the wrong person or entered incorrect information for the Authorized Representative, the assigned EDI Representative or EDI Department general line (646-458-5740) at the COBC should be contacted to correct the problem. To view a copy of this CMS Alert [click here](#).

PMSI Client Recommendations

PMSI recommends that any entity who is considered an RRE review CMS’ updated documents to determine organizational impact and RRE’s reporting responsibilities under MMSEA Section 111. A significant amount of updated information has been provided in the User Guide 2.0, which should be read in its entirety.

An RRE must also determine the appropriate Authorized Representative and Account Manager to before completing MMSEA Section 111 registration to avoid issues and any additional steps required to correct this information at a later date. RREs should review the appropriate documentation issued by CMS as noted above, to assist with identification of the proper personnel for these roles.

The MMSEA Section 111 reporting process is still evolving as CMS continues to implement the requirements, provide further instructions and address industry questions. RREs should access the CMS Section 111 web page (www.cms.hhs.gov/MandatoryInsRep/) frequently for additional information.

PMSI will continue to provide additional guidance as new information is issued by CMS. RREs may also obtain additional information by attending CMS bi-monthly teleconferences. To view the list of CMS teleconferences scheduled for the remainder of 2009 [click here](#).

PMSI Client Support

PMSI is committed to bringing our clients the most current information on MMSEA reporting requirements and provides a complete preparation and compliance program. As further information becomes available, PMSI’s Government Affairs team will provide additional insight and analysis.

For more information on MSP compliance and related PMSI Government Affairs Alerts, please contact your PMSI Representative, call us at 888.MSA.PMSI or visit the [Industry Insights](#) section of our website at www.pmsisettlement.com.