

TO: Participating hospitals

FROM: Contracting and Provider Networks

DATE: September 26, 2014

SUBJECT: Medicare supplemental claim rejections

This bulletin is to reinforce the appropriate procedures for submitting claims under a member's Medicare supplemental plan (e.g., MedigapSecurity, Security 65[®]). Medicare supplemental claims that are not submitted correctly will be rejected.

How Medicare supplemental claims are processed

The Centers for Medicare & Medicaid Services (CMS) is the primary payer for Medicare supplemental claims. Independence Blue Cross (Independence), the secondary payer, uses the CMS crossover process to receive Medicare supplemental claims. As part of this process, CMS sends claims directly to Independence for members who have a Medicare supplemental plan.

After the claim has been adjudicated by CMS, Independence enforces a 30-day window from the Medicare remittance date (i.e., the date the claim was finalized by CMS). This 30-day window does the following:

- allows CMS sufficient time to crossover the claim to Independence and for Independence to complete secondary adjudication;
- prevents duplicate claims and ensures correct pricing.

Medicare supplemental claim rejections

Medicare supplemental claims may be rejected if the provider submits the Medicare supplemental claim to CMS and then submits it to Independence for payment prior to the end of the 30-day window. Providers receive rejections for these claims through the 277CA transaction (for migrated members), U277 transaction (for non-migrated members), or Rejected Claims Report (for non-migrated member claims sent via a UB-04 claim form).

Note: If you have not received secondary payment after the 30-day window has passed, you may submit the claim directly to Independence.

For more information

For more information about the 277CA or U277 transactions, please refer to the appropriate guide at www.ibx.com/ediforms. For more information about our member migration to the new operating platform, visit our Business Transformation site at www.ibx.com/pnc/businesstransformation. Please contact your Network Coordinator if you have any questions about the claims submission procedures for Medicare supplemental claims.

We encourage you to share this information with appropriate members of your staff.
