

New Medicare Card Project- November 2017

Medicare Beneficiary Identifier -What Providers Need to Know to Get Ready for the New MBI

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Why the change?

The Health Insurance Claim Number (HICN) is a Medicare beneficiary's identification number, used for processing claims and for determining eligibility for services across multiple entities (e.g., Social Security Administration (SSA), Railroad Retirement Board (RRB), States, Medicare providers, and health plans).

The Medicare Access and CHIP Reauthorization Act (MACRA) of 2015 mandates the removal of the Social Security Number (SSN)-based HICN from Medicare cards to address current risk of beneficiary medical identity theft. CMS primary operational goals are to decrease Medicare Beneficiary vulnerability to identity theft by removing the SSN-based number from their Medicare identification cards and replace with a new unique Medicare Number. The legislation requires that CMS mail out new Medicare cards with a new Medicare Beneficiary Identifier (MBI) by April 2019.

In achieving this goal CMS seeks to minimize burdens for beneficiaries and providers and minimize disruption to Medicare operations and provide a solution to CMS business partners that allows usage of HICN and/or new Medicare Number for business-critical data exchanges.

To implement the SSN Removal Initiative, CMS has been working closely with partners and stakeholders to address complex systems changes for over 75 systems, conducting extensive outreach & education activities and analyze the many changes that will be needed to systems and business processes. Affected stakeholders include Federal partners, States, Beneficiaries, Providers and Plans and other key stakeholders, such as billing agencies, advocacy groups, data warehouses, etc.

CMS will start issuing new Medicare cards for existing beneficiaries after the initial enumeration of MBIs; roughly 60 million beneficiaries and will be removing the gender and signature line from the new Medicare cards. CMS operations will be working in conjunction with the Railroad Retirement Board who will also issue their own cards. CMS will also be working with states that include the HICN on their Medicaid cards to effectuate a change to remove the Medicare ID or replace it with a MBI. CMS will be conducting intensive education and outreach to our beneficiaries and their agents to help them prepare for this change.

Implementation of New Medicare Numbers

CMS will use an MBI generator to assign 150 million MBIs in the initial enumeration (60 million active and 90 million deceased/archived) and generate a unique MBI for each new Medicare beneficiary. The MBI generator must also have the capability to generate a new unique MBI for a Medicare beneficiary whose identity has been compromised.

The SSN Removal solution must provide the following capabilities; generate Medicare Beneficiary Identifiers (MBI) for all beneficiaries: Includes existing (currently active, deceased, or archived) and new beneficiaries. Issue new, redesigned Medicare cards: New cards containing the MBI to existing and new

beneficiaries and modify systems and business processes: Required updates to accommodate receipt, transmission, display, and processing of the MBI.

The new Medicare Beneficiary Identifier (MBI) will have the following characteristics:

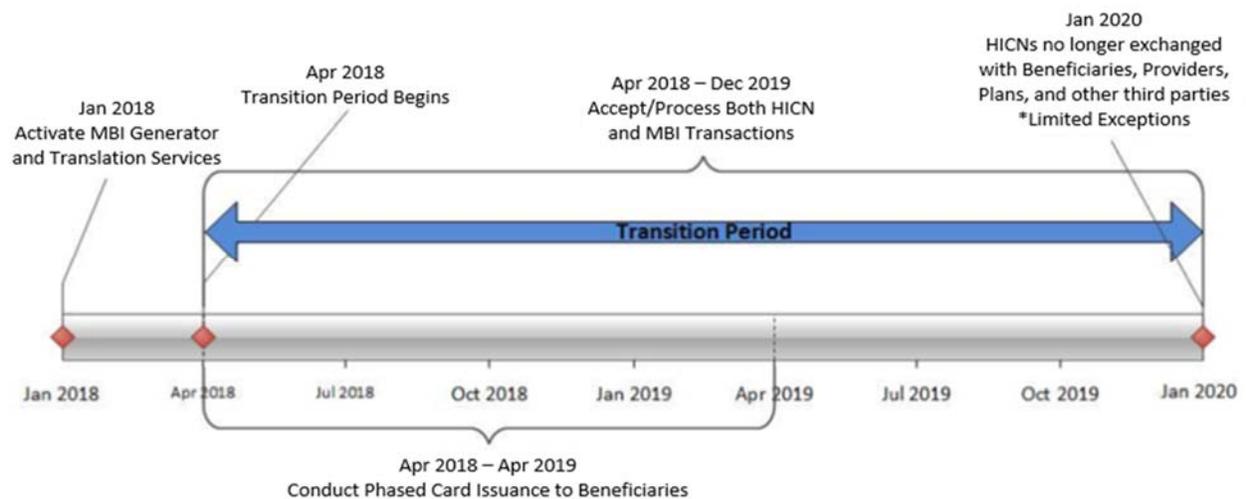
The same number of characters as the current Health Insurance Claim Number (HICN) (11), but will be visibly distinguishable from the HICN. It will contain uppercase alphabetic and numeric characters throughout the 11-digit identifier.

It will occupy the same field as the HICN on transactions and be unique to each beneficiary (e.g., husband and wife will have their own MBI). It will be easy to read and limit the possibility of letters being interpreted as numbers (e.g., alphabetic characters are upper case only and will exclude S, L, O, I, B, Z) and will not contain any embedded intelligence or special characters or contain inappropriate combinations of numbers or strings that may be offensive. The MBI is confidential just like the HICN so apply procedures to protect it as Personally Identifiable Information and use it only for Medicare-related business.

CMS recently asked their Medicare Administrative Contractors (MACs) to mail letters to all Medicare Fee-For-Service providers. The letter will provide details about the new Medicare card project and how to use the Provider MAC's secure portal so that in June 2018, your practice will be able look up MBIs for your Medicare patients who don't have their new cards when they come for care. Providers can use their MAC's portal to look up any Medicare patient's MBI, regardless of where the patient lives.

Verify your patients' addresses:

If the address stored on file is different than the address received in electronic eligibility transaction responses, encourage your patients to correct their address in Medicare's records at SSA using ssa.gov/myaccount (this may require coordination between your billing and office staff).



MBI Transition Period

Using the New Medicare Number – During Transition

The transition period will run from April 2018 through December 31, 2019 and CMS will complete its system and process updates to be ready to accept and return the MBI on April 1, 2018.

All stakeholders who submit or receive transactions containing the HICN must modify their processes and systems to be ready to submit or exchange the MBI by April 1, 2018. Stakeholders may submit either the MBI or HICN during the transition period. CMS will accept, use for processing, and return to stakeholders either the MBI or HICN, whichever is submitted on the claim, during the transition period.

CMS will actively monitor use of HICNs and MBIs during the transition period to ensure that everyone is ready to use MBIs only by January 1, 2020

Eligibility transaction responses

Beginning in April 2018, through the end of the transition period, if submitting a HICN on the 270-eligibility transaction request, CMS will report in the message field on the 271 response when a new Medicare card has been mailed to each individual with Medicare. The message will say, "CMS mailed a Medicare card with a new Medicare Beneficiary Identifier (MBI) to this beneficiary. Medicare providers, please get the new MBI from your patient and save it in your system(s)." The message will appear in 271 Loop 2110C, Segment MSG. Your eligibility service provider can give you this information. Beginning on January 1, 2020, you must use the MBI to get a valid response.

Providers can also submit either a HICN or MBI through the Common Working File (CWF) eligibility transaction request to get information; CMS is aligning all primary eligibility search criteria, regardless of the system used to request information as required by the X12 standard.

Beginning in October 2018, through the transition period, when submitting a claim using the patient's valid and active HICN, CMS operations will return both the HICN and the MBI on every remittance advice. The MBI will be in the same place you currently get the "changed HICN": 835 Loop 2100, Segment NM1 (Corrected Patient/Insured Name), Field NM109 (Identification Code). If submitting a claim using the patient's MBI, this field will be blank. Use of HICN and MBI for the same person with Medicare on the same batch of claims. During the transition period, CMS contractors will process all claims with either the HICN or MBI, even when both are in the same batch.

Using the New Medicare Number – During Transition

CMS will give State Medicaid Agencies and supplemental insurers the MBIs for Medicaid-eligible people who also have Medicare before the new Medicare cards are mailed. During the transition period, CMS contractors will process and transmit Medicare crossover claims with either the HICN or MBI.

Railroad Retirement Board (RRB) beneficiaries

Beginning in April 2018, CMS return a message on the eligibility transaction response for a RRB patient. The message will say, "Railroad Retirement Medicare Beneficiary. 271 Loop 2110C, Segment MSG.

The RRB will continue to send cards with the RRB logo, but providers can't tell from looking at the MBI if beneficiaries are eligible for Medicare because they're railroad retirees. Medicare Providers must program their systems to identify RRB beneficiaries so they know to send those claims to the Specialty Medicare Administrative Contractor (SMAC)

Private payers

For non-Medicare business, private payers won't have to use the MBI. We'll continue to use supplemental insurer's unique numbers to identify customers, but after the transition period, supplemental insurers must use the MBI for any Medicare transactions where they would have used the HICN.

In addition, CMS is working to develop capabilities where providers will be able to access a beneficiary's MBI through a secure look up tool at the point of service in instances in which a beneficiary does not have a new Medicare card at the point of care, this look up tool will give providers a mechanism to access a beneficiary's MBI securely without disrupting workflow.

New Medicare Number Exceptions After the Transition Period

Beneficiaries, providers, and plans will no longer use the HICN for internal and most external purposes. However, once the transition period is over, providers will still be able to use the HICN in these situations:

Medicare plan exceptions:

- Appeals – Use either the HICN or the MBI for claims appeals and related forms
- Adjustments – Use the HICN indefinitely for some systems (Drug Data Processing, Risk Adjustment Processing, and Encounter Data) and for all records, not just adjustments
- Reports – CMS contractors will use the HICN on these reports until further notice:
- Incoming to CMS (quality reporting, Disproportionate Share Hospital data requests, etc.)
- Outgoing from CMS (Provider Statistical & Reimbursement Report, Accountable Care Organization reports, etc.)

Fee-for-Service claim exceptions:

Appeals - Use either the HICN or the MBI for claims appeals and related forms.

Span-date claims - Use the HICN for 11X-Inpatient Hospital, 32X-Home Health, and 41X-Religious Non-Medical Health Care Institution claims if the "From Date" is before the end of the transition period (12/31/2019).

Providers can submit claims received between April 1, 2018 and December 31, 2019 using the HICN or the MBI.

If a patient starts getting services in an inpatient hospital, home health, or religious non-medical health care institution before December 31, 2019, but stops getting those services after December 31, 2019, providers may submit a claim using either the HICN or the MBI, even if submitted after December 31, 2019.

Other Exceptions:

Incoming premium payments - People with Medicare who don't get SSA or RRB benefits and submit premium payments should use the MBI on incoming premium remittances, but, CMS will accept the HICN on incoming premium remittances after the transition period. (Part A premiums, Part B premiums, Part D income related monthly adjustment amounts, etc.)

Outreach and Education

A robust, broad-based outreach and education campaign aimed at approximately 60 million beneficiaries, families, advocacy groups, and caregivers and will begin with the mailing of the Medicare handbook in September 2017 and continue through April 2019.

CMS will involve all business partners, Health Plans, the provider community (1.5M providers) including vendors in the CMS outreach and education efforts through their existing vehicles for communication (e.g., Open Door Forums, HPMS notices, MLN Connects)

What should providers do to get ready for the new Medicare cards and MBIs?

To get ready to use the new MBIs, make and internally test changes to your practice management systems and business processes by April 2018 before CMS mails the new Medicare cards. Practice managers might have to coordinate the work for the billing and office staff to make sure the practice is ready. Also, if you use vendors to bill Medicare, contact them to find out about their MBI practice management system changes. It's especially important that your organization is ready for people who are new to Medicare in April 2018 and after because they'll only get a card with the MBI so organizations may want to consider:

- Automatically accepting the new MBI from the remittance advice (835) transaction.
- Identifying patients who qualify for Medicare under the Railroad Retirement Board (RRB).

If you don't already have access to your MAC's provider portal, sign up so your organization can use the provider MBI look-up tool starting in June 2018.

If you use vendors to bill Medicare, ask them about their MBI practice management system changes and make sure they are ready for the change.

Sources:

CMS website at <https://www.cms.gov/newcard>