

MSP Claims - Medicare Secondary Sent Electronically

Change made on 5/15/07 to accommodate these rules. If you are having difficulty with these claims, it will be important to install the currently available upgrade to insure that all the programming is current to 5/15/2007 release.

Payments and Write-offs must be applied line by line to each Charge. MSP claims must have service line detail for all payments, write-offs, etc. To apply the write-off and payment to a charge line, select **[P]** -Payment from the prompts, then change the Line Number so it is the same as the charge line number. In that way, the amounts can be properly calculated for the secondary claim.

MOS DEVELOPMENT

4 Joyce Afish
 Provider: John Candy M.D.
 Invoice: 07/30/98 228 12
CHARGE Statmnt 070704 Ins e 081104

BS BLUE SHIELD Of Kentucky
 Medicare Second AGE 16 081104
 Insurance: BS MC .AR5

line	Fm-ToDate	Diag#	Procedure	NOS	Loc	Rsp	Amount	Pcode	Description
1	07/30-30/98	1	TESTLAB	1	1	.AR5	50.00		TEST PROCEEDURE
1	05/15/07					BS	-8.00	NA	*WROFF
1	05/15/07				1	BS	-33.60	CK	12345 PAYMENT
* 2	05/24-24/00	1	TEST2	1	1	.AR5	135.00		STANDARD TEST CO
* 2	05/15/07					BS	-35.00	NA	*WROFF
* 2	05/15/07				1	BS	-85.60	CK	12345 PAYMENT

CHARGES: 185.00 - PAYMENTS: 162.20 = BALANCE DUE: 22.80

C-Add A Charge I-Prev Invoice B-Billing Party I-Adj Ins/Dx
 P-Make Payment I-Next Invoice H-Hold Bills V-Inv Overview
 A-Adjust Item S-Scroll Lines L-Collection F-Print Ins Form
 N-Add a Note V-Pending W-Write-Off Bal X-Exit

More>>

Figure 1-1: Line Item Payments and Write-offs

Another important feature is that the Allowance, Payment and Expected Payment Amounts be correct for each line on the claim. This data is loaded from the Procedure Data when a procedure is selected. It will save time to have the Procedure Data properly updated each year with the current Allowances for those procedures.

When you receive the payment from the primary carrier, enter it by the line number on the claim detail screen. After each line, a prompt will ask you to verify the Allowed amount, then it will automatically generate a write-off transaction, if required. Verify that this is correct based on the EOB.

Generally, the calculation goes as follows:

	Charge
less	Write-Off (Contractual Obligation or Disallowed Amount)

	Allowance

Patient Co-Pay + Patient Deductible + Insurance Payments = Allowance

Expected Amount = Allowance less (Patient Co-Pay + Patient Deductible)

Next it will be important to insure that these numbers are properly loaded. Select **M** - INS Approvd/Pd after entering all the payments and write-offs from the primary carrier. This option will go over each line and display the Allowed, Payment, Expected Payment. Correct any that do not match the EOB information. Verify that all the numbers are correct. This information should be detailed on the EOB and can be supplied from those numbers.

CHARGES: 185.00 - PAYMENTS: 162.20 = BALANCE DUE: 22.80

<<More
=Calculator ?-Ins Note ^Show Prov
R-Resubmit Ins D-Inv Date G-Sign In#
M-INS Approvd/Pd Q-Quit
>-Send Log <-Next Patient

Figure 1-2: M - INS Approvd/Pd

If you are trying to send claims that were entered prior to 3/2007 you must select the **M** option and verify these numbers. They were not collected in the versions released prior to this year.

Verbage that may help when matching these up:

Contractual Obligation is a write-off.
Approved or Allowed is an Allowance.
Disallowed is also a write-off.

If any patient payment has been applied, prior to sending the secondary it will not be included unless the MEMO/Description field has the words "Deductible", "Co-Pay", or "CoPay". Then the money will be collected in the patient Co-Pay / Deductible detail. All other Patient Payments are ignored for purposes of MSP claims.

If the expected amount is less than the insurance payment amount, the difference will be assumed to be patient deductible.

Disallowed OTHER - is for items not covered under the primary insurance policy that still might be covered under the MSP policy. Currently the MOS has no way to collect this number. Further development will be required. Please call MOS support if this is an issue with your claims.

To send a claim to a secondary, when the primary does not pay and assigns the amount to deductible, do the following:

Enter a payment for the primary with a zero amount. Then enter any Write-off that should be taken. Make sure the expected payment amount is the amount that you would have been paid if the deductible was not applied to the claim.

