North Carolina
Medicaid Special Bulletin

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Attention
All Providers

NCTracks Updates

Claims Reprocessing of Crossover Claims for Services Rendered to Qualified Medicare Beneficiaries

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In adherence to Centers for Medicare & Medicaid Services (CMS) *Informational Bulletin, Payment of Medicare Cost Sharing for Qualified Medicare Beneficiaries (QMBs),* dated June 7, 2013, Medicaid is legally obligated to reimburse providers for cost-sharing that is due for a Qualified Medicare Beneficiary (QMB) according to the state's CMS-approved Medicare cost-sharing payment methodology.

As previously communicated in a *December 2015 Medicaid Special Bulletin*, the N.C. Division of Medical Assistance (DMA) will be executing the next step of its corrective actions to align the processing of Medicare claims for services rendered to QMB recipients with CMS' guidance.

Effective Nov. 1, 2015, the "lesser of" logic is being applied to services covered by both Medicare and Medicaid that are rendered to QMBs. Specifically, claims for Medicare-covered services that are also covered in the Medicaid State Plan are paid at **the lesser of the**:

- Medicare cost-share (which is the sum of co-insurance, deductible and co-pay), or,
- Difference between the amount paid by Medicare and the Medicaid State Plan rate (if any).

For services not covered under the N.C. Medicaid State Plan, the claims are paid the Medicare cost share amount. This applies to both crossovers and secondary filed claims for Q-class recipients.

This methodology results in the provider receiving the Medicare or Medicaid allowable and the QMB recipient not being responsible for any additional monies for services covered by Medicaid and/or Medicare.

QMB claims paid between July 1, 2013 and Oct. 31, 2015, will be reprocessed over the course of multiple checkwrites between March 29, 2016 and June 21, 2016. The claim reprocessing will address two situations:

1. Previously paid QMB crossover and secondary claims for services not covered under the N.C. Medicaid State Plan where the provider should have received the Medicare cost share amount
2. Claims that paid 100 percent of the Medicare cost share for services covered under the N.C. Medicaid State Plan between March 1, 2015 and July 19, 2015, which resulted in an overpayment that will be recouped as a result of this reprocessing

The reprocessed claims will appear in a separate section of the paper Remittance Advice (RA) with a unique Explanation of Benefits (EOB) code. Depending on the date when the claim was originally processed, one of two EOB codes will be associated with the reprocessed claim:

- EOB 06000 - MEDICARE QMB REPROCESSING OF CLAIMS PROCESSED BETWEEN JULY 1, 2013 AND FEBRUARY 28, 2015
- EOB 06021 - MEDICARE QMB REPROCESSING OF CLAIMS PROCESSED BETWEEN MARCH 1, 2015 and OCTOBER 31, 2015

The 835 electronic transactions will include the reprocessed claims along with other claims submitted for the checkwrite. (There is no separate 835.)

Note: Reprocessing does not guarantee claim payment. While some edits may be bypassed as part of the claim reprocessing, changes made to the system since the claims were originally adjudicated may apply to reprocessed claims. Therefore, the reprocessed claim could deny.

If the reprocessed claim denies and there are not sufficient funds in the provider's current checkwrite to satisfy the full recoupment amount, the recoupment process will continue on each checkwrite until the full amount due is recouped.

Provider Reimbursement
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