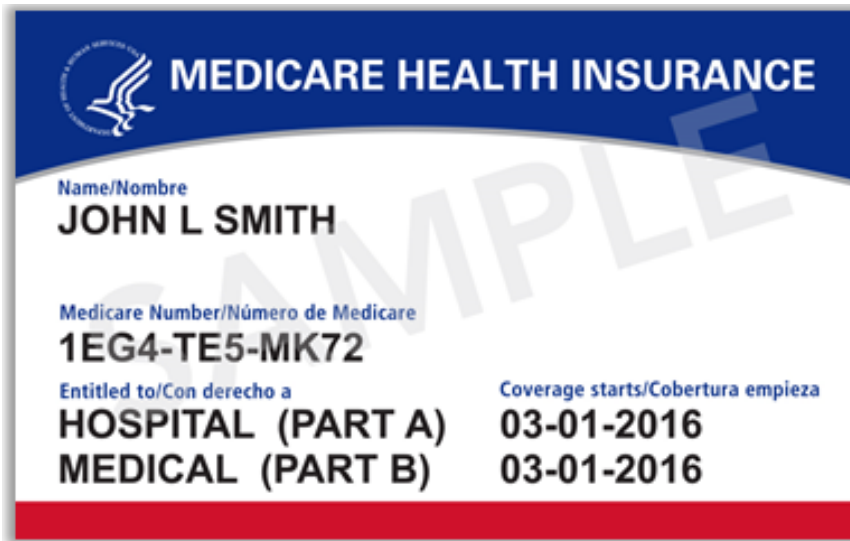


New Medicare Card Project



5/22/2018

Background

- 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
- The legislation requires that CMS mail out new Medicare cards with a new Medicare Beneficiary Identifier (MBI) by April 2019²

Solution Concept for the New Medicare Cards

The SSN Removal solution must provide the following capabilities:

1. **Generate Medicare Beneficiary Identifiers (MBI) for all beneficiaries:** Includes existing (currently active, deceased, or archived) and new beneficiaries
2. **Issue new, redesigned Medicare cards:** New cards containing the MBI to existing and new beneficiaries
3. **Modify systems and business processes:** Required updates to accommodate receipt, transmission, display, and processing of the MBI

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
- Generate a new unique MBI for a Medicare beneficiary whose identity has been compromised

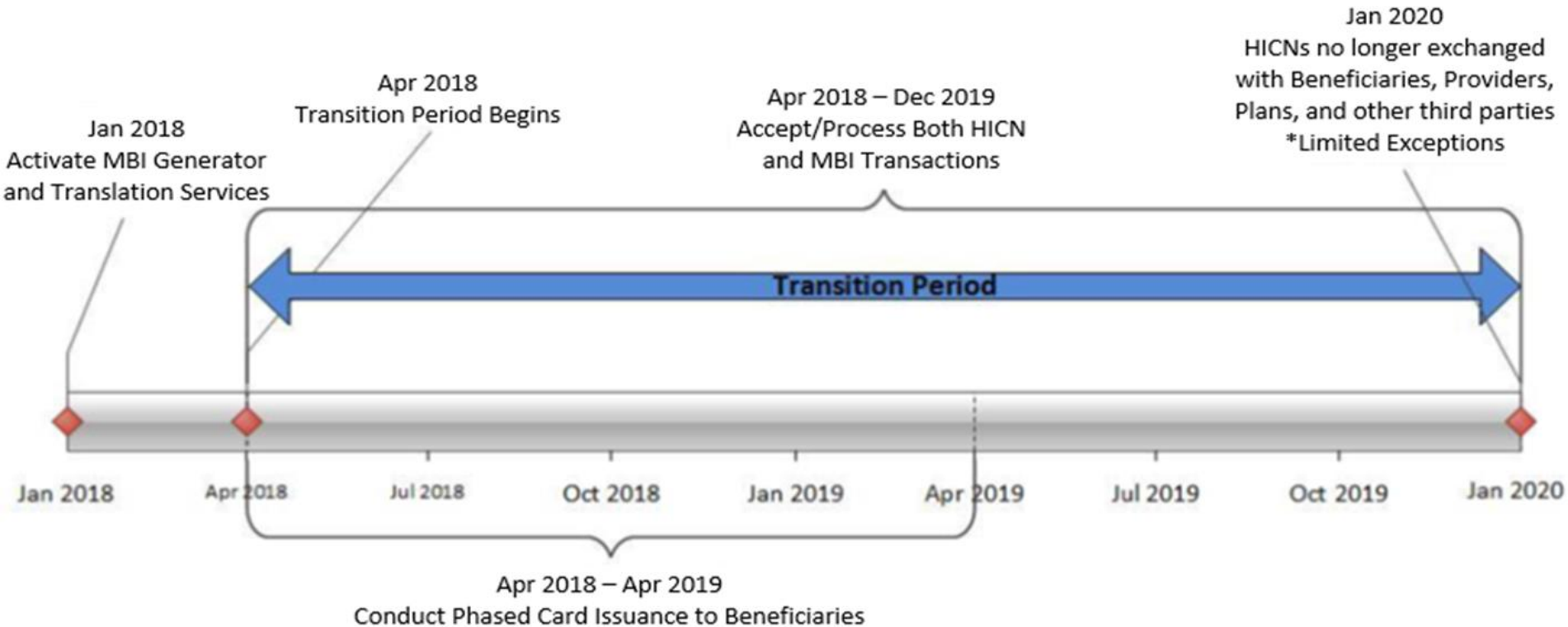
New Medicare Number Characteristics

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

- The same number of characters as the current HICN (11), but will be visibly distinguishable from the HICN
- Contain uppercase alphabetic and numeric characters throughout the 11-digit identifier
- Occupy the same field as the HICN on transactions
- Be unique to each beneficiary (e.g., husband and wife will have their own MBI)
- 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)
- Not contain any embedded intelligence or special characters
- Not contain inappropriate combinations of numbers or strings that may be offensive

CMS anticipates that the MBI will not be changed for an individual unless the MBI is compromised or other limited circumstances still undergoing review

MBI Generation and Transition Period



Using the New Medicare Number – During Transition

- The transition period will run from **April 2018 through December 31, 2019**
- 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

Using the New Medicare Number – During Transition (2)

- CMS is making systems changes so that when a provider checks a beneficiary's eligibility, the CMS HIPAA Eligibility Transaction System (HETS) will return a message on the response indicating that CMS mailed that particular beneficiary's new Medicare card
- Beginning October 2018 through the end of the transition period, when a **valid and active** HICN is submitted on Medicare fee-for-service claims **both the HICN and the MBI** will be returned on the 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)
- Use of HICN and MBI for the same person with Medicare on the same batch of claims
 - During the transition period, we'll process all claims with either the HICN or MBI, even when both are in the same batch

Using the New Medicare Number – During Transition (3)

- Medicaid and supplemental insurers
 - We will give State Medicaid Agencies and supplemental insurers the MBIs for Medicaid-eligible people who also have Medicare before we mail the new Medicare cards. During the transition period, we'll process and transmit Medicare crossover claims with either the HICN or MBI
- Railroad Retirement Board (RRB) beneficiaries
 - The RRB will continue to send cards with the RRB logo, but you can't tell from looking at the MBI if beneficiaries are eligible for Medicare because they're railroad retirees
 - Beginning in April 2018, we'll 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
 - Medicare Providers must program their systems to identify RRB beneficiaries so they know to send those claims to the Specialty Medicare Administrative Contractor (SMAC)

Using the New Medicare Number – During Transition (4)

- **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, we believe 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, you'll still be able to use the HICN in these situations:

Medicare plan exceptions:

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

New Medicare Number Exceptions After the Transition Period (continued)

Fee-for-Service claim exceptions:

- **Appeals** - You can use either the HICN or the MBI for claims appeals and related forms
- **Span-date claims** - You can 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).
 - You 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, you may submit a claim using either the HICN or the MBI, even if you submit it 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, we'll 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.)

What Providers and Pharmacies Need to Know to Get Ready for the New MBI

1. Subscribe to the weekly MLN Connects newsletter for updates and new information
2. Verify your patients' addresses:
 - If the address you have on file is different than the address you get 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)
 - Remind people with Medicare that Medicare will never contact them and request personal information. They should protect their new Medicare number like a credit card and only share it with trusted providers

What Providers and Pharmacies Need to Know to Get Ready for the New MBI (continued)

3. Get ready to use the new MBI Format:
 - Ask your billing and office staff if your system can accept the 11 digit alpha numeric MBI
 - 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
 - Encourage practices and health care facilities to visit our website at <https://www.cms.gov/newcard>
4. Make sure you can access the new provider portal to obtain a patient's MBI:
 - You'll be able to look up your Medicare patient's new Medicare number through your Medicare Administrative Contractor's (MAC's) secure web portal starting in June 2018.

What Providers and Pharmacies Need to Know to Get Ready for the New MBI (continued)

Patient History

- Throughout the transition period, a provider can submit a claim or other transactions, such as eligibility requests, using either the HICN or the MBI. This means a provider could submit a claim or other transactions using a Medicare patient's HICN and be paid or receive eligibility information, even if their Medicare patient already received a new card with a MBI.
- CMS will actively monitor the transition to the new Medicare number to confirm that people with Medicare continue to get uninterrupted access to care. This transition period will allow time for pharmacies to ensure that they can process the new MBI in their systems.

E1 Transactions for Pharmacies

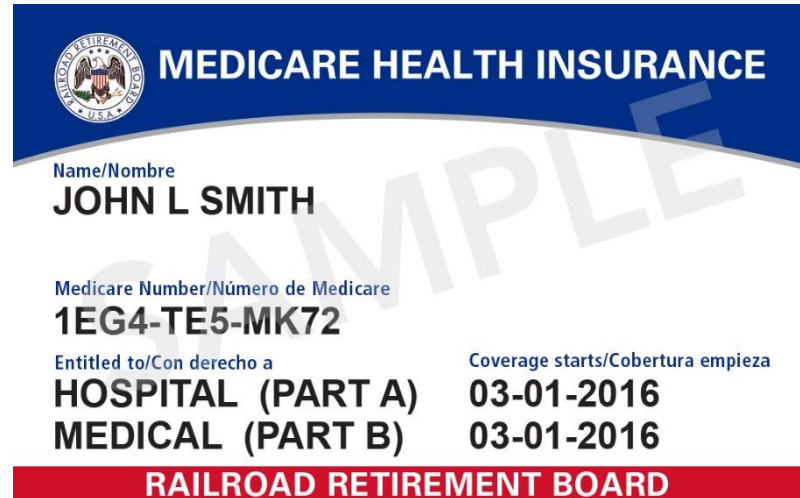
- Both the Part D and A/B E1 transactions will return the MBI. Pharmacies may submit the HICN or MBI until the end of the transition period.
- Pharmacies can explore whether the National Council for Prescription Drug Programs batch E1 transaction, offered through the Part D Transaction Facilitator would be a useful method for pharmacies to obtain the MBI for Part B and Part D drug services. For more information visit either the RelayHealth or the NCPDP website (<http://medifacd.mckesson.com> or www.NCPDP.org).

New Medicare Cards

New Medicare Card



New Railroad Retirement Board Card



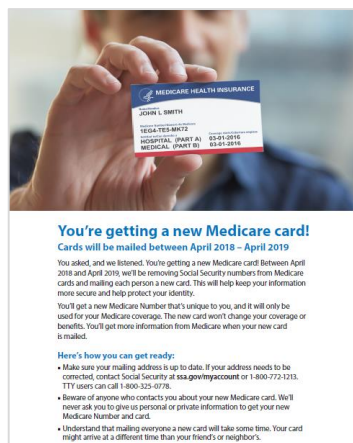
Outreach and Education

- CMS will provide outreach and education to:
 - Approximately 60 million beneficiaries, their families, advocacy groups, and caregivers
 - Health Plans
 - The provider community (1.5M providers)
 - All Provider Letter and Fact Sheet
 - Quarterly Open Door Forums
 - States and Territories
 - Other business partners, including vendors
- CMS will conduct intensive education and outreach to all Medicare beneficiaries, their families, caregivers, and advocates to help prepare for this change from September 2017 through April 2019
- Once they receive their new cards, beneficiaries will be instructed to safely and securely destroy their old Medicare cards and keep the new Medicare number confidential
- CMS is also working to develop a secure way for beneficiaries to be able to access their new Medicare number when needed

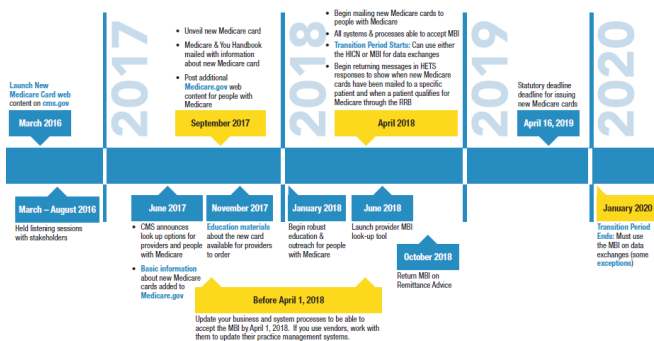
Outreach and Education Resources

- Resources to help you communicate with people with Medicare are available on our website <https://www.cms.gov/newcard> to print and/or order

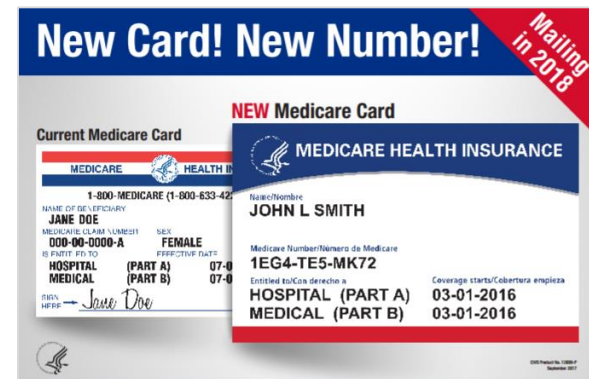
A Flyer to Distribute



A Full Timeline for Your Records



A Poster for Providers' Offices



Tear-offs for Patients



Conference Cards for Beneficiaries



Key Points to Reinforce with Patients

- Understand that mailing everyone a new card will take some time. Your card might arrive at a different time than your friend's or neighbor's.
- Make sure your mailing address is up-to-date. If your address needs to be corrected, contact Social Security at ssa.gov/myaccount or 1-800-772-1213. TTY: 1-800-325-0778.
- Beware of anyone who contacts you about your new Medicare card. We will never ask you to give us personal or private information to get your new Medicare number and card.

Key Points to Know

1. Providers need to be ready by April 1, 2018 (systems and business processes)
2. There will be a 21- month transition period from April 1, 2018 – December 31, 2019
3. Providers will have 3 ways to get the new MBI:
 - a. Patient presents the card at time of service
 - b. Provider receives it through the remittance advice
 - c. Provider obtains it through the a secure web portal with the MAC
4. Providers have resources you can use when you talk to people with Medicare about the new Medicare cards:
<https://www.cms.gov/Medicare/New-Medicare-Card/Partners-and-Employers/Partners-and-employers.html>

Final Thoughts

- Thank you for participating today.
- For the most updated information on the New Medicare Card please go to <https://www.cms.gov/newcard>
- Please submit any additional comments or questions to the New Medicare Card team mailbox:
NewMedicareCardSSNRemoval@cms.hhs.gov
- Problems and concerns may also be reported to the Provider Ombudsman for the New Medicare Card at
NMCPProviderquestions@cms.hhs.gov .