

## Agent Update



*An Update From BlueChoice HealthPlan Sales/Marketing*

**January 26, 2009**

## **CMS Requires Additional Member Information**

This bulletin contains critical information regarding the mandatory data exchange process with the Centers for Medicare and Medicaid Services (CMS). Pursuant to Section 111 of the Medicare, Medicaid and SCHIP Extension Act of 2007, new Medicare Secondary Payer regulations require group health plan insurers, third-party administrators and plan administrators or fiduciaries of self-insured/self-administered group health plans to report specific information regarding all covered members to CMS. The statute and regulations are designed to benefit employer groups by making it easier to pay claims correctly the first time, thus increasing the accuracy of coordination of benefits with Medicare.

While this initiative has been voluntary through 2008 (via the Voluntary Data Sharing Agreement program, which allowed health plans to share information with CMS), beginning January 1, 2009, **CMS has made the voluntary program mandatory.** For detailed explanations of this mandate, visit the CMS Web site listed on the next page.

### **What Do Accounts Need To Do?**

**BlueChoice HealthPlan hopes we can work with accounts in a timely manner to comply with the CMS mandate, which requires all fully insured and self-insured employers to provide Social Security Numbers and other specific information for ALL members covered under the health plan.**

### **Social Security Numbers**

In order to comply with this federal mandate on behalf of accounts, we are requesting:

- For **existing members** with effective dates prior to January 1, 2009, BlueChoice HealthPlan must receive **dependent** Social Security Numbers by **January 1, 2011.**
- For **new members** with effective dates of January 1, 2009 or later, BlueChoice HealthPlan must receive **dependent** Social Security Numbers by **February 2, 2009, or by their effective dates, if later than February 1, 2009.**

If accounts currently collect dependent Social Security Numbers, we are asking them to send this information through their enrollment/eligibility channels if they have not already done so. If accounts do not capture dependent Social Security Numbers, we are asking that they begin the process and submit to BlueChoice HealthPlan by the deadlines listed above.

### **Other Data Elements**

CMS is also requiring additional data as a part of this mandate. BlueChoice HealthPlan will derive a significant portion of this information from our records and claim files. We may need to work with accounts, however, in order to gather data elements such as these, if applicable:

- Medicare status of each subscriber and dependent.
- Domestic Partner Status.

For detailed explanations and definitions of these and all required data elements, visit the CMS Web site listed below.

If accounts currently collect these data elements, we are asking them to continue to do so. If not, they will receive additional information in early 2009 once BlueChoice HealthPlan has completed updating all enrollment/eligibility channels (Web-based, electronic and/or hardcopy) to accommodate data submission.

### **Communication**

As part of our obligation to issue notification of this change by January 1, 2009, BlueChoice HealthPlan is sending the attached letter to accounts electronically, if applicable, and by mail to explain and prepare them for the mandate. We hope that if accounts have not started the collection process that this will alert them of the urgency to begin. We will release additional communications as updates become available.

### **Additional Information**

For more information about the mandatory data exchange requirements or to sign up for alerts on this subject, visit the CMS Web site at <http://www.cms.hhs.gov/MandatoryInsRep/>.

Please contact either your BlueChoice HealthPlan marketing representative or BlueChoice HealthPlan's Customer Service department at 1-800-868-2528 if you have any questions.

Dear Benefits Administrator:

This letter contains critical information regarding the mandatory data exchange process with the Centers for Medicare and Medicaid Services (CMS). Pursuant to Section 111 of the Medicare, Medicaid and SCHIP Extension Act of 2007, new Medicare Secondary Payer regulations require group health plan insurers, third-party administrators and plan administrators or fiduciaries of self-insured/self-administered group health plans to report specific information regarding all covered members to CMS. The statute and regulations are designed to benefit employer groups by making it easier to pay claims correctly the first time, thus increasing the accuracy of coordination of benefits with Medicare.

While this initiative has been voluntary through 2008 (via the Voluntary Data Sharing Agreement program, which allowed health plans to share information with CMS), beginning January 1, 2009, **CMS has made the voluntary program mandatory.**

BlueChoice HealthPlan hopes that we can work together in a timely manner to comply with the CMS mandate, which requires all fully insured and self-insured employers to provide Social Security Numbers (SSN) and other specific information for all members covered under the health plan. We understand that sharing SSNs may be a concern to you and your employees, but federal law requires you to now submit this information. We have listed the CMS Web site at the end of this letter for your reference. Because the entity processing the claims is also required to share this data with CMS or incur significant financial penalties, BlueChoice HealthPlan needs the following information:

- Your Employer Identification Number (EIN).
- For existing members with effective dates prior to January 1, 2009, BlueChoice HealthPlan must receive subscriber SSNs. We must also receive dependent SSNs by January 1, 2011.
- For new members with effective dates of January 1, 2009 or later, BlueChoice HealthPlan must receive subscriber and dependent SSNs by February 2, 2009 or by the effective date, if later than February 1, 2009.
- **The Status of Each Subscriber and Dependent** — Status is defined as:
  - Working Aged — employees or dependents who are age 65 or older and are working.
  - Retired.
  - Disabled — employees or dependents less than age 65 with certain disabilities.
- **Health Insurance Claim Number (HICN)** — This is a required field, in addition to the SSN, for any individual under age 45 who has Medicare coverage.
- **Domestic Partner Status** — Since Medicare Secondary Payer rules applicable to spouses are not applicable to domestic partners, civil union partners or same sex spouses, Medicare is primary for these individuals, even if a state recognizes civil unions or same sex spouses.



- **Employer Size** — The total number of employees must be reported in order to determine primacy. This is the total number of employees, not the number of enrolled or eligible employees, and must include the total number of employees for an employer that is part of a multiple/multi-employer group health plan.

BlueChoice HealthPlan is taking steps so you can submit the required information through the same process(es) you typically use for submitting enrollment/eligibility information. We are currently working to update all our systems to better enable the collection and reporting process. You will soon receive additional information and details through your BlueChoice HealthPlan representative.

We understand these requirements may require you to make changes in order to collect and report the data elements to BlueChoice HealthPlan. This letter serves as your urgent notice that it is time to begin, if you have not already started this process.

For more information about the mandatory data exchange requirements or to sign up for alerts on this subject, visit the CMS Web site at <http://www.cms.hhs.gov/MandatoryInsRep>

As always, BlueChoice HealthPlan values our relationship and is here to assist you during this change. Please do not hesitate to contact us if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "William H. Ferguson".

Bill Ferguson  
Vice President of Marketing