
CMS Manual System

Pub. 100-18 Medicare Prescription Drug Benefit Manual

Department of Health & Human Services (DHHS)
Centers for Medicare & Medicaid Services (CMS)

Transmittal 17

Date: August 23, 2013

SUBJECT: Chapter 14-Coordination of Benefits

I. SUMMARY OF CHANGES: Updated information reflects changes in statute and regulation to Part D coordination of benefits requirements, new policy on beneficiary cash purchases and direct member reimbursement, updated procedures related to CMS systems changes, SPAPs/ADAPs and automated TrOOP balance transfer, and updates to NCPDP electronic transaction standards.

NEW/REVISED MATERIAL - EFFECTIVE DATE*: June 7, 2010

IMPLEMENTATION DATE: January 1, 2011,
unless otherwise specified.

Disclaimer for manual changes only: The revision date and transmittal number apply to the red italicized material only. Any other material was previously posted to http://www.cms.hhs.gov/PrescriptionDrugCovContra/12_PartDManuals.asp#TopOfPage or <http://www.cms.hhs.gov/manuals/> and disseminated via the Health Plan Management System (HPMS). However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

NOTE: The Medicare Prescription Drug Benefit Manual can be accessed at http://www.cms.hhs.gov/PrescriptionDrugCovContra/12_PartDManuals.asp#TopOfPage or <http://www.cms.hhs.gov/manuals/>. All revisions to Pub. 100-18 will be issued via HPMS.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual not updated.)
(R = REVISED, N = NEW, D = DELETED)

R/N/D	CHAPTER/SECTION/SUBSECTION/TITLE
R	14/Table of Contents
N	14/Index of Acronyms
R	14/20/Overview
R	14/30/CMS Requirements
R	14/30.1/Enrollment File Sharing
R	14/30.2/Validation of Information about Other Payers
R	14/30.3/Establishing the Order of Payment for Part D Coordination of Benefits (COB)
R	14/30.4/Contracting with a Part D Transaction Facilitator
R	14/30.4.1/Part D Transaction Facilitation Process
R	14/30.4.2/Enhancements to E1 Transactions
R	14/30.4.3/Real-time Versus Batch Processing

R	14/30.4.4/Enhancements to Nx Transactions
R	14/30.4.5/TrOOP Accounting
R	14/30.5/Assessment of COB User Fees
R	14/40.1/Providing Information to Sponsors on Other Coverage
R	14/40.2/Using On-line Processing
R	14/40.3/Submitting Documentation for Off-line Processing on a Timely Basis
R	14/50.1/Providing 4Rx Data on Primary Coverage
R	14/50.2/Notifying Beneficiaries Regarding Other Prescription Drug Coverage on File and Transmitting Updated Information to CMS
R	14/50.3/Connecting to Systems Supporting COB
R	14/50.4/Processing Claims and Tracking TrOOP
R	14/50.4.1/Receiving an Nx Transaction, Without Supplemental Payer on File
R	14/50.4.2/Beneficiary Cash Purchases
N	14/50.4.3/Direct Member Reimbursement
R	14/50.5/Use of Standardized Technology
R	14/50.5.1/Primary Payer Use of Fields to Support COB
R	14/50.6/Accepting Payment of Premiums from Other Payers
R	14/50.7/Coordinating Payment of a Lump Sum for Supplemental Coverage
R	14/50.7.1/Lump Sum Per Capita Approach
D	14/50.7.2/The Non-Risk-Based Lump Sum Payment with Claims Reconciliation Approach
R	14/50.8/Transferring TrOOP Balance When a Beneficiary Changes Part D Sponsors
N	14/50.8.1/Automated TrOOP Balance Transfer Process
N	14/50.8.2/TrOOP Balance Transfer When CMS Terminates a Part D Sponsor Contract
R	14/50.9/Special Transition Period for Retroactive Enrollment Situations
R	14/50.10/Sharing Formulary Information with Other Payers
R	14/50.11/Sharing Claims Data
R	14/50.12/Applying Medicare Secondary Payer (MSP) Requirements
N	14/50.12.1/Workers' Compensation
N	14/50.12.2/Flexible Savings Accounts (FSAs), Health Savings Accounts (HSAs), Archer Medicare Savings Accounts (MSAs), and Health Reimbursement Accounts (HRAs)
R	14/50.13/Executing Business Associate Agreement (BAA) with Part D Transaction Facilitator
D	14/50.13.1/Worker's Compensation
D	14/50.13.2/Flexible Savings Accounts (FSAs), Health Savings Accounts (HSAs), Archer Medicare Savings Accounts (MSAs), and Health Reimbursement Accounts (HRAs)
R	14/50.14/Payment Reconciliation
N	14/50.14.1/Plan-to-Plan Reconciliation During Transition Period
N	14/50.14.2/Other CMS-Defined Reconciliation Processes
N	14/50.14.3/Retroactive Claims Adjustments
N	14/50.14.4/Resolution Directly with Other Payers
N	14/50.14.5/Re-adjudication Versus Pharmacy Reprocessing
N	14/50.14.6/Timeframes for Claims Filing

D	14/50.15/Payment Reconciliation
D	14/50.15.1/Plan-to-Plan Reconciliation During Transition Periods
D	14/50.15.2/Other CMS-Defined Reconciliation Processes
D	14/50.15.3/Retroactive Claims Adjustments and Resolution Directly with Other Payers
D	14/50.15.4/Re-adjudication Versus Pharmacy Reprocessing
D	14/50.15.5/Claims Filing Timeframes
R	14/60.1/Reporting the Existence of Prescription Drug Coverage Provided to Enrollees
R	14/60.2/Obtaining and Reporting Rx Identifiers
R	14/60.3/Supplying Claims Information When a Supplemental Payment Is Made
R	14/60.4/Coordinating with Part D Sponsors for Payment of Premiums
R	14/60.5/Following MSP Laws and Order of Payment Standards
R	14/Appendix A/Transaction Facilitation Process
R	14/Appendix B/COB-related Web Sites
R	14/Appendix C/Part D Sponsor Guidance—Automated TrOOP Balance Transfer
R	14/Appendix D/Automated TrOOP Balance Transfer Implementation Guidance-- PACE Addendum
R	14/Appendix E/Issues for Other Entities Providing Prescription Drug Coverage
R	14/Appendix F/Part D Requirements Waived for PACE Organizations
N	14/Appendix G/NCPDP White Paper- Overview of the Medicare Part D Prescription Drug Coordination of Benefits Process, Section 4
N	14/Appendix H/Glossary

III. FUNDING: No additional funding will be provided by CMS; contractor activities are to be carried out within the annual bid process.

IV. ATTACHMENTS:

	Business Requirements
X	Manual Instruction
	Confidential Requirements
	One-Time Notification
	One-Time Notification - Confidential
	Recurring Update Notification

*Unless otherwise specified, the effective date is the date of service.