

## **New MSP Employer Forms and Process Updates**

### **Action Required**

Dear Producer:

As you know, up-to-date Medicare-secondary payer (MSP) information allows us to determine benefits correctly, reduces costly claim adjustments and Medicare recoveries, and helps reduce our clients' cost for insurance or third-party administration. In past years, you've been very successful in your efforts to obtain MSP data on behalf of our clients, and we'd like to thank you.

Now, updated federal guidance requires us to expand our efforts to collect MSP employer size information. We'll be doing so through a May 1 letter to group clients with 150 or fewer employees. Your help is crucial to this process.

### **Background – Updated CMS Guidance**

The Centers for Medicare & Medicaid Services (CMS), the federal agency administering the Medicare program, has updated data collection requirements to include order-of-payment sequencing. When an individual is entitled to benefits from both Medicare and an employer's group health plan, the federal MSP regulations determine whether Medicare pays before the employer's group health plan (primary payment) or after the employer's group health plan (secondary payment). The MSP regulations use employer size as one of the factors that determines the order of payment, so insurers must collect employer size information from their clients with Medicare-entitled group health plan members. In the absence of the employer-provided employee counts, CMS requires Blue Cross and Blue Shield to consider the employer's group health plan coverage as primary to Medicare until such time Blue Cross and Blue Shield receives updated information.

### **May 1, 2007 Letter to Existing Group Clients**

On May 1, 2007, Blue Cross and Blue Shield will send a letter to all group clients with 150 or fewer employees, notifying them of the updated CMS guidance and requesting their group size information. The mailing will include the following documents, which are also accessible at [bcbsil.com](http://bcbsil.com):

- Blue Cross and Blue Shield Annual Medicare Secondary Payer Employer Acknowledgement Form;
- Instructions – Completing the Annual MSP Employer Acknowledgement Form; and
- Information Regarding the Medicare as Secondary Payer Statute.

Please assist your Blue Cross and Blue Shield clients in this market segment with the completion and return of their form within the next 45 days. The accompanying instructions will help you advise clients how to complete the form, and will provide valuable background about MSP topics such as how changes in employer size during the year affect the MSP order-of-payment determinations.

If you furnish renewal information to your Blue Cross and Blue Shield clients, please discontinue providing the Annual Employer Acknowledgement Form and Instructions until the January 1, 2008, renewal.

### **Notice to New Group Clients**

Blue Cross and Blue Shield asks that you provide the documents listed above, available at [bcbsil.com](http://bcbsil.com), to new groups of all funding types.

Clients must complete, sign and return the MSP form to Blue Cross and Blue Shield on or before the group's effective date.

### **Where to Direct Questions**

We have asked groups to call Blue Cross and Blue Shield directly, but we also appreciate producers' support and assistance if a client contacts you with questions. The toll-free lines listed below have been established to support your clients and you with MSP form questions.

- Producers call: 1-866-733-5905
- Employers call: 1-866-733-5886

We appreciate your assistance in collecting MSP employer size information.

Thank you.



**BlueCross BlueShield  
of Illinois**

May 1, 2007

Dear Group Representative,

Reference: MSP (Medicare Secondary Payer) Employer Acknowledgement Form

Enclosed is a form requesting information that the Centers for Medicare & Medicaid Services (CMS) requires group health insurers such as Blue Cross and Blue Shield to obtain from their employer group customers. The form seeks information about total employer size, as defined by CMS.

Under federal laws administered by CMS, it is an employer's responsibility to inform its insurer of proper employee counts for the purpose of determining payment priority between Medicare and another insurer.

Please complete the enclosed form and return it to the Blue Cross and Blue Shield MSP Processing Center in the postage-paid envelope provided. The accompanying instructions will help you complete the form, and will provide valuable background about topics such as how changes in employer size during the year affect Medicare order-of-payment determinations. We ask that you complete, sign and return the form within the next 45 days.

It is important to note that CMS requires all employers to provide employee size information regardless of whether Medicare-eligible employees or dependents are covered by your group health plan. In the absence of the employer-provided employee counts, CMS requires Blue Cross and Blue Shield to consider the employer's group health plan coverage as primary to Medicare until such time Blue Cross and Blue Shield receives updated information.

If you need assistance in completing the MSP Employer Acknowledgement form, please contact the Blue Cross and Blue Shield MSP Processing Center at 1-866-733-5886.

If you have already received a letter with this information within the last 30 days and have returned the requested form, please disregard this notice. Otherwise, we look forward to hearing back from you.

Thank you.