CENTERS FOR MEDICARE & MEDICAID SERVICES (CMS) NEW MEDICARE CARD PROJECT

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Background

The Centers for Medicare & Medicaid Services (CMS) is the governmental agency that administers Medicare.

⚠ The Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) requires that CMS remove the Social Security Number from Medicare cards by April 2019.

⚠ The Social Security Number-based identifier (HICN) on Medicare cards will be replaced with a new Medicare number (MBI). The new cards will also have a new design and omit the gender and signature from the card.

⚠ The primary goal is to decrease the vulnerability of Medicare beneficiaries to identity theft and prevent taxpayer fraud.

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CMS terminology

CMS has conducted extensive research on the most effective language to utilize when communicating to beneficiaries about their new cards. They will refer publicly to the initiative as "the New Medicare Card Project" and the new identifier as the "New Medicare Number."

Because our audience is directed toward our Payer, Provider, and Partner customers, rather than beneficiaries, Change Healthcare will utilize the following terminology throughout this presentation:

⚠ **New Medicare Card Project** – formerly referred to by CMS as the Social Security Number Removal Initiative (SSNRI): Medicare's initiative to issue replacement Medicare cards using the new Medicare number, educate beneficiaries, update all impacted CMS systems and applications, and coordinate with other affected entities.

⚠ **HICN** – The Social Security Number-based Health Insurance Claim Number (HICN), being removed from Medicare cards.

⚠ **MBI** – The new randomly-generated Medicare number replacing the HICN on Medicare cards and in Medicare systems; also known as the Medicare Beneficiary Identifier (MBI).

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Other programs impacted

In addition to the impact on Medicare beneficiaries and systems, the issuance of new Medicare numbers (MBIs) will impact CMS business partners that utilize the Medicare Number for claims processing and eligibility determination, such as:

△ Social Security Administration (SSA).

△ United States Railroad Retirement Board (RRB).

△ State Medicaid agencies.

△ Medicare Advantage, Supplemental, and Prescription Drug plans.

CMS is working closely with these agencies as a part of their New Medicare Card Project.

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About the MBI

Each MBI will be:

- Unique to each beneficiary (including husband/wife).

- Randomly generated, with no embedded meaning.

- Sent in the same data element of electronic transactions and the same form locator on print forms as the HICN.

- 11 characters in length.

- Composed of numbers and uppercase letters, no special characters; excludes letters that could be interpreted as numbers (S, L, O, I, B, Z).

- Visually distinguishable from the beneficiary's HICN.

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MBI format

Pos.	1	2	3	4	5	6	7	8	9	10	11
Type	C	A	AN	N	A	AN	N	A	A	N	N

Where:

C – Numeric 1 thru 9

A – Alphabetic Character (A…Z); Excluding (S, L, O, I, B, Z)

N- Numeric 0-9

AN – Either A or N

***NOTE: Alphabetic characters are Upper Case ONLY

Position 1 – numeric values 1 thru 9

Position 2 – alphabetic values A thru Z (minus S, L, O, I, B, Z)

Position 3 – alphanumeric values 0 thru 9 and A thru Z (minus S, L, O, I, B, Z)

Position 4 – numeric values 0 thru 9

Position 5 – alphabetic values A thru Z (minus S, L, O, I, B, Z)

Position 6 – alpha-numeric values 0 thru 9 and A thru Z (minus S, L, O, I, B, Z)

Position 7 – numeric values 0 thru 9

Position 8 – alphabetic values A thru Z (minus S, L, O, I, B, Z)

Position 9 – alphabetic values A thru Z (minus S, L, O, I, B, Z)

Position 10 – numeric values 0 thru 9

Position 11 – numeric values 0 thru 9

Courtesy of CMS 11/1/16 Open Door Forum slides.

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HICN vs. MBI comparison

The MBI is considered personally identifiable information and must be protected as such.

Health Insurance Claim Number (HICN)
- Primary Beneficiary Account Holder Social Security Number (SSN) plus Beneficiary Identification Code (BIC)
- 9-byte SSN plus 1 or 2-byte BIC
- Key positions 1-9 are numeric

Medicare Beneficiary Identifier (MBI)
- New Non-Intelligent Unique Identifier
- 11 bytes
- Key positions 2, 5, 8, and 9 will always be alphabetic

Key	Example
SSA HICN	123-45-6789-A1
MBI	1EG4-TE5-MK73

Note: Identifiers are fictitious and dashes for display purposes only; they are not stored in the database nor used in file formats.

Courtesy of CMS 6/8/17 Open Door Forum slides.
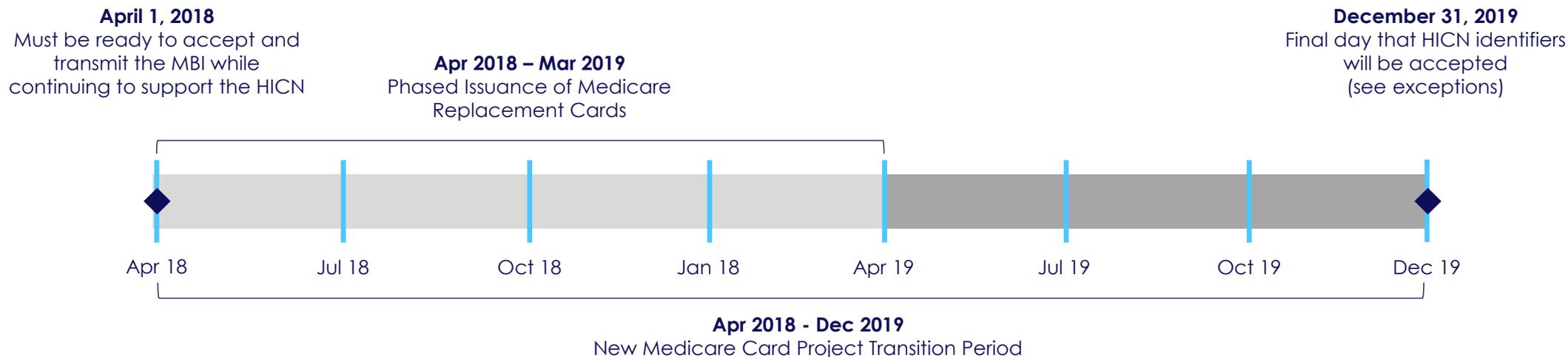
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Exceptions

Claims submitted to Medicare after December 31, 2019 must use the beneficiary's new Medicare number (MBI), with these exceptions:

- Appeals

- Adjustments

- Span-Date Claims and Requests for Anticipated Payments (RAPs)

- Reports: Outgoing (such as the Provider Statistical & Reimbursement Report, ACO reports, and Incoming (such as Quality Reporting, Disproportionate Share Hospital Data Requests)

- Incoming Information Requests

- Incoming Premium Payments

- HICN can be used indefinitely for some systems (Drug Data Processing, Risk Adjustment Processing, and Encounter Data)

See https://www.cms.gov/Medicare/New-Medicare-Card/index.html for specifics.

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CMS implementation timeline

April 1, 2018
Must be ready to accept and transmit the MBI while continuing to support the HICN

Apr 2018 – Mar 2019
Phased Issuance of Medicare Replacement Cards

December 31, 2019
Final day that HICN identifiers will be accepted (see exceptions)

Apr 18   Jul 18   Oct 18   Jan 18   Apr 19   Jul 19   Oct 19   Dec 19

Apr 2018 - Dec 2019
New Medicare Card Project Transition Period

⚠ CMS will begin a phased issuance of replacement cards no earlier than **April 1, 2018.**

⚠ All new cards will be issued by **April 1, 2019.**

⚠ Systems and products must be ready to accept and transmit the MBI by **April 1, 2018,** while continuing to support the HICN.

⚠ Medicare will no longer accept the HICN after **December 31, 2019** (see the Exceptions slide).

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Technical & operational readiness

⚠ Change Healthcare is executing an internal remediation and operational readiness program in preparation for the issuance and support of new Medicare numbers (MBIs).

⚠ All Change Healthcare systems and solutions will accept, process, and transmit either the old Medicare number (HICN) or the new Medicare number (MBI) within applicable health care transactions on and after April 1, 2018. As directed by CMS, the MBI will utilize the same data elements as the current CMS HICN.

⚠ Change Healthcare trading partners that support transaction workflows involving Medicare, Medicaid, or Medicare supplemental plans should research and identify needed technical or operational remediation within their applications and organizations.

⚠ Questions? Please follow www.hipaasimplified.com for program updates, or reach out to your Change Healthcare account manager or our customer service representatives. We are here to help.

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Medicare transition specifics

Eligibility/Benefits Inquiry and Response (X12 270/271)

⚠ When a 270 inquiry is submitted to Medicare with the old Medicare number (HICN) after the beneficiary's new card has been mailed, Medicare will return the following message* in the 271 response:

"CMS mailed a Medicare card with a new Medicare Beneficiary Identifier (MBI) to this beneficiary. Medicare providers, please get the new MBI from your patient and save it in your system(s)."

• **NOTE:** When the HICN is submitted, Medicare will NOT return the beneficiary's MBI.

⚠ When the Medicare beneficiary is a Railroad Retirement Board (RRB) retiree, the Medicare 271 response will contain the message* "Railroad Retirement Medicare Beneficiary".

*271 Loop 2110C MSG Segment (Message Text), MSG01 (Free-form Message Text).

⚠ When used as the subscriber's primary identifier in the 270/271, the MBI is to be identified with the same qualifier as used for the HICN.

*270/271 Loop 2110C NM109 with NM108 = MI (Member Identification Number).

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Medicare transition specifics

Claims (X12 837I, 837P, 837D)

Medicare systems will:

⚠ Accept, use for processing, and return either the old Medicare number (HICN) or the new Medicare number (MBI), whichever is submitted on the claim during the transition period.

⚠ Accept a batch of claims which contains a combination of old- and new number - identified claims for a given subscriber/patient.

⚠ Process and transmit crossover claims with either the old or new number.

⚠ When used as the subscriber's primary identifier, the MBI is to be identified with the same qualifier as used for the HICN.

*837I, P, or D Loop 2010BA NM109 with NM108 = MI (Member Identification Number).

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Medicare transition specifics

Remittance Advice (X12 835)

⚠ Medicare Electronic Remittance Advices will return either the old Medicare number (HICN) or the new Medicare number (MBI), whichever is submitted on the claim.

⚠ Beginning **October 2018** through **December 2019**: When a valid and active old Medicare number (HICN) is submitted on Medicare fee-for-service claims, the new Medicare number (MBI) will be returned in the Corrected Patient/Insured Name segment*.

*835 Loop 2100, NM1 Segment (Corrected Patient/Insured Name), NM109 (Corrected Insured Identification Indicator)

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Medicare transition specifics

Operations

⚠ CMS will monitor the transition to the new Medicare number (MBI) to gauge industry readiness and to ensure that Medicare operations are not interrupted.

⚠ CMS will give State Medicaid agencies and supplemental insurers the new Medicare numbers (MBIs) for Medicaid-eligible people who also have Medicare coverage (dual eligibility) before the new cards are mailed.

⚠ Providers will be able to look up a beneficiary's new Medicare number via their MAC's portal. See CMS's sample provider letter for additional information.

⚠ Beneficiaries will be able to view and print their new Medicare card from mymedicare.gov, or call 1-800-MEDICARE for a replacement card.

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Medicare transition specifics

Education and Outreach

⚠ The upcoming issuance of new Medicare cards will be introduced in the CMS 2018 Medicare and You handbook, mailed (or otherwise made available) to beneficiaries in October 2017.

⚠ A broad educational campaign targeting beneficiaries will continue through April 2019.

⚠ CMS will develop secure lookup methods allowing providers and beneficiaries to find their new Medicare numbers (MBIs).

⚠ The CMS website provides robust online resources to support providers, vendors, and payers. See the CMS Resources slides for details.

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Medicare transition specifics

System Testing

⚠ CMS will not be offering end-to-end testing for Fee-for Service claims processing systems. The transition period will allow for live testing and implementation of adjustments where needed.

⚠ Entities will need to make required system and business process changes and complete testing by April 2018 in order to support the new Medicare Beneficiary Identifier (MBI).

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CMS resources

⚠ *New Medicaid Card home page:*
https://www.cms.gov/medicare/new-medicare-card/nmc-home.html

⚠ *New Medicaid Card overview:*
https://www.cms.gov/Medicare/New-Medicare-Card/index.html

⚠ *For state payers:*
https://www.cms.gov/Medicare/New-Medicare-Card/States/States.html

⚠ *For providers:*
https://www.cms.gov/Medicare/New-Medicare-Card/Providers/Providers.html

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CMS resources

⚠ *For health and drug plans:*
https://www.cms.gov/Medicare/New-Medicare-Card/Health-and-Drug-Plans/Health-and-drug-plans.html

⚠ *For partners and employers:*
https://www.cms.gov/Medicare/New-Medicare-Card/Partners-and-Employers/Partners-and-employers.html

⚠ *Medicare Card Messaging Guidelines: Language to use when speaking to beneficiaries.*
https://www.cms.gov/Medicare/New-Medicare-Card/New-Medicare-Card-Messaging-Guidelines-July-2017.pdf

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CMS resources

⚠ *5 Ways for Healthcare Providers to Get Ready:* https://www.cms.gov/Medicare/New-Medicare-Card/5-Things-What-to-do-Now-Drop-In-English.pdf

⚠ *CMS Open Door Forums:* Related presentations. https://www.cms.gov/Medicare/New-Medicare-Card/Open-Door-Forums.html

⚠ *Medicare Learning Network®:* Articles and other educational publications. https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Index.html

Subscribe to the MLN Connects® Newsletter for updates on the New Medicare Card Project and other Medicare news.

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