

Affected Programs: BadgerCare Plus, Medicaid
To: All Providers, HMOs and Other Managed Care Programs

Resubmitting Medicare Crossover Claims When Medicare Assessed a Late Fee

Medicare crossover claims may be denied by ForwardHealth if Medicare assessed a late fee. This *ForwardHealth Update* provides instructions on resubmitting crossover claims when Medicare assessed a late fee.

Late Fees Applied to Medicare Crossover Claims

Medicare assesses a late fee when providers submit a claim after Medicare's claim submission deadline has passed. Claims that cross over to ForwardHealth with a Medicare late fee are denied for being out of balance. To identify these claims, providers should reference the Medicare remittance information and check for American National Standards Institute code B4 (Late filing penalty), which indicates a late fee amount deducted by Medicare.

ForwardHealth considers a late fee part of Medicare's paid amount for the claim because Medicare would have paid the additional amount if the claim had been submitted before the Medicare claim submission deadline. ForwardHealth will not reimburse providers for late fees assessed by Medicare.

Resubmitting Medicare Crossover Claims with Late Fees

Providers may resubmit to ForwardHealth crossover claims denied because the claim was out of balance due to a Medicare late fee. The claim may be submitted on

paper, submitted electronically using the ForwardHealth Portal, or submitted as an 837 Health Care Claim (837) transaction.

Paper Claim Submissions

When resubmitting a crossover claim on paper, include a copy of the Medicare remittance information so ForwardHealth can determine the amount of the late fee and apply the correct reimbursement amount. This is the current policy for submitting crossover claims on paper.

Electronic Claim Submissions

When resubmitting a claim via the Portal or an electronic 837 transaction (including Provider Electronic Solutions software submissions), providers are required to balance the claim's paid amount to reflect the amount Medicare would have paid **before** Medicare subtracted a late fee. This is the amount that ForwardHealth considers when adjudicating the claim. To balance the claim's paid amount, add the late fee to the paid amount reported by Medicare. Enter this amount in the Medicare paid amount field.

For example, the Medicare remittance information reports the following amounts for a crossover claim:

- Billed amount: \$110.00.
- Allowed amount: \$100.00.
- Coinsurance: \$20.00.
- Late fee: \$5.00.
- Paid amount: \$75.00.

Since ForwardHealth considers the late fee part of the paid amount, providers should add the late fee to the paid amount reported on the Medicare remittance. In the example above, add the late fee of \$5.00 to the paid amount of \$75.00 for a total of \$80.00. The claim submitted to ForwardHealth should report the Medicare paid amount as \$80.00.

Information Regarding Managed Care Organizations

This *Update* contains fee-for-service policy and applies to services members receive on a fee-for-service basis only. For managed care policy, contact the appropriate managed care organization. Managed care organizations are required to provide at least the same benefits as those provided under fee-for-service arrangements.

The *ForwardHealth Update* is the first source of program policy and billing information for providers.

Wisconsin Medicaid, BadgerCare Plus, SeniorCare, and Wisconsin Chronic Disease Program are administered by the Division of Health Care Access and Accountability, Wisconsin Department of Health Services (DHS). The Wisconsin Well Woman Program is administered by the Division of Public Health, Wisconsin DHS.

For questions, call Provider Services at (800) 947-9627 or visit our Web site at www.forwardhealth.wi.gov/.

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