Coordination of Benefits – Billing Medicare Part B and D Claims

June 6, 2022

Why is this important?

Medicare-covered medical supplies must be billed to Medicare before billing Medi-Cal Rx for dual-eligible beneficiaries with Medicare Part B and Part D coverage.

How does this affect stakeholders?

Submitting claims for medical supply products that are not covered by Medicare Part D but are covered under Medicare Part B must follow billing guidelines that are specific to Medicare Part B or Part D coverage.

Medicare Part B Claims

If a beneficiary has Medicare Part B coverage and the pharmacy bills Medi-Cal Rx for a Medicare Part B-covered drug or medical supply—including blood test strips, blood pressure monitors and cuffs, lancet/lancet devices, glucometers, and control solutions—the claim will deny with National Council for Prescription Drug Programs (NCPDP) **Reject Code A6 – Product/Service May Be Covered Under Medicare Part B** with the supplemental message "Bill Medicare."

If a claim is billed to Medicare Part B and Medicare Part B denies the claim for prior authorization (PA), a PA must be submitted to Medicare for coverage. If Medicare denies the PA, then a PA request must be submitted to Medi-Cal Rx for consideration.

ARCHIVED

If billing for full charges for a Medicare Part B-eligible drug when the Medicare Part B annual deductible has **not** been met, the following scenarios may apply:

- If Medicare Part B denied payment on the claim and the charge was applied to the beneficiary's Medicare Part B annual deductible, and all required fields have been entered according to the *NCPDP Standard Payer Sheet*, then the MediCal Rx claim will pay.
- If the claim is not covered by Medicare Part B, it should be billed to the beneficiary's Medicare Part D. In this scenario, the claim billed to Medicare Part B will deny with NCPDP **Reject Code 13 – M/I Other Coverage Code** with the supplemental message "Bill Beneficiaries Part D Plan for payment."

- **The pharmacy must submit a Medicare Part B drug claim directly to Medi-Cal Rx when it does not crossover automatically.**

If billing a copay charge when the annual deductible has been met, the pharmacy **must** submit the claim to Medi-Cal Rx with the following information:

- Copay charge for the Medicare Part B eligible drug.
- Specific Medicare Part B Other Payer ID.
- Applicable Other Coverage Code (OCC).
- Dollar amount collected.

- **Crossover claims do not require a PA request.**
- **Straight Medi-Cal Rx claims for Medicare denied or noncovered services may require a PA request.**

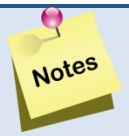
Medicare Part D Claims

Medi-Cal Rx will deny coordination of benefits (COB) claims when the pharmacy indicates by submission of **OCC = 2** (**Other Coverage Exists Payment Collected**) that a payment has been received from Medicare Part D. Medi-Cal Rx will also deny COB claims when the pharmacy submits an **OCC = 4** (**Other Coverage Exists Payment Not Collected**) to indicate that Medicare Part D scenarios will deny for NCPDP **Reject Code 13 – M/I Other Coverage Code** with the supplemental message "Medicare Part D co-pays and deductibles are not covered."

ARCHIVED

Medi-Cal Rx will adjudicate claims for products that are not covered by Medicare Part D for beneficiaries that have Medicare Part D; therefore, these products may pay if covered under Medi-Cal Rx and can also be billed directly to Medi-Cal Rx without COB information.

Claims submitted to Medi-Cal Rx for products that are **not** excluded from Medicare Part D for a beneficiary with Medicare Part D coverage will deny with NCPDP **Reject Code 620 – This Prod/Service may be covered under Medicare Part D**.



- **Medi-Cal Rx will not pay the Medicare Part D deductible or copayments.**

For more information

- See the following sections in the *Medi-Cal Rx Provider Manual* for accepted claim forms:
  - Section 18.1 – NCPDP Universal Claim Form (UCF), Version D.0
  - Section 18.2.1 – California Specific Pharmacy Claim Form (30-1)
  - Section 18.22 – California Specific Compound Paper Claim Form (30-4)
- See the following sections in the *Medi-Cal Rx Provider Manual* for Medicare Part B and D:
  - Section 10.1.2 – Medicare Part B Crossover Claims
  - Section 10.1.4 – Medicare Part D COB

Questions?

You can call the Medi-Cal Rx Customer Service Center (CSC) at 1-800-977-2273, which is available 24 hours a day, 7 days a week, 365 days per year.

ARCHIVED