

March 3, 2010

Re: Medicare Part B Changes

Dear Medicare Provider/Supplier:

Effective March 11, 2010, TrailBlazer Health Enterprises® will be transitioning our Part B financial accounting system from the Multi-Carrier System (MCS) to the Healthcare Integrated General Ledger Accounting System (HIGLAS).

This transition involves **only** our financial accounting system. **We will continue to use MCS for all of our claims processing activities.**

Implementation of HIGLAS will enable the Centers for Medicare & Medicaid Services (CMS) to track Medicare payments and to accurately pay claims for over 40 million Medicare beneficiaries. The transition will also provide CMS with enhanced oversight of contractors' accounting systems, as well as access to more accurate, timely and consistent data for decision-making and performance evaluations.

### **TrailBlazer<sup>SM</sup> HIGLAS Transition**

The purpose of this letter is to explain the impact that the TrailBlazer HIGLAS transition will have on your organization's Medicare payments. It also provides a detailed transition timeline, revised payment schedules and other important information regarding upcoming changes. In an attempt to make the transition as smooth as possible, we are providing you with this information to ensure minimal disruption in your Medicare payments.

*We ask that you please take time to carefully read this information and share it with the appropriate staff in your organization.*

### **Introduction to HIGLAS**

Updated information regarding the HIGLAS implementation will be provided via the TrailBlazer HIGLAS Web page at <http://www.trailblazerhealth.com/Payment/HIGLAS.aspx>. A HIGLAS Computer-Based Training (CBT) module is also available on the HIGLAS Web page. In addition to information provided in this letter, the HIGLAS Web page contains updates for:

- Reporting Non-Tax Withholding Due to Federal Payment Levy Program (FPLP).
- Reporting Withholding Due to IRS Federal Payment Levy Program (FPLP) on the Remittance Advice.
- Frequently Asked Questions.

This same information will be issued in our listserv mailing lists and published in the *TrailBlazer eBulletin*. If you are not currently registered to receive listserv messages, please go to <http://www.trailblazerhealth.com/Register.aspx> and register now.

### **Temporary Waiver of the Claims Processing Payment Floor**

CMS has approved TrailBlazer's waiver request to drop the payment floor to seven days for Electronic Media Claims (EMC) and 14 days for paper on Friday, March 5, 2010. Then on Tuesday, March 9, 2010, the floor will be set to zero for EMC and paper will remain at zero until after cutover.

This temporary reduction of the payment floor will result in payments being issued early (checks and Electronic Funds Transfer (EFT)). This may give the appearance that your cash revenues have increased, when in fact payments for some of your claims may have simply been made earlier than normal. Providers are encouraged to monitor their payments and make adjustments as necessary to prevent cash flow problems during the transition period.

### **HIGLAS Transition Activities**

**On March 10, 2010, TrailBlazer will run its last MCS payment cycle and begin the HIGLAS transition (see *TrailBlazer HIGLAS Transition Timeline* below).**

- Waiver of the payment floor will result in claim payments (checks and EFTs) being issued earlier than normal.
- Providers are encouraged to continue submitting claims as normal.
- Following its transition to HIGLAS, TrailBlazer will resume normal scheduled payments.
- Distribution of Remittance Advices (RAs) will resume the week of March 15, 2010.

### **HIGLAS Remittance Advices**

TrailBlazer will not be issuing payments March 11 – March 16, 2010. Electronic Remittance Advices (ERAs) and paper RAs will not be available. TrailBlazer will resume normal payment cycles and issuance of payments on March 17, 2010, at which time providers will be able to retrieve their ERAs.

### **TrailBlazer HIGLAS Transition Timeline**

<b>Date</b>	<b>Action</b>
March 9, 2010	Release payments for all claims already approved to pay.
March 10, 2010	Last MCS payment cycle (payment floors reduced to zero).

Date	Action
March 11, 2010	HIGLAS transition begins.
March 11–16, 2010	No payments will be issued – ERAs and paper RAs are not produced.
March 15, 2010	HIGLAS transition completed – payment floors reinstated.
March 17, 2010	Production and distribution of ERAs and paper RAs resume.
March 15, 2010	Begin processing backlogged files and issuing payments.
March 17–31, 2010	Providers may experience a significant reduction in payments due to the early claim payments issued immediately prior to the transition. Providers need to monitor and manage their cash flows during this time period.

## CHANGES PROVIDERS WILL SEE AS A RESULT OF HIGLAS

### RA Change

The RA will display the TrailBlazer two-digit plan code **91** in front of the Financial Control Number (FCN) as shown below:

TOTALS:	# OF CLAIMS	BILLED AMT	ALLOWED AMT	DEDUCT AMT	COINS AMT	TOTAL RC-AMT	PROV PD AMT	PROV ADJ AMT	CHECK AMT
	5	255.01	2914.92	20.61	578.86	-121.88	-222.58	46.52	21.55

  

PROVIDER ADJ DETAILS:	PLB REASON	CODE	FCN	AMOUNT	HIC	CHECK AMOUNT
	WO		916800000000	46.52		

### Claim Payments Less Than One Dollar

Current CMS instructions require Part B contractors to hold claim payments of less than \$1 until another payment greater than \$1 is generated and then to combine the two payments. Payments less than \$1 will now be issued because HIGLAS functionality at this time will not suppress these payments.

### Claims and Refund Payments Subject to a Hold (Do Not Forward (DNF), Bankruptcy and Payment Suspension)

A provider payment may be placed on hold due to a forwarding address, bankruptcy or payment suspension. Currently, the holds are applied to the net payment after any eligible overpayment receivables have been offset. In HIGLAS, the holds will be applied at the claim level. As a result, the held money will not be applied to eligible receivables until the hold has been released.

### Claims and Refund Payments Subject to Third-Party Payer (TPP) Offset (IRS Backup Withholding)

A provider payment may be subject to offsetting to a third party such as the IRS. In the current environment, when a provider is subject to TPP, a provider check is pulled and the payment is remitted to the third party but no notification is provided on the RA. HIGLAS will communicate a TPP offset of a provider's payment on the provider's RA.

**HIGLAS Impact on Claims Processing**

Currently, our online system is available on federal holidays and TrailBlazer processes claims on some federal holidays. After transitioning to HIGLAS, our online system will continue to be available, but claims will no longer be processed on federal holidays. There will be no change to provider payments because TrailBlazer currently does not issue checks or EFTs on federal holidays.

For further information, please visit the TrailBlazer Web site at <http://www.trailblazerhealth.com> or the HIGLAS Web page at <http://www.trailblazerhealth.com/Payment/HIGLAS.aspx>. If you have any questions regarding the information contained in this letter, please contact our Provider Customer Service Call Center toll-free at (866) 280-6520.

Sincerely,

TrailBlazer Health Enterprises