

## **Chapter 8 Contents**

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## **Introduction**

**Electronic Data Interchange (EDI)** is the computer-to-computer electronic exchange of business documents using standard format. EDI gives you the ability to transmit Electronic Media Claims (EMC) to Medicare in a Health Insurance Portability and Accountability Act (HIPAA) compliant format. National Government Services administers The Common Electronic Data Interchange (CEDI) contract for EDI services for all DME MAC suppliers. More information on CEDI can be found in the “Common Electronic Date Interchange” section of this chapter.

The following pages describe the benefits of billing electronically and additional electronic options available. Details and instructions on what you will need to do to begin billing electronically can be found on the CEDI’s website at <http://www.ngscedi.com/> under “Resource Materials.” The website contains valuable information including technical information, manuals, and enrollment materials.

If you require additional EDI information, please contact the CEDI Help Desk toll-free at 866.311.9184.

**Note:** The acceptable HIPAA compliant format is the American National Standards Institute (ANSI) X12N Version 4010A1 837 transaction and the National Council for Prescription Drug Programs (NCPDP) Telecommunications Standard Version 5.1 and Batch Standard 1.1.

## **1. Benefits of EDI**

*CMS Manual System, Pub. 100-04, Medicare Claims Processing Manual, Chapter 24*

Electronic Data Interchange (EDI) will simplify time-consuming, labor-intensive jobs and ultimately enable you to increase your productivity. The following are a few of the benefits experienced by utilizing the EDI options offered by Medicare:

- **Faster payments:** the payment floor for electronic claims is shorter than that of paper claims
- **Ease of billing electronically** (support is available)
- **More efficient and accurate claims filing;** data is received precisely as input by your office, eliminating the chance of processing errors
- **Electronic front-end edit reports:** confirmation can be downloaded via modem within 48 hours of transmission. This report verifies the acceptance of claims and Certificates of Medical Necessity (CMNs) & DME Information Forms (DIFs).
- **Online or batch versions of Claim Status Inquiry (CSI) and Beneficiary Eligibility (BE)**
- **Availability of Electronic Remittance Advice (ERAs) for faster payment posting**

- Lower administrative, postage, and handling costs
- Ability to submit claims and CMNs/DIFs seven days a week, including holidays

If you would like more information about electronic billing and enrollment, please visit CEDI's website at <http://www.ngscedi.com/> or contact the CEDI Help Desk by phone at 866.311.9184.

## **2. ASCA**

**CMS Manual System, Pub. 100-04, Medicare Claims Processing Manual, Chapter 24, §90**

Section 3 of the Administrative Simplification Compliance Act (ASCA), Public Law (PL) 107-105, and the implementing regulation at 42 CFR 424.32 require that **all initial claims** for reimbursement under Medicare (except from small providers) be submitted electronically as of October 16, 2003, with limited exceptions. Initial claims are those claims submitted to a Medicare fee-for-service contractor, DME MAC, or fiscal intermediary for the first time, including:

- Resubmitted previously rejected claims
- Claims with paper attachments
- Demand claims
- Claims where Medicare is secondary and there is only one primary payer
- Nonpayment claims

Medicare will not cover claims submitted on paper unless they meet the limited exception criteria. Claims denied for this reason will contain claim adjustment reason code 96 (Noncovered charge[s]) and remark code M117 (Not covered unless submitted via electronic claim). See Chapter 17 of this manual for information about claim reason and remark codes.

Further details on the ASCA provision, exception criteria, and how to apply for a waiver can be found on the CIGNA Government Services website at:

<http://www.cignagovernmentservices.com/jc/claims/submission.html>.

## **3. Additional Electronic Options**

There are additional electronic options available which will increase your business' productivity. These options include Claim Status Inquiry (CSI), payable Certificate of Medical Necessity (CMN) status, Beneficiary Eligibility (BE), 270/271, 276/277, and Electronic Remittance Advice (ERAs).

### **Claim Status Inquiry (CSI)**

Claim Status Inquiry (CSI) allows you to electronically check the status of production claims after they have passed front-end editing and received Claim Control Numbers (CCNs). Through CSI, suppliers will also be able to receive payable CMN information.

At least three working days after you successfully file an electronic claim, you will be able to locate your claim in the processing cycle. Through CSI you will know if your claim has been paid, denied, or is still pending. If you are checking the status of pending claims, there are additional screens

available which contain more detailed status information. CSI is available for both electronic and paper claims. The DME MAC provides support for CSI.

### **Beneficiary Eligibility (BE)**

Beneficiary Eligibility allows you to electronically obtain eligibility information on Medicare beneficiaries prior to claim submission. Eligibility data may not be requested if you are not involved in provision of health care services to a presumptive beneficiary, unless the presumptive Medicare beneficiary has approached you or another supplier to provide health care supplies to that beneficiary. Searches of eligibility data of possible beneficiaries who are not currently receiving services, or for whom a supplier has not been approached to furnish services, is prohibited. The DME MAC provides support for BE.

CSI/BE both use the Direct Data Entry format which allows the user to input data into predefined fields and then are instantaneously provided with a response. This type of inquiry does not require the format of an actual file and it does not return a report to the user. For more information regarding CSI/BE and enrollment, visit the Claim Status Inquiry and Beneficiary Eligibility page at <http://www.cignagovernmentservices.com/jc/claims/csi/csi.html>.

### **270/271**

The HETS 270/271 application allows providers or clearinghouses to submit HIPAA compliant 270 eligibility request files over a secure connection. HETS 270/271 submitters must have a mechanism to send 270 eligibility requests and receive 271 eligibility responses in a real-time environment. For information about the real-time version of eligibility, visit the CMS website at [http://www.cms.gov/HETSHelp/04\\_HowtoGetConnectedHETS270271.asp](http://www.cms.gov/HETSHelp/04_HowtoGetConnectedHETS270271.asp).

### **276/277**

The Health Care Claim Status Request (276) and Health Care Information Status Notification (277) provides information regarding specified claims. For information about 276/277 and enrollment, visit the CEDI website at <http://www.ngscedi.com/>.

### **Electronic Remittance Advice (ERA)**

An **Electronic Remittance Advice** (ERA) is an electronic data file that shows claims that have been paid and the dollar amounts for each. It also shows claims that have been denied and the reason for denial. This document contains the same information as the paper Remittance Advice (RA) suppliers receive through the mail. See Chapter 17 of this manual for information about RAs.

When the ERA file has been downloaded, it must be run through ERA reader software to allow you to view and print out the document in a readable format. ERA reader software may be purchased from a software vendor. CMS has developed free software called Medicare Remit Easy Print (MREP) that enables suppliers to view and print RAs. This software is available through the CMS website at [http://www.cms.gov/AccessstoDataApplication/02\\_MedicareRemitEasyPrint.asp](http://www.cms.gov/AccessstoDataApplication/02_MedicareRemitEasyPrint.asp).

## **4. Common Electronic Date Interchange (CEDI)**

The CEDI provides a single front end solution for the submission and retrieval of DME MAC electronic transactions. CEDI handles these transactions for all DME MACs.

CEDI handles:

- Electronic claims (ANSI X12 837 and NCPDP)
- Delivery of all electronic front end reports
- Enrollment and delivery of electronic remittance advice
- 276/277 (claim status request/response) transactions

The CEDI Help Desk will answer questions and provide support for the following:

- CEDI Enrollment Status
  - X12 837 Claims
  - NCPDP Claims
  - X12 276 Claim Status Request
  - X12 835 Electronic Remittance Advice
  - X12 277 Claim Status Response
- CEDI Password Resets
- Free/Low Cost Software Support
  - PCE Pro32
  - MREP
- Verification of the receipt of files
- Support for Electronic Formats
  - X12 837 Claims
  - NCPDP Claims
  - X12 276 Claim Status Request
  - X12 835 Electronic Remittance Advice
  - X12 277 Claim Status Response
- Support for CEDI TA1, TRN, 997 and GenResponse Reports
- Support for VMS (DME MAC) Pre-Pass Error Reports
- Support for NCPDP Reports
- Testing Support for Vendors and Trading Partners (Electronic Submitters)

You may contact the CEDI Help Desk for assistance at 866.311.9184.

For information on front end rejections, refer to the Front-End Edit Error Manual for ANSI 837 v4010A1 claims on the CEDI website at <http://www.ngscedi.com/>.