



Medicare Beneficiary Identifier: What Providers Need to Know

Medicare Beneficiary Identifier (MBI) has the attention of the entire healthcare industry. That's because Medicare is in the midst of preparing for a dramatic change. This spring, all Medicare beneficiaries will be transitioning to a new identification system, and that's a big deal.

Whenever Medicare makes a large-scale change, it can send shockwaves throughout the entire healthcare industry. So why the change? In 2015, the Medicare Access and CHIP Reauthorization Act (MACRA) prohibits the inclusion of Social Security Numbers (SSN) on Medicare identification cards. The intention is to protect people with Medicare from fraudulent use of SSNs, which can lead to identity theft and illegal use of Medicare benefits.

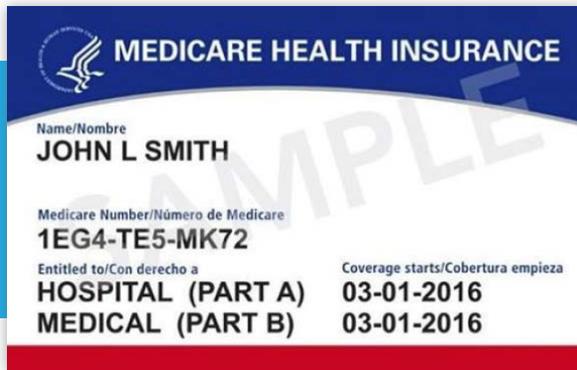


Medicare is assigning beneficiaries a new MBI that replaces the SSN-based Health Insurance Claim Number (HICN) with a more unique and secure identifier. The MBI will apply to existing, currently active, deceased or archived beneficiaries. Those who also have a Medicare Advantage or Part D plan will receive separate cards from those insurers.

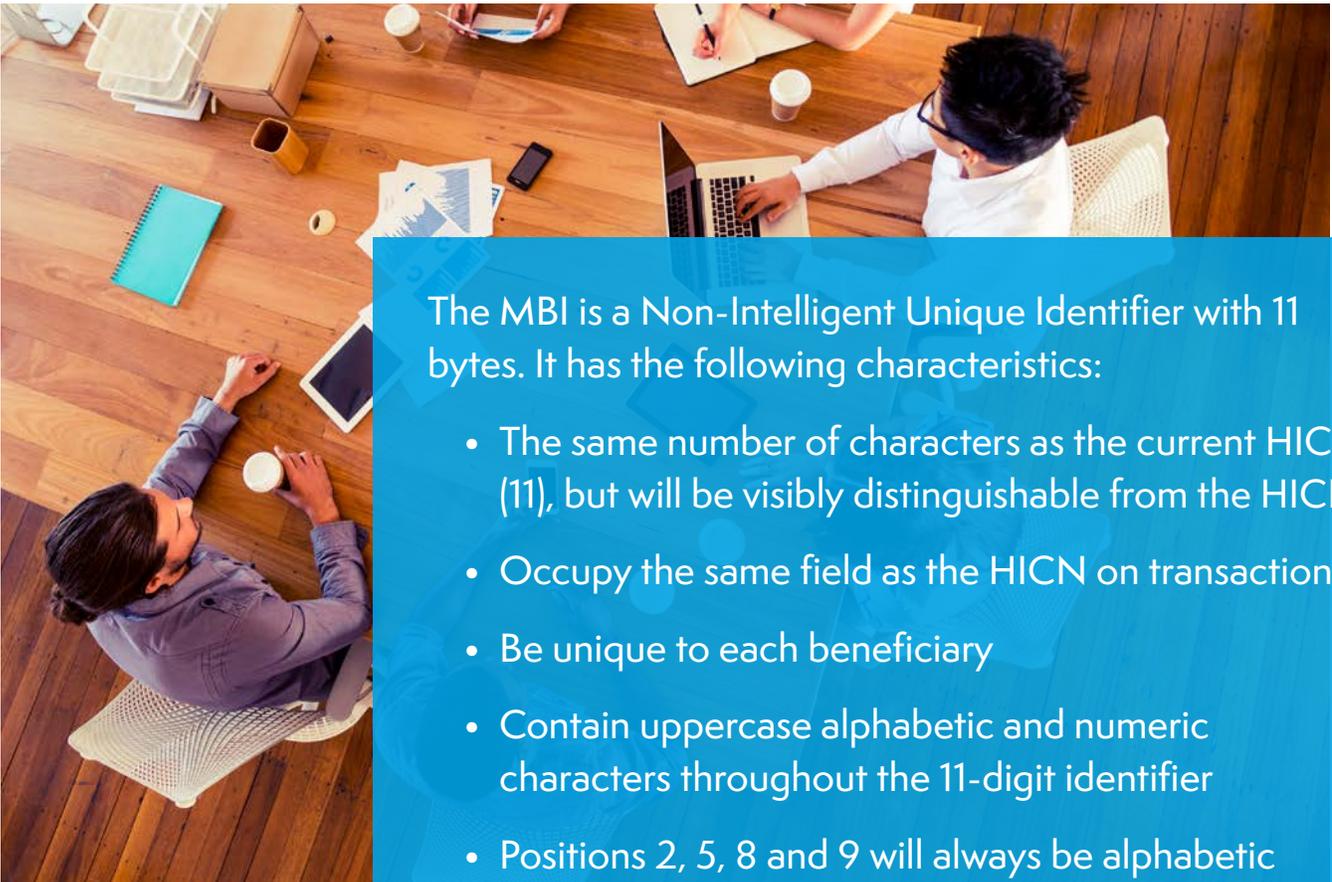
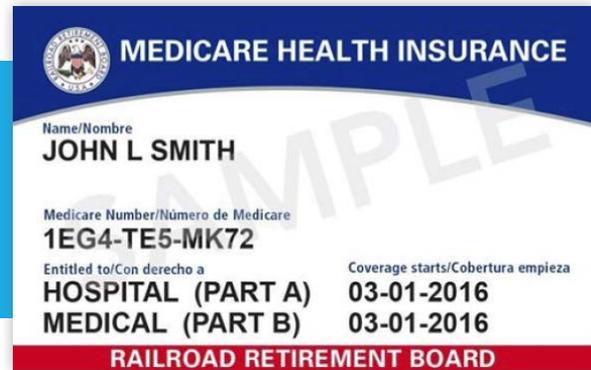
Medicare expects the new number to prevent medical identity theft, help protect private healthcare and financial information and safeguard federal healthcare benefits. CMS requires providers to protect the new MBI as personally identifiable information (PII).

In April 2018, Medicare will begin the process of mailing beneficiaries newly-designed cards with the MBI and must complete this process by April 2019. All new enrollees as of April 1, 2018 will automatically receive an MBI. As you can imagine, this switch is a massive undertaking for the Medicare program. Medicare has determined a staggered mailing system so cards arrive in certain geographical areas at scheduled intervals. Beneficiaries covered under the Railroad Retirement Board (RRB) will also get new cards which will include the RRB logo in the upper left corner.

New MBI Medicare Card



New RRB Card



The MBI is a Non-Intelligent Unique Identifier with 11 bytes. It has the following characteristics:

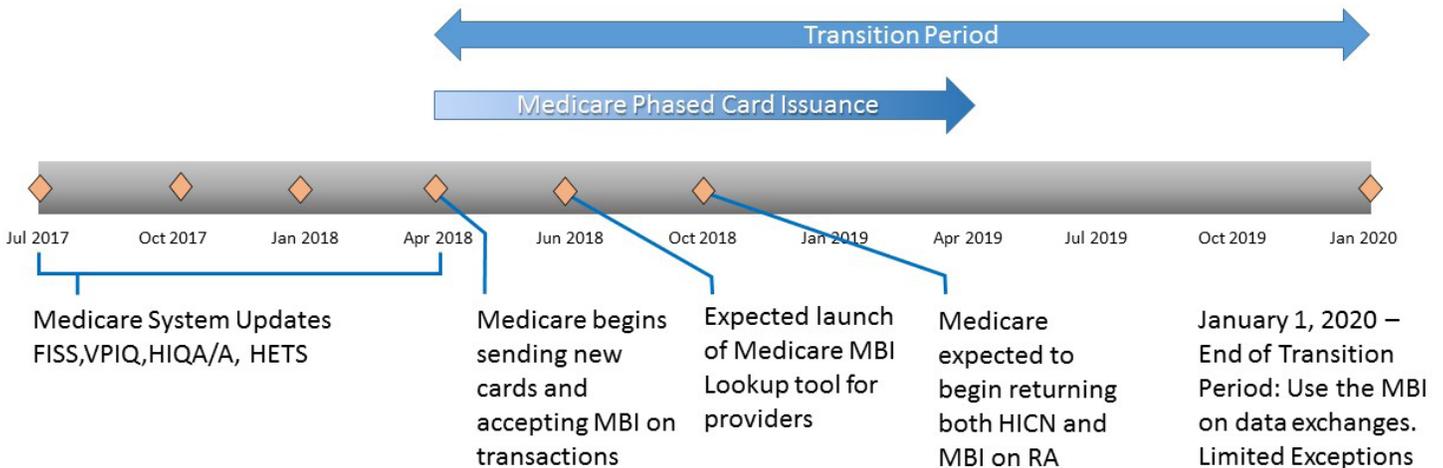
- The same number of characters as the current HICN (11), but will be visibly distinguishable from the HICN
- Occupy the same field as the HICN on transactions
- Be unique to each beneficiary
- Contain uppercase alphabetic and numeric characters throughout the 11-digit identifier
- Positions 2, 5, 8 and 9 will always be alphabetic
- Be easy to read and limit the possibility of letters being interpreted as numbers
 - Alphabetic characters are upper case only and will exclude S, L, O, I, B, Z
- Not contain any embedded intelligence or special characters

MBI Generation and Transition Period

Medicare is allowing a transition period when providers can use either the HICN or the MBI to exchange data and information. This transition period ends December 31, 2019, and beginning January 2020, in most instances, claims without the MBI will be unable to process.

The switch to MBI is nothing short of a mass preparation effort for the entire industry. As a provider, are you ready? The change will impact your claims, reporting and reimbursement. It will require significant changes to current systems.

All provider systems must be ready to accept the MBI by April 2018 for transactions like billing, claim status, eligibility verification, and other interactions with Medicare Administrative Contracts (MACs). In April, Medicare beneficiaries can look up their new MBI numbers. Then starting in June 2018, providers can look up their patients' MBI numbers through their MAC's secure portals.





After the Transition Period

CMS will require providers use MBIs for all transactions starting January 1, 2020. However, there are a few exceptions when you can use either the MBI or HICN:

FFS Claim Exceptions

Appeals: You can use either the HICN or MBI for claim appeals and related forms.

Claim status query: You can use HICNs or MBIs to check the status of a claim if the earliest date of service on the claim is before January 1, 2020. If you're checking a claim's status with a date of service on or after January 1, 2020, you must use the MBI.

Span-date claims: You can use the HICN for 11X-Inpatient Hospital, 32X-Home Health (home health claims & Request for Anticipated Payments (RAPs)), and 41X-Religious Non-Medical Health Care Institution claims if the "From Date" is before the end of the transition period (12/31/2019). You can submit claims received between April 1, 2018 and December 31, 2019 using the HICN or the MBI. If a patient starts getting services in an inpatient hospital, home health, or religious non-medical health care institution before December 31, 2019, but stops getting those services after December 31, 2019, you may submit a claim using either the HICN or the MBI, even if you submit it after December 31, 2019.

Incoming premium payments: People with Medicare who don't get SSA or RRB benefits and submit premium payments should use the MBI on incoming premium remittances. However, Medicare will accept the HICN on incoming premium remittances after the transition period (Part A premiums, Part B premiums, Part D income-related monthly adjustment amounts, etc.).

[Prepare!]

Make sure your systems are ready to accept the MBI starting April 2018. You should internally test your systems and business processes to guarantee everything works and you're ready BEFORE April.

Confirm that your billing systems can automatically accept the new MBI from the remittance advance (835) transaction. Starting October 2018 and through the transition period, Medicare will return your patient's MBI on every remittance advice for claims you submit with a valid HICN. The MBI will be in the same place you currently view the HICN.

If you use a vendor to bill Medicare, check with them to learn about how they're handling the MBI transition. Ask vendors how they'll handle dual processing of both MBIs and HICNs during the transition period.

Train your staff. Set up an internal task force to champion the MBI change and develop staff training, which may include updating charts, archiving HICNs and making changes in your Electronic Health Record (EHR) system. Develop a clear plan of action so everyone is informed and can expect a smooth transition.

Of course making certain your Medicare patients are comfortable with the change is paramount, as you want them to have a pleasant experience while in your care. Be sure to develop a communication strategy that helps your patients understand the new MBI and offer them resources if they experience headaches. If patients have multiple plans, encourage them to carry each card from their insurers in case of an emergency.





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If you'd like more information about how eSolutions is proactively preparing products for the new MBI, please contact our Client Services team at 866.633.4726 or via email at clientservices@esolutionsinc.com.