MULTI-CONTRACTOR CLAIM SETS

On occasion, two different contractors will pay for the same billed services. These types of duplicate payments are a result of jurisdictional processing errors. To ensure that this type of duplicate payment is addressed in the Duplicate Claims System, special data fields and procedures have been incorporated.

1.0. DESCRIPTION OF A MULTI-CONTRACTOR CLAIM SET

A multi-contractor claim set contains potential duplicate claims processed by two or more contractors. A multi-contractor set, consisting of Responsible FIs 06 and 25, is shown in Figure 9-6-1, Sample Multi-Contractor Claim Set. The resolution of multi-contractor claim sets requires coordination between/among the contractors involved. Multi-contractor sets always involve an erroneous payment because only one contractor is responsible for processing and paying for services within a jurisdiction at any given time. When two different contractors pay for the same billed service, it means that one or more of the claims in the set were erroneously processed and paid by a contractor who did not have processing jurisdiction.

As with all other potential duplicate claim sets, the Duplicate Claims System assigns ownership of each set, i.e., responsibility for resolving the set, to the contractor who submitted the claim with the latest processed-to-completion date. This contractor becomes the Owner FI, who must research the claims in the set to determine if they had jurisdiction for the billed services. If the assigned Owner FI determines that they did not have processing jurisdiction for the claims in the set and, therefore, paid the claims in error, the Owner FI must resolve the duplicate situation. This means that the Owner FI must remain as the Owner FI, indicate that a duplicate condition exists in the set, initiate recoupment of the overpayments, ensure receipt of the refunds/offsets, submit appropriate HCSR adjustments, verify that these adjustments are reflected in the HCSR database, and resolve the set

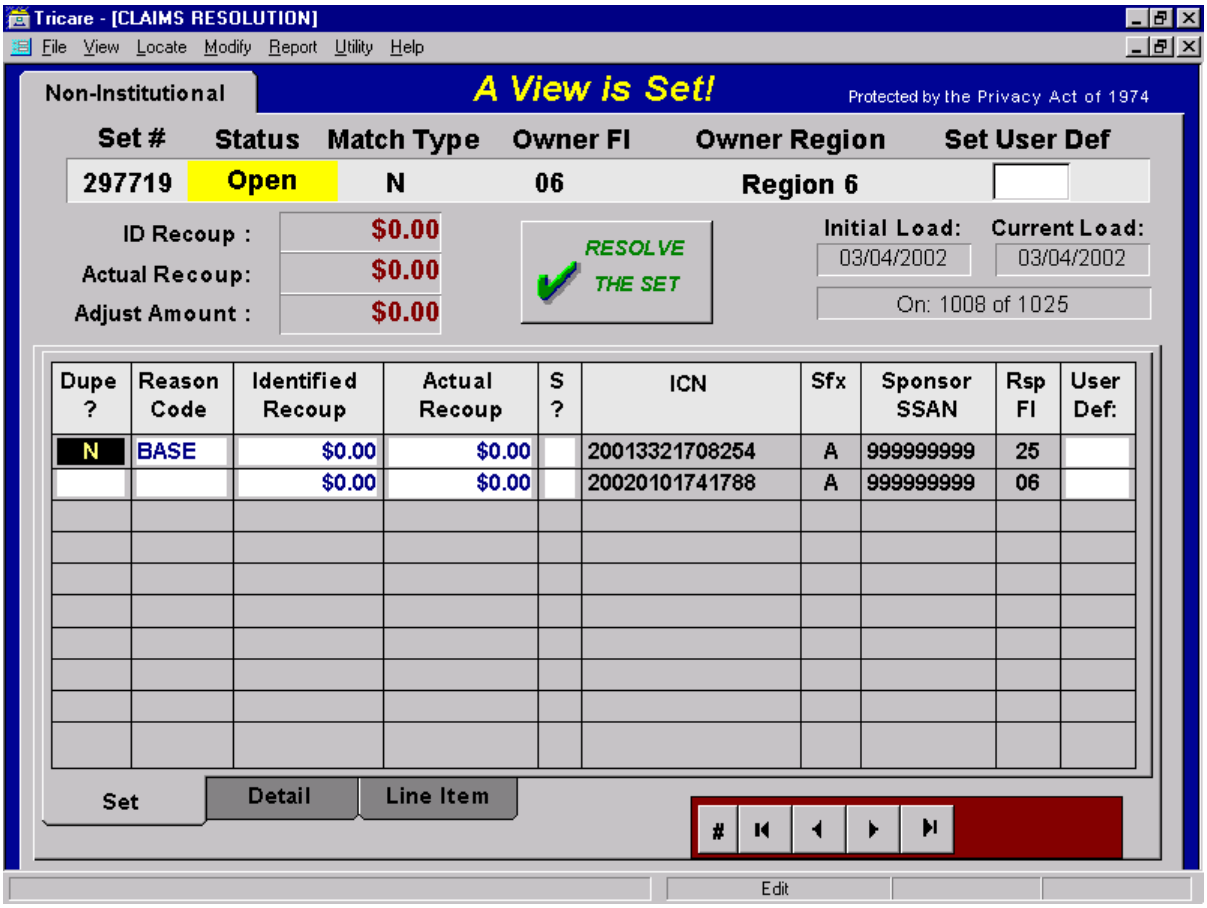
If, however, the Owner FI determines that they did have processing jurisdiction for the claims in the set and, therefore, the other contractor paid the claim(s) in the set in error, the current Owner FI must change ownership of the set to the other contractor for resolution.

Changing set ownership (i.e., the **Owner FI field**) is a function limited to multi-contractor sets. Ownership of other duplicate claim sets cannot be changed by a contractor. Only multi-contractor sets can be changed. The Owner FI change is restricted to the contractors (Responsible FIs) that processed claims in the set or are responsible for claims transferred in a contract transition. See Chapter 9, Section 7, Mass Change Function For Contract Transitions, for more details about contract transitions.

When ownership of a multi-contractor claim set is changed, the set is moved from the view of the old Owner FI to the new Owner FI. The new Owner FI becomes the new

"owner" of the set and assumes responsibility for resolving the duplicate situation in the set. The old Owner FI uses the **M**odify function on the menu bar to re-assign ownership of the claim set to the other contractor.

FIGURE 9-6-1 SAMPLE MULTI-CONTRACTOR CLAIM SET



The system uses three fields to manage the assignment of responsibility for resolving duplicate claims in multi-contractor claim sets. By default, the system assigns the **Owner FI** field to the contractor that processed the claim with the latest processed-to-completion date. Multi-contractor claim sets appear along with all other claim sets assigned to the same Owner FI. Other contractors will not have access to these sets.

The **Responsible FI** field is used to identify the contractor who is currently responsible for a claim. This field is shown for each claim listed on the CLAIM SET SCREEN and the CLAIM DETAIL SCREEN. The **Processing FI** field is used to identify the contractor that paid the claim. This field is shown on the CLAIM DETAIL SCREEN. These fields are described below.

1.1. Owner FI Field

This field is assigned by the Duplicate Claims System to each claim set. The **Owner FI** field designates the contractor responsible for resolving the claim set.

1.2. Responsible FI Field

This field is assigned by the Duplicate Claims System to each claim in a set to identify the contractor responsible for correcting any errors in the claim and for recouping any overpayments of actual duplicate payments. The Responsible FI of the claim with the latest process-to-completion date is also assigned as the Owner FI of the set. During a contract transition, the system looks at all claims belonging to the outgoing contractor and determines if the **Responsible FI** field should be changed to the incoming contractor. If the claim is included in the transition plan, the system will change the **Responsible FI** field to the incoming contractor or to the inactive designation of FI 99. The FI 99 designation will appear on the screen in red. If the claim is not included in the transition plan, the system will leave the field unchanged. See paragraph 5.0., Resolving Claim Sets Containing Inactive FI 99 Claims, for additional information.

1.3. Processing FI Field

This field is a claim-level data element that is extracted from the HCSR. It contains the FI number of the contractor that originally processed the claim. The **Processing FI** field cannot be changed in the Duplicate Claims System.

2.0. SYSTEM FEATURES UNIQUE TO MULTI-CONTRACTOR CLAIM SETS

The layout of the data and the screens available for viewing and entering data in multi-contractor claim sets is the same as the layout of single contractor claim sets. In multi-contractor sets, though, the contractor who is designated the Owner FI can change the **Owner FI** field to designate the other contractor as the Owner FI. This process is initiated as follows:

2.1. Click on the **M**odify function on the menu bar.

2.2. Click on the **Owner FI** option from the drop-down menu.

2.3. The system displays the FI number(s) of the other contractor(s) in the set. Click on the contractor to be designated as the new Owner FI.

This feature also requires the current Owner FI to document contact with the contractor to which the set will be transferred and provide an explanation for why ownership of and responsibility for resolving the set is being changed. When a new Owner FI is assigned, the **Owner Region** field changes to "<to be assigned>". The new Owner FI subsequently can click on the **M**odify function, Owner Region option, and select the appropriate owner region.

A system feature unique to multi-contractor sets is the rule for changing the status of a set to *Pending*. In effect, the system ignores the claims in the set in which the Responsible FI

is not the Owner FI. It allows an Owner FI to move a set to a *Pending* status if there is one BASE claim and all of the Owner FI's claims meet the general conditions for *Pending* status. That is, all **Owner FI** claims must have a dupeflag and reason code, there must be a 'Y' claim, and every 'Y' claim must have an identified recoupment amount greater than $0.00. According to this rule, the status of a multi-contractor set may change as the Owner FI changes. For example, if the Owner FI identifies all of their claims as actual duplicates and enters a 'Y' in the **Dupe?** fields, selects reason codes and enters amounts identified for recoupment, and leaves the other contractor's claim as the BASE claim, and clicks the **UPDATE CHANGES** button, the status of the set will move to *Pending*. However, if the Owner FI changes the **Owner FI** field to the other contractor that has only the BASE claim, the new Owner FI will receive the set in *Open* status. According to the rules, the new Owner FI does not have actual duplicate claims with associated amounts identified for recoupment. Since *Pending* status means pending recoupment and since the new **Owner FI**'s claim is the BASE claim and is not one of the duplicates, the set cannot be pending recoupment for the new **Owner FI**. The set would be in *Pending* status for the old **Owner FI** not the new **Owner FI**.

Another system feature unique to multi-contractor claim sets is the special logic invoked for multi-contractor appended sets. When a new claim is identified during the monthly extract as a potential duplicate of a claim in an existing set, the set is called an appended set. In appending a new claim to a set, the system applies the general rule of assigning the **Owner FI** to the **Responsible FI** of the claim with the latest processed-to-completion date if the status of the set is *Open* or *Closed*. If the status of the set is *Pending* or *Validate*, the system ignores this rule and leaves the current assignment of the **Owner FI**. The system also applies special logic to determine the status of multi-contractor appended sets.

The status of multi-contractor sets with an appended claim is determined as follows:

- *Open* sets will remain *Open* because recoupment had not been initiated on the set prior to the new claim being appended.

- *Pending* sets will remain *Pending* to allow the **Owner FI** to complete recoupment of actual duplicate payments prior to determining if additional research is required or if the set should be transferred to another contractor.

- *Validate* sets will be changed to *Pending* to allow the **Owner FI** to determine if the appended claim changes the Validate situation prior to determining if additional research is required or if the set should be transferred to another contractor.

- *Closed* sets will be changed to *Open* to allow the **Owner FI** to determine if the appended claim requires additional research or if the set should immediately be transferred to another contractor.

3.0. COORDINATION REQUIREMENTS WHEN WORKING WITH MULTI-CONTRACTOR SETS

Resolution of multi-contractor claim sets requires close coordination between the contractors involved to ensure that research efforts and resolution activities are conducted efficiently, appropriately, and in a timely manner. When researching a multi-contractor set,

the **Owner FI** must coordinate with the other contractor(s) involved to determine who is responsible for the duplicate payment(s) and for recouping the overpayment(s). The method of coordination must be negotiated between contractors and may take whatever form is agreeable, i.e., by telephone, fax, email, or combination thereof. This coordination is a courtesy among contractors and should prevent indiscriminate transfers of sets back and forth. If the current **Owner FI** is not responsible for the duplicate payment, the current **Owner FI** should contact the other contractor to advise them of the set, its upcoming transfer, and to discuss or describe the circumstances involved. Ownership of the set must not be changed to another contractor until the receiving contractor has been consulted and an explanation has been entered into the system justifying the switch.

The explanation entered into the system must contain:

- The date the other contractor was contacted.
- The name and telephone number of the person making the contact from the current **Owner FI**.
- The name and telephone number of the person contacted at the contractor to which ownership of the set is being changed.
- A brief explanation for the change of ownership (e.g., "This claim falls within the jurisdiction of Region 13. Contractor for Region 14 paid claim in error and is responsible for recoupment of the overpayment.").

4.0. RESOLVING MULTI-CONTRACTOR CLAIM SETS

Multi-contractor claim sets are resolved in the same manner as all other claim sets in the Duplicate Claims System.

4.1. When the initial **Owner FI** conducts research and determines that they were responsible for the duplicate payment, the contractor can initiate recoupment and resolve the claim set in accordance with the rules of resolution.

4.2. When the initial **Owner FI** determines that the duplicate payment belongs to a different contractor, the current **Owner FI** must contact the other (receiving) contractor and discuss or describe the situation before the current **Owner FI** can change ownership. The current **Owner FI** must document the contact and the reason for the change in set ownership. Although the current **Owner FI** may enter a 'Y' in the **Dupe?** field of the other contractor's claim, it is recommended that this action be reserved for the **Responsible FI** of the claim. The **Owner FI** transferring the set may not enter an amount identified for recoupment for the other contractor's claims.

4.3. After documenting the contact and agreement to change set ownership, the current **Owner FI** may change ownership to the other (receiving) contractor. Once ownership is changed in the system, the receiving contractor (the new **Owner FI**) can view the set, initiate recoupment action, and resolve the claim set in accordance with the rules of resolution. Multi-contractor sets must not be resolved without communication and coordination among the involved contractors.

4.4. If a multi-contractor set contains a BASE claim and two or more additional claims processed by different contractors, ownership must be transferred to each contractor responsible for the non-BASE claims in order to resolve the set. Each contractor is responsible for identifying their duplicate payments, initiating recoupments, and submitting HCSR adjustments corresponding to their refunds and offsets. The set cannot be resolved unless all resolution requirements have been met.

4.5. Ownership of multi-contractor sets may switch back and forth between contractors as research is conducted and determinations about jurisdictional responsibility are made. When a set changes ownership, only the current **Owner FI** can view the set, including all adjustments. The current **Owner FI** is never permitted to enter recoupment amounts in the other contractor's claim. The current **Owner FI** is, however, permitted to flag an adjustment submitted by another contractor to facilitate resolution.

5.0. RESOLVING CLAIM SETS CONTAINING INACTIVE FI 99 CLAIMS

Chapter 9, Section 7, Mass Change Function For Contract Transitions, describes how the transition plan will determine if an outgoing contractor's claim should be transferred to the incoming contractor or to an inactive status of FI 99. If a claim in a multi-contractor set is transferred to FI 99, special logic is applied to the resolution of the set. The system will not permit a multi-contractor set to have an **Owner FI** of 99. Therefore, if the Responsible FI on the claim with the latest processed-to-completion date is FI 99, the **Owner FI** will be assigned to another Responsible FI.

The resolution of multi-contractor sets normally requires **Owner FI**s to identify at least one actual duplicate claim in the set. However, special logic is applied to multi-contractor sets containing an inactive FI 99 claim. If there are no other active contractors in the set, the **Owner FI** can resolve the set without identifying an actual duplicate claim. In other words, if the **Owner FI** is the **Responsible FI** of one claim in the set and the other claim has a **Responsible FI** of 99, the **Owner FI** can identify both claims as non-duplicates and resolve the set to a *Closed* status. The **Owner FI** also can resolve sets containing FI 99s according to the general rules of resolution in which actual duplicates are identified, recoupments are received, and adjustments are processed.

Sets with FI 99 claims are simply another type of multi-contractor set. When confronted with an FI 99 set, the **Owner FI** needs to determine if it had jurisdiction for the claim(s) it paid. For FI 99 sets the **Owner FI** should enter an 'N' in the **Dupe?** fields and enter either "BASE" or "N300" in the **Reason Code** fields of the FI 99 claims. For the **Owner FI**'s claims, an 'N' or a 'Y' may be entered in the **Dupe?** field and a valid reason code should be entered.

NOTE: An **Owner FI** claim may be designated as the BASE claim. If the **Owner FI** determines that it did not have jurisdiction for the claim(s) it paid, then it must put a 'Y' in the **Dupe?** field(s) of its claim(s).

6.0. DETERMINING JURISDICTION FOR CLAIM SETS INVOLVING "SNOWBIRD" CLAIMS

6.1. *"Snowbird" claims are claims involving TRICARE Standard beneficiaries who move seasonally from one area of the country to another and tend to have two addresses. For example, a TRICARE Standard beneficiary may reside in New York for the summer months and move to Arizona during the winter. Frequently, when such beneficiaries receive health care, they will give the provider both their local address and their other residence address in the other TRICARE region. The provider may then submit a claim to the TRICARE regional contractor that covers the region in which the beneficiary currently resides showing the beneficiary's local address on the claim. The provider may then send a second claim to the TRICARE regional contractor that covers the region in which the beneficiary resides during the other part of the year showing the beneficiary's other residence address on the claim. When each contractor receives the claim, they see that the address on the claim is within their region and they proceed to process and pay the claim. Each contractor does not know that the other has paid the same claim. When this happens, the Duplicate Claims System identifies the duplicate payments and creates a multi-contractor set. The issue in resolving these sets is determining which contractor had jurisdiction for the claim and which made the overpayment that needs to be recovered.*

6.2. *Since TRICARE Standard beneficiaries are by definition not enrolled, there are no enrollment records upon which regional jurisdiction can be determined. Instead, regional jurisdiction for TRICARE Standard claims processing purposes is generally based on the residence address appearing on the claim, the address residing on DEERS, and on any address information residing in the Contractor's files. Beneficiaries may not have updated DEERS with what they consider to be their primary residence address. When this happens there will be discrepancies between the addresses on the claims and the address appearing on DEERS. If a beneficiary has not had any previous claims processed, there will not be any claims history available to the contractor for research. Sometimes it is not possible from existing claims or other information to determine a beneficiary's primary residence and therefore determine which contractor has jurisdiction for the claim.*

6.3. *As with all multi-contractor Duplicate Claim System sets, the contractors involved must communicate and coordinate with each other in order to resolve "snowbird" multi-contractor sets. The following steps shall be taken by the contractors to resolve this type of multi-contractor set.*

6.3.1. *The "Owner FI" of the multi-contractor set shall contact the other contractor(s) involved and advise them of the existence of the set (remember, only the Owner FI can see the set). In consultation with each other, if the primary address can be determined from existing information residing with the involved contractors and a decision can be made as to who has jurisdiction for the claim, then the set may be handled as any other multi-contractor set. Existing information may include previous claims history, customer service contacts (by phone, walk-in, or correspondence), DEERS address data, etc. Note that if both contractors have existing claims history and there is no other corroborating information as to the correct primary residence address, then the Owner FI must develop for the correct address to determine jurisdiction (see 6.3.2.).*

6.3.2. *If the primary address cannot be determined from existing information residing with the involved contractors, then the Owner FI shall develop for the primary residence address. Development for the primary address shall include: telephone calls to the patient, telephone calls to the provider, sending letters to the patient at both addresses requesting that the patient designate a primary address and requesting that they update DEERS with their primary residence address.*

6.3.3. *If none of the development efforts succeed and the primary residence address cannot be determined, the Owner FI shall contact the other contractor(s) involved and the contractor that processed the claim with the latest processed to completion date shall be the contractor deemed to have made the overpayment and therefore responsible for initiating recoupment. If that contractor is not the current Owner FI of the set, then the set shall be transferred to that contractor. In the rare event that the claims were processed on exactly the same date and at exactly the same time, the contractors, in consultation with each other, may decide which shall initiate recoupment. The actions taken and the decisions made by the contractors shall be documented in the system either in the DCS Notepad or in the dialog box that prompts users for an explanation when transferring sets to another contractor. At a minimum, the documentation shall include the names of the people involved in the discussions from each of the contractors, the date(s), and the decisions made.*