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ASCA QUICK TIP SCRIPT

The implementation of the Administrative Simplification Compliance Act or ASCA, signed into law on December 27, 2001, prohibits Medicare from making payment for items or services submitted on a claim received in a non-electronic format, for example, on paper.

Claims must be submitted electronically to Medicare unless the provider qualifies for an exception. Providers, who do not qualify for an exception, are subject to claim denials, overpayment recoveries, and applicable interest on overpayments.

WPS Medicare is required to monitor paper claims submissions on a quarterly basis. Providers who submit 30 or more paper claims in a 3-month period (per Tax Identification Number) will receive a notification letter concerning paper claims submission enforcement.

The letter lists the exceptions to this requirement, including

- Small providers, defined as a physician, practitioner, or supplier with less than 10 full time equivalent employees
- Roster billers of Medicare covered mass immunizations
- Claims for payment under Medicare demonstration projects when information is required that cannot be submitted electronically
- Claims where Medicare is the tertiary payer to two (or more) primary payers , and
- Dental claims.

It is very important to note, Medicare Secondary Payer, or MSP claims, are not an exception the mandatory electronic filing guidelines specified in the ASCA.

The notification letter also identifies those “unusual circumstances” considered by the Centers for Medicare & Medicaid Services (CMS) to be a temporary or long-term situation outside of a provider’s control that precludes submission of claims electronically.

The letter includes information on how a provider can submit evidence to establish eligibility to submit paper claims and provides information on a number of alternatives, including free billing software, to consider for electronic submission of claims.

If a provider cannot provide acceptable evidence to substantiate that he/she is eligible under the laws to continue to submit paper claims to Medicare, Medicare will begin to deny all paper claims he/she submits, effective the 91st calendar day after the date of the notification letter.

A waiver is granted for those providers that respond to Medicare and submit evidence to establish eligibility to submit paper claims, a waiver is granted.

ASCA did not establish an appeal process for denial of paper claims when a waiver is not granted, but a provider may qualify at a later date if his/her situation changes.

Providers who have obtained a waiver are subject to a second review every two years.



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You can find additional information about ASCA on the CMS Website, including links to numerous articles and resources that relate to the Health Insurance Portability and Accountability Act and ASCA. To access this information, refer to the following CMS Websites:

- http://www.cms.hhs.gov/HIPAAGenInfo/02_TheHIPAALawandRelated%20Information.asp
- <http://www.cms.hhs.gov/HIPAAGenInfo/Downloads/ASCALaw.pdf>

Other helpful information is available on the WPS Medicare Website; including claims form instructions and instructions for submitting electronic MSP claims. Use the following links to access the information:

- http://www.wpsmedicare.com/part_b/business/msp_cr4261.shtml
- http://www.wpsmedicare.com/part_b/business/cms1500_xw.pdf
- http://www.wpsmedicare.com/part_b/publications/0103comm.pdf (See article on page 68)

If you are unsure on how to submit MSP claims electronically or if you have questions about electronic claim submission, you can contact our Electronic Data Interchange (EDI) Department. The toll free telephone numbers are:

- WI, IL, MI Toll-free: 1-877-567-7261
- MN Toll-free: 1-866-380-4742

WPS Medicare offers you free billing software for submitting electronic claims. You can download this software from our Website at:

<http://www.wpsic.com/edi/pcacepro32.shtml>

Thank you for your time. Have a great day.