Financial Services Group

June 8, 2021

Medicare Secondary Payer (MSP) Mandatory Reporting Provisions Section 111 of the Medicare, Medicaid, and SCHIP Extension Act (MMSEA) of 2007 (See 42 U.S.C. 1395y(b)(7)&(b)(8))

Technical Alert: Implementation of the Provide Accurate Information Directly (PAID) Act

On December 11, 2020, the Provide Accurate Information Directly (PAID) Act was signed into law, with the intent to help Non-Group Health Plan (NGHP) Responsible Reporting Entities (RREs) better coordinate benefits by providing additional beneficiary enrollment information. Prior to the PAID Act, there was no reliable method for an NGHP RRE to identify if a beneficiary was enrolled in a private Medicare Advantage (Part C) or Prescription Drug (Part D) Plan. The PAID Act requires that CMS provide the NGHP RREs with a Medicare beneficiary's Part C and Part D enrollment information for the previous 3 years. Effective December 11, 2021, this additional information will be provided via new fields in the NGHP Section 111 Query Response File. Information returned will include the Contract Number, Contract Name, Plan Benefit Package Number, Plan address, and effective dates for the previous 3 years (up to 12 instances each for Part C and for Part D). CMS will also be including the most recent Part A and Part B entitlement dates. As part of the PAID Act, the HIPAA Eligibility Wrapper (HEW) application, both the Windows and mainframe versions, will be modified to accept new information in the NGHP 271 X12 file format and convert it to a fixed-length S111 Query Response flat file.

Because of the significance of the change to the query response record and to ensure that RREs are prepared for these changes, CMS will be supporting a testing period beginning September 13, 2021. At that time, a new version of the HEW application will be available to allow RREs to test with the new query response record format. More information on testing periods will be made available in future announcements.

Details on the Section 111 NGHP Query Response File Layout changes are available in Version 6.4 of the NGHP User Guide. Information on changes to the HEW software is available in Appendix K of Version 6.4 of the NGHP User Guide as well as in Version 5.5 of the 270/271 Health Care Eligibility Benefit Inquiry and Response Companion Guide for Mandatory Reporting Non-GHP Entities. These user guides are available on the NGHP User Guide page on CMS.gov.