



A CMS Contracted Agent

National Government Services, Inc.
www.NGSMedicare.com

Medicare

February 1, 2012

Re: Medicare Part B Changes

Dear Medicare Provider/Supplier:

Effective March 12, 2012, National Government Services (NGS) will transition our Indiana Medicare Part B Financial Accounting System from the Multi-Carrier System (MCS) to the Healthcare Integrated General Ledger Accounting System (HIGLAS). This transition involves **only** the financial accounting portion of MCS. **We will continue to use MCS for all of our other claims processing activities.**

Implementation of HIGLAS will enable the Centers for Medicare & Medicaid Services (CMS) to accurately track Medicare payments and to pay claims for over 40 million Medicare beneficiaries. The transition will also provide CMS with enhanced oversight of the contractors' accounting systems, as well as access to more accurate, timely, and consistent data for decision-making and performance evaluations.

NGS HIGLAS Transition

The purpose of this letter is to explain the impact that the NGS HIGLAS transition will have on your organization's Medicare payments. It also provides a detailed transition timeline, revised payment schedules, and other important information regarding upcoming changes. In an attempt to make the transition as smooth as possible, we are providing you with this information to ensure minimal disruption in your Medicare payments.

We ask that you please take time to carefully read this information and that you share it with the appropriate staff in your organization.

Introduction to HIGLAS

A HIGLAS training module is available on the National Government Services Medicare Web site. To access the training module, select HIGLAS on our home page at www.NGSMedicare.com.

Updated information regarding our HIGLAS implementation will be provided via the National Government Services Web site at www.NGSMedicare.com and selecting *HIGLAS*. This same information will be issued in our electronic mail lists and published in our newsletter.





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Temporary Waiver of the Claims Processing Payment Floor

CMS has approved National Government Services' waiver request to reduce the payment floor for both paper and electronic data interchange (EDI) claims. Beginning on March 6, 2012 payment cycle, **payments will be released gradually for claims that have already been approved for payment.**

March 6, 2012: Payment floor reduced to 7 days for EDI claims and 14 days for paper claims.
March 7, 2012: Payment floor reduced to 0 days for EDI claims and 0 days for paper claims.

This temporary reduction of the payment floor will result in payments being issued early for both checks and Electronic Funds Transfers (EFTs). This may give the appearance that your cash revenues have increased when in fact you received payments for some of your claims earlier than normal. Providers are encouraged to monitor their payments and make adjustments, as necessary to prevent cash flow problems during the transition period.

HIGLAS Transition Activities

On **March 7, 2012**, National Government Services will run our last MCS payment cycle and then begin the HIGLAS transition. (See NGS' **HIGLAS transition timeline below.**)

- Waiver of the payment floor will result in claim payments (checks and EFTs) being issued earlier than normal.
- Providers are encouraged to continue submitting claims as normal.
- March 8, 9, and possibly March 12, 2012 are "dark days" due to the transition. The onlines will be available intermittently and customer service representatives will be unable to access your claims. Please monitor our website to verify the status of online availability.
- Following our transition to HIGLAS, National Government Services will resume normal scheduled payments.
- Distribution of remittance advices (RAs) will resume the week of **March 12, 2012.**

HIGLAS Remittance Advices

National Government Services will not be issuing payments from March 9, 2012 through March 12, 2012. Electronic remittance advices (ERAs) and paper RAs will not be available. National Government Services will resume normal payment cycles and issuance of payments on **March 13, 2012** at which time providers will be able to retrieve their ERAs.





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NGS HIGLAS Transition Timeline

Date	Action
March 6, 2012	Payment floor reduced to 14 days for paper claims and 7 days for EDI claims already approved to pay
March 7, 2012	Last Non-HIGLAS payment cycle (payment floor reduced to zero); all claims in an approved to pay location are released
March 8, 2012	HIGLAS transition begins
March 9, 2012 through March 12, 2012	No payments will be issued – ERAs and paper RAs are not produced
March 12, 2012	HIGLAS transition completed and the first HIGLAS cycle will be run (payment floors reinstated)
March 13, 2012	Production and distribution of ERAs and paper RAs resumes
March 13, 2012	Backlog files are processed and first HIGLAS payments are issued
March 13, 2012 – March 21, 2012	Providers submitting EDI claims will experience a significant reduction in payments due to the early claim payments issued immediately prior to the transition. Providers need to monitor and manage their cash flows during this time period. Regular payments on electronically submitted claims will not be made.
March 13, 2012 – April 5, 2012	Providers submitting paper claims will experience a significant reduction in payments due to the early claim payments issued immediately prior to the transition. Providers need to monitor and manage their cash flows during this time period. Regular payments on paper submitted claims will not be made.

CHANGES PROVIDERS WILL SEE AS A RESULT OF HIGLAS

Claim Payments Less than \$1.00

Current CMS instructions require carriers to hold claim payments of less than \$1.00 until another payment greater than \$1.00 is generated and then to combine the two payments. **Payments less than \$1.00 will now be issued because at this time HIGLAS functionality will not suppress these payments.**





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Claims and Refund Payments Subject to a Hold, e.g., Do Not Forward (DNF), Bankruptcy, and Payment Suspension

Providers may be placed on a hold due to a forwarding address, bankruptcy, and payment suspension. Currently, the holds are applied to the net payment after eligible overpayment receivables have been offset. In HIGLAS the holds will be applied at the claim level. As a result, the held money will not be applied to eligible receivables until the hold has been released.

Claims and Refund Payments Subject to Third Party Payer (TPP) Offset, e.g., IRS Backup Withholding

A provider payment may be subject to offsetting to a third party, such as the Internal Revenue Service (IRS). In the current environment, when a provider is subject to TPP, a provider check is pulled and the payment is remitted to the third party but no notification is provided on the RA. HIGLAS will communicate a TPP offset of a provider's payment on the provider's RA.

HIGLAS Impact on Claims Processing

Currently, our online system is available on federal holidays and National Government Services processes claims on some federal holidays. After transitioning to HIGLAS, our online system will continue to be available but claims will no longer be processed on federal holidays. There will be no change to provider payments because National Government Services currently does not issue checks or EFTs on federal holidays.

For further information, please visit our Web site by selecting HIGLAS from our home page at www.NGSMedicare.com. If you have any questions regarding the information contained in this letter, please contact our Provider Contact Center toll free at 866-837-0241.

Sincerely yours,

Todd Reiger
Medicare Chief Financial Officer

