



CENTERS FOR MEDICARE & MEDICAID SERVICES

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TO: All Prescription Drug Plans, Medicare Advantage-Prescription Drug Plans, Section 1876 Cost Plans, Medicare-Medicaid Plans, and PACE Organizations

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SUBJECT: Coordination of Benefits-Other Health Insurance (COB-OHI) Record Updates

CMS is announcing two changes to the COB-OHI file records to support Part D sponsors' ability to comply with coordination of benefits (COB) requirements:

- Change in the data source for Non-Group Health Plan (NGHP) other health insurance (OHI) records transmitted to Part D sponsors on the COB-OHI file; and
- Date and time stamp will be added to all OHI records on the COB-OHI file.

NGHP OHI Records Data Source

This change corrects the issue where self-reporting of NGHP coverage by Medicare beneficiaries or attorneys and mandatory reporting of NGHP coverage under Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007¹ (Section 111) to the Benefits Coordination and Recovery Center (BCRC) have resulted in the creation of conflicting records. NGHPs include no-fault, liability (including self-insurance), and workers compensation (including black lung benefit program) insurers.²

NGHP coverage that is self-reported to the BCRC is transmitted to the Medicare Beneficiary Database (MBD) and to Part D sponsors via the COB-OHI file whereas NGHP coverage reported to the BCRC by other means (e.g., Section 111 Responsible Reporting Entities) is transmitted to the Common Working File (CWF) and to Medicare Advantage Organizations via the Monthly Medicare Secondary Payer (MSP) Information Data file. Consequently, changes to

¹ Pub. L. 110-173. <https://www.congress.gov/110/plaws/publ173/PLAW-110publ173.pdf>

² See [Chapter 1](#), Section 20, of the Medicare Secondary Payer Manual and 42 CFR §§ [411.20\(a\)\(2\)](#), [411.40\(b\)\(1\)](#).

NGHP coverage through separate reporting pathways are not uniformly conveyed to Medicare Advantage (Part C) and Part D plans.

CMS is instituting this change so that NGHP OHI records transmitted to Part D sponsors in the COB-OHI file are sourced from the CWF. The CWF will serve as the system of record for both NGHP MSP information sent to Part C plans and NGHP OHI records sent to Part D plans. Part D sponsors will no longer receive self-reported NGHP OHI records in the COB-OHI file. This change is also expected to improve Part D sponsors' ability to validate inquiries from NGHP insurers pursuant to the Provide Accurate Information Directly (PAID) Act.^{3,4}

Key details related to this change are as follows:

- **On or about June 30, 2024**, new or updated self-reported NGHP OHI records with MSP Reason Codes D, E, H, and L will no longer be included in the COB-OHI file. Self-reported NGHP OHI records are identified by the COB Source Code 11110 in the Primary Record.
- **On or about August 30, 2024**, existing self-reported NGHP OHI records with MSP Reason Codes D, E, H, and L will be deleted from beneficiaries' COB profiles and replaced with NGHP OHI records with MSP Reason Codes D, E, H, and L from the CWF. The deletion of the self-reported NGHP OHI records is anticipated to occur first in the COB-OHI file. Then, all existing NGHP OHI records with MSP Reason Codes D, E, H, and L that are in the CWF as of the date of the change will be transmitted in a separate COB-OHI file. The CWF NGHP records will be identified by an alternate COB Source Code in the COB-OHI Primary Record (e.g., COB Source Code 11122 for Section 111 Responsible Reporting Entities).
- **Between June 30 and August 30, 2024**, Part D sponsors may continue to use self-reported NGHP OHI records they have previously received in order to carry out investigations and recoveries of conditional payments, but should be aware that new or updated self-reported NGHP OHI records will not be transmitted during this time.
- **After the initial transmission of all NGHP OHI records with MSP Reason Codes D, E, H, and L on the CWF on or about August 30, 2024**, Part D sponsors will continue to receive NGHP OHI records via the daily COB-OHI file as they are added or updated on the CWF. This means that Part D sponsors may receive NGHP OHI records before Part C plans receive the same information via the Monthly MSP Information Data file.

There will be no change to the COB-OHI Primary Record layout. If a specific data element is not available in the CWF NGHP record, the corresponding field in the COB-OHI Primary Record layout will be left blank. Notably, the attorney data that is currently provided in self-reported NGHP OHI records (Items 43-48 of the COB-OHI Primary Record) is not available in CWF NGHP records and therefore will no longer be provided to Part D sponsors. The Payer Order (Item 29 of the COB-OHI Primary Record) is a Part D-specific value that is not available in the CWF NGHP record, therefore CWF NGHP OHI records will be assigned the fixed value 201 (to represent the NGHP payer order range of 201-300⁵). The Sequence Number (Item 11 of the

³ Section 1301 of the Further Continuing Appropriations Act, 2021, and Other Extensions Act. Pub. L. 116-215. <https://www.congress.gov/bill/116th-congress/house-bill/8900>

⁴ For additional discussion of the PAID Act, see <https://www.cms.gov/files/document/june-23-2021-provide-accurate-information-directly-paid-act-webinar-presentation.pdf>.

⁵ See Table 30.2-1 in [Chapter 14](#) of the Medicare Prescription Drug Benefit Manual.

COB-OHI Primary Record) will reflect the CWF Occurrence number (Item 10 of the MSP Detail Record) assigned to the CWF record by the BCRC. Part D sponsors using the Sequence Number in the COB-OHI Primary Record for internal validations may need to verify that existing records with the same Sequence Number are not overwritten by the CWF NGHP records.

As stated previously, this change applies to NGHP records with MSP Reason Codes D (No-Fault), E (Workers Compensation), H (Black Lung), and L (Liability). NGHP OHI records with MSP Reason Code W (Workers Compensation Medicare Set-Aside) will not be affected by this change since the BCRC is the sole source of these records.

Date and Timestamp on OHI records

If COB-OHI files are inadvertently transmitted to Part D sponsors out-of-sequence or if more than one COB-OHI file is transmitted within the same day, Part D sponsors may inadvertently apply outdated records to a beneficiary's OHI profile.

Beginning on or about **August 30, 2024**, COB-OHI files will include the date and timestamp indicating when the OHI records in the COB-OHI file were updated in MBD.

The date and timestamp will be included in the existing filler field, Item 15, of the COB-OHI Detail Record, in the format CCYYMMDD.HH.MM.SS.SSSSS.

Part D sponsors can use this date and timestamp to ensure they maintain the most current records in a beneficiary's OHI profile.

Additional Information

The changes described in this memorandum do not alter existing Part D sponsor requirements with respect to coordination of benefits. Part D sponsors should refer to [Chapter 14](#) of the Prescription Drug Benefit Manual for guidance. COB-OHI file specifications (including COB Source Codes) and Monthly MSP Information Data file specifications can be found in the [MAPD Plan Communication User Guide](#).

Please email PartD_COB@cms.hhs.gov with questions regarding this memorandum or to report any issues observed with the changes described.