Claims Data: Source and Processing

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Overview of CMS Claims Data

- What is a claim?
- How are claims processed?
- What repository of claims data does CMS maintain?
- What is the source of the data in the files?
- What claims-based files are available to researchers?
Mr. Ben E. Ficiary
Types of Services

- **Institutional**
  - Hospital Inpatient
  - Hospital Outpatient
  - Skilled Nursing Care
  - Home Health Care
  - Hospice

- **Non-Institutional**
  - Physician, Laboratory and Other Supplier Services
  - Durable Medical Equipment
Claims Data

- Claims are bills for services provided to the Medicare enrollees like Ben the FFS Medicare beneficiary.
Claims Processing

- Knowing how claims are processed and paid is an important step in understanding what to expect in the files and help to evaluate accuracy of fields in the files.
Claims Forms

- CMS collects claims on two different forms
  - Uniform Bill-04 (also called CMS-1450)
  - UB-04 form beginning March 2007
  - CMS-1500 (new form beginning January 2007)

- Forms and instructions may be found at:
  - Chapter 26 of the Medicare Claims Processing Manual (Pub.100-04) has instructions
  - Chapter 25 of the Medicare Claims Processing Manual (Pub.100-04) instructions
Claims Forms: UB-04

- UB-04 is the only form used by Institutional Providers
  - Institutional providers provide services covered under the Part A Medicare benefit. But, not necessarily exclusively.
Claims Forms: UB-04

WHO ARE THE INSTITUTIONAL PROVIDERS?

- Providers of Part A Services Only:
  - Skilled Nursing Facilities
  - Hospices

- Providers of Part A and Part B Services:
  - Hospitals
    » Inpatient is a Part A service
    » Outpatient is a Part B service
  - Home Health Agencies
Claims Forms: UB-04

- Providers who bill only for services covered under Part A or bill for both Part A and B services will use the Part A form, the UB-04
- Providers who bill solely for Part B services will not use the UB-04
Claims Forms: CMS-1500

- Only form used by Non-Institutional Providers:
  - All *exclusively* provide Part B Services, e.g.:
    - Physicians
    - Nurse practitioners
    - Clinical Laboratories
    - Ambulance services
    - Durable Medical Equipment Suppliers
    - Stand-Alone Ambulatory Surgical Centers
Claims Processing: by Form Type

- UB-04 forms are processed by Medicare Administrative Contractors (MACs)/(previously Fiscal Intermediaries)

- CMS-1500 forms are processed by MACs/(previously Carriers)

- Specialty MAC Jurisdictions
  - Home Health & Hospice
    - (being integrated into A/B MACs)
  - DME
Claims Processing Role of Processor

- Enter claim into system
- Edit claim for consistency and utilization errors
- Calculate payment
- Deny claim based on Medicare coverage rules
Claims Processing

- The claims research files contain more variables than those found on the claim form.
- Additional fields are added during claims processing.
- Likewise, not all fields on the claims forms are found in the research files.
Claims Processing Role of Processor

- Send claim to the beneficiary's assigned Common Working File (CWF) host site
CWF Host Site Function

- Determine whether beneficiary is entitled to receive the service and whether a deductible applies
- Check for duplicate claims
- Return denied claims to claims processor
- Authorize claims processor to pay claim
- Send paid and denied claims to CMS
- Send updated entitlement data to the EDB (e.g. death information)
Claims Processing

TRANSMISSION TO CMS FROM CWF

- CWF data update and populate:
  - Enrollment Database (EDB) and (MBD)
  - National Claims History Repository (NCHR)
More than One Processor Introduces Variation in Data
More than One Processor Introduces Variation in Data

E-CODES

- E-codes are ICD-9 'Mechanism of Injury' codes (e.g. car accident, fall).
- E-codes are not required for payment.
- Some intermediaries may strongly encourage them, as they may be indicators that another entity should be paying. For example, in the case of a car accident, an auto insurer may be liable.
Frequency of E-codes for Injuries by Intermediary

Any Injury: 6% - 65%

Skull Fractures: 4% - 91%
Files for Researchers

- **SAFs**: Standard Analytical Files – Claim based files (CCW Claims Files)

- **MedPAR**: Medicare Provider Analysis and Review
  - Each observation contains aggregated data of all facility claims related to one episode of care
  - An episode of care is either a hospital or skilled nursing facility stay.
Standard Analytic Files

CONTENTS

- Each SAF contains claims for services rendered in one calendar year (based on claim-through date)

- Each July, CMS SAFs are created and finalized for the prior year's claims, capturing 98% of that year's claims

- 1999-2010/2011 SAFs are currently available
CCW SAFs

- Current years of the SAFs produced by the CCW are created from “TAP” files and are not finalized until 1 full year after close of CY of SAF.

- However, researchers can request data sooner than close of CY file.
SAFs

CONTENTS

- Each SAF contains 'final action' claims
  - All adjustments are rolled up into one record which contains the final action
    » Full payment
    » Partial Payment (Parts of claim are denied)
    » Denial
There is a SAF for each Type of Service

- **Institutional**
  - Hospital Inpatient
  - Hospital Outpatient*
  - Skilled Nursing Care
  - Home Health Care
  - Hospice

- **Non-Institutional**
  - Physician, Laboratory and Other Supplier Services (‘Carrier' SAF)
  - ‘Carrier’ also contains free-standing ASCs
  - Durable Medical Equipment
**Hospital Outpatient File**

**NOTE:**
- Please note that in the Outpatient File you will find claims for providers other than hospitals.
- **Claim Facility Type Code:**
  1 – Hospital 77%
  2 – SNF 2.5%
  3 – HHA 0.25%
  7 – Clinic or Renal Dialysis 13.5%
  8 – ASC 7%
Medicare Provider Analysis and Review (MedPAR)

- For some types of services, claims are aggregated into stays. These files are called MedPARs:
  - Inpatient Hospital - Discharge date
  - Skilled Nursing Facility (SNF) – Admission date

- CMS updates quarterly for 3 years - CCW releasing “frozen” file

- 1999 – 2010/11 MedPARs are currently available
Research Files Created from the UB-04

- Hospital Inpatient SAF
- Hospital Outpatient SAF
- Skilled Nursing Facility SAF
- Home Health Agency SAF
- Hospice SAF
- Inpatient/SNF MedPARs
Each observation is a stay:

- HHA SAF
- Hospice SAF
- IP SAF
- OP SAF
- SNF SAF
- IP MedPAR
- SNF MedPAR

Each observation is a claim:

- HHAs
- Hospices
- IP Hospitals
- OP Hospitals
- SNFs

Providers

Processors

CMS internal data

Data available to Researchers
Research Files Created from the CMS-1500

- Durable Medical Equipment (DME) SAF
- Carrier SAF, formerly called the ‘Physician/Supplier Part B File’
Internal and Research Claims Data from the CMS-1500 Form

Providers

- DME Suppliers
- All Other Non-Institutional Providers (physicians, nurse practitioners, ...)

Processors

- DME MAC/DMERC
- MAC/Carrier

CMS internal data

- Common Working File
- National Claims History Repository

Data available to Researchers

- DME SAF
  - Claims processed by DME MACs
  - Each observation is a claim
- Carrier SAF
  - Claims processed by MACs
  - Each observation is a claim
Claims to Files

WHICH FILE HAS EMERGENCY ROOM FACILITY BILLS?

- Which form is used?
- ER services occur in a hospital (Provider of Part A Services)
- Use the Part A form: UB-04
What kind of service is an ER visit?

ER visits are considered *outpatient* services

Outpatient hospital services billed on a UB-04 are found in:
- Outpatient SAF
Emergency Room Facility Bills

AN EXTRA COMPLICATION...

- ER visits resulting in hospital admission become a Part A service and are part of the inpatient hospitalization claim.
- Inpatient bills are found in the Inpatient SAF/Inpatient MedPAR.
- Hence, one needs two files to find all ER visits:
  - Outpatient SAF
  - Inpatient SAF or Inpatient MedPAR
Claims to Files

FINDING ALL CATARACT EXCISION CLAIMS
Freestanding vs Hospital-based facilities

- Which form is used?
  - Cataract excision is an outpatient procedure
  - It could occur in either an outpatient hospital or a freestanding outpatient facility (such as a stand-alone ambulatory surgical center)
Claims to Files

FINDING ALL CATARACT EXCISION CLAIMS
Freestanding vs Hospital-based facilities

- May be billed on either the UB-04 or CMS-1500 form
  - UB-04 for procedures in outpatient facility
  - CMS-1500 for procedures in stand-alone facilities
Finding all Cataract Excision Claims

FREESTANDING VS HOSPITAL-BASED FACILITIES

- There are NO files that contain both CMS-1500 and UB-04 claims
- To get all cataract excision facility claims, two files will be needed:
  - The Outpatient SAF
  - The Carrier SAF
Finding all Bills Related to One Hospitalization

INSTITUTIONAL AND NON-INSTITUTIONAL CLAIMS

- The prior examples were addressed finding facility charges only

- One service may generate claims for both facility (institutional) and non-facility (non-institutional) services.
Finding all Bills Related to One Hospitalization Hip Replacement

- **Facility (Institutional) claims:** Charges incurred by the hospital
- **Non-Institutional claims:** Charged incurred by:
  - Surgeons
  - Anesthesiologists
  - Ambulance transportation
Finding all Bills Related to One Hospitalization Hip Replacement

- Each of these entities will submit a bill
- The hospital's facility charges would be filed on a UB-04.
- The surgeon's, anesthesiologist's and ambulance transportation services are all covered under Part B. Assuming none of these are directly employed by the hospital, their charges would be submitted on CMS-1500 forms.
Finding all Bills Related to One Hospitalization Hip Replacement

- There are no files that contain both CMS-1500 and UB-04 claims
- More than one research file is needed
- Hospital facility charges:
  - Inpatient SAF or MedPAR
- Surgeon, anesthesiologist and ambulance charges are all found in:
  - Carrier SAF
Source of Information

- Chapter 26 of the Medicare Claims Processing Manual (Pub.100-04) has instructions
- Chapter 25 of the Medicare Claims Processing Manual (Pub.100-04) has instructions
Source of Information

- **Manuals:**