

## FastEMC – Sequester Update Notes - 4/30/2013

As our customers are getting EOB's with the Sequester reduced payments from Medicare, we discovered that our software needed a change in the calculations to accommodate this data and to post correctly.

The update for this new feature was posted on 4/26/13 on our update server. If you are posting Medicare payments to your system, it is important that you install the update.

What to expect:

Payments posted from a Carrier with Medicare in the name for services done after 4/1/13 will automatically offer you a question to enter the Sequester Amount and will post the data correctly as a Disallowed CO 223 amount. This money is deducted from the payment.

TOTAL BILLED = Disallowed CO45 + Disallowed OA204 + Insurance Payment + Disallow CO223 (Sequester) + Co Insurance

ALLOWED = Insurance Payment + Disallow CO223 + Co Insurance

As you can see we also added another place for you to detail an additional Disallows OA that would be part of the normal disallowed portion.

### TOTAL CYCLE POSTING:

FASTEMC SOURCE 11012010 - 10.0 PFTST=NO

| Fastemc HCFA Payment Information JJONES |          |           |         | 9070.00 |                |
|---|----------|-----------|---------|---------|----------------|
| Insurance                               | CLAIM :  | Insurance | Paid    | Allowed | P              |
| Company Name                            | TOTALS:  | Payment   | Amount  | Amount  | Deduct Co Ins. |
| Blue Shield                             |          |           | 5500.00 | 8600.00 | .00 3100.00    |
| Medicare                                |          |           | 2585.00 | 3090.00 | .00 452.25     |
| Patient Paid:                           |          |           | Y       |         |                |
| ClaimID                                 | 13D00183 | *         | 127     |         |                |
|   |          |           | 470.00  | .00     | .00 3100.00    |
|   |          |           | 10.00   | 52.75   | .00 452.25     |

  

| HCFA Payment Information |           | 04/25/13    |              | Chg: 8470.00 |           | Bal: 3000.00 |  |
|--------------------------|-----------|-------------|--------------|--------------|-----------|--------------|--|
| Ins Code                 | Insurance | Allowed Amt | Deductible   | Co-Insurance | Reference | Date         |  |
| 2                        |           | 2500.00     | 3000.00      | 448.98       |           |              |  |
| Disallowed Reason        |           | Amount      | Remark Codes |              |           |              |  |
| Cost Cont                | CO 45     | .00         |              |              |           |              |  |
| Other Adj                | OA 204    |             |              |              |           |              |  |
| Other Adj                | OA        |             |              |              |           |              |  |
| Cost Cont                | CO 223    | 51.02       |              |              |           |              |  |

Press **ESC** to Save or Re-record

Enter Payment being applied from Medicare for Service of 8470.00

You will notice a bit of difference on the payment posting screen. The Sequester amount is automatically collected and posted when you enter the insurance payment. On this claim you can see the sequester amount on the CO 223 Line as \$51.02. This is DISALLOWED and cannot be collected from the patient or other insurance.

## BASIC PAYMENT POSTING

FASTEMC SOURCE 11012010 - 10.0 PFTEST=NO

| Fastemc ANSI Claims Service Lines |                   |               |             |          |                |                   |          |       |       |
|-----------------------------------|-------------------|---------------|-------------|----------|----------------|-------------------|----------|-------|-------|
| I-10                              | 1st Diag          | Diag2         | Diag3       | Diag4    | Diag5          | Diag6             | Diag7    | Diag8 | Diag9 |
| N                                 | 36616             |               |             |          |                |                   |          |       |       |
| FROM-DOS                          | TO-DOS            | POS           | PROC        | MD1      | MD2            | MD3               | MD4      | DIAG1 | DIAG2 |
| 04/30/13                          | 04/30/13          | 22            | 12334       |          |                |                   |          | 36616 |       |
| CHARGES                           | NOS               | MINUTES       | UNIT        | SalesTx  | Rendering NPI# | Render Legacy ID# |          |       |       |
| 145.00                            | 1.00              |               | EA          |          | 1234567890     | 9741234           |          |       |       |
| Facility NPI                      | Name if different | Control #     | Review Amt? | Cert     | Emg?           | Nar?              | Prim Pd  |       |       |
|                                   |                   | 13D00184-2    | Y           |          |                |                   |          |       |       |
| PUR-DIAG-IND                      | PUR-DIAG-AMT      | EPSDT         | FAM PLAN    | Preg Ind | DocInd         | DocType           | Patients |       |       |
| N                                 |                   |               |             |          |                |                   |          |       |       |
| PriorAuth:                        |                   |               |             |          |                |                   |          |       |       |
| Prim Amt Paid                     | Allowed Amt       | Deductible    | Coinsurance |          |                |                   |          |       |       |
| 98.00                             | 120.00            |               | 20.00       |          |                |                   |          |       |       |
| Disallowed Cost Cont              | Disallowed Other  | Adj Date      |             |          |                |                   |          |       |       |
| 25.00                             | 2.00              | 223           |             |          |                |                   |          |       |       |
| Print Form?                       | Change Status?    | Total Charges | 145.00      | Lines    | 1              |                   |          |       |       |

Enter **Y** If Service Is For MSP **N** If not  
**ESC** to record **Ctrl-C** to cancel **F10** for Help

Notice the new payment data. As you can see there is room for the new Disallowed with a code for the Reason.

If you need help with this just give us a call. If they stop the sequester and give us an end date, a new update will be created to stop the sequester math at that time. If you need to post the Sequester amount and it does not automatically calculate, just enter it as shown under Disallowed COST (2.00) with the 223 Reason code.

DME rules might require that you post the Sequester amount manually. Since they go by the start of a contract not the date of service. If the sequester question appears and there is none, just enter zero.

Deductibles are included in the Coinsurance amount as part of what is still owed.