



# Senior Services News

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**TO:** Nursing Facilities

**SUBJECT:** Crossover Claims Processing Using the Medicare Resource Utilization Group Rate (RUG Rate)

**EFFECTIVE:** Immediately

**PURPOSE:** To inform providers of a revision in the reimbursement process

**BACKGROUND:** Unisys, the State's fiscal agent for Medicaid payments, has refined the way it processes Medicare crossover payments to nursing facilities. As a result, the system will have a more accurate Medicare per diem rate to use in calculating the Medicaid co-insurance payment, if a Medicaid co-insurance payment is applicable. Effective immediately, crossover claims will be processed as follows:

The nursing facility will submit a copy of the Medicare Remittance Advice (RA), along with the required billing documentation, to Unisys. Unisys will deny any long term care crossover claim that is submitted with a Medicare RA that does not include the following fields:

- A. The net reimbursement or provider payment amount
- B. The co-insurance amount; and
- C. The covered days.

To determine the appropriate Medicare rate to use in the crossover calculation, Unisys staff will add the net reimbursement or provider payment amount plus the co-insurance amount and divide by the covered days, as indicated on the Medicare RA, for each claim, as  $(A+B)/C$ . The result will be the average per diem Medicare RUG rate. The average per diem Medicare RUG rate is used in the existing crossover claim calculation.

**ACTION:** Please assure that the net reimbursement or provider payment amount, the co-insurance amount and the covered days are all indicated on the Medicare RA for each claim.

Please note that because a paper copy of the Medicare RA is needed from all NFs, crossover claims cannot be processed electronically. If you have any questions on this matter, please contact the Office of Provider Relations at 609-588-2874.

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