The Health Insurance Claim Number (HICN) is a Medicare beneficiary’s identification number, used for processing claims and for determining eligibility for services across multiple entities (e.g., Social Security Administration (SSA), Railroad Retirement Board (RRB), States, Medicare providers, and health plans).

The Medicare Access and CHIP Reauthorization Act (MACRA) of 2015 mandates the removal of the Social Security Number (SSN)-based HICN from Medicare cards to address current risk of beneficiary medical identity theft.

The legislation requires that CMS mail out new Medicare cards with a new Medicare Beneficiary Identifier (MBI) by April 2019.
SSNRI Program Goals

• **Primary goal:** To decrease Medicare Beneficiary vulnerability to identity theft by removing the SSN-based HICN from their Medicare identification cards and replacing the HICN with a new Medicare Beneficiary Identifier (MBI)

• In achieving this goal CMS seeks to:
  – Minimize burdens for beneficiaries
  – Minimize burdens for providers
  – Minimize disruption to Medicare operations
  – Provide a solution to our business partners that allows usage of HICN and/or MBI for business critical data exchanges
  – Manage the cost, scope, and schedule for the project
Along with our partners, CMS will address complex systems changes for over 75 systems, conduct extensive outreach and education activities, and analyze the many changes that will be needed to systems and business processes.

Affected stakeholders include:
- Federal partners, States, Beneficiaries, Providers, and Plans
- Other key stakeholders, such as billing agencies, advocacy groups, data warehouses, etc.

CMS has been working closely with business partners and stakeholders to implement the SSN Removal Initiative.
Implementation of SSNRI
The solution for SSNRI must provide the following capabilities:

1. **Generate MBIs for all beneficiaries:** Includes existing (currently active, deceased, or archived) and new beneficiaries

2. **Issue new, redesigned Medicare cards:** New cards containing the MBI to existing and new beneficiaries

3. **Modify systems and business processes:** Required updates to accommodate receipt, transmission, display, and processing of the MBI

**CMS will use an MBI generator to:**
- Assign 150 million MBIs in the initial enumeration (60 million active and 90 million deceased/archived) and generate a unique MBI for each new Medicare beneficiary
- Generate a new unique MBI for a Medicare beneficiary whose identity has been compromised
**Health Insurance Claim Number (HICN)**
- Primary Beneficiary Account Holder
- Social Security Number (SSN) plus Beneficiary Identification Code (BIC)
- 9-byte SSN plus 1 or 2-byte BIC
- Key positions 1-9 are numeric

**Medicare Beneficiary Identifier (MBI)**
- New Non-Intelligent Unique Identifier
- 11 bytes
- Key positions 2, 5, 8, and 9 will always be alphabetic

<table>
<thead>
<tr>
<th>Key</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>SSA HICN</td>
<td>123-45-6789-A1</td>
</tr>
<tr>
<td>MBI</td>
<td>1EG4-TE5-MK73</td>
</tr>
</tbody>
</table>

Note: Identifiers are fictitious and dashes for display purposes only; they are not stored in the database nor used in file formats.
The Medicare Beneficiary Identifier will have the following characteristics:

- The same number of characters as the current HICN (11), but will be visibly distinguishable from the HICN
- Contain uppercase alphabetic and numeric characters throughout the 11-digit identifier
- Occupy the same field as the HICN on transactions
- Be unique to each beneficiary (e.g., husband and wife will have their own MBI)
- Be easy to read and limit the possibility of letters being interpreted as numbers (e.g., alphabetic characters are upper case only and will exclude S, L, O, I, B, Z)
- Not contain any embedded intelligence or special characters
- Not contain inappropriate combinations of numbers or strings that may be offensive

CMS anticipates that the MBI will not be changed for an individual unless the MBI is compromised or other limited circumstances still undergoing review
MBI Generation and Transition Period

Jan 2018
Activate MBI Generator and Translation Services

Apr 2018
Transition Period Begins

Apr 2018 – Dec 2019
Accept/Process Both HICN and MBI Transactions

Jan 2020
HICNs no longer exchanged with Beneficiaries, Providers, Plans, and other third parties
*Limited Exceptions

Apr 2018 – Apr 2019
Conduct Phased Card Issuance to Beneficiaries
• The transition period will run from **April 2018 through December 31, 2019**

• CMS will complete its system and process updates to be ready to accept and return the MBI on April 1, 2018

• All stakeholders who submit or receive transactions containing the HICN must modify their processes and systems to be ready to submit or exchange the MBI by April 1, 2018. Stakeholders may submit **either** the MBI or HICN **during the transition period**

• CMS will accept, use for processing, and return to stakeholders either the MBI or HICN, whichever is submitted on the claim, **during the transition period**

• CMS will actively monitor the transition and adjustment to the new MBIs to ensure adoption so Medicare operations aren’t interrupted and that everyone is ready to use only MBIs by January 2020
Beginning October 2018 through the end of the transition period, when a valid and active HICN is submitted on Medicare fee-for-service claims both the HICN and the MBI will be returned on the remittance advice.

- The MBI will be in the same place you currently get the “changed HICN”: 835 Loop 2100, Segment NM1 (Corrected Patient/Insured Name), Field NM109 (Identification Code).

- Use of HICN and MBI for the same patient on the same batch of claims.
  - During the transition period, we’ll process all claims with either the HICN or MBI, even when both are in the same batch.

- Medicaid and supplemental insurers.
  - We will give State Medicaid Agencies and supplemental insurers the MBIs for Medicaid-eligible people who also have Medicare before we mail the new Medicare cards. During the transition period, we’ll process and transmit Medicare crossover claims with either the HICN or MBI.
• Railroad Retirement Board (RRB) beneficiaries
  • We’ll return a message on the eligibility transaction response for an RRB beneficiary. The RRB will continue to send cards with the RRB logo, but you can’t tell from looking at the MBI if beneficiaries are eligible for Medicare because they’re railroad retirees
  • Medicare Providers must program their systems to identify RRB beneficiaries so they know to send those claims to the Specialty Medicare Administrative Contractor (SMAC)

• Private payers
  • For non-Medicare business, private payers won’t have to use the MBI. We’ll continue to use supplemental insurer’s unique numbers to identify customers, but after the transition period, supplemental insurers must use the MBI for any Medicare transactions where they would have used the HICN
In addition, CMS is working to develop capabilities where providers will be able to access a beneficiary’s MBI through a secure look up tool at the point of service.

In instances in which a beneficiary does not have a new Medicare card at a provider’s office, we believe this look up tool will give providers a mechanism to access a beneficiary’s MBI securely without disrupting workflow.

CMS is making systems changes so that when a provider checks a beneficiary’s eligibility, the CMS HIPAA Eligibility Transaction System (HETS) will return a message on the response indicating that CMS mailed that particular beneficiary’s new Medicare card.
Once the transition period is over, you’ll still be able to use the HICN in these situations:

**Plans:**
1. **Appeals**
   - Appeal requests and related forms will be accepted with either a HICN or MBI
2. **Adjustments**
   - HICN can be used indefinitely for certain systems (i.e., Drug Data Processing System, Risk Adjustment Processing system and Encounter data system) for all records, not limited to adjustments
Claims and Other types of Exceptions:

1. Incoming Information Requests (i.e., inquiries, Medicare Secondary Payer information requests, Requests for Medical Documentation)

2. Incoming Premium Payments (i.e., Part A premiums, Part B premiums, Part D income related monthly adjustment amounts)

3. Span-date claims (FFS)
   - 11X-Inpatient Hospital, 32X-Home Health and 41X-Religious Non-Medical Health Care Institution claims with a “From Date” prior to the end of the transition period (12/31/19)

4. Reports (FFS)
   - Incoming Reports to CMS* (i.e., Quality reporting, Disproportionate Hospital data requests)
   - Outgoing Reports from CMS (i.e., Provider Statistical and Reimbursement Report, Accountable Care Organization Reports)

*Note: We will use the HICN on these reports until further notice
CMS will begin mailing new cards in April 2018 and will meet the congressional deadline for replacing all Medicare cards by April 2019.

The gender and signature line will be removed from the new Medicare cards.

The Railroad Retirement Board will issue their new cards to RRB beneficiaries.

We will work with states that currently include the HICN on Medicaid cards to remove the Medicare ID or replace it with an MBI.

CMS will conduct intensive education and outreach to all Medicare beneficiaries, their families, caregivers, and advocates to help prepare for this change.
Outreach and Education

• CMS will provide outreach and education to:
  
  – Approximately 60 million beneficiaries, their families, advocacy groups, and caregivers
  – Health Plans
  – The provider community (1.5M providers)
  – States and Territories
  – Other business partners, including vendors

• CMS will involve all business partners in our outreach and education efforts through their existing vehicles for communication (e.g., Open Door Forums, HPMS notices, MLN Connects)
• Beneficiaries will get information about the new card in the 2018 Medicare & You handbook they will receive this October

• Once they receive their new cards, beneficiaries will be instructed to safely and securely destroy their old Medicare cards and keep the new MBI confidential

• A robust, broad-based outreach and education campaign aimed at beneficiaries will begin with the mailing of the Medicare handbook in September 2017 and continue through April 2019

• CMS is also working to develop a secure way for beneficiaries to be able to access their MBIs when needed
What You Need to Know to Get Ready for the New MBI

• Subscribe to the weekly MLN Connects newsletter for updates and new information

• Verify your patients’ addresses:
  • If the address you have on file is different than the address you get in electronic eligibility transaction responses, ask your patients to contact Social Security and update their Medicare records.
  • This may require coordination between your billing and office staff

Get ready to use the new MBI Format:
• Ask your billing and office staff if your system can accept the 11 digit alpha numeric MBI
• If you use vendors to bill Medicare, ask them about their MBI practice management system changes and make sure they are ready for the change
**Medicare Beneficiary Identifier (MBI) Implementation Milestones**

### 2016-2017

- **March 2016** – Launch Phase I SSNRI Web Content on cms.gov
- **March to August 2016** – Conduct listening sessions with external stakeholders
- **August 2016** – Launch Phase II SSNRI Web Content on cms.gov
- **September 2016** – MBI generator in testing environment
- **May 2017** – MBI development complete

### 2018-2020

- **April 2018** – All systems & processes able to accept MBI
- **April 2018** – Begin distributing Medicare cards with MBI to 60M beneficiaries
- **October 2018** – MBI to be returned on the remittance advice
- **October 2018** – Expected launch of provider look-up tool
- **April 16, 2019** – Statutory deadline for issuance of new Medicare cards
- **January 2020** – HICN no longer exchanged, with limited exceptions

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Final Thoughts

• Thank you for participating in this discussion today, to learn more about SSNRI you can:
  • Participate in our Open Door Forums. We will let you know when calls are scheduled in MLN Connects
  • Check our SSNRI website for other information:
    • [http://go.cms.gov/ssnri](http://go.cms.gov/ssnri)
    • Please access HPMS for technical information related to Plans
  • Please submit any additional comments or questions to the SSNRI team mailbox at: [SSNRemoval@cms.hhs.gov](mailto:SSNRemoval@cms.hhs.gov)