



# Research Billing



## Buzz

A Newsletter from the Office of Clinical Research Billing Compliance

Volume 8

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**Medicare Advantage**

**In this Issue**

Healthcare billing can be quite confusing and it is even more so when we add the complexities of research. In this issue of the *Research Billing Buzz* we will learn more about Medicare Advantage and how it affects research participants.

## Medicare Advantage Billing

- How is it different for Research Participants?
- Need Help?

### The Basics

[Medicare](#) defines Medicare Advantage Plans (MA) as “a type of Medicare health plan offered by a private company that contracts with Medicare to provide all your Part A and Part B benefits. Most Medicare Advantage Plans also offer prescription drug coverage”.

In other words, a private insurance company – like Blue Cross/Blue Shield, Aetna or United – contracts with Medicare to offer services to Medicare enrollees. Most of these plans offer many extra benefits, such as dental, vision and prescription coverage.

### Medicare Advantage and Clinical Trials

In a previous issue of the newsletter, we discussed in detail what a qualifying clinical trial is (see [here](#) for a refresher). In recap, the study must comply with these specifications to be a qualifying trial:

## ● Is the Study Qualifying?

All of these must be true:

1. The item or service falls into a Medicare benefit category
2. The study has therapeutic intent
3. The study enrolls participants with a diagnosed disease

**AND**

4. One of these must be true for the study to be "deemed":

- Is funded/supported by NIH, CDC, AHRQ, CMS, DOD or VA
- Is supported by centers or cooperative groups that are funded by the NIH, CDC, AHRQ, CMS, DOD and VA
- Has an IND number: Trial conducted under an investigational new drug application (IND) reviewed by the FDA
- Trial is exempt from having an IND

If the study is qualifying and the Prospective Reimbursement Analysis (PRA) delineates charges as billable to insurance, Original Medicare becomes the participant's primary insurance and their MA plan then gets billed as the secondary. JHM's Financial Clearance process takes this into account when attaining authorization from the insurance.

Research participants are not expecting to receive Explanation of Benefits (EOB) documents from Original Medicare since they opted out of it in favor of the MA plan. Therefore, the subject must be aware of how their billing changes when they consent for a qualifying clinical trial.

CRBC must make sure that charges are billed to the correct payer and with all the indicators mandated by Medicare.

## Medicare Advantage and Device Studies

In contrast, when a research subject participates in a [device study](#) (IDE, HDE, 510K, PMA, etc.) the MA plan remains the primary insurance and Original Medicare is not involved at all. Remember that the participant might have deductibles and/or copays to fulfil.

## In Summary

It can be confusing for research participants with a MA insurance to understand the complexities of Medicare rules and regulations. Research teams and financial counselors should be aware of this rule so they are better able to explain the financial obligations for participants in qualifying clinical studies.

# MA BILLING

## QUALIFYING TRIAL

VERSUS

## DEVICE STUDY

**\*CHARGES OUTSIDE OF THE STUDY ARE  
BILLED TO THE MA PLAN\***



Original Medicare  
Becomes  
Participant's  
Primary Insurance



The Medicare  
Advantage Plan is  
the Primary  
Insurance.

The MA Plan  
Becomes the  
Secondary  
insurance

The Participant  
might have another  
insurance or Not.

The Participant  
Might Have  
Deductibles and  
Copays.

The Participant  
Might Have  
Deductibles and  
Copays.

The Participant  
should be aware  
that they will  
receive EOBs from  
Original Medicare  
and the MA Plan

The Participant will  
get EOBs from the  
MA Plan.

Liza Rodriguez

**Note:** We will not publish Research Billing Buzz in December

## Need Help?

If you need help, have questions or want to suggest topics for future newsletters you can email us at:

[CLINIRESBILLING@exchange.johnshopkins.edu](mailto:CLINIRESBILLING@exchange.johnshopkins.edu)

For more information, visit the **Research Revenue Cycle Website**

[Research Rev Cycle Website](#)



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