

Combining Medicare and Structured Settlements

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Cost Effective Medicare Compliance

- Maximize rated ages
- Minimize significant MSA cost generators
- Start selling the structure option early and often
- CMS requirements effective 4/1/2020 will encourage more communication and transparency between the parties on MSA matters

Rated Ages

- Primary care records more likely to identify significant co-morbidities than work injury records
- Ensure MSA provider has medical records crucial to accurate rated age assignment
- Life companies tend to assign more conservative rated ages than independent underwriters

Significant Co-Morbidities for Rated Age

- Diabetes
- Hypertension
- Obesity
- Cancer
- Renal failure
- Cardiovascular disease
- Pulmonary disease
- Smoker

Significant MSA cost generators

- Spinal cord stimulators
- Prosthetics
- Brand name prescription drugs
- Designer drugs
- Pending recommendations for spinal fusion
- Frequent dr visits at time of CMS submission

Selling points for structure option

- Ensures the MSA funds are not exhausted in the near future
- Carrier could apply cost savings to professional administration of MSA funds to the benefit of injured worker
- Exhaustion of MSA funds prior to next annual payment brings Medicare coverage

MSA Transparency Mandated by CMS

- As of April 1, 2020, all CMS consent-to-release forms signed by the claimant must include language **indicating that the beneficiary reviewed the submission package** and understands the WCMSA intent, submission process, and associated administration

Changes the forthcoming CMS requirement should bring

- The parties have discussed and agreed upon type of MSA funding prior to submission
- Any medical records pertinent to the MSA have been shared by the parties
- The parties are in agreement on denied vs accepted conditions
- The parties are in agreement on how MSA will be administered (self or professionally)

New CMS Consent language required effective 4/1/2020

I, _____, hereby authorize the Centers for Medicare & Medicaid Services (CMS), its agents, and its contractors to disclose, discuss, and release, orally or in writing, information related to my workers' compensation injury and settlement to the individual(s) and firm(s) listed below. This consent is for my current workers' compensation claim and is on an ongoing basis. An additional consent to release will not be necessary unless and until I revoke this consent (which must be in writing). Further, I have had the Workers' Compensation Medicare Set-Aside Arrangement need and process explained to me, and I approve of the contents of the submission.

Beneficiary Initials _____

Questions

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