



Legislative Update

April 23, 2009

IT MAY BE TIME TO REGISTER YOUR COMPANY WITH THE CENTERS FOR MEDICARE & MEDICAID SERVICES

Pursuant to Section 111 of the Medicare, Medicaid and State Children's Health Insurance Program Extension Act of 2007 ("MMSEA") (P.L. 110-173), certain entities are required to meet mandatory reporting requirements beginning May 1. The requirements of the MMSEA are designed to avoid duplication of benefits in situations when Medicare is the "secondary payer," which occurs in situations where another entity is required to pay for covered services before Medicare does.

To ensure full compliance with the law, you should take the following steps:

1) Determine whether or not your company is required to take action:


You are required to register with the Centers for Medicare and Medicaid Services ("CMS") if you **self administer** or have a **self insured retention** with regard to workers compensation, no-fault insurance or liability insurance programs. This does not apply to Retrospective Rating or Deductible programs.

2) Register your company between May 1 and June 30, 2009:

If you determine an obligation as outlined above, you must register and designate a reporting agent on-line at www.section111.cms.hhs.gov. You will be referred to as a Responsible Reporting Entity (RRE). This website will be available by May 1st. Your reporting agent should be the entity who administers your claims (for example, third party administrator or insurance carrier). After you register, the CMS will transmit the information to the CMS' Coordination of Benefits Contractor who should work with you to begin to set-up the data reporting and response process. At this time the CMS has not put a guideline in place for how far back you need to register for prior policy periods. Therefore, we recommend you register all prior years where you have open claims.

3) Take Steps to Ensure You Meet Ongoing Obligations:

MMSEA requires you, through your reporting agent, to continue to report certain data to CMS. The Coordination of Benefits Contractor should be able to assist you in the reporting obligations.



It is important to note that if your reporting agent fails to transmit the required information in the designated timeframe, CMS will issue fines and penalties against you, not the reporting agent. Therefore, you should review your contract with your reporting agent to ensure they understand the obligations and the appropriate consequences for their failure to adhere to those obligations.

The CMS has published materials about MMSEA, which can be found at www.cms.hhs.gov. If you have any questions or need additional assistance, please contact your Conner Strong Claim Consultant.

Please contact your Conner Strong representative with any questions, toll-free at 1-877-861-3220.

This Legislative Update is provided for general informational purposes only and is not intended to be legal advice. Readers are urged to contact an attorney for legal advice or assistance.

