

2018 CMS Update: Conditional Payments

Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (MMSEA) added mandatory reporting requirements for certain responsible reporting entities (RRE's) including entities self-insured for workers' compensation. The purpose of Section 111 reporting is to enable CMS to pay appropriately for Medicare-covered items furnished to Medicare beneficiaries. Reporting of workers' compensation claim information helps CMS determine when other insurance coverage is primary to Medicare, meaning that it should pay for the items and services first before Medicare considers its payment responsibilities.

As part of the services that NCA provides for our clients, we electronically report any applicable workers' compensation claim information (including incidents) to CMS when the claimant is a Medicare beneficiary.

Upon receipt of this information, CMS checks whether the injured party associated with the claim report is a Medicare beneficiary, and determines if workers' compensation is primary to Medicare. CMS then uses this information in the Medicare claims payment process and, if Medicare paid first when it should not have, uses it to seek repayment from the other insurer or the Medicare beneficiary.

As of January 1, 2016, the Commercial Repayment Center (CRC) is responsible for handling claims where Medicare is directly pursuing insurers as the identified debtor for conditional payment recovery. You will receive notice when **any payment** is made that CMS believes should be paid under the Workers' Compensation claim.

NCA will review bills on any claim where a Medicare payment has been made on a body part that is listed under the workers' compensation claim to confirm whether the treatment is related to the workers' compensation claim.

If the bill is related to the claim and appropriate, NCA will reimburse CMS on your behalf. If our team does not believe the treatment is related to our claim, we will go through an appeals process to dispute the billing.

In 2018, the vendor responsible for submitting Conditional Payment notices to RREs has begun to send these amounts to the US Department of the Treasury after 30 days (NCA has 60 days to file an appeal). As a result of this policy, we recommend that our clients pay these notices up front, then request reimbursement once an appeal is won. ***If these notices are not paid within 30 days, the US Department of the Treasury will file a federal lien against your company, and will withhold any federal funds owed you as payment of this debt.***

Given the very strict timelines for this process, please work with your NCAComp claims representative to address any notice from CMS immediately. These notices are not sent to NCA, only to our clients as the listed Reporting Entities!

If you have any questions of this process or how it will affect your claims, please contact Erin Jordan at ejordan@ncacomp.com

Prepared by

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