

MEDICARE SET-ASIDE ACCOUNT TERMS AND CONDITIONS

CLAIMANT/BENEFICIARY: _____

SSN (WORKERS COMPENSATION CLAIM #): _____

D/A: _____

EMPLOYER: _____

INSURER: _____

1. Federal regulations provide that Medicare will not pay for any medical expenses for the work-related injury or illness, after a workers' compensation settlement is received, until the amount of the settlement allocated to future medical expenses is exhausted. In order to comply with the applicable federal regulation and to reasonably consider Medicare's interest, the claimant has received, from the workers' compensation settlement, a fund to establish a Medicare set-aside account from which payment will be made for work injury related medical treatment that would otherwise be covered by Medicare. Failure to adhere to any of the following terms and conditions may result in Medicare denying coverage for all medical treatments related to the on the job injury once the set-aside funds are exhausted.

2. The Medicare set-aside funds shall be placed in a separate interest bearing account that is insured by the FDIC. The injured worker understands that if the account is self-administered, he/she will be held to the same standards as a professional custodian.

3. The funds, including any interest and annuity payments in the Medicare Set-Aside account, shall be used solely for legitimate medical expenses incurred for those medical needs related to, or resulting from, the work-related injury, which would otherwise be reimbursable or paid for by Medicare, and which would be allowed under the _____ (state of jurisdiction) Workers' Compensation Act. Funds in the Medicare Set-Aside Account shall not be used to pay for medical services not covered by Medicare as of the date of the workers' compensation stipulation approval. Any medical benefits paid hereunder shall also be in accordance with the _____ (state of jurisdiction) Workers' Compensation Fee Schedule. The MSA Administrator (either the custodian or the injured worker if self administered) agrees to arrange medical providers who will accept payments pursuant to the fee schedule. Information on obtaining a copy of the WC medical fee schedule can be obtained by calling _____ (telephone # for state WC Board/Commission).

4. In the event CMS determines that Medicare has paid benefits for medical services rendered after settlement of the WC claim and prior to the depletion of funds in the Medicare Set-Aside Account that should have been paid from the set-aside account, CMS, or its designated fiscal intermediary or carrier, shall have the right to seek and receive reimbursement from the custodian of any such conditional payments or overpayments from the Medicare Set-Aside Account to the extent that there are funds remaining in the account at that time.

5. The MSA Administrator (either the custodian or injured worker if self administered) shall maintain accurate records of the distributions and expenditures from the Medicare Set-Aside Account. The records should indicate the date of service, the diagnosis, the service received, who received payment, and the date of the payment. The injured worker (or custodian) must also retain a receipt or other evidence of each and every payment made from the Medicare Set-Aside Account.
6. The MSA Administrator (either the custodian or injured worker if self administered) will submit an annual accounting to CMS and the appropriate fiscal intermediary for each calendar year, no later than _____ (anniversary date of settlement of WC claim) of the following year, pursuant to CMS' instructions given at the time of CMS approval of the MSA account. The Custodian shall notify CMS and the appropriate fiscal intermediary once the Set-Aside Account is depleted and shall submit a final accounting within 60 days of the funds being depleted.
7. All required accountings and notices shall be sent to the Medicare Secondary Payer Recovery Contractor (MSPRC), P. O. Box 33828, Detroit, MI 48232-3828.
8. In the event that the claimant dies before the funds in the Medicare Set-Aside Account are depleted, the account will continue to exist for a sufficient period of time from the date of death to enable any outstanding bills for work-related injury medical expenses that would otherwise be covered by Medicare to be paid. Once the CMS Regional Office and the MSPRC ensure that all of the injured worker's claims have been paid, than any amount left over in the set aside arrangement be may be disbursed pursuant to state law or as otherwise stipulated to in the WC settlement agreement. Providers, physicians, and other suppliers are permitted to submit their initial bill to Medicare for a period ranging from 15-27 months after the date of settlement so this may involve holding the MSA arrangement open for some period of time after the date of death.
9. If, after the Medicare Set-Aside Account is depleted, the final accounting reveals that funds in the account were used to pay for items other than legitimate medical expenses for medical needs related to or resulting from the work-related injury, which would not otherwise be covered by Medicare, CMS will withhold Medicare coverage for work-related injury medical expenses in an amount equal to the misappropriated funds.
10. The MSA Administrator (injured worker or custodian) agree to hold harmless and indemnify the employer/insurer from any cause of action to recover or recoup Medicare benefits or loss of Medicare benefits if CMS determines that money was spent from the MSA account inappropriately,
11. The MSA Administrator (either the custodian or injured worker if self administered) warrants he has read and understands the above terms and conditions and agrees to abide by these terms and conditions in order to protect Medicare coverage for the work-related injury medical expenses once the Medicare Set-Aside Account is depleted. The Custodian (injured worker if self administered) understands that failure to abide by the above-listed terms and conditions, results in ineligibility for Medicare coverage for the work-related injury medical expenses. Custodian (injured worker if self administered) further agrees that upon approval of the State Board of Workers' Compensation of the Stipulation and Agreement they will obtain a copy of the booklet "Medicare & You" from the local Social Security Administration and will

contact Medicare at 1-800-Medicare with any questions concerning the custodian's obligations under this agreement. A current copy of the Medicare & You handbook is also available at www.bmanleymsa.com. The MSA Administrator (either the custodian or injured worker if self administered) further understands that this agreement may not contain all of the current requirements of CMS for the administration of this account and that CMS requirements are subject to change. All information regarding administration of the MSA account must be confirmed with CMS.

This agreement is made in consideration of and as part of the settlement in the workers' compensation claim referenced above and to establish the MSA arrangement required there under.

This ____ day of _____, 200__.

Custodian/ Injured Worker

Attorney