

February 26, 2010

The Centers for Medicare and Medicaid Services (CMS) has issued several alerts this week pertaining to Section 111 Mandatory Reporting Requirements. The following is a summary of the same.

ALERT I: COMPLIANCE WITH SECTION 111 REPORTING

This alert sets forth what a Responsible Reporting Entity (RRE) must do to be in compliance with the Section 111 Mandatory Reporting Requirements. First, an RRE must register with the CMS Coordination of Benefits Contractor (COBC). Once the registration process is complete, the RRE must prepare and test file data to be submitted to the COBC. Thereafter, the RRE will be in production mode and can submit production files to the COBC.

While CMS has extended the testing period through December 31, 2010, once RREs are in "production file exchange status" submission of file data may be sent to the COBC beginning April 1, 2010.

ALERT II: REPORTING FOR RISK MANAGEMENT WRITE-OFFS, CLINICAL TRIALS; DATA INPUT FIELDS AND FOREIGN INSURERS

In sum, CMS states in this alert that it will issue additional guidance for Section 111 reporting for risk management activity and clinical trials "where the sponsor has agreed to pay for items or services related to injuries or complications." Significantly, RREs will not need to report information related to these activities to CMS until this additional guidance is published on its

website. CMS will also issue additional guidance relating to fields 58-62 in its Claim Input File Detail Record and on reporting by foreign insurers.

CMS notes that until these alerts are forthcoming, RREs should continue to identify related claims and/or payments "so that they can be recorded as prescribed by the general Section 111 requirements and the further guidance."

ALERT III: WHO/WHAT ENTITY IS A MMSEA SECTION 111 RRE

Due to overwhelming questions and comments from the industry regarding who fits the definition of an RRE in various situations, CMS has issued this alert to try to elaborate on the same. CMS defines an RRE within a corporate structure; in cases of a deductible versus self-insured retention; acquisition/divestiture or sale; deductible issues versus re-insurance; stop loss insurance, excess insurance, umbrella insurance, etc.; foreign insurers; multiple defendants; self-insurance pools; state established "assigned claims fund;" subrogation by an insurer; and workers' compensation. Specifics relating to each of these definitions can be found at https://www.cms.hhs.gov/MandatoryInsRep/09_Alerts.asp#TopOfPage.

CMS again stresses in this alert that it is critical to understand and utilize their definitions for purposes of Section 111 reporting.

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