

# TRISTAR Update

March 2009

## Section 111 of the Medicare, Medicaid and SCHIP Extension Act of 2007

### What is MMSEA (also known as SCHIP)?

Medicare has long been a “secondary payer” to all lines of liability insurance (including self-insurance), no-fault insurance and workers’ compensation. However, historically, Medicare has not been able to consistently identify primary payers, nor have all carriers consistently ensured reporting of Medicare eligible claims to Medicare. In an effort to address this, Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (MMSEA) was passed on December 29, 2007. The Act adds new mandatory reporting requirements for group health plan arrangements and for liability insurance (including self-insurance), no-fault insurance, and workers’ compensation. Additionally, it imposes an affirmative obligation on primary payers to identify claimants entitled to Medicare and to notify Medicare electronically of such entitlement.

Centers for Medicare and Medicaid Services (CMS) overview documentation is accessible at the following location: <http://www.cms.hhs.gov/mandatoryinsrep/>

**Penalties of \$1,000 per day may be imposed for each claim that is not reported.**

### Who is Required to Report to CMS?

Medicare defines “Responsible Reporting Entities” (RRE) as the following:

- Group health plan carriers
- Non-group health plan carriers, including self insured entities; liability, workers’ compensation and no fault carriers
- Self insured entities managing liability, workers’ compensation and no fault claims

CMS has further defined the Responsible Reporting Entity (RRE) in the most recent version of the user guide found at: <http://www.cms.hhs.gov/MandatoryInsRep/Downloads/NGHPUserGuide031609.pdf>

**Note:** RRE’s may delegate reporting responsibility to an agent (e.g., a third party administrator and/or vendor), but the RRE remains ultimately responsible for the reporting and will be held liable for any liabilities associated with non-compliance.

### Which Claims Must be Reported and When?

RRE’s must report any claim involving a claimant who is a Medicare recipient and/or Medicare eligible. This includes claims under liability insurance (including self-insurance), no-fault insurance and workers’ compensation. If an RRE accepts ongoing responsibility for medical

### **Which Claims Must be Reported and When? (continued)**

payments on a claim, effective July 1, 2009, the RRE must report two events: (1) acceptance of ongoing payment responsibility and (2) the end date of ongoing payment responsibility.

If the RRE does not have ongoing responsibility for medical payments on a claim, the RRE must report the claim once, at time of resolution or partial resolution through judgment, award or other payment after July 1, 2009.

RRE's must report claims quarterly via an electronic means (e.g., EDI or other CMS approved method). The reporting timeframes will be determined during the registration process.

### **What is TRISTAR Doing on Your Behalf?**

TRISTAR has assembled an implementation team composed of personnel from various disciplines (project management, IT, legal and claims operations for both liability and workers' compensation) to respond to the new CMS regulations.

For TRISTAR Clients utilizing our VOS Portal claims software, you may designate TRISTAR as the Reporting Agent to report to CMS on your behalf.

TRISTAR is in the process of identifying fields within our software to capture all required data elements as well as developing procedures to ensure accurate reporting. TRISTAR is also developing an interface with CMS to submit data files and process response files.

For TRISTAR Clients utilizing claims software that is not hosted by TRISTAR, we are not able to be the designated reporting agent. Please work with your software provider to ensure you are capturing all necessary

data elements and can report claims to CMS.

### **What Actions Do You Need to Take?**

1. Understand who the Responsible Reporting Entity is for your organization.
2. As the RRE, you will need to register with CMS between 5/1/09 – 6/30/09.  
*Information related to the registration process can be found on the CMS website at: <https://www.cms.hhs.gov/MandatoryInsRep/Downloads/RegistrationOverview.pdf>*
3. Notify TRISTAR, via email sent to [laurie.barraclough@tristargroup.net](mailto:laurie.barraclough@tristargroup.net), as to whether or not TRISTAR will be designated as your reporting agent no later than 5/1/09.
4. If you have a fully insured program, your carrier is the RRE. Please provide TRISTAR (at the email address in item 3 above) with your carrier's contact information and we will assist in determining the reporting agent.
5. If TRISTAR does not administer both workers' compensation claims and liability claims on your behalf, you must obtain a separate RRE ID for each administrator.

**If TRISTAR is acting as your reporting agent, it is critical that you advise CMS of this at the time of registration. Please also provide TRISTAR with the following:**

1. **All information provided to you by CMS at the time of registration:**
  - RRE ID number
  - EDI representative
  - Testing and Go Live Dates for File Submission
  - Login ID
2. **A contact name and number at your organization for further discussion related to this matter.**