



Office of Financial Management/Financial Services Group

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Implementation of Medicare Secondary Payer Mandatory Reporting Provisions in  
Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007  
(See 42 U.S.C. 1395y(b)(7) & (8))

**NGHP RRE Compliance: ALERT for Liability Insurance (Including Self-Insurance),  
No-Fault Insurance, and Workers' Compensation**

Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (MMSEA) (P.L. 110-173) has added new mandatory reporting requirements for both group health plan (GHP) arrangements, and for liability insurance (including self-insurance), no-fault insurance, and workers' compensation – also known as Non-GHP or NGHP.

This document provides information on how Non-Group Health Plan Responsible Reporting Entities – NGHP RREs – can work within the Section 111 NGHP reporting requirements and remain in compliance with those requirements. It also provides guidance on the steps NGHP RREs can take to avoid the possibility of becoming non-compliant with the Section 111 requirements.

As the Centers for Medicare & Medicaid Services (CMS) proceeds with the implementation of the Section 111 reporting process, CMS will continue working with Section 111 NGHP RREs to help make their Section 111 reporting as easy as possible.

**Being In Compliance With Section 111 Reporting**

In general, a Section 111 NGHP RRE will be compliant with its Section 111 reporting requirements if it *registers* for reporting with the CMS Coordination of Benefits Contractor (COBC), and once registered the RRE engages in data exchange *testing* with the COBC, and once testing is completed the RRE begins and continues with regular Section 111 *production* data exchanges with the COBC. The RRE will then be participating in the Section 111 process in the manner prescribed by CMS. This process is discussed in detail in the "Section 111 NGHP User Guide".

Following are more specific descriptions of the participation requirements CMS has already published that, when followed, will indicate that an NGHP RRE is continuing to assure its compliance with the Section 111 reporting requirements.

## RRE Registration

An NGHP RRE generally will be considered compliant with Section 111 process requirements if:

- It completes the required registration process (which includes submission of a signed profile report) with the COBC, in order to begin working toward reporting the required data; **or**
- It notifies the COBC of its inability to register during its initial designated timeframe; **and**
- It subsequently registers during a later time arranged with and approved by the COBC.

**NOTE:** NGHP RREs that expect to have nothing to report are not required to register until such time as the RRE determines published CMS guidance establishes that the RRE will have claims to report. However, when they do have a reasonable expectation of having claims to report they must then register in enough time to allow a full calendar quarter for data transmission testing prior to sending production files.

## Testing the Data Exchange

After Registration is complete an NGHP RRE generally will be considered remaining compliant with Section 111 process requirements if, as part of the data exchange testing process with the COBC:

- It begins data file exchange testing with the COBC on schedule (or provides an explanation to its assigned EDI Rep at the COBC for its failure to begin testing); **and**
- It successfully completes its scheduled testing cycles (or its alternative assigned testing cycles when the scheduled initial testing cycles are permitted to be delayed); **and**
- It informs its COBC EDI Rep about systems or other problems that will lengthen the testing process beyond the scheduled process, arranging with and obtaining approval by the COBC for any necessary accommodations; **and**
- It otherwise completes the data file exchange testing process to the satisfaction of the COBC and CMS.

## Ordinary "Production" Data Exchange

Once data exchange testing has been successful completed, an NGHP RRE generally will be considered remaining compliant with Section 111 process requirements as part of the regular production data exchange process with the COBC if:

- It follows routine, punctual production file submissions for processing. If the COBC finds that an RRE is routinely late in submitting Claim Input Files, the RRE will be contacted by the COBC and the RRE must establish and describe how it is working toward producing regular file submissions on its designated schedule; **and**
- After one initial reporting cycle, an RRE's Claim Input File is of a quality that enables the COBC to successfully process the submitted data; **and**
- Throughout the reporting process the RRE consistently follows CMS data submission protocols, producing quality file submissions and data that can be adequately processed and used.

## General Notes

In addition to the directions outlined above, RREs are expected to compile the data required by the Section 111 Reporting Requirements. This information includes (but is not limited to) maintaining a record or case file of all of the RRE's data development activities. RREs are also encouraged to remain in ongoing communication with their assigned COBC EDI Representative, and with CMS through the dedicated Section 111 E-mail box at [PL110-173SEC111-comments@cms.hhs.gov](mailto:PL110-173SEC111-comments@cms.hhs.gov),

particularly when any questions, concerns, or difficulties arise during the implementation or operation of the Section 111 reporting process. RREs should also regularly monitor the Mandatory Insurer Reporting Website ([www.cms.hhs.gov/mandatoryinsrep](http://www.cms.hhs.gov/mandatoryinsrep)) for updated notifications about the Section 111 Reporting Requirements.