



Financial Services Group

February 23, 2024

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

Technical Alert: Change to Worker's Compensation Reporting

This alert serves as notification to Non-Group Health Plan (NGHP) Responsible Reporting Entities (RREs) of the Expansion of the Section 111 Non-Group Health Plan (NGHP) Total Payment Obligation to Claimant (TPOC) reporting process to include Workers' Compensation Medicare Set- Aside Arrangements (WCMSAs) effective April 4, 2025.

As previously discussed at the webinar held on November 13, 2023, CMS will be expanding the existing S111 reporting process to capture WCMSA information on all Workers' Compensation (WC) claims involving Medicare beneficiaries that report settlement (i.e., TPOC). Collection of the information is necessary to assist Medicare in making appropriate determinations concerning coordination of benefits under U.S.C. 1395y(b)(8)(ii), since Medicare should not be a primary payer for future medical services related to a WC injury as specified in the WC settlement as per 42 CFR 411.46. All MSA funding for WC settlements shall be reported regardless of whether or not an approval was previously sought from the CMS. This change will be prospective for TPOCs on or after the implementation date. For example, records submitted on a production file with a TPOC date on or after April 4, 2025, will be subject to the new edits.

To collect this additional information, new fields will be added to the S111 Claim Input File layout utilizing existing filler fields. The new fields will be situationally required or optional as defined in the layout. Fields will be edited only if the Plan Insurance Type Field (Field 51) equals E and TPOC Amount 1 (current Field 81) is greater than 0. Testing of the new fields will be made available for RREs beginning October 7, 2024. Records submitted on a test file with a TPOC date on or after October 7, 2024, will be subject to the new edits in the test environment. The new fields will be as follows and existing fields will be renumbered as appropriate:

MMSEA Section 111 Liability Insurance (Including Self-Insurance), No-Fault Insurance, Workers' Compensation Claim Input File Detail Record – 2220 bytes

Field	Name	Size	Start Pos.	End Pos.	Data Type	Description
37	MSA Amount	11	302	312	Numeric	<p>Medicare Set-Aside (MSA) amount: Dollar amount of the MSA.</p> <p>For WC settlements without an MSA, enter all zeros.</p> <p>Note: The last two positions reflect cents. Specify dollars and cents with an implied decimal and no formatting symbols such as “\$” or “.”. For example, an amount of \$20,500.55 must be submitted as “00002050055”.</p> <p>If there is a structured settlement funding the WCMSA, the MSA Amount must be calculated using the total payout amount. If a settlement provides for the purchase of an annuity, it is the total payout from the annuity. For annuities, base the total amount upon the time period used in calculating the purchase price of the annuity or the minimum payout amount (if there is a minimum payout), whichever calculation results in the larger amount.</p> <p>Required if WC TPOC amount > \$0.</p>
38	MSA Period	2	313	314	Numeric	<p>Enter the amount of time in years that the MSA is expected to cover the beneficiary.</p> <p>Required. If MSA Amount is \$0 enter 0.</p>

Field	Name	Size	Start Pos.	End Pos.	Data Type	Description
39	Lump Sum or Structured/Annuity Payout Indicator	1	315	315	Alphabetic	Valid values: S = Structured/Annuity L = Lump Sum Required. If WCMSA is a combination of Lump Sum and Structured/Annuity, enter S. If MSA Amount is \$0, enter a space.
40	Initial Deposit Amount	11	316	326	Numeric	Note: The last two positions reflect cents. Specify dollars and cents with an implied decimal and no formatting symbols such as "\$" or ".". For example, an amount of \$20,500.55 must be submitted as "00002050055". Zero is an allowable value—enter all 0s. When an WCMSA is a Lump Sum and Structured Annuity Funding combination, the Lump Sum amount should be included in the Initial Deposit Amount. Required. If Lump/Structured Payout Indicator (Field 39) is L or blank, enter all 0s.
41	Anniversary (Annual) Deposit Amount	11	327	337	Numeric	Note: The last two positions reflect cents. Specify dollars and cents with an implied decimal and no formatting symbols such as "\$" or ".". For example, an amount of \$20,500.55 must be submitted as "00002050055". Required. If Lump/Structured Payout Indicator (Field 39) is S, enter an amount greater than 0. If Lump/Structured Payout Indicator (Field 39) is L or blank, enter all 0s.

Field	Name	Size	Start Pos.	End Pos.	Data Type	Description
42	Case Control Number	15	338	352	Alpha-Numeric	Case ID for WMCSAs submitted for voluntary review pre-settlement or for non-CMS approved WCMSAs submitted post-settlement. If unknown, enter spaces.
43	Professional Administrator EIN	9	353	361	Numeric	EIN of Professional Administrator, if applicable. Case administrator will default to the beneficiary if no EIN is entered in this field, or if the EIN submitted does not match a registered administrator account in the WCMSAP. If unknown, enter all 0s.

While there will be a change to the Claim Input File layout, there will be no change to the Claim Response File layout. Errors pertaining to the new WCMSA information will be returned as new “CW” errors on the Claim Response File according to current processing standards. The new error codes will be as follows:

New Error Codes

Error Code	Error Description	Relates to Field
CW01	Non-Numeric MSA Amount	37
CW02	Non-Numeric MSA Period	38
CW03	MSA Period is required when MSA Amount is > \$0	38
CW04	Invalid WCMSA Payout Indicator	39
CW05	Non-Numeric Initial Deposit Amount	40
CW06	Non-Numeric Anniversary Deposit	41
CW07	Zero Anniversary Deposit Invalid when Structured/Annuity Indicated	41
CW08	CCN Not Found	42
CW09	EIN Not Found	43
CW10	MSA Amount = \$0 but WCMSA Detail Information provided	38-41

Error Code	Error Description	Relates to Field
CW11	MSA Amount Provided but TPOC Amount 1 Not Provided	37, current Field 81
CW12	Deposit Amounts are invalid when WCMSA Payout Indicator = 'L'	39-41

The information included in this Alert along with additional information will be incorporated into the April 2024 version of the MMSEA Section 111 Medicare Secondary Payer Mandatory Reporting Liability Insurance (Including Self-Insurance), No Fault Insurance, and Workers' Compensation User Guide.