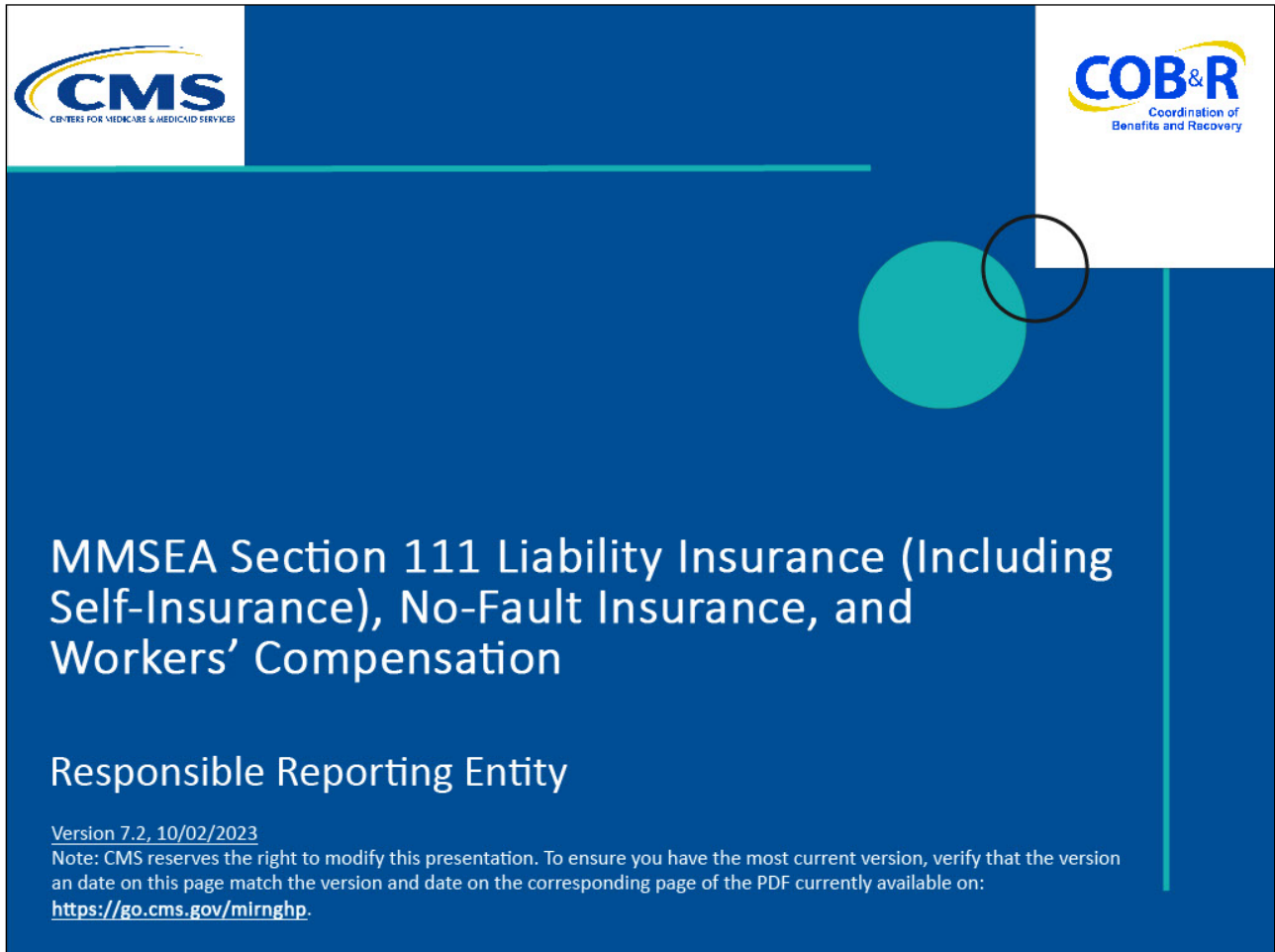


## Responsible Reporting Entity Introduction

### Slide 1 of 46 - Responsible Reporting Entity Introduction



**CMS**  
CENTERS FOR MEDICARE & MEDICAID SERVICES

**COB&R**  
Coordination of  
Benefits and Recovery

# MMSEA Section 111 Liability Insurance (Including Self-Insurance), No-Fault Insurance, and Workers' Compensation

## Responsible Reporting Entity

Version 7.2, 10/02/2023  
Note: CMS reserves the right to modify this presentation. To ensure you have the most current version, verify that the version and date on this page match the version and date on the corresponding page of the PDF currently available on:  
<https://go.cms.gov/mirnghp>.

### Slide notes

Welcome to the Responsible Reporting Entity (RRE) course.

**Slide 2 of 46 - Disclaimer**

## Disclaimer

While all information in this document is believed to be correct at the time of writing, this Computer Based Training (CBT) is for educational purposes only and does not constitute official Centers for Medicare & Medicaid Services (CMS) instructions for the MMSEA Section 111 implementation. All affected entities are responsible for following the instructions found under the *Reference Materials* menu at the following link: <https://go.cms.gov/mirnghp>.

**Slide notes**

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All affected entities are responsible for following the instructions found at the following link:  
<http://go.cms.gov/mirnghp>.

**Slide 3 of 46 - Course Overview**

## Course Overview

- Who/what entity is an MMSEA Section 111 RRE
- Clarifies who the RRE is in various situations



**Slide notes**

This course provides information regarding who/what entity is an MMSEA Section 111 Responsible Reporting Entity (RRE) for liability insurance (including self-insurance), no-fault insurance, and workers' compensation (also referred to as Non-Group Health Plan or NGHP) and clarifies who the RRE is in various situations.

**Slide 4 of 46 - PAID Act**

## PAID Act

The Medicare Secondary Payer (MSP) policy is designed to ensure that the Medicare Program does not pay for healthcare expenses for which another entity is legally responsible. To aid settling parties in determining this information, Congress has enacted the Provide Accurate Information Directly Act also known as the PAID Act requiring that CMS provide Non-Group Health Plans with a Medicare beneficiary's Part C and Part D enrollment information for the past 3 years.

This information will be provided both online, in the BCRS application, and COBSW S111/MRA and offline in the NGHP Query Response File. Additionally, CMS has requested that this solution also include the most recent Part A and Part B Entitlement dates.

**Slide notes**

The Medicare Secondary Payer (MSP) policy is designed to ensure that the Medicare Program does not pay for healthcare expenses for which another entity is legally responsible. To aid settling parties in determining this information, Congress has enacted the Provide Accurate Information Directly Act also known as the PAID Act requiring that CMS provide Non-Group Health Plans with a Medicare beneficiary's Part C and Part D enrollment information for the past three years.

This information will be provided both online, in the BCRS application, and COBSW S111/MRA and offline in the NGHP Query Response File. Additionally, CMS has requested that this solution also include the most recent Part A and Part B Entitlement dates.

Note: To support the PAID Act, the Query Response File will be updated to include Contract Number, Contract Name, Plan Number, Coordination of Benefits (COB) Address, and Entitlement Dates for the last three years (up to 12 instances) of Part C and Part D coverage. The updates will also include the most recent Part A and Part B entitlement dates.

**Slide 5 of 46 - Who Must Report**

## Who Must Report

- 42 U.S.C. 1395y(b)(8) provides that the “applicable plan” is the RRE and defines “applicable plan” as follows:

The following laws, plans or other arrangements, including the fiduciary or administrator for such law, plan, or arrangement

- Liability insurance (including self-insurance)
  - No-fault insurance
  - Workers’ compensation laws or plans
- User Information NGHP User Guide Policy Guidance Chapter (Section 6.4) as well as applicable statutory language along with NGHP User Guide Appendices Chapter V (Appendix H) to determine if you are an RRE
  - Statutory language available in Appendix G

**Slide notes**

42 U.S.C. 1395y(b)(8) provides that the “applicable plan” is the RRE and defines “applicable plan” as follows:

“APPLICABLE PLAN- In this paragraph, the term ‘applicable plan’ means the following laws, plans, or other arrangements, including the fiduciary or administrator for such law, plan, or arrangement:

- (i) Liability insurance (including self-insurance),
- (ii) No-fault insurance, and
- (iii) Workers’ compensation laws or plans.”

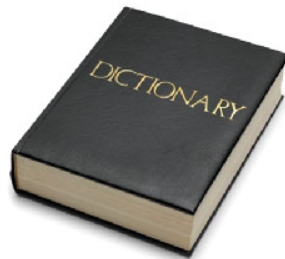
You must use the information in NGHP User Guide Policy Guidance Chapter (Section 6.4) as well as the applicable statutory language in conjunction with the requirements located in the NGHP User Guide Appendices Chapter V (Appendix H - Definitions and Reporting Responsibilities) to determine if you are a RRE for purposes of these provisions.

The statutory language is available in the NGHP User Guide Appendices Chapter V (Appendix G).

## Slide 6 of 46 - Who Must Report

## Who Must Report

- CMS and industry terms differ
- CMS constrained by applicable statute and CMS' regulations
  - Critical to understand and use CMS' definitions for Section 111



### Slide notes

CMS is aware that the industry generally does not use the term “plan” or some other CMS definitions such as the definitions for “no-fault insurance” or “self-insurance”.

However, CMS is constrained by the language of the applicable statute and CMS regulations. It is critical that you understand and utilize CMS definitions for purposes of Section 111 when reviewing and implementing Section 111 instructions.

**Slide 7 of 46 - General Rule - Registering an Entity**

## General Rule - Registering an Entity

- Entity may only register for another entity if that second entity is below it in the direct line of the corporate structure

**Slide notes**

The general concept regarding the registration of an entity within a corporate structure is that an entity may only register for another entity if that second entity is below it in the direct line of the corporate structure.

## Slide 8 of 46 - Corporate Structure and RREs

**Corporate Structure and RREs**

- Entity may not register as an RRE for a sibling in its corporate structure
- Entity may register as an RRE for itself or for any direct subsidiary in its corporate structure
- Parent entity may register as an RRE for any subsidiary in its corporate structure
- Captive is considered a subsidiary of its parent entity and a sibling of any other subsidiary of its parent
- Subsidiary may not register as an RRE for its parent

**Slide notes**

The following rules exist for the registration of an entity within a corporate structure. Entities have permission to register at whatever level fits their corporate structure the best.

An entity may not register as an RRE for a sibling in its corporate structure.

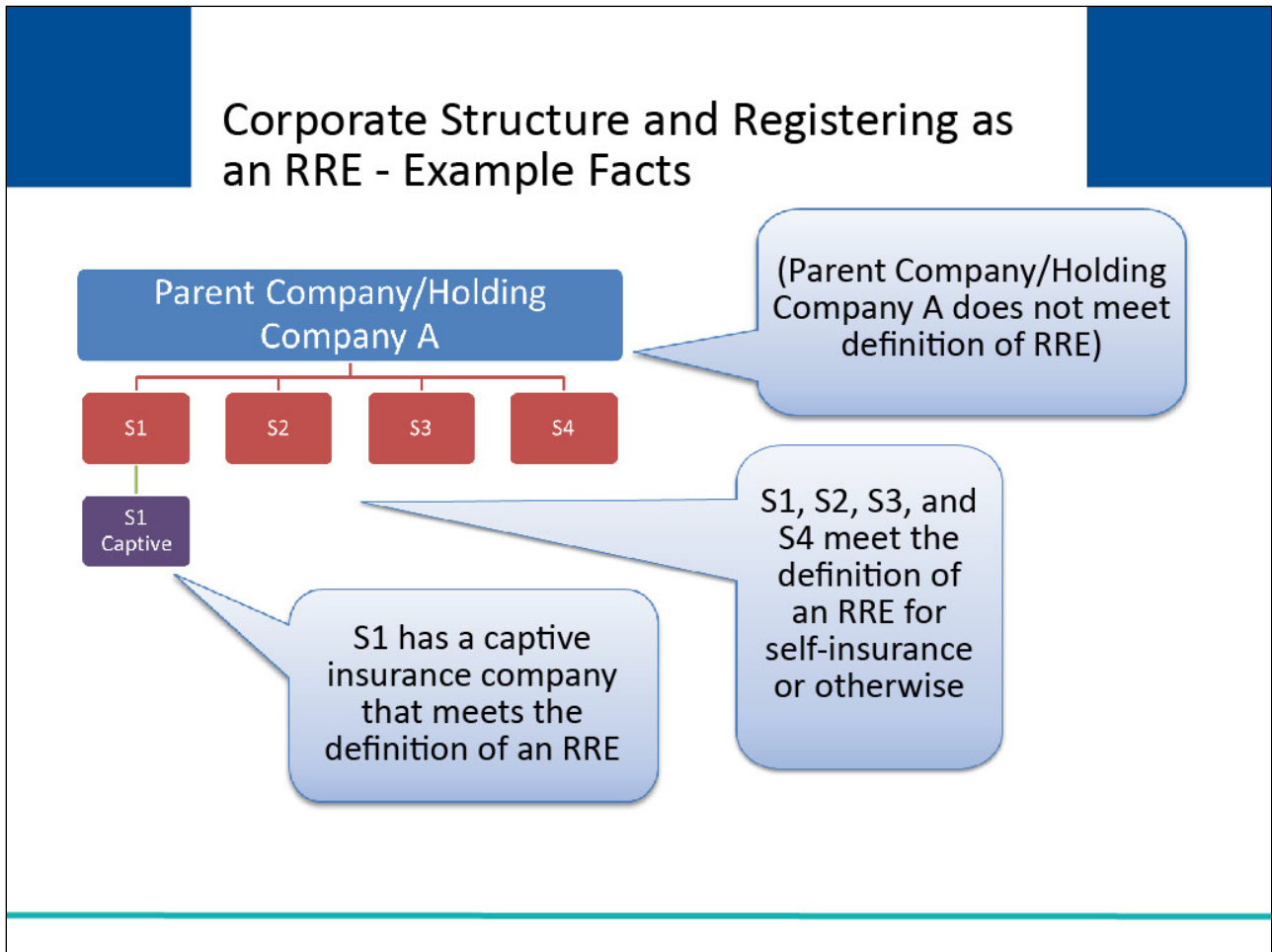
An entity may register as an RRE for itself or for any direct subsidiary in its corporate structure.

A parent company may or may not fit the formal definition of an RRE. Regardless of this, for purposes of Section 111 implementation, a parent entity may register as an RRE for any subsidiary in its corporate structure.

For purposes of this rule regarding corporate structure and RREs, a captive is considered a subsidiary of its parent entity and a sibling of any other subsidiary of its parent. A subsidiary may not register as an RRE for its parent.



Slide 9 of 46 - Corporate Structure and Registering as an RRE - Example Facts

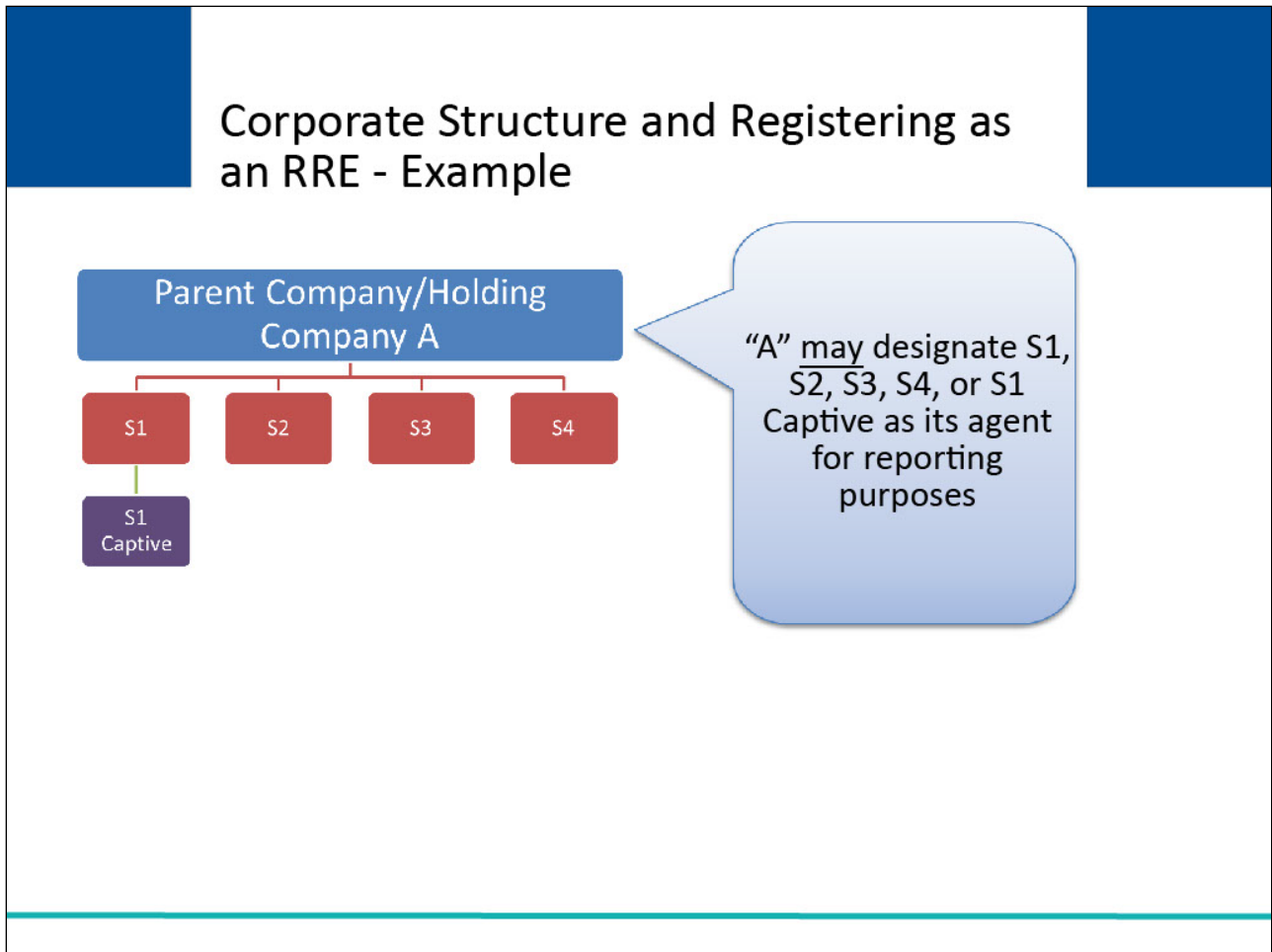


**Slide notes**

To help illustrate these rules, observe the example of an RRE corporate structure shown on this slide. For purposes of this example, parent company/holding company “A” has 4 subsidiaries (S1, S2, S3, and S4).

The parent company “A” does not meet the definition of an RRE. S1, S2, S3, and S4 meet the definition of an RRE for self-insurance or otherwise. S1 has a captive insurance company (S1 Captive). S1 Captive meets the definition of an RRE.

Slide 10 of 46 - Corporate Structure and Registering as an RRE - Example



**Slide notes**

"A" may, but is not required to, designate S1, S2, S3, S4, or S1 Captive as its agent for reporting purposes for the subsidiaries for which it registers as an RRE.

Slide 11 of 46 - Corporate Structure Example

### Corporate Structure Example

**RULE**

- An entity may not register as an RRE for a sibling in its corporate structure

```
graph TD; A[Parent Company/Holding Company A] --- B[S1]; A --- C[S2]; A --- D[S3]; A --- E[S4]; B --- F[S1 Captive];
```

S1, S2, S3, and S4 may not register as the RRE for each other

**Slide notes**

One rule that must be followed is, an entity may not register as an RRE for a sibling in its corporate structure.

Looking at the sample corporate structure on the slide, this means that S1, S2, S3, and S4 may not register as the RRE for each other.

Slide 12 of 46 - Corporate Structure Example

## Corporate Structure Example

**RULE**

- An entity may register as an RRE for itself or any direct subsidiary
- A parent entity may register as an RRE for any subsidiary in its corporate structure regardless of whether or not the parent would otherwise qualify as an RRE

Parent Company/Holding Company A

S1

S2

S3

S4

S1  
Captive

S1, S2, S3, S4, and S1 Captive may each register separately as RREs and designate A or any of its sibling subsidiaries or S1 Captive as its agent

**Slide notes**

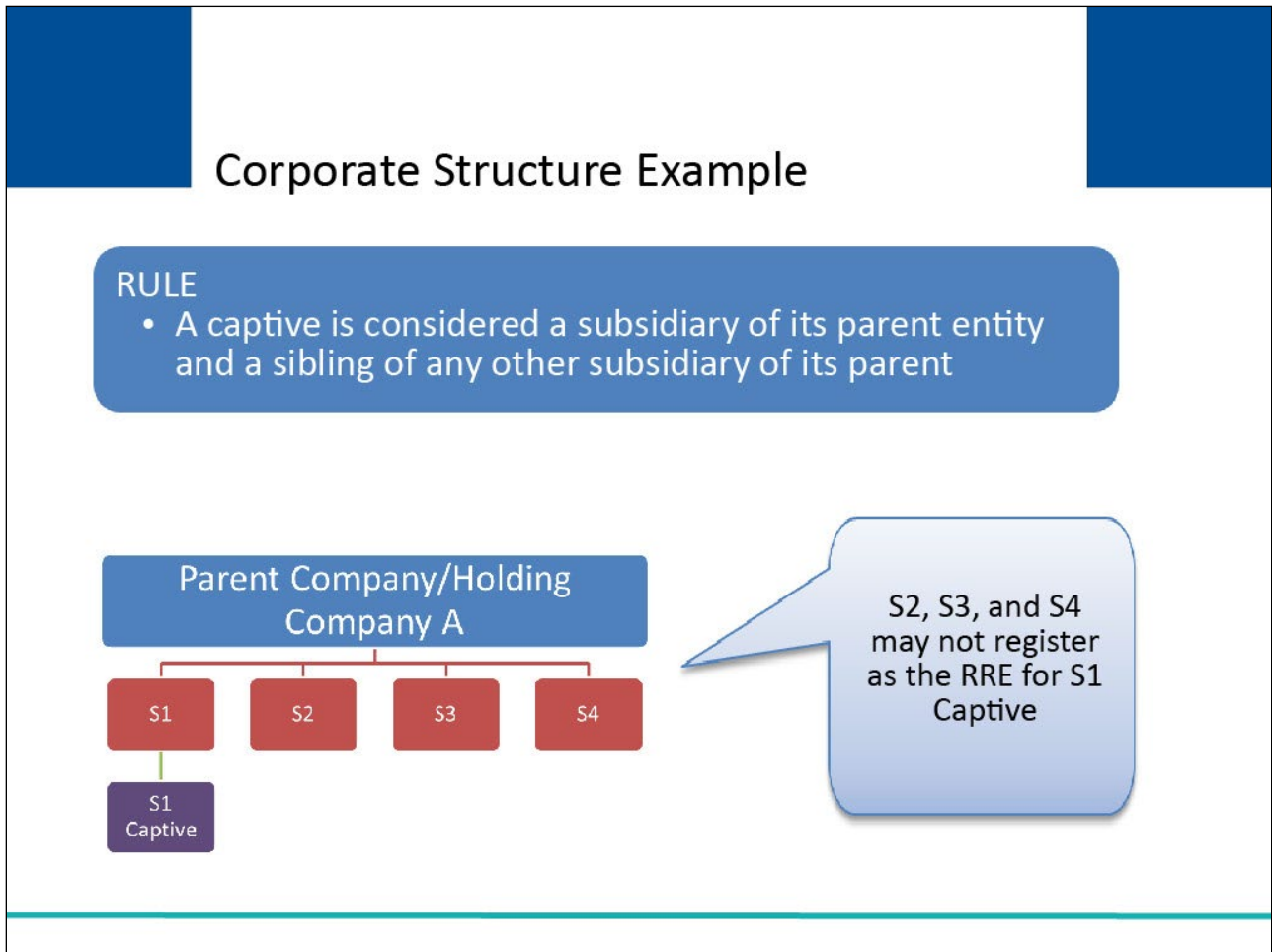
Another rule that must be followed is, an entity may register as an RRE for itself or for any direct subsidiary in its corporate structure.

In our example, this means that S1, S2, S3, S4, and S1 Captive may each register separately as RREs and designate “A” or any of its sibling subsidiaries or S1 Captive as its agent for reporting purposes.

Still another rule is, a parent entity may register as an RRE for any subsidiary in its corporate structure regardless of whether or not the parent would otherwise qualify as an RRE. Looking at our example, this means that “A” may register as the RRE for any combination of S1, S2, S3, or S4.

By examining both of these rules, this means that if “A” registers as the RRE for S1, it may report for any of S1’s subsidiaries such as S1 Captive.

Slide 13 of 46 - Corporate Structure Example



**Slide notes**

Another rule that must be followed is, a captive is considered a subsidiary of its parent entity and a sibling of any other subsidiary of its parent. Following along with our example, this means that S2, S3, and S4 may not register as the Responsible Reporting Entity for S1 Captive.

Another rule that must be followed is, a captive is considered a subsidiary of its parent entity and a sibling of any other subsidiary of its parent.

Following along with our example, this means that S2, S3, and S4 may not register as the RRE for S1 Captive.

Slide 14 of 46 - Corporate Structure Example

## Corporate Structure Example

**RULE**

- A subsidiary may not register as an RRE for its parent
  - An entity may only register for another entity if that second entity is below it in the direct line of the corporate structure

Parent Company/Holding Company A

S1

S2

S3

S4

S1  
Captive

S1 Captive may not register as the RRE for S1 (its parent) or for any of the other subsidiaries

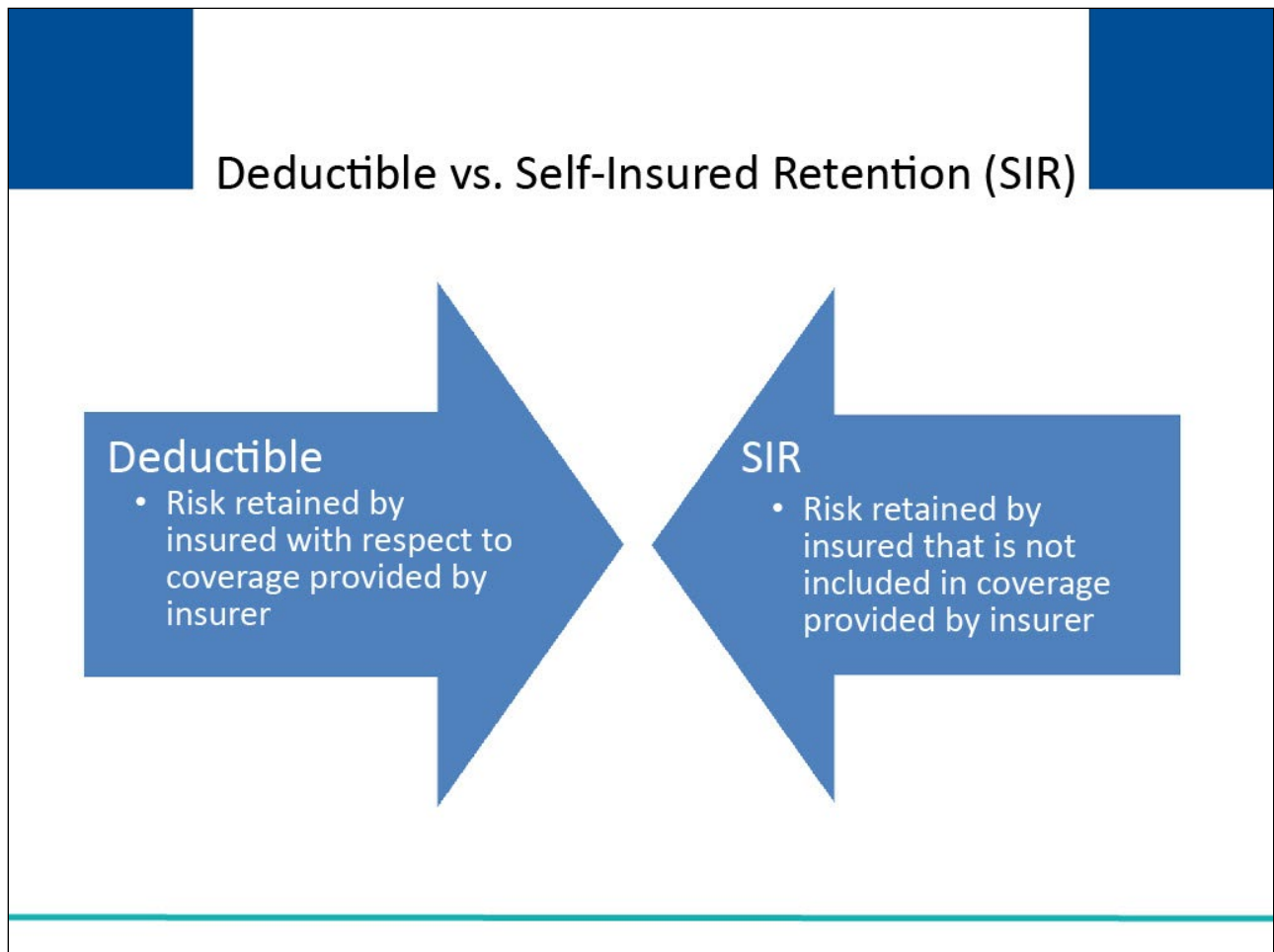
**Slide notes**

The final rule regarding corporate structure and RREs is a subsidiary may not register as an RRE for its parent.

The general concept is that an entity may only register for another entity if that second entity is below it in the direct line of the corporate structure. For example, an entity may register for a direct subsidiary or the subsidiary of that subsidiary.

Following our example, this would mean that S1 Captive may not register as the RRE for S1 (its parent) or for any of the other subsidiaries.

Slide 15 of 46 - Deductible vs. Self-Insured Retention (SIR)



**Slide notes**

“Deductible” refers to the risk the insured retains with respect to the coverage provided by the insurer.

“Self-Insured Retention” (SIR) refers to the risk the insured retains that is not included in the coverage provided by the insurer.

Slide 16 of 46 - ORM or TPOC Payment

## ORM or TPOC Payment

- Physical payment rather than to who/which entity ultimately funds payment



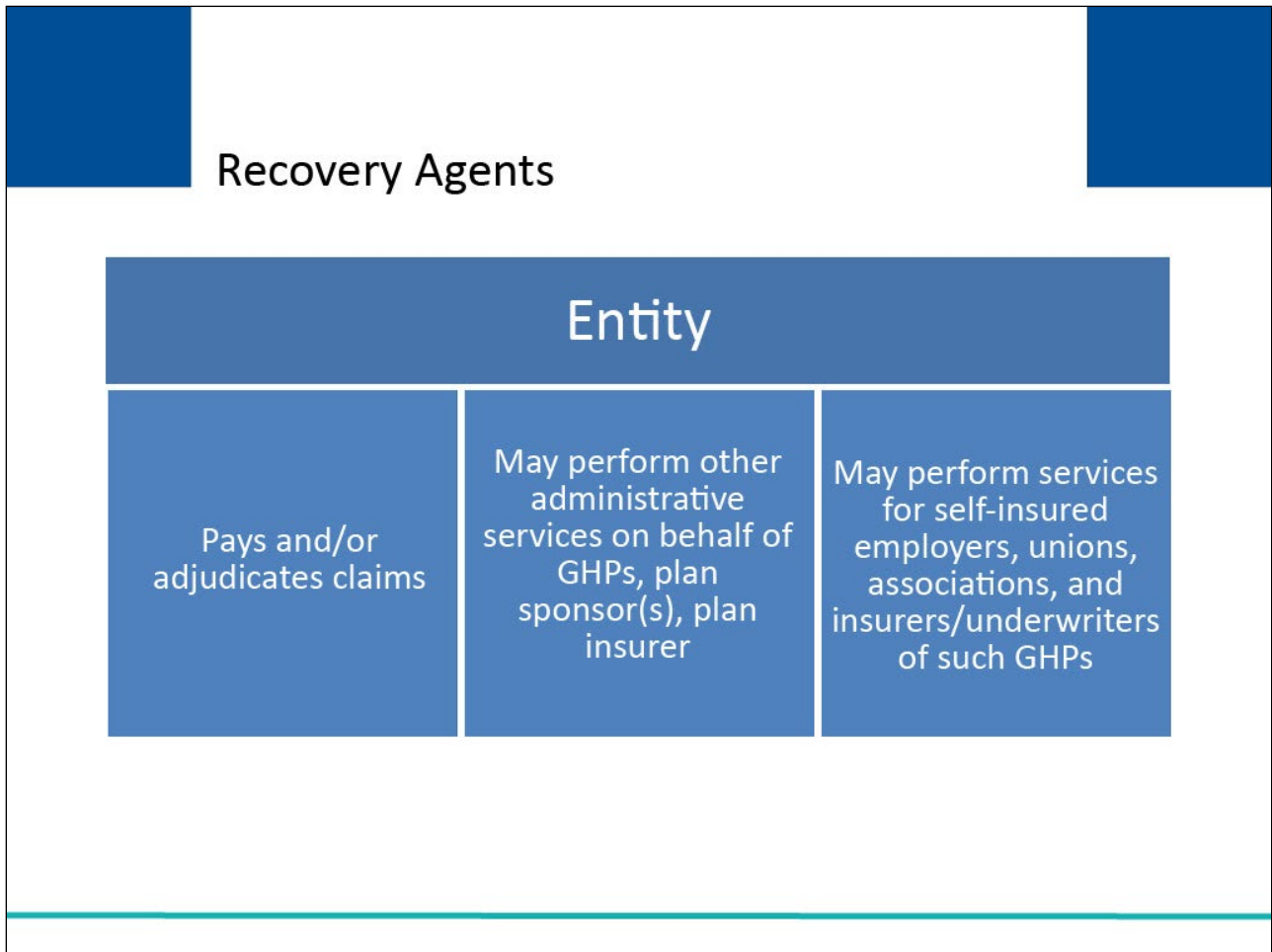
### Slide notes

In regard to “Who Must Report”, when referring to “payment” of an Ongoing Responsibility for Medicals (ORM) or Total Payment Obligation to Claimant (TPOC),

the reference is to the actual physical payment rather than to who/which entity ultimately funds the payment.



Slide 17 of 46 - Recovery Agents



**Slide notes**

For purposes of the reporting requirements at 42 U.S.C.1395y(b)(7), a recovery agent is an entity that pays and/or adjudicates claims and may perform other administrative services on behalf of GHPs (as defined at 42 U.S.C. 1395y(b)(1)(A)(v)), the plan sponsor(s), or the plan insurer. A recovery agent may perform these services for, amongst other entities, self-insured employers, unions, associations, and insurers/underwriters of such GHPs.

## Slide 18 of 46 - Recovery Agents

## Recovery Agents

- As defined by CMS for purposes of 42 U.S.C. 1395y(b)(7) & (8) are never RREs for purposes of 42 U.S.C. 1395y(b)(8) based solely upon their status as this type of recovery agent
- For purposes of 42 U.S.C. 1395y(b)(7) reporting for group health plan arrangements, a claims processing recovery agent is automatically an RRE
- Entities which meet this definition of a recovery agent, generally only act as agents for reporting purposes, but may, under specified circumstances, also be an RRE

### Slide notes

Recovery agents as defined by CMS for purposes for 42 U.S.C. 1395y(b)(7) & (8) are never RREs for purposes of 42 U.S.C. 1395y(b)(8) [liability (including self-insurance), no-fault, and workers' compensation reporting] based solely upon their status as this type of recovery agent.

(Note that for purposes of 42 U.S.C. 1395y (b)(7) reporting for group health plan arrangements, a claims processing recovery agent is automatically an RRE).

However, while entities which meet this definition of a recovery agent generally only act as agents for purposes of the liability insurance (including self-insurance), no-fault insurance, or workers' compensation reporting they may under specified circumstances also be an RRE.

## Slide 19 of 46 - RRE and Recovery Agents

## RRE and Recovery Agents

- RRE may contract with a recovery agent or other entity for reporting purposes, but the RRE is limited to the “applicable plan”
- RRE may not limit its reporting responsibility
- Applicable plan must either report directly/contract with the recovery agent or other entity to submit data as its agent
  - May want to contract with the entity to act as its agent

### Slide notes

Although it may contract with a recovery agent or other entity as its agent for actual file submissions for reporting purposes, the RRE is limited to the “applicable plan”. An RRE may not by contract or otherwise limit its reporting responsibility.

The applicable plan must either report directly or contract with the recovery agent or some other entity to submit data as its agent.

Where an RRE uses another entity for claims processing or other purposes, it may wish to consider contracting with the recovery agent to act as its agent for reporting purposes.

## Slide 20 of 46 - Recovery Agents – Example

## Recovery Agents – Example

Liability insurer hires a recovery agent  
to process claims

- Agent is a separate legal entity
  - Makes payment decisions based upon facts of each case
  - Issues payment
- RRE is the Liability insurer
  - May not shift its RRE responsibility to the recovery agent

### Slide notes

Assume a liability insurer hires a recovery agent to process claims. The agent is a separate legal entity, makes payment decisions based upon the facts of each case, and issues payment. The RRE is the Liability insurer.

The liability insurer may not shift its RRE responsibility to the recovery agent.

Slide 21 of 46 - Acquisition/Divestiture or Sale (Not Under Bankruptcy/Liquidation)

**Acquisition/Divestiture or Sale (Not Under Bankruptcy/Liquidation)**

**Entity**

- Is an RRE

**Acquiring Entity**

- Becomes RRE as of effective date of acquisition
- Is the RRE with respect to acquired claims, including ORM

**Slide notes**

An entity which is an RRE is acquired by another entity. The acquiring entity is the RRE as of the effective date of acquisition. The acquiring entity is the RRE with respect to acquired claims, including ORM.

**Slide 22 of 46 - Bankruptcy**

## Bankruptcy

- Where RRE files for bankruptcy it remains the RRE to the extent that settlements, judgments, awards, or other payments are paid to or on behalf of the injured party after approval by a bankruptcy court
  - Does not eliminate reporting obligations for companies in the bankruptcy process/their insurer for payments made pursuant to court order or after lifting the stay

**Slide notes**

Where an RRE has filed for bankruptcy, it remains the RRE to the extent that settlements, judgments, awards, or other payments are paid to or on behalf of the injured party after approval by a bankruptcy court.

However, bankruptcy does not eliminate reporting obligations for companies in the bankruptcy process or their insurer, regardless of whether a bankrupt company or insurer is the RRE, for payments made pursuant to court order or after lifting the stay.

**Slide 23 of 46 - Deductible Issues vs. Re-insurance**

## Deductible Issues vs. Re-insurance

Generally the insurer is the RRE

Where an entity engages in a business, trade or profession, deductible amounts are self-insurance

- Where self-insurance is a deductible, and the insurer is responsible for Section 111 reporting
  - Responsible for reporting both the deductible and any amount in excess of the deductible
  - Deductible not reported as self-insurance; it is reported under the applicable policy number
  - Total of both the deductible and any amount in excess of the deductible is reported

**Slide notes**

Generally, the insurer is the RRE for Section 111 reporting. Where an entity engages in a business, trade, or profession, deductible amounts are self-insurance for MSP purposes.

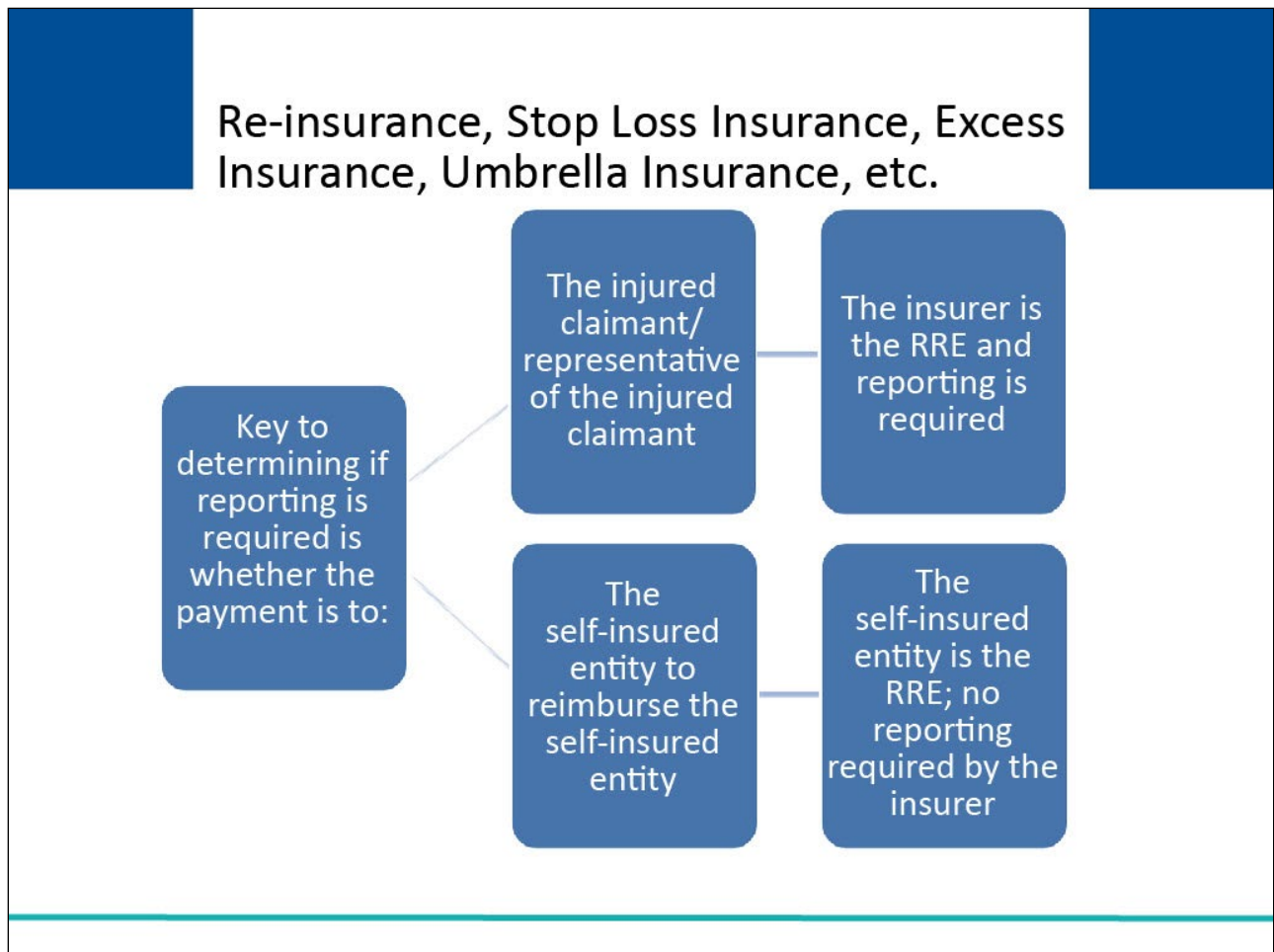
However, where the self-insurance in question is a deductible, and the insurer is responsible for Section 111 reporting with respect to the policy,

it is responsible for reporting both the deductible and any amount in excess of the deductible.

The deductible is not reported as “self-insurance”, it is reported under the applicable policy number.

The total of both the deductible and any amount in excess of the deductible is reported. (Please note that government entities are considered to be entities engaged in a business.)

## Slide 24 of 46 - Re-insurance, Stop Loss Insurance, Excess Insurance, Umbrella Insurance, etc.

**Slide notes**

For re-insurance, stop loss insurance, excess insurance, umbrella insurance, guaranty funds, patient compensation funds, etc. which have responsibility beyond a certain limit, the key in determining whether or not reporting for 42 U.S.C. 1395y(b)(8) is required for these situations is whether or not the payment is to the injured claimant/representative of the injured claimant vs. payment to the self-insured entity to reimburse the self-insured entity.

Where payment is being made to reimburse the self-insured entity, the self-insured entity is the RRE for purposes of a settlement, judgment, award, or other payment to or on behalf of the injured party and no reporting is required by the insurer reimbursing the self-insured entity.

Where payment is being made to reimburse the injured claimant/representative of the injured claimant, the insurer is the RRE and reporting is required.



## Slide 25 of 46 - Fronting Policies

**Fronting Policies**

- Intent is that the insurer does not ultimately retain any risk under the insurance policy
- Expectation of both the insured and the insurer is that the insured retains the ultimate risk under the insurance policy for all claims
- Where the insured pays the claim, the insured is the RRE
- Where the insurer pays the claim, the insurer is the RRE

**Slide notes**

The intent with “fronting” policies is that the insurer does not ultimately retain any risk under the insurance policy. The expectation of both the insured and the insurer is that the insured retains the ultimate risk under the insurance policy for all claims.

Where the insured pays the claim, the insured is the RRE. Where the insurer pays the claim, the insurer is the RRE.

**Slide 26 of 46 - Liquidation**

## Liquidation

- Settlement judgment, award, or other payment to/on behalf of injured party
  - When funded from assets of entity in liquidation, then the entity in liquidation is the RRE
- Portion of a settlement, judgment, award, or other payment to/on behalf of injured party
  - When funded by another entity from other entity's assets, entity making payments is the RRE
- When a payment does not fully satisfy the debt to the injured party, the amount reported is amount paid
  - Subsequent payments are reported as additional TPOC amounts

**Slide notes**

To the extent that settlement, judgment, award, or other payment to or on behalf of the injured party is funded from the assets of the entity in liquidation, the entity in liquidation is the RRE.

To the extent that a portion of a settlement, judgment, award, or other payment obligation to or on behalf of the injured party is funded by another entity from that other entity's assets (for example, payment by a state guarantee fund), the entity that makes payment is the RRE.

To the extent that a payment does not fully satisfy the entity in liquidation's debt to the injured party, the amount reported is the amount paid. Any subsequently approved interim or final payments would be handled in the same manner.

That is, they would be reported as additional TPOC amounts.

## Slide 27 of 46 - Multiple Defendants

## Multiple Defendants

- Multiple defendants involved in settlement, judgment, award, or other payment
  - Agreement to have one of defendant's insurer(s) issue payment does not shift RRE responsibility to entity issuing payment
  - All RREs involved in settlement, judgment, award, or other payment remain responsible for their own reporting
  - Where there is joint and several liability
    - Each insurer must report total, not just its share



### Slide notes

Where there are multiple defendants involved in a settlement, judgment, award, or other payment, an agreement to have one of the defendant's insurer(s) issue any payment in obligation of the settlement, judgment, award, or other payment does not shift RRE responsibility to the entity issuing the payment.

All RREs involved in the settlement, judgment, award, or other payment remain responsible for their own reporting.

For a settlement, judgment, award, or other payment with joint and several liability, each insurer must report the total settlement, judgment, award, or other payment - not just its assigned or proportionate share.

**Slide 28 of 46 - Multi-National Organizations, Foreign nations, American Indian, Alaskan Native Tribes**

Multi-National Organizations, Foreign nations, American Indian, Alaskan Native Tribes:

Liability insurance (including self-insurance), no-fault insurance, and workers' compensation plans

- Subject to MSP provisions
- Must report accordingly

**Slide notes**

Liability insurance (including self-insurance), no-fault insurance, and workers' compensation plans associated with multi-national organizations, foreign nations, American Indian, and Alaskan Native tribes are subject to the MSP provisions and must be reported accordingly.

Note: CMS now accepts records with MSP dates up to three months in the future; these records will no longer be held and submitted when the beneficiary's eligibility comes into effect.

**Slide 29 of 46 - Self-Insurance Pools**

## Self-Insurance Pools

- Entities self-insured with respect to liability insurance or workers' compensation may elect, where permitted by law, to join a self-insurance pool
- "Review or approval authority" means the self-insured entity has the ability to affect the payment/other terms of settlement, judgment, award, or other payment (including ORM)

**Slide notes**

Entities self-insured in whole or in part with respect to liability insurance or workers' compensation may elect, where permitted by law, to join with other similarly situated entities in a self-insurance pool such as a joint powers authority (JPA).

"Review or approval authority" means that the self-insured entity has the ability to affect the payment or other terms of the settlement, judgment, award, or other payment (including ORM).

## Slide 30 of 46 - Self-Insurance Pools

## Self-Insurance Pools

- RRE is the self-insurance pool if the self-insurance pool meets all of the following criteria:

- 1** A separate legal entity
- 2** Has full responsibility to resolve and pay claims using pool funds
- 3** Resolves and pays claims without review or approval authority by self-insured entity

- When a self-insured entity in the self-insurance pool has review or approval authority for the payment of claims and/or negotiated resolutions, the self-insurance pool is not the RRE, the individual self-insured members are the RREs

**Slide notes**

An RRE is the self-insurance pool if all of the following characteristics are met:

The self-insurance pool is a separate legal entity

The self-insurance pool has full responsibility to resolve and pay claims using pool funds

The self-insurance pool resolves and pays claims without review or approval authority by the participating self-insured entity

When a self-insured entity in the self-insurance pool (including, for example, a JPA) has the review or approval authority for the payment of claims and/or negotiated resolutions, the self-insurance pool is not the RRE, the individual self-insured members are the RREs.

**Slide 31 of 46 - Self-Insurance Pools Exception**

## Self-Insurance Pools Exception

- Where statute authorizing the establishment of a self-insurance pool stipulates that said self-insurance pool shall be licensed and regulated in same manner as Liability insurance (or workers' compensation, where applicable)
  - self-insurance pool is the RRE
- If this exception is not met and if all three characteristics previously described do not apply to the self-insurance pool
  - The participating self-insured entity is the RRE

**Slide notes**

Where the statute authorizing the establishment of a self-insurance pool stipulates that said self-insurance pool shall be licensed and regulated in the same manner as liability insurance (or workers' compensation, where applicable), then the self-insurance pool is the RRE.

Absent meeting this exception, unless all three of the characteristics specified under the preceding slide apply to the self-insurance pool, the participating self-insured entity is the RRE.

## Slide 32 of 46 - Self-Insurance Pools

## Self-Insurance Pools

- Where individual members are the RREs
  - Member's have option of using self-insured pool/another entity as its agent

Self-insurance pool meets three characteristics previously described for some members of the pools

Self-insurance pool provides ASO for certain members

RRE is the self-insurance pool only for those members for which it meets the three characteristics

Each member who receives ASO is a separate RRE, self-insurance pool is not the RRE for these members

### Slide notes

Where the individual members are the RREs, each of the members would have the option of using the self-insured pool (or another entity) as its agent for purposes of Section 111 reporting.

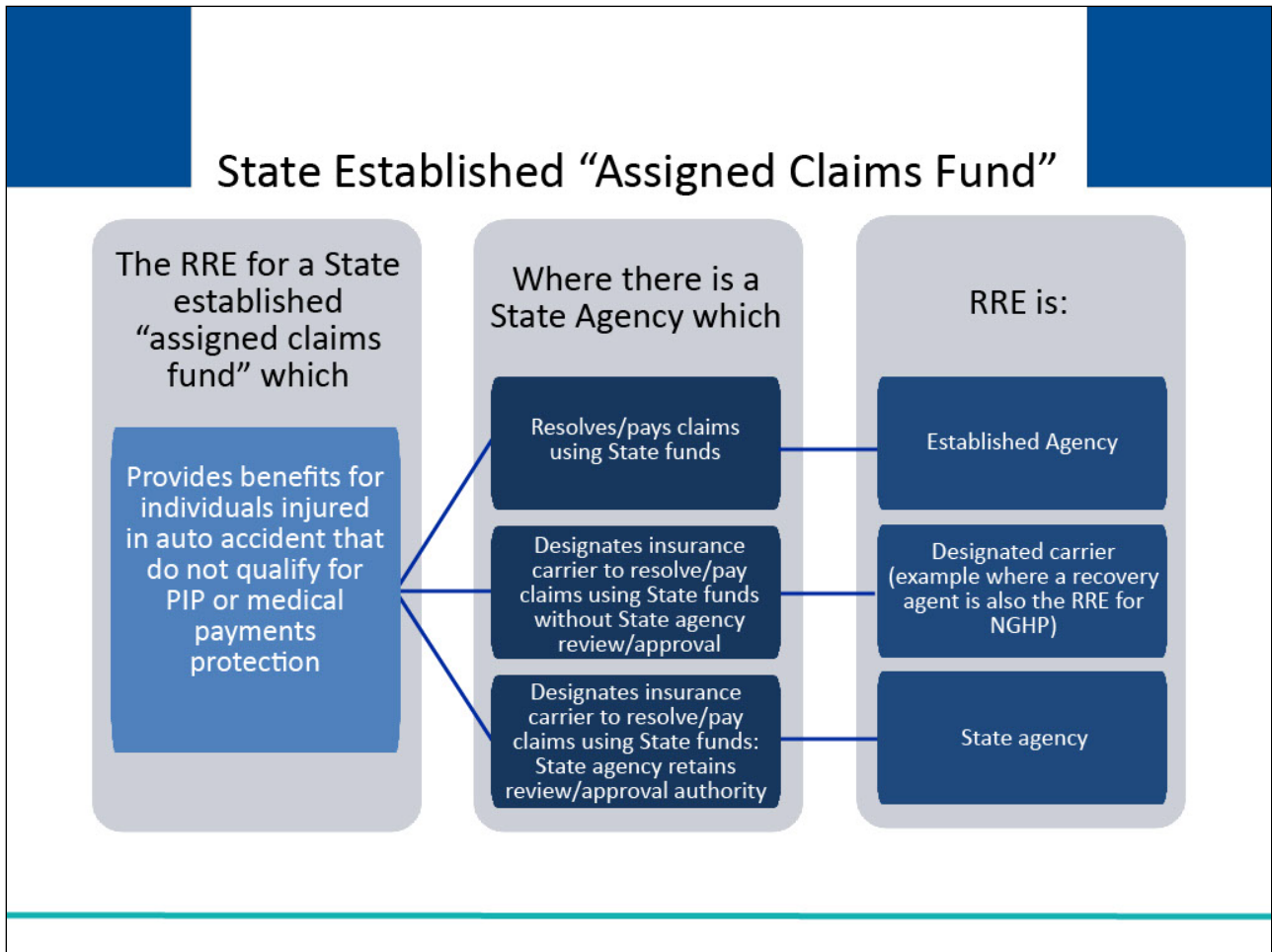
For example, a self-insurance pool meets the three characteristics specified previously for some members of the pools but not for others. The self-insurance pool provides administrative services only (ASO) for certain members.

The RRE is the self-insurance pool only for those members for which it meets the three characteristics previously described. Each member who receives ASO from the self-insurance pool is a separate RRE for its settlements, judgment, awards, or other payments.

The self-insurance pool is not the RRE for such members.



Slide 33 of 46 - State Established “Assigned Claims Fund”



**Slide notes**

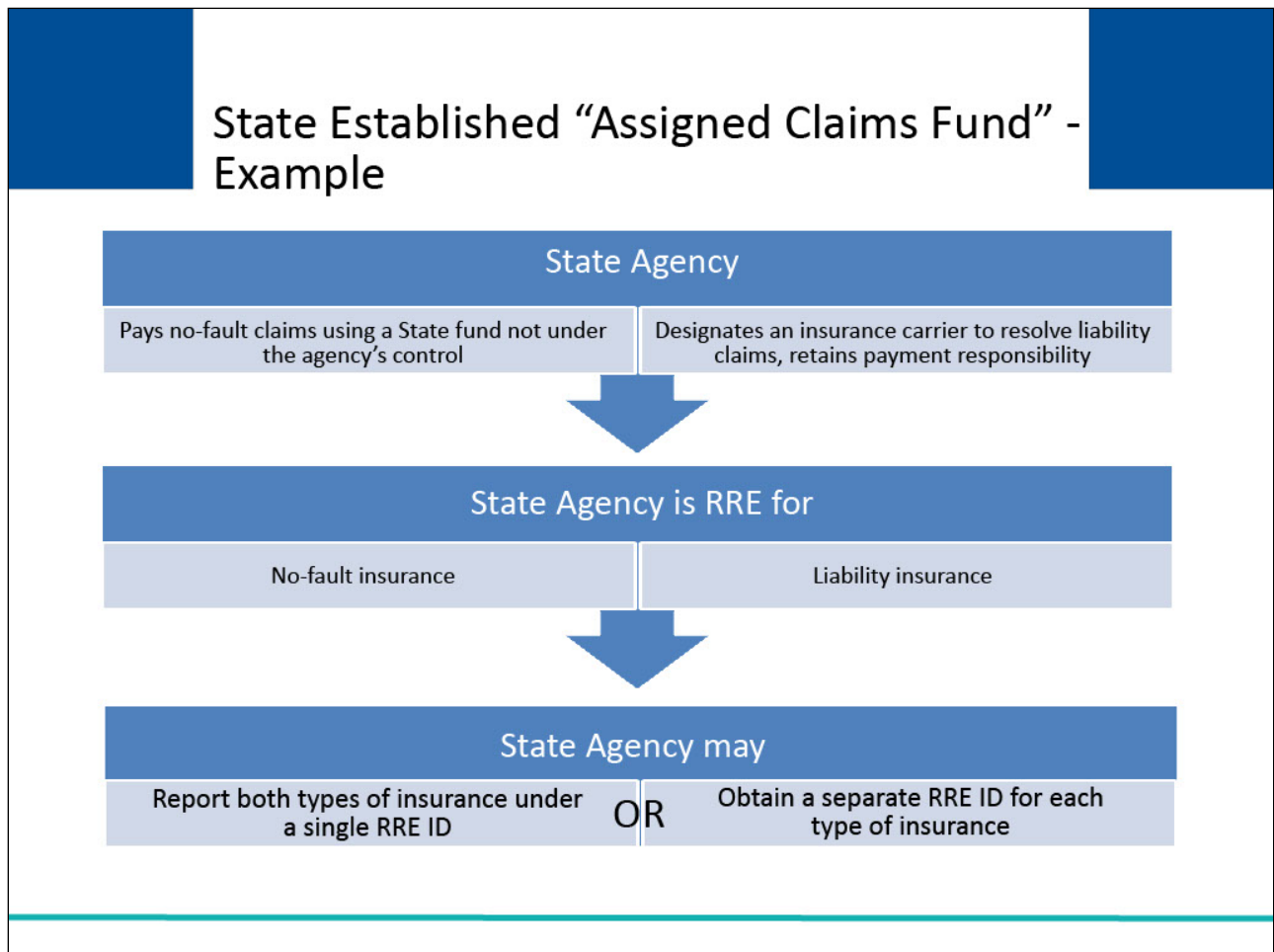
The RRE for a State established “assigned claims fund” which provides benefits for individuals injured in an automobile accident that do not qualify for personal injury protection (PIP)/medical payments protection from an automobile insurance carrier:

Where there is a State agency which resolves and pays the claims using State funds or funds obtained from others for this purpose, the established agency is the RRE

Where there is a State agency which designates an authorized insurance carrier to resolve and pay the claims using State-provided funds without State agency review and/or approval, the designated insurance carrier is the RRE (Note: This would be an example of the rare situation where a recovery agent would also be an RRE for NGHP.)

Where there is a State agency which designates an authorized insurance carrier to resolve and pay the claims using State-provided funds, but the State agency retains review or approval authority, the State agency is the RRE

Slide 34 of 46 - State Established “Assigned Claims Fund” - Example



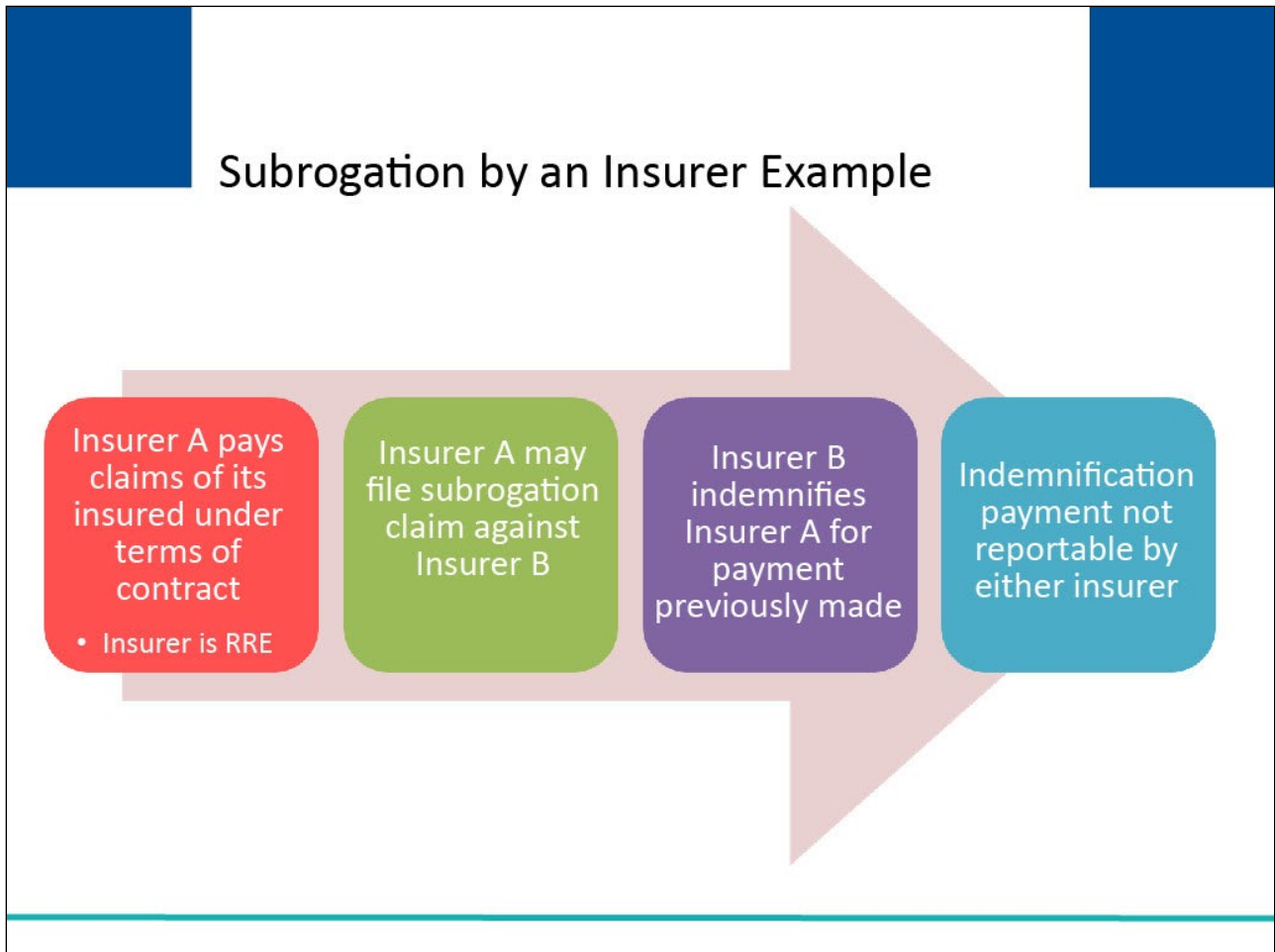
**Slide notes**

A State agency pays No-Fault claims using a State fund that is not under the agency’s control. Additionally, the State agency designates an insurance carrier to resolve liability insurance claims, but the State agency retains payment responsibility.

The State agency is the RRE for both the no-fault insurance and the liability insurance. It may report both types of insurance under a single RRE ID # or obtain a separate RRE ID # for each type of insurance.

Note: In some states, depending on various factors associated with the incident being reported, no-fault policy limits may vary. The reported Policy Limit should reflect the amount that the RRE has accepted responsibility for at the time the record was submitted or updated. Just as importantly, if the Section 111 record needs to be corrected to reflect a new Policy Limit, the RRE should update the record as soon as possible.

## Slide 35 of 46 - Subrogation by an Insurer Example

**Slide notes**

Insurer A pays claim of its insured under the terms of its contract. The insurer is the RRE and reports the payment.

Insurer A may file a subrogation claim (on behalf of its insured/the injured party) against another Insurer B.

Assume Insurer B indemnifies Insurer A for the payment it previously made. The indemnification payment is not reportable by either insurer.

Slide 36 of 46 - Workers' Compensation Law or Plan Administered by a State or the United States

## Workers' Compensation Law or Plan Administered by a State or the United States

A law or program administered by a State (defined to include commonwealths, territories, and possessions of the United States) or the United States to provide compensation to workers for work-related injuries/illnesses, the following rules apply:

Where the applicable law or plan authorizes an employer to purchase insurance from an insurance carrier and employer does

➔

Follow rules outlined on the "Deductible Issues vs. Re-insurance" slides in this CBT

**Slide notes**

Using the definition of a "workers' compensation law or plan" that means "a law or program administered by a State (defined to include commonwealths, territories, and possessions of the United States) or the United States to provide compensation to workers for work-related injuries and/or illnesses," the following rules apply:

Where the applicable law or plan authorizes an employer to purchase insurance from an insurance carrier and the employer does so, follow the rules outlined on the "Deductible Issues vs. Re-insurance" slides in this CBT.

Slide 37 of 46 - Workers' Compensation Law or Plan Administered by a State or the United States

## Workers' Compensation Law or Plan Administered by a State or the United States

A law or program administered by a State (defined to include commonwealths, territories, and possessions of the United States) or the United States to provide compensation to workers for work-related injuries/illnesses, the following rules apply:

Authorizes employer to self-insure and the employer does so independently of other employers

➔

Follow rules outlined on the "Deductible Issues vs. Re-insurance" slides in this CBT

Note: This slide reference is to "self-insurance" other than a "deductible"

**Slide notes**

Another rule that applies to the same definition of a "workers' compensation law or plan" previously described is where the applicable law or plan authorizes an employer to self-insure and the employer does so independently of other employers, follow the rules outlined on the "Deductible Issues vs. Re-insurance" slides in this CBT. (Note: this slide reference is to "self-insurance" other than a "deductible.")

Slide 38 of 46 - Workers' Compensation Law or Plan Administered by a State or the United States

## Workers' Compensation Law or Plan Administered by a State or the United States

A law or program administered by a State (defined to include commonwealths, territories, and possessions of the United States) or the United States to provide compensation to workers for work-related injuries/illnesses, the following rules apply:

Authorizes employers to join with other employers in self-insurance pools and the employer does

➔

Follow rules outlined on the "self-insurance pools" slides in this CBT

**Slide notes**

Another rule that applies to the same definition of a "workers' compensation law or plan" previously described is where the applicable law or plan authorizes employers to join with other employers in self-insurance pools (e.g., joint powers authorities) and the employer does so, follow the rules outlined on the "self-insurance pools" slides in this CBT.



Slide 39 of 46 - Workers' Compensation Law or Plan Administered by a State or the United States

## Workers' Compensation Law or Plan Administered by a State or the United States

A law or program administered by a State (defined to include commonwealths, territories, and possessions of the United States) or the United States to provide compensation to workers for work-related injuries/illnesses, the following rules apply:

```
graph LR; A[Establishes a State/Federal agency with sole responsibility to resolve and pay claims] --> B[Established agency is RRE]
```

The diagram consists of two orange rounded rectangular boxes connected by a right-pointing arrow. The left box contains the text: "Establishes a State/Federal agency with sole responsibility to resolve and pay claims". The right box contains the text: "Established agency is RRE".

**Slide notes**

Another rule that applies to the same definition of a “workers’ compensation law or plan” previously described is where the applicable law or plan establishes a State/Federal agency with sole responsibility to resolve and pay claims, the established agency is the RRE.

## Slide 40 of 46 - Workers' Compensation Law or Plan Administered by a State or the United States

## Workers' Compensation Law or Plan Administered by a State or the United States

A law or program administered by a State (defined to include commonwealths, territories, and possessions of the United States) or the United States to provide compensation to workers for work-related injuries/illnesses, the following rules apply:

Where the applicable law or plan authorizes employers to self-insure/purchase insurance from an insurance carrier and also establishes a State/Federal agency to assume responsibility for situations where employer fails to obtain insurance/self-insure:

State/Federal agency resolve/pay claims using State/Federal funds obtained from others → Established Agency is RRE

```
graph LR; A[State/Federal agency resolve/pay claims using State/Federal funds obtained from others] --> B[Established Agency is RRE]
```

**Slide notes**

Building on the same definition of a “workers’ compensation law or plan” previously described, is a situation where the applicable law or plan authorizes employers to self-insure or to purchase insurance from an insurance carrier and also establishes a State/Federal agency to assume responsibility for situations where the employer fails to obtain insurance or to properly self-insure.

In this case, where such State/Federal agency itself resolves and pays the claims using State/Federal funds or funds obtained from others for this purpose, the established agency is the RRE.



**Slide 41 of 46 - Workers' Compensation Law or Plan Administered by a State or United States**

## Workers' Compensation Law or Plan Administered by a State or the United States

A law or program administered by a State (defined to include commonwealths, territories, and possessions of the United States) or the United States to provide compensation to workers for work-related injuries/illnesses, the following rules apply:

Where the applicable law or plan authorizes employers to self-insure/purchase insurance from an insurance carrier and also establishes a State/Federal agency to assume responsibility for situations where employer fails to obtain insurance/self-insure:

State/Federal agency designates insurance carrier to resolve and pay claims using State/Federal funds without their review and/or approval



Designated carrier is the RRE

**Slide notes**

Building on the same definition of a “workers’ compensation law or plan” previously described, and the same situation previously described, is another circumstance to recognize.

Where such State/Federal agency designates an authorized insurance carrier to resolve and pay the claim using State/Federal-provided funds without State/Federal agency review and/or approval, the designated carrier is the RRE.

Note: “Review or approval authority” means that the agency has the ability to affect the payment or other terms of the settlement, judgment, award, or other payment (including ORM).

## Slide 42 of 46 - Workers' Compensation Law or Plan Administered by a State or the United States

## Workers' Compensation Law or Plan Administered by a State or the United States

A law or program administered by a State (defined to include commonwealths, territories, and possessions of the United States) or the United States to provide compensation to workers for work-related injuries/illnesses, the following rules apply:

Where the applicable law or plan authorizes employers to self-insure/purchase insurance from an insurance carrier and also establishes a State/Federal agency to assume responsibility for situations where employer fails to obtain insurance/self-insure:

State/Federal agency designates insurance carrier to resolve and pay claims using State/Federal funds without their review and/or approval



State/Federal agency is the RRE

### Slide notes

Building on the same definition of a “workers’ compensation law or plan” previously described, and the same situation previously described, is another circumstance to recognize.

Where such State/Federal agency designates an authorized insurance carrier to resolve and pay the claim using State/Federal-provided funds but State/Federal agency retains review or approval authority, the State/Federal agency is the RRE.

**Slide 43 of 46 - Workers' Compensation Law or Plan Established by an Employer**

## Workers' Compensation Law or Plan Established by an Employer

A similar compensation plan established by employer that is funded by employer directly, or indirectly, through insurer to provide compensation to worker of such employer for work-related injury/illness

- Follow rules for insurer or self-insured, as applicable, including rules for self-insurance pools
- Note: Here the reference is to “self-insurance” other than a “deductible”

**Slide notes**

Using a different definition of a “workers’ compensation law or plan” where “workers’ compensation law or plan” refers to “a similar compensation plan established by an employer that is funded by such employer directly, or indirectly, through an insurer to provide compensation to a worker of such employer for a work-related injury or illness” follow the rules for insurer or self-insured, as applicable, including the rules for self-insurance pools.

(Note: Here the reference is to “self-insurance” other than a “deductible.”)

**Slide 44 of 46 - Course Summary**



## Course Summary

- Who/what entity is an MMSEA Section 111 RRE
- Clarifies who the RRE is in various situations



**Slide notes**

This course provided information regarding who/what entity is an MMSEA Section 111 Responsible Reporting Entity, or RRE, for liability insurance (including self-insurance), no-fault insurance, and workers' compensation (also referred to as Non-Group Health Plan or NGHP) and clarified who the Responsible Reporting Entity is in various situations.

**Slide 45 of 46 - Conclusion**



You have completed the Responsible Reporting Entity course. Information in this presentation can be referenced by the Liability Insurance (Including Self-Insurance), No-Fault Insurance, and Workers' Compensation User Guide's table of contents and any subsequent alerts. These documents are available for download at the following link:  
<https://go.cms.gov/mirnghp>.

**Slide notes**

You have completed the Responsible Reporting Entity course. Information in this presentation can be referenced by the Liability Insurance (Including Self-Insurance), No-Fault Insurance, and Workers' Compensation User Guide's table of contents and any subsequent alerts. These documents are available for download at the following link: <https://go.cms.gov/mirnghp>.

User Guide's table of contents and any subsequent alerts. These documents are available for download at the following link: <http://go.cms.gov/mirnghp>.

Slide 46 of 46 - NGHP Training Survey



If you have questions or feedback on this material,  
please go to the following URL:  
<http://www.surveymonkey.com/s/NGHPtraining>.

**Slide notes**

If you have questions or feedback on this material, please go to the following URL:  
<http://www.surveymonkey.com/s/NGHPtraining>.