



May 15, 2009

**RE:** Centers for Medicare and Medicaid Services (CMS) passed Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007. There are registration requirements that impact your company.

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) (P.L. 110-173) (the "Act"), 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.

The Act adds reporting rules. It does not eliminate any existing statutory provisions, regulations or processes, such as CMS' existing processes if a Medicare beneficiary (or his/her representative) wishes to obtain interim conditional payment amount information prior to a settlement, judgment, award or other payment. Furthermore, it does not change or eliminate existing CMS policies with regard to protecting Medicare's interests in settlements via Medicare set-asides or resolution of conditional payments. However, the Act does create obligations for you that are outlined in the following sections of this letter.

### **Reporting**

The Centers for Medicare and Medicaid Services (CMS) has defined who is a Responsible Reporting Entity (RRE) under this Act. According to CMS's definition, you will be the RRE since you fund losses up to its deductible. An RRE has the overall responsibility for reporting all settlements, judgments, awards, or other payments made to a Medicare beneficiary under liability, workers compensation, and no-fault insurance plans. It is important to note that an RRE cannot shift its Section 111 reporting responsibility to another entity; however, an RRE is permitted to identify and contract with an agent for reporting purposes. You will need to register as the RRE and designate PMSI (Broadspire's reporting partner) as the reporting agent. Broadspire has posted a registration packet on its Web site at [www.choosebroadspire.com](http://www.choosebroadspire.com), and you will need to register following their packet instructions.



## **Registration**

**You are the RRE, so you must register on the Coordination of Benefits Secure Website (COBSW) between May 1, 2009 and September 30, 2009.** You should begin preparing by reviewing the registration material in the CMS user guide.

### **Registration is a five-step process that includes:**

Step 1: Identification of an Authorized Representative, Account Manager and other COBSW Users

- Authorized Representative – the individual in the RRE organization who has the legal authority to bind the organization to a contract and the terms of MMSEA Section 111 requirements and processing. This must be an employee of the RRE.
- Account Manager – individual who controls the administration of the RRE’s account and manages the overall reporting process. This can be an employee of the RRE or a designated agent.
- Account Designee – assists the Account Manager with the reporting process and may be an RRE employee or agent. There is no limit to the number of Account Designees.

Step 2: Determine Reporting Structure – RRE must determine how they will submit files to the Coordination of Benefits Contractor (COBC) and how many Reporter IDs (RRE IDs) will be needed. Since only one Claim Input File can be submitted on a quarterly basis for each RRE ID, multiple RRE IDs may be needed based on claim structures and agents used for file submission.

Step 3: RRE Registration on the COBSW – must be completed by the RRE, not an agent. The application will require that you submit:

- A Federal Tax Identification Number (TIN) for the RRE
- Company name and address
- Company authorized representative contact information including name, job title, address, phone and e-mail address



- National Association of Insurance Commissioners (NAIC) company codes, if applicable
- Reporter type – Select the Liability Insurance (including Self-Insurance)/No-Fault Insurance/Workers’ Compensation option, not GHP
- Subsidiary company information to be included in the file submission for the registration

Upon validation by COBC, a PIN number and RRE ID will be mailed to the Authorized Representative. This information should be provided to the Account Manager to complete the registration. If more than one RRE ID is needed for reporting, the step must be repeated for each.

Step 4: RRE Account Setup on the COBSW (Account Manager) – completed after the PIN and ID are received from completing Step 3. The Account Manager will complete the Account Setup by entering the following information:

- Enter the RRE ID and associated PIN
- Enter the personal information including name, job title, address, phone and e-mail address
- Create Login ID for COBSW
- Enter account information related to expected volume of data to be exchanged under this RRE ID (estimated number of annual paid claims for the lines of business that will be reported under the RRE ID)
- Enter the reporting agent name, address, contact e-mail and TIN (information will need to be secured from TPA (or Zurich Service Corporation) when designating them as the agent
- Select a file transmission method. The agent will be able to advise the RRE of the file transmission method that will be used.

Upon successfully obtaining a COBSW Login ID, the Account Manager can invite Account Designees to register for Login IDs.

Step 5: Return Signed RRE Profile Reporting – Authorized Representative

A profile report will be sent to the RRE’s authorized representative via e-mail once the account setup has been processed by the COBC.

The Profile Report contains:

- Summary of the information provided for your data file transmission
- Important information you will need for your data file transmission



- Your RRE ID that you will need to include on all files transmitted for the COBC
- Your assigned production live date and ongoing quarterly file submission timeframe for MSP Input File
- Contact information for your COBC EDI Representative who will support you through testing, implementation and subsequent production reporting.

**IMPORTANT:** The RRE's authorized representative must review, sign and return the profile report to the COBC. Testing can not begin until the signed profile report is received by CMS.

### **Reference Materials**

Additional information can be found on the CMS dedicated webpage:

[www.cms.hhs.gov/MandatoryInsRep](http://www.cms.hhs.gov/MandatoryInsRep). The Liability Insurance (including Self-Insurance), No-Fault Insurance, and Workers' Compensation User Guide is available for download from this site. While you should review the guide in its entirety to gain a full understanding of your responsibilities, the following are important sections relevant to the registration process:

1. Section 3, page 8 – Section 111 Overview
2. Section 6, page 15 – Process Overview
3. Section 7, page 18 – Responsible Reporting Entities (RREs)
4. Section 8, page 22 – Registration and Account Setup

If you have any questions, you should forward them to your Broadspire account executive.