



CELEBRATING
55 YEARS

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Medicare, Medicaid and SCHIP Extension Act of 2007

June 10, 2009 - Spotlights

The SCHIP Extension Act of 2007, also referred to as MMSEA, goes into effect as of July 1, 2009. The legislation impacts the handling of workers' compensation, liability, no-fault auto claims and self-insurer claims, defined by the Centers for Medicare and Medicaid Services (CMS). As of July 1, 2009, Responsible Reporting Entities (RREs) will be responsible for reporting all claimants eligible for Medicare to the Center for Medicare and Medicaid Services (CMS).

A Responsible Reporting Entity (RRE) is defined as the direct funding source responsible for payments to the claimant. If your organization is directly funding payments to claimants on any of these lines of insurance, you are considered an RRE. Many third party administrators (TPAs) and insurers are handling the filing of claims with CMS or have partnered with an agent for the filing of these claims on behalf of the RRE, but according to the act, a TPA or agent is never considered the RRE, and liability cannot be transferred.

If your organization utilizes a TPA or insurer for adjusting claims for which you are the direct funding source, you may have received information with a link to register with CMS, and were possibly provided with information as to who they have partnered with for this function. If you qualify as an RRE, and are adjusting these claims in-house, you should determine how the Medicare eligible claims will be reported to CMS. Failure to report claims timely to the Center for Medicare and Medicaid Services (CMS) carries a \$1,000 dollar a day civil penalty.

The deadline for an RRE to register with CMS has just been extended to September 30, 2009. If you have received information from your TPA or if you are a self insured RRE, it is extremely important that you or an authorized representative from your organization register with the Center for Medicare and Medicaid Services (CMS). The sooner you register, the less likely you are to have compliance issues.

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