



Proven Solutions for Cost Containment

Government Affairs Alert

October 11, 2011

CMS Issues Memorandum Related to Liability Medicare Set-aside Arrangements (LMSA)

On September 29, 2011, the Centers for Medicare and Medicaid Services (CMS) issued a Memorandum pertaining to Liability Medicare Set-Aside Arrangement (LMSA) amounts related to liability insurance (including self-insurance) settlements, judgments, awards, or other payments (“settlements”).

CMS indicates that under certain circumstances, there is no need for the beneficiary to submit a proposed LMSA for review. Specifically, in situations where the beneficiary’s treating physician certifies **in writing** that treatment for the alleged injury related to the liability settlement has been completed as of the date of settlement, and future medical items and/or services for the specific injury will not be required, Medicare will consider its interest satisfied with respect to future medicals for that particular settlement.

If multiple or additional settlements related to the underlying injury or illness occur, a separate physician certification for each additional settlements must be obtained.

In the above noted instance, there is no need for the beneficiary to submit the physician certification or a proposed LMSA amount for review and CMS will not provide settling parties with confirmation that Medicare’s interest with respect to future medicals for that settlement has been satisfied. Instead, the beneficiary and/or their representative are encouraged to maintain as part of the settlement files the physician’s certification that no future treatment is required.

PMSI Client Support

PMSI is committed to providing our clients with the most current information related to Medicare Secondary Payer compliance and will continue to deliver updates whenever new information is issued or communications are released by CMS.

For more information on Medicare Secondary Payer-related Government Affairs Alerts, please contact your PMSI Representative at 888.MSA.PMSI, or visit the [Knowledge Center](#) section of our website at www.pmsionline.com.

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