



Office of Financial Management/Financial Services Group

May 28, 2010

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

ALERT

GHP RREs: MMSEA Section 111 Reporting For HRA Coverage

This ALERT provides updated information about reporting Health Reimbursement Arrangements (HRAs) under Section 111. Since the posting of Version 3.0 of the Section 111 GHP User Guide in January, 2010, CMS has clarified the HRA reporting requirements. This Alert reflects those refinements. Please also see the updated section on HRA reporting in the latest version of the Section 111 GHP User Guide.

A Health Reimbursement Arrangement (HRA) is a Group Health Plan (GHP) arrangement subject to the Medicare Secondary Payment (MSP) provisions. (See: 42 CFR §411.101.) HRAs are subject to the MSP provisions regardless of whether or not they have an end-of-year carry-over or roll-over feature.

As previously announced, Responsible Reporting Entities (RREs) are required to begin including HRA coverage in Section 111 reporting starting with GHP MSP Input Files submitted during the 4th calendar quarter of 2010 (October – December 2010) for HRA effective dates beginning 10/1/2010 and subsequent, and during the 1st calendar quarter of 2011 (January – March) for HRA effective dates beginning 1/1/2011 and subsequent. These first reporting dates, which are later than those that apply to non-HRA GHP RREs, have been implemented to allow HRA RREs time to gather the information required for reporting.

RREs are NOT to report HRA coverage information until their assigned file submission timeframe in the 4th Calendar Quarter (October, November, and December) of 2010 or 1st Calendar Quarter (January, February, March) of 2011.

HRA Section 111 reporting requirements:

- Only HRA coverage that reflects an annual benefit value of \$1000 or more is to be reported. HRAs with an annual benefit amount of less than \$1000 are exempt from reporting.

- HRA-only RREs are to begin registering for Section 111 reporting on the COBSW immediately, in order to complete the registration process by June 30, 2010. As previously announced, the HRA Section 111 registration period started May 1, 2010.
- The data submission testing period for HRAs will begin July 1, 2010.
- Production reporting of HRA coverage information will begin October 1, 2010.
- HRA coverage should be reported in the RRE's regular quarterly MSP Input File which is submitted during the file submission timeframe assigned to the applicable RRE ID. Since future dates cannot be accepted in the Effective Date Field of the MSP Input File, HRA coverage should be reported as soon as possible after the effective date of the coverage, during the RRE's assigned file submission timeframe in the 4th Calendar Quarter 2010 (for HRAs effective 10/1/2010), or 1st Calendar Quarter 2011 (for HRAs effective 1/1/2011).
- No retroactive reporting is required for HRA coverage. Only HRA coverage with effective dates of 10/1/2010 and subsequent must be reported.
- Termination Dates are only to be submitted when the covered individual loses or cancels coverage, *not when the annual benefit value is reached*. If HRA coverage continues year to year, then the record must be reported and left with an open-ended Termination Date as is done with non-HRA GHP coverage reporting. A Termination Date should not be reported unless the HRA coverage is not continued or renewed in the subsequent year.
- HRA coverage is to be reported using a value of 'R' in Coverage Type (Field 8) on MSP Input File Detail Records.

To assist in determining who must report under Section 111, review the most recent Section 111 GHP User Guide. Please see especially the text beginning at Section 7.1.1.1, and all of Appendix G.