



Medicare Secondary Payer Government Reporting Requirements for All Employers

In July 2008, the Medicare Secondary Payer Mandatory Insurer Reporting requirement was passed into law. The new law seeks to identify when the Centers for Medicare and Medicaid Services (CMS) should be paying secondary to employer group coverage. The goal is to reduce the amount CMS spends by wrongly paying primary when they should be paying secondary.

New Federal Requirements

To accomplish this, CMS released new requirements for all health plans and liability, no fault and worker compensation coverages. Health plans must register as a CMS coordination OEM benefit contractor with CMS beginning on April 1, 2009 and must report information beginning in July 2009.

Groups that offer commercial coverage must provide HealthPartners with:

- Group Tax ID Number
- Total number of group employees of family of companies (total employed, not full time equivalents or health plan eligible members)
- Social Security Numbers or Health Insurance Claim Numbers of active employees, spouses/ex-spouses/domestic partners and Medicare-eligible dependents (i.e. those with end stage renal disease or disabled dependents)
- Status (i.e. active, retired) of all employees and effective date of that status
- Disability flag and begin/term date of that disability status (if known)

How to submit your data

Data should be communicated through the group's existing enrollment and eligibility data collection channels with HealthPartners. A document detailing initial submission processes is available from your HealthPartners account representative.

Employers should begin gathering the data now. HealthPartners will inform you when and how we need the data transmitted from you. All data will need to be collected by the end of 2009 to comply with the reporting requirement.

If you have questions, please contact your HealthPartners account representative.

Frequently Asked Questions

Q: Does HealthPartners intend to comply with the federal MSP reporting requirement?

A: Yes. HealthPartners intends to comply with the mandatory reporting. Our ability to do so will depend on your cooperation in providing the necessary data for each employee and dependent. We appreciate your cooperation!

Q: What is Medicare Secondary Payer?

A: Medicare should always pay secondary to group health coverage for most people over age 65, those with permanent kidney failure and some disabled people. For example, if an employee is over age 65 and continues to work and remain on an employer's group health coverage, the group health plan would pay for any medical claim and Medicare would pay for services that are not covered under the employer plan and that are covered by Medicare. The new requirement is intended to reduce the amount that Medicare is responsible for paying, thus saving the federal government money.

Q: Does this new rule apply only to groups with Medicare retiree plans?

A: This applies to all group health plans.

Q: Doesn't HealthPartners already have some of this data?

A: Yes. But not all because we have not required some of this information in the past. For example, we have a high number of employee Social Security numbers, but not many dependent Social Security numbers.

Q: Will HealthPartners assist me in identifying missing information?

A: Yes. Beginning fall of 2009, HealthPartners will provide employers with a report that identifies missing information. This report will be refreshed periodically in ongoing effort to comply with this mandate. Additional details about these reports will be available in the coming months.

Q: I've read elsewhere that this is only required for employees age 55 and older, but HealthPartners is collecting information on all employees. Why?

A: HealthPartners is required to gather data on employees age 55 and older; however, we are also required to gather data on employees age 45 and older beginning in 2011. To ease the burden on employers, HealthPartners is requesting information on all employees at one time.

Q: Who is required to submit this data?

A: Health plans, third party administrators, and self-insured and self-administered plans are required to collect the data from groups and submit the report to CMS. Beginning July 2009, group health plans are required to submit quarterly reports to CMS with this information.

Q: Where can I obtain official CMS regulations and information?

A: You can download copies of the official reporting guidance at cms.hhs.gov/MandatoryInsRep/.

Q: How does HealthPartners protect my employees' privacy?

A: HealthPartners and our related organizations are required by law to maintain the privacy of our members' personal information. We protect personal information in oral, written and electronic form. We permit access to personal information by our staff and others only to the extent they need it to administer health plan benefits, facilitate treatment, make payment or provide other services or to comply with legal or accreditation requirements. HealthPartners maintains physical, electronic and administrative safeguards designed to protect personal information and prevent unauthorized access.