DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop C3-14-00 Baltimore, Maryland 21244-1850



## **MEMORANDUM**

**DATE:** September 29, 2011

**FROM:** Acting Director

Financial Services Group

Office of Financial Management

**SUBJECT:** Medicare Secondary Payer—Liability Insurance (Including Self-Insurance)

Settlements, Judgments, Awards, or Other Payments and Future Medicals --

**INFORMATION** 

**TO**: Consortium Administrator for Financial Management and Fee-for-Service

**Operations** 

The purpose of this memorandum is to provide information regarding proposed Liability Medicare Set-Aside Arrangement (LMSA) amounts related to liability insurance (including self-insurance) settlements, judgments, awards, or other payments ("settlements").

Where the beneficiary's treating physician certifies in writing that treatment for the alleged injury related to the liability insurance (including self-insurance) "settlement" has been completed as of the date of the "settlement", and that future medical items and/or services for that injury will not be required, Medicare considers its interest, with respect to future medicals for that particular "settlement", satisfied. If the beneficiary receives additional "settlements" related to the underlying injury or illness, he/she must obtain a separate physician certification for those additional "settlements."

When the treating physician makes such a certification, there is no need for the beneficiary to submit the certification or a proposed LMSA amount for review. CMS will not provide the 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 the physician's certification.

The above referenced guidance and procedure is effective upon publication of this memorandum.

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