

## ADMINISTERING YOUR LUMP SUM WORKERS' COMPENSATION MEDICARE SET-ASIDE ARRANGEMENT (WCMSA)

You have chosen to personally administer the WCMSA account established as part of a Workers' Compensation settlement. It is important that you understand the Centers for Medicare & Medicaid Services' (CMS) policies regarding workers' compensation set-aside arrangements (WCMSAs).

Medicare regulations, as found in Title 42 of the Code of Federal Regulations § 411.46, state that Medicare will not pay for Medicare-covered medical expenses or Medicare-covered prescription drugs expenses related to your work-related injury until the WCMSA funds have been exhausted. Your WCMSA funds must be used to pay for all Medicare-covered medical services and Medicare-covered prescription drug expenses related to the workers' compensation injury, illness, or disease. A CMS lead Medicare contractor will monitor your expenditures from the WCMSA account upon receipt of the annual self-attestation letter that you are required to submit. Once the lead contractor has confirmed that the WCMSA funds have been exhausted appropriately, Medicare will begin paying for Medicare-covered services related to the workers' compensation injury, illness, or disease.

Instructions for establishing and administering a WCMSA account are listed below. If you have any questions regarding these requirements, please contact the CMS lead Medicare contractor at the following address:

MSPRC  
PO BOX 33828  
DETROIT MI 48232-5828  
Attention: MSP – Medicare Set-aside Reconciliation

### Establishing and Using your Medicare Set-Aside Account

- WCMSA funds must be placed in an interest-bearing account, separate from your personal savings or checking account.
- WCMSA funds may only be used to pay for medical services and prescription drug expenses related to your work injury that would normally be paid by Medicare.
- Examples of some items that Medicare **does not** pay for are: acupuncture, routine dental care, eyeglasses or hearing aids, etc.; therefore, these items cannot be paid from the WCMSA account. You may obtain a copy of the booklet "Medicare & You" from your Social Security office for a more extensive list of services not covered by Medicare.
- If you have a question regarding Medicare's coverage of a specific item, service, or prescription drug, to determine if you may pay for it from the WCMSA account, please call 1-800-MEDICARE (1-800-633-4227) or visit CMS' website: <http://www.cms.hhs.gov/home/medicare.asp>



*Please note: If payments from the WCMSA account are used to pay for services other than Medicare allowable medical expenses related to medically necessary services and prescription drug expenses, Medicare will not pay injury related claims until these funds are restored to the WCMSA account and then properly exhausted.*

## **Record Keeping**

- As administrator of the account, you will be responsible for keeping accurate records of payments made from the account. These records may be requested by CMS' lead Medicare contractor as proof of appropriate payments from the WCMSA account.
- You may use the WCMSA account to pay for the following costs that are directly related to the account:

Document copying charges

Mailing fees/postage

Any banking fees related to the account

Income tax on interest income from the set-aside account

- Annually, you must sign and forward a copy of the attached self-attestation form, which states that payments from the WCMSA account were made for Medicare-covered medical expenses and Medicare-covered prescription drug expenses related to the work-related injury, illness, or disease.
- An annual accounting shall be submitted to the Medicare lead contractor listed on Page 1 of this instruction no later than 30 days after the end of each anniversary year (beginning with one year from the date of settlement).
- The annual self-attestation should continue through depletion of the WCMSA account.
- **DO NOT SEND YOUR ANNUAL ACCOUNTING DIRECTLY TO CMS. Please send your annual accounting to the CMS lead Medicare contractor noted above.**



**Workers' Compensation Medicare Set-aside Arrangement (WCMSA)- Account  
Expenditure for Lump Sum Account**

This form should be completed annually and mailed to **MSPRC PO BOX 33828 DETROIT MI 48232-5828** starting one year from the date of settlement.

**Note: Please make several copies of this form because you must send this form to the Medicare contractor each year until all of your WCMSA has been spent.**

Date: \_\_\_\_\_

Total WCMSA amount noted in CMS' written opinion: \_\_\_\_\_

Individuals that have a CMS-approved WCMSA as part of a workers' compensation settlement agreement may only use the funds in the WCMSA account to pay for Medicare-covered medical services and Medicare-covered prescription drug expenses that are related to the workers' compensation injury, illness, or disease.

(Please Check)

- (1) I, the undersigned, attest that I have a **lump sum** WCMSA and have used the monies from the WCMSA account for the period of \_\_\_\_\_ to \_\_\_\_\_ to pay for the following:

Medical services: \$ \_\_\_\_\_  
Prescription drug expenses: \$ \_\_\_\_\_

- (2) I, the undersigned, attest that I have a **lump sum** WCMSA and have **COMPLETELY EXHAUSTED** the monies in the WCMSA account to pay for the following:

Medical services: \$ \_\_\_\_\_  
Prescription drug expenses: \$ \_\_\_\_\_



I acknowledge and understand that failure to follow any of the Medicare requirements for the use of this money will be regarded as a failure to reasonably recognize Medicare's interests and that Medicare will deny coverage for all medical treatments and prescription drug expenses due to my work-related injuries up to the total workers' compensation settlement amount.

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Signature \_\_\_\_\_ Date \_\_\_\_\_

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Witness \_\_\_\_\_ Date \_\_\_\_\_

**The CMS reserves the right to audit how you spent the funds in your WCMSA account. Therefore, CMS recommends that you retain your WCMSA records for a period of seven (7) years. However, please do not send your receipts or bank statements to CMS or the Medicare Contractor identified above.**

