



Data-Driven MSA

Automating MSA allocations to improve compliance

Effective April 4, 2025, the Centers for Medicare & Medicaid Services (CMS) will require Section 111 Responsible Reporting Entities (RREs) to report specific Workers' Compensation Medicare Set-Aside (WCMSA) data for all workers' comp settlements involving Medicare beneficiaries. This applies to Total Payment Obligation to Claimant (TPOC) reporting, **regardless of whether the claim meets CMS's previously established WCMSA review thresholds.**

The implications are significant

- **If the WCMSA data** is missing, new error codes will be triggered, and the claim in your quarterly submission may be withheld or rejected by CMS. This could lead to a Civil Money Penalty (CMP) if the claim is not updated and reported successfully within one year of the TPOC Date.
- **If claims with errors are withheld from reporting**, as with Verisk's MSP Navigator®, WCMSA data must be entered promptly to avoid untimely reporting and potential CMPs.
- **Reporting \$0/no MSA completed** for claims below CMS's previously established "review threshold" of \$25,000 could trigger a CMS audit to determine if the \$0 allocation for future medical expenses is appropriate.

Use Verisk automation to improve compliance and efficiency

CMS's requirement to report WCMSA information on every TPOC involving a Medicare beneficiary creates unique challenges for low-dollar settlements:

- **Cost:** Obtaining a full MSA may be cost-prohibitive.
- **Perception:** Reporting a \$0/no MSA may generate concern from CMS that their interests have not been adequately represented on certain claims, leading to an audit.
- **Time:** Requiring claims handlers to independently assess, and potentially allocate, is time-consuming and can lead to inconsistent approaches to allocations and documentation.

Compliance consideration points

Documenting your claim file with an MSA that considers Medicare's future interests is crucial. Key compliance points to consider:

- ✓ CMS's WCMSA established review thresholds are not safe harbors. WCMSAs may be appropriate in non-threshold situations.
- ✓ CMS reserves the right to review and audit \$0 MSA reports.
- ✓ CMS may use all available means to enforce compliance, including the False Claims Act.



Verisk's Data-Driven MSA: Seamlessly automating compliance workflows

Verisk's Data-Driven MSA provides a unique solution for low-dollar settlements. This automated MSA uses Verisk's unparalleled medical, legal, and data science expertise, along with our extensive claims, medical, pricing, and CMS data. It provides a reliable, low-cost allocation that quickly delivers an independent, defensible MSA amount for your settlement and Medicare reporting.

Benefits of a Data-Driven MSA:



Ensures consistent process and protocol adherence



Cost-effective



Can be used separately or in conjunction with our MSA Link service



Fast turnaround time



Fuels new WCMSA TPOC reporting requirements

Data-Driven MSA workflow

The claim is referred through an adjuster-led referral or the automated MSA Link process. Verisk uses existing data and proprietary models to provide a reliable, accurate, and cost-effective allocation. A Verisk team member reviews the Data-Driven MSA report and emails it to the adjuster.

For Verisk's MSP Navigator Section 111 reporting clients, the report can be automatically uploaded into your Section 111 reporting data to satisfy WCMSA TPOC reporting requirements, further streamlining the workflow.

1



Client refers claim

2



Sets up claim using referral and S.111 data

3



Data ran through service model

4



MSA data QA'd and delivered back to client

5



Client leverages Data-Driven MSA for WCMSA TPOC reporting
(Documents their claim file)



Find out more

For more information about Verisk's fully automated suite of Medicare compliance solutions, please contact:

casualtysolutions@verisk.com / +1-866-630-2772 / verisk.com/medicare-compliance

