



# What is a Medicare Set-Aside?



## WHAT IS A MEDICARE SET-ASIDE?

MSA Source is an innovative Medicare Set-Aside company that helps clients navigate the claim process with complete confidence. Our experienced teams of nurses, doctors, and attorneys work together to sure the best possible results for every customer we serve.

### WHAT IS A MEDICARE SET-ASIDE?

A Medicare Set-aside is used to consider Medicare's interests and protect the parties to any workers' compensation and personal injury settlement. This tool is a "contract" between the injured party and Medicare. The funds in the Set-aside are used to ensure Medicare remains the "secondary payer" post-settlement.

### WHY IS A MEDICARE SET-ASIDE IMPORTANT?

All parties are at risk of adverse future legal action from the federal government and the Centers for Medicare and Medicaid Services (CMS), the agency that administers the Medicare program:

Injured employees who do not consider Medicare's interests in their settlement can be denied future Medicare coverage for injuries covered under a settlement. There is also the possibility of a direct cause of action and a "double damage" fine. Employers and insurance carriers are also subject to adverse legal action and should take every precaution to protect themselves and ensure compliance.

### WHAT IS THE CORRECT AMOUNT TO SET-ASIDE?

Simply put - it depends. MSA Source will prepare evidence-based allocations based on records related to the injured employee and government guidelines regarding the standard of care. It is critical to submit the requested information to ensure the accuracy of the Medicare Set-aside allocation. Steps can also be taken to reduce that amount based on age, co-morbid conditions, and properly weening an injured party off costly prescription medications.





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### WHEN IS A MEDICARE SET-ASIDE REQUIRED?

This may come as a surprise, but a Medicare Set-aside is never “required.” Instead, parties should consider when one is “recommended.” Factors to consider include:

- The age of the injured party;
- Settlements that close out future items and services covered by Medicare;
- Instances where future medical care and treatment are reasonably anticipated; and
- The reasonable likelihood is that the injured employee will become Medicare eligible in the foreseeable future.

In workers’ compensation claims, parties should consider submitting the Medicare Set-aside for review and approval by CMS.

Are you confused about Medicare Set-asides?  
Contact MSA Source; our team will provide additional information.





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