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Self-Administration and You: A Beneficiary Toolkit for Workers' Compensation Medicare Set-Aside Arrangements (WCMSAs)



DISCLAIMER:

This guide is intended to provide Medicare beneficiaries with a reference manual to help them navigate the WCMSA self-administration process. It is in no way intended as an exhaustive, step-by-step guide, nor is it intended to replace, supersede, or otherwise contradict any existing policy or procedural guidance. If anything in this manual appears to create ambiguity or to alter an existing process or obligation in any way, we recommend that the reader seek further guidance.

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Section 1: Introduction

A Workers' Compensation Medicare Set-Aside Arrangement (WCMSA or workers' compensation MSA) is a financial agreement where a portion of a workers' compensation settlement is *set aside* to cover future medical expenses related to a work injury that would normally be paid by Medicare. The workers' compensation MSA acts as a dedicated fund to pay for future medical needs related to work injuries, ensuring Medicare does not pay those costs.

WCMSA Basics

Purpose:

To protect Medicare's interests by ensuring that funds are available to cover future medical costs associated with a work-related injury, when a worker is likely to become a Medicare beneficiary.

Who is involved:

The injured worker, the workers' compensation insurance carrier, and Medicare.

Calculation:

The amount of the MSA is determined based on factors like the severity of the injury, expected future medical costs, and the worker's age.

Administration:

A Medicare beneficiary can choose to self-administer the MSA or have it managed by a professional administrator on their behalf.

Example

A delivery worker suffers a neck injury on the job, resulting in a large workers' compensation settlement. Since the worker is nearing Medicare eligibility, a workers' compensation MSA is established, and a portion of the settlement is put in a separate account to cover future medical treatments like physical therapy and pain management related to the neck injury.

If you have decided to self-administer your workers' compensation MSA, this Toolkit can help you manage your account appropriately. Following this Toolkit will also ensure that if you are entitled to Medicare and you have Medicare-covered and otherwise reimbursable ("Medicare covered") costs related to your workers' compensation claim, Medicare will pay those costs when your MSA is properly used up ("exhausted" or "depleted").

This Toolkit:

- ***Describes*** the self-administration process and guidelines, from when you first set up the MSA bank account until all of its funds have been used.
- ***Explains*** who you will work with to manage your MSA account.
- ***Discusses*** the two types of MSA accounts, lump sum and structured. The lump-sum account is discussed first, and the Toolkit includes a section on [Topics Unique to Structured WCMSA Accounts](#) later on.
- ***Covers*** special circumstances, such as when your Medicare beneficiary status changes.

The following chart gives a visual overview of the self-administration process. Once an MSA is established and funds are deposited in an interest-bearing bank account, notify your medical providers of the billing situation. When you visit a health care provider for treatment of the injury, pay the bill from the MSA account if there is enough money in it, and keep complete records of what you pay, to whom, and for what. If the account runs out, notify Medicare that it is "completely exhausted" in an attestation letter. If the account continues to have money in it, send an annual attestation to Medicare.

IF WE SAY:... WE MEAN:

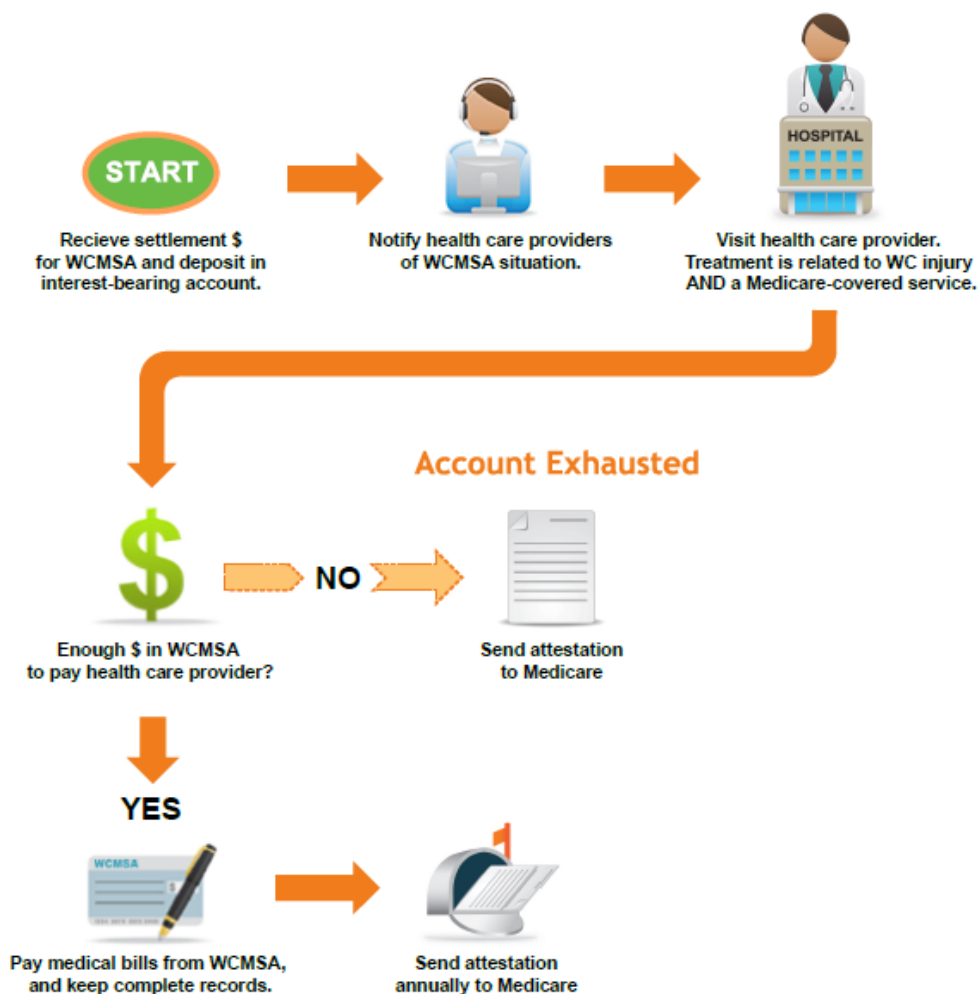
Injury: Injury, illness, exposure, accident, ingestion, ... The incident that resulted in your settlement, for which you have a Medicare set-aside arrangement.

Medicare-covered: Medical expenses that if you didn't have an MSA, Medicare would have paid for.

MSA: Medicare set-aside arrangement

Exhausted/depleted: Used up—the account is empty. Usually we say this with "appropriately", meaning the account funds have been spent on legitimate expenses for medical treatment of the injury that resulted in your settlement.

WCMSA Self-Administration Overview



In the example at the beginning of this section, the injured worker was not yet a Medicare beneficiary. MSAs are often used if you are reasonably expected to enroll in Medicare within 30 months of the settlement date, and therefore expect to receive treatment for your injury at the same time as you are covered by Medicare. Settling parties are required to consider Medicare's interests in this situation.

Section 2: How Your WCMSA is Funded

Your workers' compensation MSA may be funded from your settlement in one of two ways:

- ***Lump sum***, in which you receive one check or deposit for your entire MSA, from your settlement
- ***Structured settlement***, in which you receive an initial deposit and smaller annual payments in following years

If you have a structured settlement, your first check should cover the first two years of funds for treatment plus any associated cost of proposed first surgeries related to the injury. Deposit that payment into your separate, interest-bearing MSA account. The rest of the money will be distributed in equal sums annually until the limit of the agreed upon amount is reached. You will also deposit that money, as received, into your MSA account. Consider asking for the funds to be directly deposited into your MSA account.

Section 3: Setting Up the WCMSA Bank Account

You must deposit your workers' compensation MSA money from the settlement in its own account, separate from any other accounts you may have. You will ONLY use the funds from this account to pay your future medical treatment and prescription costs related to the injury. It must be an account that earns interest and should be insured by the Federal Deposit Insurance Corporation (FDIC). We also recommend an account that does not charge fees when you have a low balance, and that you can write checks from easily.



Section 4: Using the Account

What medical and prescription expenses can I pay for from this account?

Once your workers' compensation MSA account is set up, you can only use it to pay for medical treatment or prescription drugs related to your injury, and only if the expense is for a treatment or prescription Medicare would cover. This is true even if you are not yet a Medicare beneficiary (not yet enrolled in Medicare). The WCMSA account may also be used to reimburse Medicare for payments on treatments that should have been covered by the WCMSA after the date of settlement.

Medicare-covered services generally include:

- Inpatient care in hospitals and skilled nursing facilities
- Hospice care
- Home health care
- Doctor and health care providers' services
- Outpatient care
- Durable medical equipment

Some prescription drugs are also covered, under traditional Medicare Parts A and B, Medicare Advantage (Part C), or the Medicare Prescription Drug Program (Part D). You should check with your Medicare Advantage or prescription drug plan if you

have questions. For an extensive list of services covered and not covered by Medicare, get a copy of the booklet "Medicare & You" from your Social Security office, or at <https://www.medicare.gov/medicare-and-you/medicare-and-you.html> to get a copy electronically.

CMS will tell your Medicare Advantage or prescription drug plan that a workers' compensation MSA has been approved. Insurance plans are not given specific information about treatment and medications that should be covered by the MSA. You must tell your insurance plan sponsor any details concerning treatments and medications used exclusively to treat a related illness or injury, so they can avoid making primary payment in the future. CMS requires your plan to contact you or the administrator of your MSA to find out which expenses are covered by your MSA. The

ONLY USE YOUR MSA MONEY FOR:

- Medical care or prescriptions related to your injury
- Medical care/prescriptions that Medicare would ordinarily cover



plan must avoid paying for expenses that are included in the MSA. The plan has a responsibility to recover any payments it made that should have been paid by the MSA. If you do not respond to your plan's investigation efforts, your coverage may be delayed or cancelled.

If you are enrolled in a Medicare Advantage or prescription drug plan, please contact your plan to discuss your MSA, if you have not already done so.

If you have a question regarding Medicare's coverage of a specific item, service, or prescription drug, please call 1-800-MEDICARE (1-800-633-4227) or visit Medicare's website at <https://medicare.gov/>, where you can search for the item, service, or drug to see if it's covered.

**TALK TO YOUR INSURANCE PLAN
ABOUT YOUR MSA!**



If an item or service is not covered by Medicare, you will have to pay for it yourself or with other insurance. Workers' compensation MSA funds may not be used for services that Medicare does not cover.

If you are not yet a Medicare beneficiary, pay all your workers' compensation-claim-related, Medicare-covered medical and prescription drug expenses from the account until you become a Medicare beneficiary.

Can I use the account to pay for anything else?

YES	NO
Cost of copying documents	Fees for trustees, custodians, or other professionals hired to help administer the account
Mailing fees/postage	Expenses for administration of the MSA (other than those listed above)
Any banking fees related to the account	Attorney costs for establishing the MSA
Income tax on interest income from the account	Medicare premiums, co-payments, and deductibles

Note: Interest income generated from your workers' compensation MSA account will be shown on an IRS Form 1099-INT. You must pay tax on interest income. You must document the amount of tax owed on the interest income from your MSA account. You may pay only the tax

amount due on your MSA account with MSA funds. MSA funds themselves are not considered taxable income, but the interest they earn is taxable income.

If your settlement includes funds for any professional administrative expenses, keep them separate from the MSA account.

Section 5: What to Tell Your Health Care Providers

Before you get treatment for your injury, you must advise your health care providers about your workers' compensation MSA.

Your health care providers should bill you directly, and you should pay them out of your MSA account, IF:

- The treatment or prescription is for the injury, AND
- The treatment or prescription is something Medicare would cover

Who should my health care providers bill?

If your health care providers mistakenly bill Medicare for your WC-claim-related treatment, remind them to bill you directly so you can pay them from your MSA account. Your health care provider is responsible for refunding any payments received from Medicare for bills related to treatment of your injury.

What if my health care provider is also treating me for other problems?

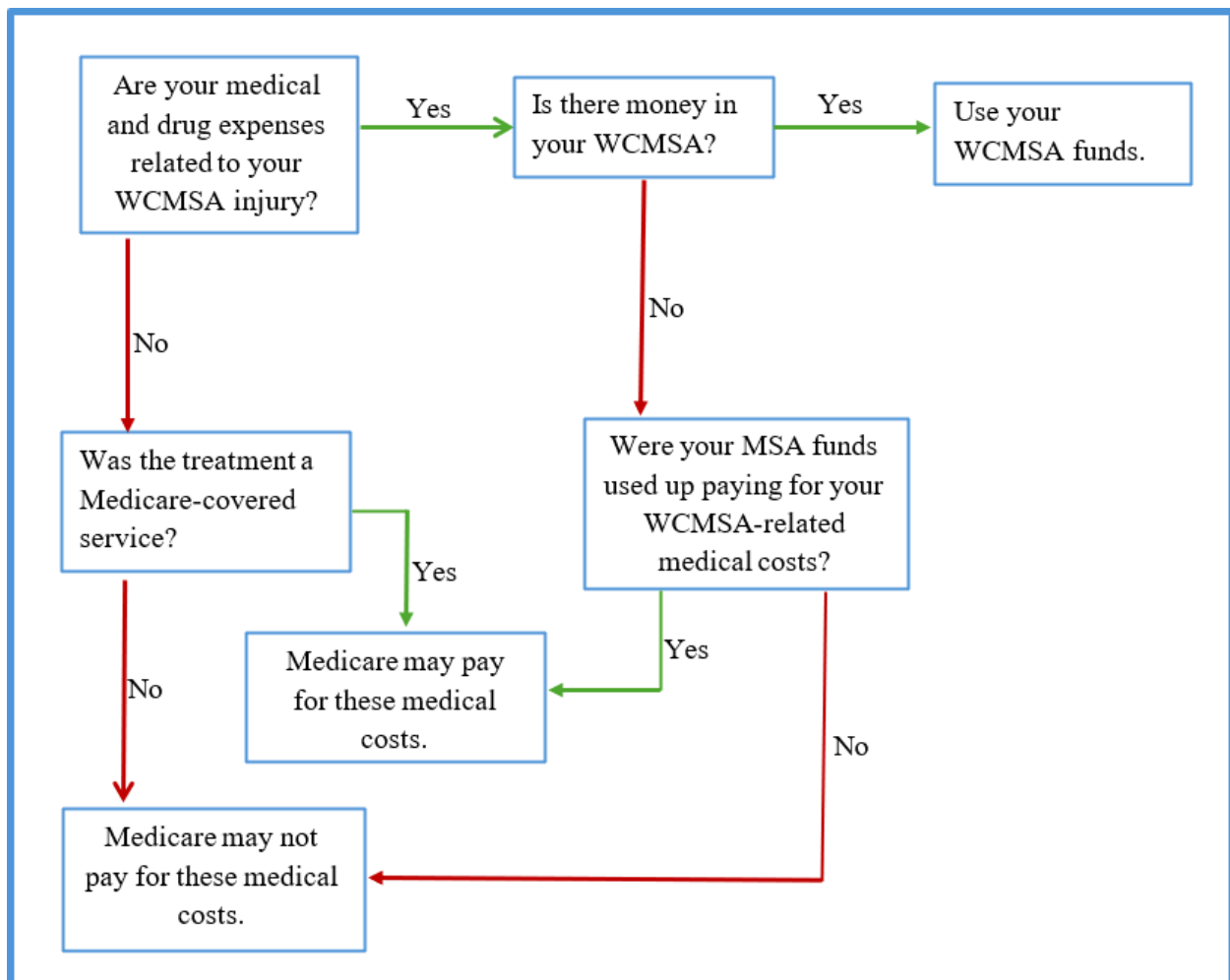
If your health care provider is also treating you for conditions not related to your injury, be very certain that you do not pay for items or services unrelated to the workers' compensation injury using your MSA account. Use other insurance including Medicare, or use your own funds. If you are not certain whether a treatment is related to your injury, ask your health care provider.

Section 6: Reviewing and Paying Your Bills

You should review the bills your health care providers send you to make sure they are billing you only for those items and services both related to your workers' compensation claim and

covered by Medicare. See the [Setting Up the WCMSA Bank Account](#) section of this Toolkit for details on how to find out what Medicare covers. If the bill meets both conditions, you can pay it from your MSA account.

The following flowchart gives a visual representation of the process for deciding whether to bill Medicare or use your MSA funds for your medical and prescription treatment costs.



Section 7: Keeping Records

You will need to keep clear and accurate records of everything you do with the MSA account. Medicare will use these records to determine if the account funds were spent properly. We suggest you use a document like the sample Transaction Record found in the [Letters and Examples](#) section of this toolkit. We recommend that you record your settlement date, diagnosis or injury, and date of injury.

For each transaction with the account, please keep track of:

- Transaction date
- Check number (if any, or transaction number if present)
- “Payable to” or health care provider name
- Date of service
- Description (procedure, service, or item received; deposit; interest; other allowable expense)
- Amount paid
- Any deposit amount
- Account balance

Keep an itemized receipt or other proof of each payment made. Also, keep bank statements and tax records. You will not submit these records annually, but Medicare may request them as proof that you are using the account correctly.

Section 8: Annual Attestation

An attestation is a signed statement: you are “attesting to” your appropriate use of the money. Every year, no later than 30 days after the anniversary date of your workers’ compensation settlement, you must send an attestation to Medicare’s Benefits Coordination & Recovery Center (BCRC) stating that you have used the funds in the account correctly. You can find the BCRC’s contact information in the [Where to Get Help](#) section of this toolkit.



This attestation is required annually, even if you are enrolled in a Medicare Advantage or prescription drug plan. You should also contact your plan to discuss any changes in medication or treatment that should be covered by the MSA.

If you are a beneficiary administering your own account, you can submit your yearly attestation online by accessing the WCMSA Portal through the [Medicare.gov](https://www.medicare.gov) website. To access the Portal: Once you log in to your Medicare.gov account, click “Check my claims” under “What do you want to do?” On the *My claims* page, scroll down to the *Medicare Set Aside (MSA) Claims* box and click “See MSA Case Info”; accept the disclaimer; on the Medicare Set Aside (MSA) Cases page, you can click the **Open Case Details** button to access the *Case Documentation* page, which displays all submitted documents associated to that case. Look for the button at the bottom of the page labeled WCMSA Attestation Information to submit your annual attestations.

Screenshot of the Case Documentation page of the WCMSA Portal, accessed via Medicare.gov:

Home About This Site CMS Links How To... Reference Materials Contact Us Logoff

Case Documentation

Last, First Medicare ID: #####A Case ID: XXXXXX

QUICK HELP
[Help About This Page](#)

This page shows documentation submitted for the case you selected. Click on the document title to read or print the document. Click on the column title to sort the documents by that column. You can search for documents by entering search criteria and clicking the "Search" button. You can also view your WCMSA balance or submit your yearly attestation by clicking the "WCMSA Attestation Information" button.

From Date: / / (MM/DD/CCYY) To Date: / / (MM/DD/CCYY)

Document Category	Creation Date
Life Care Plan	01/06/2008
Rated Age Information or Life Expectancy	11/06/2009
Submitter Letter or Other Summary Documents	01/06/2010
Proposed/Final Settlement Agreement or Court Order	01/06/2010
Payment History	01/06/2010
Proposed/Final Settlement Agreement or Court Order	01/06/2010
Consent Form	12/20/2010
Payment History	01/06/2011
Life Care Plan	01/19/2011
Payment History	01/06/2012

The WCMSAP User Guide, available under the Reference Materials header once you log in to the site, has details about submitting your attestation online. The wording on the forms is the same as you will find later in this toolkit.

You will use the letter titled “Workers’ Compensation Medicare Set-Aside Arrangement (WCMSA)—Account Expenditure for Lump-Sum” or “Workers’ Compensation Medicare Set-

Aside Arrangement (WCMSA)—Account Expenditure for Structured Account.” You must do this even if you are not yet a Medicare beneficiary. The attestation will include:

- Total spent for medical services
- Total spent for prescription drugs
- Grand total of expenditures
- Total of interest income the account earned, if any
- Balance of MSA account at the end of the calendar year

When you planned your MSA as part of your settlement, you may have set aside an amount for prescription medications as well as medical expenses. It is not important if what you spend from your MSA does not match how you expected to spend it. For example, if your MSA is funded for \$10,000, with \$7,000 for prescriptions and \$3,000 for medical expenses, and you spend \$6,000 on prescriptions and \$4,000 on medical expenses, you’ve still used the account correctly. Report the amounts as you actually spent them.

Sample attestation letters can be found in the [Letters and Examples](#) section of this Toolkit. Blank attestation letters with your Medicare ID (that is, your Medicare Beneficiary Identifier [MBI]) or Social Security Number (SSN) can be found in your WCMSA approval package from Medicare.

If you are a representative or other identified administrator for the account, you can log in directly to the WCMSA Portal to submit the yearly attestation. To access, go to <https://www.cob.cms.hhs.gov/WCMSA/>.

When your account is empty

When your WCMSA account has no money left in it and you do not expect a future deposit of funds, it is said to be permanently “exhausted” or “depleted.” Within 60 days of the date your account is depleted, send the BCRC a final attestation letter and say in the letter that the account is “completely exhausted.” The attestation letters for both lump-sum and structured accounts include options for permanent account exhaustion. If Medicare is satisfied that the right amount of money has been spent appropriately, Medicare will pay for future treatments for this injury.

If the BCRC discovers a beneficiary has died with funds still in their MSA account:
They will first make sure that all bills related to the workers’ compensation claim have been paid. This may involve holding the MSA open for some time after the date of death, as health care providers can submit their first bill to Medicare up to 12 months after the date of service. Then any amount left over in the MSA may be paid out according to state law, once Medicare’s interests have been protected. Often, the settlement itself will state how to spend funds after the death of the claimant and payment of care-related expenses.

Note that CMS will continue to deny claims related to the injury until final exhaustion attestation is received and documented. Attestation is highly important to ensure claims are paid properly after exhaustion.

Section 9: Reporting Changes

If you move, send your new address to the bank or financial institution that holds your workers' compensation MSA account.

If at any time you are not confident administering the MSA yourself, you may want to seek advice from a lawyer or from a Medicare advocacy organization. You may also consider appointing a representative to administer your account for you.

Medicare entitlement status

If you lose your Medicare entitlement, you are not entitled to a release of funds from your MSA account. Please refer to the [Using the Account](#) section of this toolkit for details on your Medicare status and your MSA account. You may continue to use those funds to pay for care related to the settled injury.

Section 10: Topics Unique to Structured WCMSA Accounts

All of the information in previous sections applies to both lump-sum and structured accounts. But there are some issues that only come up with structured workers' compensation MSA accounts. Because of the way structured accounts are set up, the amount of money in the account at the end of each accounting period (year) may not be predictable. In the following sections, we explain the possibilities.

What if I do not use all the funds in a year?

If you have funds left over at the end of a year, they remain in the account and are carried forward to the next year. The following year, you will be able to use the annual deposit money as well as whatever was carried forward. If there is excess money in that next year, that too is carried forward, and the account is used in this manner until all the funds accumulated in it are appropriately used up.

What happens if my funds run out before the next deposit?

It is also possible to use up the entire amount in the account before the next annual deposit arrives. If this happens, there are two possible courses of action:

- If you are a **Medicare beneficiary**: Send an attestation letter to the BCRC saying your account is temporarily depleted, and bill Medicare for the additional expenses you have for your injury, until the next annual deposit to your MSA account arrives. You will have alternating primary payers in this case: first yourself via the MSA, then Medicare while your MSA is depleted, and then you via the MSA when it is funded again.

This can be confusing for health care providers. Be sure to be clear with them at what point they should bill Medicare instead of the MSA account through you. If you have enough MSA funds to pay only part of a bill, ask health care providers to send the entire bill to Medicare and do not pay the bill yourself.

- If you are **not a Medicare beneficiary**: If you have other insurance, use that insurance to pay for the injury treatments until the MSA is funded again. If you have no other insurance, you will have to pay out of pocket for treatments until the MSA is funded again.

Section 11: Where to Get Help

For questions about Medicare's coverage of a specific item, service, or prescription drug, to help determine if you may pay for it from your workers' compensation MSA account:

Please call 1 800-MEDICARE (1-800-633-4227)

Or visit Medicare's website: <https://medicare.gov/>.

For questions about setting up a workers' compensation MSA account or administering the account, please call the Medicare Regional Office customer service line, at 833-731-4677.

For questions about annual attestations or annual accountings, contact the Benefit Coordination & Recovery Center (BCRC):

By telephone:

1-855-798-2627

Monday–Friday, 8:00 a.m.–8:00 p.m., Eastern time

TTY/TDD number for the hearing and speech impaired:

1-855-797-2627

By fax:

833-844-1540

By mail:

For workers' compensation MSA proposals, final settlements, and re-review requests:

WCMSA Proposal/Final Settlement

P.O. Box 138899

Oklahoma City, OK 73113-8899

Section 12: Letters and Examples

Sample documents and letters are available here. Blank documents can be found at <https://go.cms.gov/WCMSASelfAdm> on Medicare’s website.

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Letters for your health care providers: Medical providers

You should ask your health care providers to bill you for your injury treatments, and tell them which pricing method was used. (Information about pricing method will be included in your MSA.) We suggest you send or give your health care providers a letter with content similar to the following sample letter. The areas you should change to describe your own circumstances are highlighted. This sample letter is from a claimant who is not yet entitled to Medicare, but has other insurance.

Patient Name: Jane Doe

Workers' Compensation Settlement Date: 8/7/12

Workers' Compensation injury/diagnosis: Bimalleolar ankle fracture, open, 824.5

I have a Workers' Compensation Medicare Set-Aside (WCMSA) account that will pay primary for treatment related to the above WC injury only. Please bill me directly for these treatments. I will reimburse you through the WCMSA account. For services that are not covered by Medicare, or that are not related to my WC injury, please bill those separately to my other insurance company, Large Insurance Company, Incorporated.

Letters for your health care providers: Medical providers, for Medicare beneficiaries

You should ask your health care providers to bill you for your injury treatments, and tell them which pricing method was used. (Information about pricing method will be included in your MSA.) We suggest you send or give your health care providers a letter with content similar to the following sample letter. The areas you should change to describe your own circumstances are highlighted. This sample letter is from a claimant who is a Medicare beneficiary.

Patient Name: JaneDoe

Medicare ID: 12A3AA4AA56

Workers' Compensation Settlement Date: 8/7/12

Workers' Compensation injury/diagnosis: Bimalleolar ankle fracture, open, 824.5

I have a Workers' Compensation Medicare Set-Aside (WCMSA) account that will pay primary for medications related to the above WC injury only. Please bill me directly for these treatments. I will reimburse you through the WCMSA account. For prescriptions not related to my WC injury, please bill Medicare directly.

Letters for your health care providers: Pharmacy providers

Before using your MSA account to pay for prescriptions for treatment of your injury, give your prescription providers, such as pharmacies, a letter like this sample, from a claimant who is not yet entitled to Medicare, but who has other insurance:

Patient Name: Jane Doe

Workers' Compensation Settlement Date: 8/7/12

Workers' Compensation injury/diagnosis: Bimalleolar ankle fracture, open, 824.5

I have a Workers' Compensation Medicare Set-Aside (WCMSA) account that will pay primary for medications related to the above WC injury only. Please bill me directly for these medications. I will reimburse you through the WCMSA account. For medications that are not covered by Medicare, or that are not related to my WC injury, please bill those separately to my other insurance company, Large Insurance Company, Incorporated.

Letters for your health care providers: Pharmacy providers, for Medicare beneficiaries

Before using your MSA account to pay for prescriptions for treatment of your injury, give your prescription providers, such as pharmacies, a letter like this sample, from a claimant who is a Medicare beneficiary:

Patient Name: Jane Doe

Medicare ID: 12A3AA4AA56

Workers' Compensation Settlement Date: 8/7/12

Workers' Compensation injury/diagnosis: Bimalleolar ankle fracture, open, 824.5

I have a Workers' Compensation Medicare Set-Aside (WCMSA) account that will pay primary for medications related to the above WC injury only. Please bill me directly for these treatments. I will reimburse you through the WCMSA account. For prescriptions not related to my WC injury, please bill Medicare directly.

Lump-sum annual attestation and expenditure letter

Blank copies of this letter should be included in your MSA package. Use this letter for your annual attestation if you have a lump-sum MSA. Annually you will check or circle #1 and fill in the appropriate blanks. You and a witness need to sign and date the document and send it within 30 days of your settlement anniversary date.

In this sample, the claimant has filled in the date and total MSA funding amount near the top of the document, circled #1, noted the dates of the annual accounting period and the amounts spent for medical expenses, prescription expenses, the grand total of expenditures, total interest income earned (if applicable), the balance of the account at the attestation period, and signed and dated the document with a witness.

Unless you are using the WCMSA Portal or Medicare.gov to submit your attestations electronically, mail all yearly account attestations and expenditure letters to:

NGHP

P.O. Box 138832

Oklahoma City, OK 73113

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

If you are **not** submitting your attestation on the WCMSAP, this attestation should be completed annually and mailed to the BCRC at "NGHP, PO Box 138832, Oklahoma City, OK 73113," or electronically on the WCMSA Portal starting one year from the date the account is established.

Note: Please make several copies of this document, because you must send it to the Benefits Coordination & Recovery Center (BCRC) each year until all of your WCMSA funds have been appropriately exhausted (properly spent).

Jane Doe
123456789A

Date: 8/14/2024

Total WCMSA amount in CMS' approval letter: \$50,000

Individuals who have a CMS-approved WCMSA amount may only use the funds in the WCMSA account to pay for Medicare-covered and otherwise reimbursable items and services that are related to the workers' compensation claim.

(Please circle one.)

- ☒ 1. I, the undersigned, attest that I have a **lump sum** WCMSA account and have used the monies from the WCMSA account for the period of 6/1/2023 to 5/1/2024 to pay for the following:

Medical services: \$15,000

Prescription drug expenses: \$10,000

2. I, the undersigned, attest that I have a **lump sum** WCMSA account and have **COMPLETELY EXHAUSTED** the monies in the WCMSA account for the period of 6/1/2023 to 5/1/2024 to pay for the following:

Medical services: \$ _____

Prescription drug expenses: \$ _____

I acknowledge and understand that failure to appropriately exhaust my WCMSA amount on Medicare-covered and otherwise reimbursable items and services, including prescription drugs, related to my workers' compensation claim will result in Medicare denying payment for related medical items and services up to the approved WCMSA amount or the total workers' compensation settlement, judgment, award, or other payment amount, whichever is less.

Jane Doe

Signature

8/14/2024

Date

John Doe

Witness

8/14/2024

Date

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 BCRC except on request.

Lump-sum annual attestation and expenditure letter: Exhausted lump-sum amount

Blank copies of this letter should be included in your MSA package. Follow these instructions for your annual attestation if you have completely used up (exhausted) your lump-sum MSA. You will check or circle #2 and fill in the amounts. You and a witness need to sign and date the document and send it within 60 days of your account being used up.

In this sample, the claimant has filled in the date and total MSA funding amount near the top of the document, circled #2, noted the dates of the annual accounting period and the amounts spent for both medical expenses and prescription expenses, and signed and dated the document with a witness.

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

If you are **not** submitting your attestation on the WCMSAP, this attestation should be completed annually and mailed to the BCRC at "NGHP, PO Box 138832, Oklahoma City, OK 73113," or electronically on the WCMSA Portal starting one year from the date the account is established.

Note: Please make several copies of this document, because you must send it to the Benefits Coordination & Recovery Center (BCRC) each year until all of your WCMSA funds have been appropriately exhausted (properly spent).

Jane Doe
123456789A

Date: 8/14/2024

Total WCMSA amount in CMS' approval letter: \$50,000

Individuals who have a CMS-approved WCMSA amount may only use the funds in the WCMSA account to pay for Medicare-covered and otherwise reimbursable items and services that are related to the workers' compensation claim.

(Please circle one.)

1. I, the undersigned, attest that I have a **lump sum** WCMSA account 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 account and have **COMPLETELY EXHAUSTED** the monies in the WCMSA account for the period of 6/1/2023 to 5/1/2024 to pay for the following:

Medical services: \$1,437.73

Prescription drug expenses: \$948.88

I acknowledge and understand that failure to appropriately exhaust my WCMSA amount on Medicare-covered and otherwise reimbursable items and services, including prescription drugs, related to my workers' compensation claim will result in Medicare denying payment for related medical items and services up to the approved WCMSA amount or the total workers' compensation settlement, judgment, award, or other payment amount, whichever is less.

Jane Doe

Signature

8/14/2024

Date

John Doe

Witness

8/14/2024

Date

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 BCRC except on request.

Structured account attestation and expenditure letter: Annual attestation

Blank copies of this letter should be included in your MSA package. Use this letter for your annual attestation if you have a structured MSA. You will check or circle #1 and fill in the appropriate blanks. You and a witness need to sign and date the document and send it within 30 days of your settlement anniversary date.

In this sample, the claimant has filled in the date and total MSA funding amount near the top of the document, circled #1, noted the dates of the annual accounting period and the amounts spent for medical and prescription drug expenses, grand total of expenditures, whether and how much total interest the account earned, and the balance of the account at the end of the attestation period, and signed and dated the document with a witness.

**Workers' Compensation Medicare Set-Aside Arrangement (WCMSA) Attestation of
Expenditure for Structured Annuity**

This attestation should be completed annually or when your annual funds have been temporarily exhausted for the year and when your WCMSA has been permanently exhausted, whichever comes first, and submitted using the WCMSA Portal or mailed to the BCRC at "NGHP, PO BOX 138832, Oklahoma City, OK 73113," or electronically online by accessing the WCMSA Portal through the Medicare.gov website starting one year from the date the account is established.

Note: Please make several copies of this attestation if submitting by mail, because you must send it to the BCRC each year until all of your WCMSA funds have been appropriately exhausted (properly spent).

Claimant's Name: Jane Doe
Medicare ID/SSN: 123456789

Date: 5/1/2024
Total WCMSA amount noted in CMS' approval letter: \$50,000

Individuals who have a CMS-approved WCMSA account as part of a workers' compensation settlement agreement may only use the funds in the WCMSA account to pay for Medicare-covered and otherwise reimbursable items and services that are related to the workers' compensation claim.

Please select the applicable attestation statement below

- 1.** I, the undersigned, attest that I have a **structured annuity** WCMSA and have used the monies from the WCMSA account for the period of 6/1/2023 to 5/1/2024 to pay for the following:

Medical expenses: \$15,000
Prescription drug expenses: \$10,000
Grand total of expenditures: \$25,000
Total of interest income the account earned, if any: \$0
Balance of WCMSA account at the end of the Attestation period: \$5,000

- 2.** I, the undersigned, attest that I have a **structured annuity** WCMSA and have EXHAUSTED the annual money (and any applicable carry-over from previous years) in the WCMSA account for the period of _____ to _____ to pay for the following:

Medical expenses: \$ _____
Prescription drug expenses: \$ _____
Grand total of expenditures: \$ _____
Total of interest income the account earned, if any: \$ _____
Balance of WCMSA account at the end of the Attestation period: \$ _____

- 3.** I, the undersigned, attest that I have a **structured annuity** WCMSA and have **COMPLETELY EXHAUSTED** all monies in the WCMSA account to pay for the following:

Medical expenses: \$ _____
Prescription drug expenses: \$ _____

I acknowledge and understand that failure to appropriately exhaust my WCMSA amount on Medicare-covered and otherwise reimbursable items and services, including prescription drugs, related to my workers' compensation claim will result in Medicare denying payment for related medical items and services up to the approved WCMSA amount or the total workers' compensation settlement, judgment, award, or other payment amount, whichever is less.

Jane Doe 8/14/2024
Signature Date

John Doe 8/14/2024
Witness Date

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 BCRC except on request.

Structured account attestation and expenditure letter: Temporary exhaustion

Blank copies of this letter should be included in your MSA package. Follow the instructions for this annual attestation if you have used up (exhausted) the funds in your structured MSA, but another annual deposit is scheduled. You will check or circle #2 and fill in the appropriate blanks. You and a witness need to sign and date the document and send it within 60 days of your account being temporarily used up.

In this sample, the claimant has filled in the date and total MSA funding amount near the top of the document, circled #2, noted the relevant dates (the first date will be the start date of the annual accounting period) and the amounts spent for medical expenses, prescription drug expenses, the grand total of expenditures, whether and how much total interest the account earned, and the balance of the account at the end of the attestation period, and signed and dated the document with a witness.

**Workers' Compensation Medicare Set-Aside Arrangement (WCMSA) Attestation of
Expenditure for Structured Annuity**

This attestation should be completed annually or when your annual funds have been temporarily exhausted for the year and when your WCMSA has been permanently exhausted, whichever comes first, and submitted using the WCMSA Portal or mailed to the BCRC at "NGHP, PO BOX 138832, Oklahoma City, OK 73113," or electronically online by accessing the WCMSA Portal through the Medicare.gov website starting one year from the date the account is established.

Note: Please make several copies of this attestation if submitting by mail, because you must send it to the BCRC each year until all of your WCMSA funds have been appropriately exhausted (properly spent).

Claimant's Name: Jane Doe
Medicare ID/SSN: 123456789

Date: 8/14/2024
Total WCMSA amount in CMS' approval letter: \$50,000

Individuals who have a CMS-approved WCMSA account as part of a workers' compensation settlement agreement may only use the funds in the WCMSA account to pay for Medicare-covered and otherwise reimbursable items and services that are related to the workers' compensation claim.

Please select the applicable attestation statement below

1. I, the undersigned, attest that I have a **structured annuity** WCMSA and have used the monies from the WCMSA account for the period of _____ to _____ to pay for the following:

Medical expenses: \$ _____
Prescription drug expenses: \$ _____
Grand total of expenditures: \$ _____
Total of interest income the account earned, if any: \$ _____
Balance of WCMSA account at the end of the Attestation period: \$ _____

2. I, the undersigned, attest that I have a **structured annuity** WCMSA and have **EXHAUSTED** the annual money (and any applicable carry-over from previous years) in the WCMSA account for the period of 6/12/2023 to 5/1/2024 to pay for the following:

Medical expenses: \$15,000
Prescription drug expenses: \$10,000
Grand total of expenditures: \$25,000
Total of interest income the account earned, if any: \$0
Balance of WCMSA account at the end of the Attestation period: \$25,000

3. I, the undersigned, attest that I have a **structured annuity** WCMSA and have **COMPLETELY EXHAUSTED** all monies in the WCMSA account to pay for the following:

Medical expenses: \$ _____
Prescription drug expenses: \$ _____

I acknowledge and understand that failure to appropriately exhaust my WCMSA amount on Medicare-covered and otherwise reimbursable items and services, including prescription drugs, related to my workers' compensation claim will result in Medicare denying payment for related medical items and services up to the approved WCMSA amount or the total workers' compensation settlement, judgment, award, or other payment amount, whichever is less.

Jane Doe 8/14/2024
Signature Date

John Doe 8/14/2024
Witness Date

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 BCRC except on request.

Structured account attestation and expenditure letter: Permanent exhaustion

Blank copies of this letter should be included in your MSA package. Follow the instructions for your annual attestation and expenditure to report that your structured account has been permanently exhausted. You will use this attestation when your account is empty and the last deposit from the settlement has been received, so you are not expecting further deposits.

In the sample below, the claimant has filled in date and total MSA funding amount near the top of the document, circled #3, listed the amounts spent for both medical expenses and prescription expenses, and signed and dated the document with a witness.

Workers' Compensation Medicare Set-Aside Arrangement (WCMSA) Attestation of Expenditure for Structured Annuity

This attestation should be completed annually or when your annual funds have been temporarily exhausted for the year and when your WCMSA has been permanently exhausted, whichever comes first, and submitted using the WCMSA Portal or mailed to the BCRC at "NGHP, PO BOX 138832, Oklahoma City, OK 73113," or electronically online by accessing the WCMSA Portal through the Medicare.gov website starting one year from the date the account is established.

Note: Please make several copies of this attestation if submitting by mail, because you must send it to the BCRC each year until all of your WCMSA funds have been appropriately exhausted (properly spent).

Claimant's Name: Jane Doe
Medicare ID/SSN: 123456789

Date: 5/1/2024

Total WCMSA amount noted in CMS' approval letter: \$50,000

Individuals who have a CMS-approved WCMSA account as part of a workers' compensation settlement agreement may only use the funds in the WCMSA account to pay for Medicare-covered and otherwise reimbursable items and services that are related to the workers' compensation claim.

Please select the applicable attestation statement below

1. I, the undersigned, attest that I have a **structured annuity** WCMSA and have used the monies from the WCMSA account for the period of _____ to _____ to pay for the following:

Medical expenses: \$ _____

Prescription drug expenses: \$ _____

Grand total of expenditures: \$ _____

Total of interest income the account earned, if any: \$ _____

Balance of WCMSA account at the end of the Attestation period: \$ _____

2. I, the undersigned, attest that I have a **structured annuity** WCMSA and have EXHAUSTED the annual money (and any applicable carry-over from previous years) in the WCMSA account for the period of _____ to _____ to pay for the following:

Medical expenses: \$ _____

Prescription drug expenses: \$ _____

Grand total of expenditures: \$ _____

Total of interest income the account earned, if any: \$ _____

Balance of WCMSA account at the end of the Attestation period: \$ _____

3. I, the undersigned, attest that I have a **structured annuity** WCMSA and have **COMPLETELY EXHAUSTED** all monies in the WCMSA account to pay for the following:

Medical expenses: \$4,592.93

Prescription drug expenses: \$5,624.73

I acknowledge and understand that failure to appropriately exhaust my WCMSA amount on Medicare-covered and otherwise reimbursable items and services, including prescription drugs, related to my workers' compensation claim will result in Medicare denying payment for related medical items and services up to the approved WCMSA amount or the total workers' compensation settlement, judgment, award, or other payment amount, whichever is less.

Jane Doe

Signature

8/14/2024

Date

John Doe

Witness

8/14/2024

Date

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 BCRC except on request.

Transaction Record Sample

Keep a record of every transaction in your MSA account, and its balance after each transaction. You can use a document like this to do so. In this document, list your name, settlement date, diagnosis (with codes if you know them), and date of injury. Then keep track of all deposits to and withdrawals from your account, and the resulting balance. A new transaction record should be started for each year.

With each transaction, record details in as many columns as apply to that transaction. For example, in the sample below, the lines for initial deposit and interest (8/14/12 and 11/14/12) only show the date, description, amount, and balance. There is no check number, provider name, date of service, or paid amount, because those do not apply to the initial deposit or account interest payment. The lines relating to medical services, for example 8/30/12, have all fields included except “Deposit.” The two lines for 4/15/13 represent income tax payments, and thus have check numbers, payable to, description, and paid amount, but not date of service or billed amount, since no service was involved.

Transaction Record WCMSA Account

Claimant Name: Jane Doe

Diagnosis: Bimalleolar ankle fracture, open, 824.5

Settlement Date: 8/7/12

Date of Injury: 1/14/12

Date	Check #	Payable to/ Provider Name	Date of Service	Description	Paid Amount	Deposit	Balance
8/14/12				Initial deposit		\$50,000	\$50,000
8/30/12	1001	Dr. K. Smith	8/30/12	Office visit; x-rays	\$150		\$49,850
9/5/12	1002	PT Associates/Jo Marsh	9/5/12	Physical therapy	\$100		\$49,750
9/19/12	1003	PT Associates/Jo Marsh	9/19/12	Physical therapy	\$100		\$49,650
9/24/12	1004	General Hospital	9/24/12	Pre-surgical tests	\$250		\$49,400
10/2/12	1005	General Hospital	9/26/12	Surgery	\$19,350		\$30,050
10/2/12	1006	Dr. Lisa Murphy	9/26/12	Anesthesia	\$10,000		\$20,050
10/3/12	1007	Dr. K. Smith	10/3/12	Office visit, post-surgical	\$150		\$19,900
10/5/12	1008	PT Associates/Jo Marsh	10/5/12	Physical therapy	\$100		\$19,800
10/19/12	1009	PT Associates/Jo Marsh	10/19/12	Physical therapy	\$100		\$19,700
11/14/12				Interest		\$262.50	\$19,962.50
4/15/13	1010	Cash		Taxes on interest income—Federal	\$26.25		\$19,936.25
4/15/13	1011	Cash		Taxes on interest income—State	\$12.21		\$19,924.04

Section 13: Glossary

Term	Definition
Accounting	A record of deposits to and withdrawals from your workers' compensation MSA account, sent every year to the BCRC with your attestation.
Accounting period	Each yearly accounting period begins on the date of your settlement.
Attestation	A signed letter stating that you have used the funds in your account correctly (you "attest to" their proper use), and noting how much money is in the account. You will send an attestation each year along with an accounting.
Average wholesale price (AWP)	AWP is used to price prescription drugs. Red Book is the source for these prices: https://www.merative.com/documents/brief/micromedex-redbook-brochure
Benefits Coordination & Recovery Center (BCRC)	The BCRC is responsible for coordination of benefits (COB) activities for both Group Health Plans and Non-Group Health Plans (that is, liability insurance, including self-insurance, no-fault insurance, and workers' compensation laws or plans) and Recovery activities for Non-Group Health Plans. Recovery activities are those in which Medicare recovers payments it has made when another insurer should have paid first.
Centers for Medicare & Medicaid Services (CMS)	CMS is the government agency responsible for administering Medicare and Medicaid.
Claimant	A person who submits a workers' compensation claim. A claim is a request for payment for services and benefits you received.
Depleted	An account that is depleted has no money in it; it is used up.
Exhausted	An account that is exhausted has no money in it; it is used up.
Fee schedule	Payment rates for medical items and services negotiated between workers' compensation in a given state and provider groups in that state.
Full actual charges	The actual cost of a medical item or service.
Lump-sum settlement	A settlement in which the agreed-on funds are paid out all at once in one amount.

Term	Definition
Medicare	The federal health insurance program for: people 65 years of age or older, certain younger people with disabilities, and people with End-Stage Renal Disease (permanent kidney failure with dialysis or a transplant, sometimes called ESRD).
Regional Office (RO)	The Medicare RO processes final settlement documentation.
Structured settlement	A settlement in which the agreed-on funds are paid out over time beginning with an initial deposit and continuing with similar deposits on a regular basis for a given amount of time until the full agreed-on amount is paid.
Workers' Compensation (WC)	Workers' compensation is a state government program set up to provide wage replacement and medical benefits to workers injured on the job.
Workers' Compensation Medicare Set-Aside Arrangement (WCMSA)	A WCMSA is set up to ensure that all future medical and drug or pharmacy expenses for a work-related injury that would otherwise be payable by Medicare are covered by a workers' compensation settlement.
WCMSA Portal (WCMSAP)	An administration hub for submitting WCMSA proposed amounts and administering established WCMSA accounts. Log in to this directly or through Medicare.gov.