

# THE PAID ACT: A FIX FOR THE BROKEN MEDICARE ADVANTAGE SECONDARY PAYER PROCESS



Medicare Advocacy Recovery Coalition



▶ Dolores, a Medicare beneficiary with a Medicare Advantage (MA) plan, is injured in a car accident where another party is at fault.

She receives treatment for her injuries. Her MA plan pays the bill.



▶ Dolores reaches a settlement with the liable party, which covers her healthcare expenses plus damages.

Under the Medicare Secondary Payer Act, the settling party is responsible for reimbursing CMS for Dolores' treatment expenses.

▶ But CMS doesn't disclose the name of the MA plan Dolores is enrolled in. Because of this...



▶ The settling party doesn't know who to pay, and can't close the claim on their books.



▶ Dolores' settlement is delayed due to uncertainty about the Medicare Advantage issues.



▶ MA and Part D Plans lose, because until there is a settlement, they have no ability to recover the medical costs they have paid.

## The PAID Act

The Provide Accurate Information Directly Act (S. 1989/H.R. 1375) would require CMS to provide information about whether a beneficiary is enrolled in a Medicare Advantage or Part D plan - along with the name and identity of the plan - to a settling party through the section 111 query process. This will allow the settling party to reach out to the appropriate plan and finally settle. It's a "win-win-win" scenario for beneficiaries, settling parties, and the American taxpayer.