



MARC Coalition Supports Introduction of the Secondary Payer Advancement, Rationalization, and Clarification Act (SPARC Act) – H.R. 6120

Proposed legislation produces wins for Medicare beneficiaries, the Medicare Trust Fund, and businesses resolving claims.

Coalition applauds Representatives Tim Murphy (R-PA) and Ron Kind (D-WI) for their bipartisan leadership.

WASHINGTON, October 11, 2016/PRNewswire-USNewswire/ -- The Medicare Advocacy Recovery Coalition (MARC) today announced its support for the Secondary Payer Advancement, Rationalization, and Clarification Act (SPARC Act – H.R. 6120), introduced into the U.S. House of Representatives on September 22, 2016. Congressmen Tim Murphy (R-PA) and Ron Kind (D-WI) are leading a bipartisan effort to improve the Medicare Secondary Payer (MSP) Program in the Medicare Prescription Drug benefit. The SPARC Act will significantly improve the efficiency of the current Medicare Secondary Payer (MSP) system and speed repayment of amounts owed from Medicare beneficiary claims directly to the Medicare Part D Prescription Drug Plans (PDPs).

"The SPARC Act will create a clear and functional MSP system for Part D drugs, benefitting Medicare beneficiaries and Part D Drug Plans alike" said Greg McKenna, Chair of the MARC Coalition and Vice President and Counsel for Governmental Affairs at Gallagher Bassett. "Today, Medicare beneficiaries and third parties are unable to settle claims, because they cannot find out how much money has to be repaid to Part D Plans. Ironically, these same Plans cannot be timely reimbursed for medications dispensed to beneficiaries, wasting taxpayer, business, and judicial resources alike. Ultimately, these uncertainties hurt the Medicare Trust Fund," says McKenna.

"MARC applauds Congressmen Murphy and Kind for introducing the SPARC Act," said Margie O'Connor-Fitzpatrick, Vice-Chair of MARC and Senior Technical Administrator of MetLife Auto and Home. "Both Representative Murphy and Representative Kind have been true leaders in protecting Medicare beneficiaries and in leading the effort to improve the MSP program in a way that benefits all stakeholders. Following their leadership in 2012 when they sponsored the SMART Act and guided it through to enactment, we are delighted that these two Members of Congress are leading the effort again. We strongly encourage other lawmakers to follow their lead and to co-sponsor the SPARC Act," said Ms. O'Connor-Fitzpatrick.

The SPARC Act -- H.R. 6120 -- creates a more efficient and effective system for all involved by:

- Permitting Part D Drug Plans to secure a clear recovery right from settling parties to recover past payments for prescription drugs covered by a later settlement, saving PDPs and the government significant funds by allowing greater recoveries faster;
- Increasing fairness to beneficiaries by reducing recoveries for procurement costs, consistent with other federal laws, and aligning incentives so that Plans only pursue those claims where a recovery will exceed the cost of collection;
- Restoring sense to the program by allowing plans to waive secondary payer provisions if costs of recovery exceed the amount to be recovered;
- Requires Centers for Medicare and Medicaid Service (CMS) within 15 days of receipt to pass settlement information to Plans to timely coordinate benefits, and requires drug plans to instruct pharmacies to bill entities that have accepted an ongoing responsibility to pay for medical benefits, thus avoiding plans paying for drugs when others are responsible; and
- Leveraging the SMART Act expedited repayment procedures, involves Plans in the expedited repayment process, bringing finality to all involved in settling claims with beneficiaries.

"Enactment of the SPARC Act will produce a triple win. Medicare beneficiaries will be able to settle claims; companies will be able to resolve disputes faster and more efficiently; and the Part D Drug Plans and the Medicare Trust Fund will be repaid quicker and more efficiently," said McKenna.

About MARC:

The Medicare Advocacy Recovery Coalition (MARC) advocates for the improvement of the Medicare Secondary Payer (MSP) program for beneficiaries and affected companies. The Coalition collaborates and develops strategic alliances with Congressional leaders and government agencies to focus on implementation of MSP reporting and on the broader issue of MSP reform. MARC's membership represents virtually every sector of the MSP regulated community including attorneys, brokers, insureds, insurers, insurance and trade associations, self-insureds and third-party administrators. For more information on MARC, please visit www.marccoalition.com.

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