

NAMIC Urges Passage of Medicare Secondary Payer Reform

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WASHINGTON (March 22, 2011) Congress can help consumers and Medicare beneficiaries by passing legislation reforming the Medicare Secondary Payer (MSP) system, according to the National Association of Mutual Insurance Companies (NAMIC).

Introduced by Rep. Tim Murphy, R-Penn., and sponsored by Rep. Ron Kind, D-Wis., H.R. 1063, the Strengthening Medicare and Repaying Taxpayers Act ("SMART Act"), would significantly improve the efficiency of the current MSP system and speed repayment of amounts owed to the Medicare Trust Fund.

"The SMART Act will significantly improve the Medicare Secondary Payer System for insurers, consumers and Medicare beneficiaries," said Jimi Grande, senior vice president of federal and political affairs for NAMIC. "By streamlining the MSP system, this legislation will help insurers settle claims and disputes faster, ensuring that claimants and the Medicare Trust Fund are paid as quickly and efficiently as possible,"

Specifically, the SMART Act will allow insurers to obtain from the federal government the amount of Medicare repayments owed before settlement, rather than after, which will foster swifter settlement of claims. In addition, the bill would correct the reporting process and eliminate the need for companies to collect beneficiary Social Security numbers in order to report payments. Further, the bill would include other important benefits, such as ensuring the federal government does not spend more on collecting small claims than it would recover.

"The SMART Act is an easy way for Congress to remove some red tape burdening businesses and consumers, while at the same time protecting the Medicare Trust Fund," Grande said. "We commend Reps. Murphy and Kind for their work to address this, and urge Congress to pass the bill swiftly."

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