

MEDICARE SET ASIDE ACKNOWLEDGEMENT

TERMS & CONDITIONS

CLAIMANT [hereinafter, "Claimant"] who is a Medicare Beneficiary, **MEDICARE NUMBER**, sustained an **alleged/compensable** injury while employed for **EMPLOYER** [hereinafter, "Employer"] on **DATE OF INJURY**. As a result, **he/she** filed an Ohio workers' compensation claim. Claimant, by counsel, has negotiated a Lump Sum Settlement Agreement ["Settlement"] of the claim, including anticipated reasonable future medical expenses related to the injury in cases styled **BWC NUMBER**. The relevant ICD-9 Codes are: **ICD-9 Codes**. Since claimant was a Medicare recipient at the time of settlement, Medicare's interests were considered as follows:

The Coordination of Benefits was contacted to determine, if any, the Medicare Secondary Payer ["MSP"] amount. GHI Medicare was contacted and a working file established. The Lead Contractor is AdminaStar Federal. AdminaStar Federal found that the claimant has

It is determined that a portion of the settlement amount represents payment for future medical treatment. It has been determined that the future medical allocation is **\$MSP ALLOCATION**. Claimant expects to need medical treatment related to the injury **he/she** suffered. It is reasonable to expect that the claimant would be entitled to receive **NUMBER OF YEARS** years of medical coverage pursuant to Ohio Rev. Code 4123 et al. The future treatment related to the allowed conditions in the workers' compensation claim is as follows:

DESCRIPTION OF FUTURE TREATMENT

Pursuant to the above considerations and in compliance with the law and regulations, claimant dedicates **\$MSP ALLOCATION** from the Settlement to fund a Medicare Set Aside account. The claimant acknowledges that **he/she** cannot submit any bills for medical services related to **his/her** physical injuries caused by the **DATE OF INJURY** industrial injury to Medicare until the Medicare allocation is depleted. Once the Medicare allotment is properly depleted pursuant to these terms and conditions, Medicare will pay for any Medicare covered treatment received as a result of the physical injuries sustained while employed by Employer. Failure to comply may result in a default determination by the Center for Medicare and Medicaid Studies [hereinafter, "CMS"] with a resultant denial of Medicare coverage for all medical treatment due to Claimant's work related injuries.

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TERMS AND CONDITIONS:

1. INITIAL FUNDING -The claimant shall cause to be deposited from the proceeds of the Settlement the sum of **\$MSP ALLOCATION** [hereinafter, “the Funds”] into an account [hereinafter, the “Account”] separate from any personal savings or checking account of claimant.

2. INTEREST INCOME - the Funds shall be deposited in an interest bearing account insured by the FDIC with a copy of all documents establishing such account to be retained for submission to CMS when the account is depleted. All interest earned on the Funds shall accrue to the account and be used solely for distribution purposes

3. DISTRIBUTION OF FUNDS - The Funds shall be used for the legitimate medical expenses incurred for those medical needs related to, or resulting from, the work related physical injuries which would otherwise be reimbursable or paid for by Medicare. In the event claimant has a new injury to the allowed physical conditions that is not connected to the workers’ compensation injuries, the claimant can submit the bills directly to Medicare and disburse the remainder of the **\$MSP ALLOCATION** to **him/her**. The treatments for ICD-9 Codes that are not listed above are not subject to the terms of this Allocation.

No Funds shall be used to pay for medical services not covered by Medicare. If a question of coverage by Medicare should arise, claimant must consult the booklet “Medicare & You”, www.medicare.gov or call 1-800-Medicare for resolution of the issue. No disbursement shall be made until such time as claimant becomes eligible for Medicare. In addition, claimant may expend from the income earned on such funds, the reasonable cost, expense and taxes incurred in connection with the account and accounting

4. REIMBURSEMENT TO MEDICARE - In the event CMS determines that Medicare has erroneously or conditionally paid benefits prior to final distribution of the Funds, CMS or its designated agent, shall have the right to seek and receive reimbursement of any such payments to the extent of the Funds balance.

5. MISAPPROPRIATED FUNDS - In the event CMS determines that funds in the account were used to pay for items other than legitimate medical expenses for medical needs related to, or resulting from, the work related injury which would otherwise be covered by Medicare, CMS shall have the right to withhold Medicare coverage in an amount equal to the misappropriated funds even after a final distribution and accounting but no longer than 5 years from the date of final accounting.

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6. ACCOUNTING RECORDS - Claimant shall maintain accurate records of the distributions and expenditures from the account indicating at a minimum: (a) date of service (b) diagnosis (c) service received (d) payee or provider of service (e) date of payment (f) amount. Such records shall also include a receipt or other evidence of each and every payment made from the Funds in the account.

7. ACCOUNTINGS - Claimant shall submit an annual accounting to CMS and its designated agent for each calendar year no later than 60 days following the end of each calendar year and a final accounting within 60 days of the depletion of the account. Such accountings shall contain copies of receipts for disbursements as well as a verified statement of disbursements including information required by Paragraph 6.

8. NOTICES & ACCOUNTINGS - All notices and accountings shall be sent by certified mail to CMS and its designated agent at the following mailing addresses:

Center for Medicare and Medicaid Services ("CMS"):

Branch Manager
Budgets and Collection Branch
Division of Financial Management
233 North Michigan Ave.
Suite 600
Chicago, IL 60601

Designated Agent:

Medicare Secondary Review
ATTN: WC Department
PO Box 182933
Columbus, Ohio 43218-2933

9. DISCHARGE - Although an account to satisfy an existing or potential debt to the Federal Government, these funds are not exempt from levy, attachment or garnishment under 42 USC Section 406. Therefore, if these funds are depleted by any lawful action of enforcement by a state or federal court for collection of money or debt due and owing, claimant is hereby discharged from these terms and conditions provided a certified copy of the court order and cancelled check in satisfaction, in whole or in part, is furnished CMS and its designated agent, as if an accounting.

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10. DEATH - In the event claimant dies before the depletion of the account, the Executor or next of kin shall maintain the account for an additional 180 days to allow Medicare to obtain any final reimbursement and close the file After the 180 days have elapsed, any funds remaining shall be paid to _____, or absent a designated survivor, claimant's estate under the Laws of the State of Ohio.

To the Claimant:

I have read, understood and agree to the above terms and conditions in order to protect my ability to obtain Medicare coverage for non work related injury medical expenses and future Medicare coverage for work related injury medical expenses once the account is depleted. I understand that failure by me to abide by the above terms and conditions may render me ineligible for Medicare coverage for my work related injury medical expenses.

CLAIMANT

PRINTED NAME

Address

City State ZIP