

MARKET BULLETIN

REF: Y4423

Title	U.S. Medicare reporting and registration requirements
Purpose	To advise Lloyd's managing agents that they should now register their managed syndicates in accordance with Section 111 of the Medicare, Medicaid and SCHIP Extension Act of 2007 (MMSEA) and how this process will be completed working with the Lloyd's markets' retained specialist Medicare vendor.
Type	Event
From	Rosemary Beaver, Head of International Regulatory Affairs
Date	6 October 2010
Deadline	Ongoing responsibility
Related links	Lloyd's market bulletin Y4277, 12 May 2009 Lloyd's market bulletin Y4279, 13 May 2009 Lloyd's market bulletin Y4306, 10 August 2009 Lloyd's market bulletin Y4328, 6 November 2009 CMS User Guide, version 3.1 (Liability Insurance (Including Self-Insurance), No-Fault Insurance, and Workers' Compensation) Lloyd's market bulletin Y4375, 5 March 2010 Lloyd's market bulletin Y4410, 8 July 2010 Lloyd's market bulletin Y4419, 1 September 2010

Purpose

This market bulletin sets out the process by which Lloyd's managing agents will be asked to register their managed syndicates in accordance with Section 111 of the Medicare, Medicaid and SCHIP Extension Act of 2007 (MMSEA), working with Lloyd's and the Lloyd's market's specialist Medicare vendor ("Lloyd's vendor").

The market bulletin also outlines the framework for the implementation and testing of the reporting process which should enable the Lloyd's market to achieve compliance with MMSEA requirements. Last month¹, managing agents were asked to sign and return the contract with the Lloyd's vendor. Managing agents will now be contacted directly with detailed instructions as to how to complete the registration process and begin the

¹ Lloyd's market bulletin Y4419, dated 1 September, 2010,

implementation and testing phase. The timeline and key milestones for the implementation and testing phase will also be provided.

Background

Section 111 of the Medicare, Medicaid and SCHIP Extension Act of 2007 (MMSEA) concerns mandatory reporting requirements which will affect many syndicates writing U.S. risks. It requires all property & casualty insurers (including surplus lines insurers) that pay a liability claim that includes medical expenses, or that releases the insurer from liability for medical expenses to any Medicare beneficiary (or their representative), to report the claim to CMS (Centers for Medicaid and Medicare Services)

Registration of Lloyd's Registered Reporting Entities (RRE's)

In accordance with the registration and reporting structure which applies to the Lloyd's market for MMSEA reporting purposes², registration will permit:

(1) A managing agent, in respect of each of its managed syndicates, to act in the role of the Responsible Reporting Entity (RRE) for Medicare reporting purposes. The managing agent will be the registering and reporting agent on behalf of syndicates,

(2) In respect of subscription business, the managing agent of the lead syndicate to act as reporting agent for the lead syndicate and the following subscribing syndicates. The lead managing agent, in its role as RRE and reporting agent on behalf of the following syndicates, will not assume responsibility for the following syndicates' liabilities under the MMSEA legislation.

The registration process for Lloyd's managing agents will take place during October, and needs to be completed by the end of October, in order to stay on track with the MMSEA reporting timetable.

Lloyd's will provide detailed instructions for completing this process for those managing agents who have signed and returned their contract with the Lloyd's vendor. Managing agents will be able to create their required RRE IDs for each of their managed syndicates, assign the role of "Account Manager" to the Lloyd's vendor (see "Role of Lloyd's vendor" below) and provide confirmation to Lloyd's of the RRE IDs created.

Role of Lloyd's vendor

The Lloyd's vendor will act as the Lloyd's market's "Reporting Agent" under the terms of the contract signed and returned to Lloyd's by managing agents. When managing agents are creating their required RRE IDs, they will be able to designate the Lloyd's vendor as their "Account Manager" for MMSEA reporting purposes. This will then enable the Lloyd's vendor to carry out reporting functions on behalf of managing agents in accordance with the terms of the vendor contract.

² Lloyd's market bulletin Y4410, dated 8 July, 2010

Lloyd's is also collating a single list of TPAs (including coverholders) used by the market for claims management to enable the Lloyd's vendor to work from a validated single listing of TPAs when implementing the reporting solution. When Lloyd's RRE IDs have been completed and the TPA list provided, the Lloyd's vendor will then finalise the RRE IDs on the CMS system and begin the implementation and testing phase.

Implementation and Testing Framework

Following the creation of RRE IDs, managing agents and their TPAs will commence the process of implementing and testing the reporting solution. The Lloyd's vendor will lead the project management and implementation of the reporting solution, working with managing agents and their contractual partners. Lloyd's is developing the terms of reference for a sub-group of the Lloyd's Medicare Claims Working Group, to provide oversight and coordination of this work.

The Lloyd's Medicare Claims Working Group will also issue guidance detailing how the reporting process impacts existing claims processes within the Lloyd's market. Lloyd's will provide progress reports on the implementation process via future market bulletins.

Reminder of the need to continue collecting data for reporting purposes

In Market Bulletin Y4328 (dated 6 November 2009), managing agents and brokers were reminded that they should be taking action to ensure the gathering of data on claims that are potentially impacted by the Medicare Secondary Payer legislation. Claims data for "Ongoing Reporting of Medicals" (ORM) claims should be collected for claims payments made after 1 January 2010; and claims data for "Total Payment Obligation Claimant" (TPOC) claims should be collected for claims payments made after 1 October 2010.

This ongoing activity remains critical to RRE IDs' ability to provide this data to the Lloyd's vendor for future reporting. To assist collection, a template provided by the Lloyd's vendor which can be used to store the required data is available on the Medicare section of lloyds.com (see link below). This data can then be uploaded by the Lloyd's vendor once the reporting solution is fully implemented.

Further Contacts and Communications

A central point of reference for Medicare communications and guidance is now available on lloyds.com and can be found at: [Link to Medicare section of lloyds.com](#). Managing agents who are unable to access the dedicated area of this section, should contact Lloyd's International Trading Advice (see contact details below)

If you have any queries about this market bulletin, please contact:

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