



## **Model Language for Applicable Plans that Appoint Recovery Agents to Address CMS' Medicare Secondary Payer Recovery Claims**

### **General Information**

Before we are able to provide information to an applicable plan's recovery agent, we must be able to confirm that the recovery agent is authorized to work on behalf of the liability insurer (including self-insured), no-fault insurer, or workers' compensation entity (collectively referred to as "applicable plans"). Authorization is required any time that an applicable plan is represented by an agent that will work with CMS' contractors to address Medicare Secondary Payer recovery claims on behalf of that applicable plan.

### **When to Submit an Authorization, such as a Letter of Authority**

CMS must have authorization on file for each recovery case. Anytime that an applicable plan would like a recovery agent to work on its behalf, CMS must have authorization on file.

- **NOTE:** If an applicable plan designates a recovery agent electronically via Section 111 reporting, further documentation does not need to be submitted unless the recovery agent needs to request contractor actions after a demand is issued. Actions that occur after a demand is issued include requests for appeal and requests for reopening. (See 42 CFR 405.940 and 405.980) Requests for appeal and reopening will be denied if submitted by an entity other than the applicable plan and we do not have appropriate authorization documentation on file.

### **Elements that must be included in Applicable Plan Authorization documentation (See 42 CFR 405.910)**

1. It must be in writing.
  - Signed and dated by both entities
2. It must state that one entity appoints the other entity to act on its behalf.
3. It must include purpose and scope.
  - It must describe the reason for the authorization.
4. It must include name, phone and address of each entity.
  - These elements are often already part of the letterhead.
5. It must reference professional status or relationship between the entities.
  - Ex: Attorney/client, Agency, Third Party Administrator, etc.
6. It must reference the recovery case ID, or otherwise provide information that allows CMS' recovery contractor to associate authorization to a particular beneficiary file.
7. It must include a timeframe for the recovery agent's authority.
8. It must be submitted to CMS' recovery contractor.

Please see the enclosed example, which includes two letters. Together, the two letters include all of the required elements listed above. Use of the language in the example letters is not required, but any authorization documentation submitted must include each of the elements listed above.

R. Jones  
Agent Company  
456 Elm Street  
City, State Zip Code

**Example Cover Letter**

August 1, 2015

Benefit Coordination & Recovery Center  
P.O. Box 13832  
Oklahoma City, OK 73113

Case ID

**Re: Redetermination Request for Case ID: 20150124-07-687459**

Purpose and Scope

Dear Benefit Coordination & Recovery Center:

Brooks Insurance (Brooks) has appointed Agent Company to address Medicare Secondary Payer recovery claims asserted against Brooks. I write to request a redetermination of the Medicare Secondary Payer recovery claim for the case referenced above. Enclosed please find supporting documentation for the appeal and the Letter of Authority from Brooks.

Please contact me at 555-555-5555 with questions or concerns.

Sincerely



R. Jones  
Agent Company

Signature # 1

**BROOKS INSURANCE**

123 MAIN STREET CITY, STATE ZIP CODE 1-800-555-5555

**Example Letter of Authority**

8/1/2015

Agent Company  
456 Elm Street  
City, State Zip Code

**Purpose and Scope:** Note that this purpose and scope statement is general. This same letter can be submitted repeatedly, depending on the timeframe designated.

**Re: Authorization for Agent Company for Medicare Secondary Payer Recovery Cases**

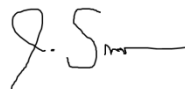
Dear Agent Company:

This letter confirms Brooks Insurance (Brooks) has retained Agent Company to work on its behalf to address any Medicare Secondary Payer recovery claim asserted against Brooks. Agent Company may take any action that Brooks would otherwise be entitled to take. Agent Company has this authority for two years from the date of this letter or until Brooks specifically revokes this authority in writing.

One entity has appointed another entity and designated a timeframe.

Signature # 2

Sincerely,



J. Smith

Director of Operations