

School: ATEC – Mastering Medical Settlements **by Ametros**
Course: Balancing Act: The Pros and Cons of Self-Administration vs. Professional Administration
Faculty: Madison Hammel, Senior Business Development Manager, Ametros

Summary

Madison Hammel's course, "Balancing Act: The Pros and Cons of Self-Administration vs. Professional Administration," provides an in-depth examination of the complexities faced by injured workers who must manage their workers' compensation Medicare set-asides (MSAs) post-settlement. As a Senior Business Development Manager at Ametros, Hammel draws on extensive experience interacting with adjusters, attorneys, and injured workers, emphasizing the need for empathy and understanding in guiding individuals through the decision-making process.

The presentation begins with a thorough introduction to Medicare set-asides (MSAs), explaining their purpose in protecting Medicare's financial interests by ensuring settlement funds are used for injury-related medical treatments. Hammel underscores the legal and financial obligations injured workers must meet if they opt for self-administration of their MSAs, which includes adhering to complex reporting requirements, maintaining proper records, and ensuring medical treatments align with Medicare-approved services.

Hammel presents two contrasting case studies—John, who chooses self-administration, and Sally, who opts for professional administration. Through these stories, Hammel illustrates the common challenges self-administering individuals face, such as confusion around Medicare-approved treatments, the difficulties of managing medical bills, and the potential financial pitfalls that arise from a lack of negotiating power with healthcare providers. John's experience highlights how even well-intentioned individuals often struggle with the administrative and financial burdens of managing their MSAs, resulting in an increased risk of losing Medicare coverage due to non-compliance.

In contrast, Sally's choice to engage a professional administrator showcases the benefits of this approach. Professional administrators not only help ensure compliance with Medicare requirements but also provide crucial support in managing medical billing, negotiating lower healthcare costs, and handling the complex reporting process. Hammel explains how a professional administrator can help injured workers like Sally save money by leveraging group purchasing power and maintaining compliance with Medicare's regulations, ensuring that Medicare will step in once MSA funds are exhausted.

The course emphasizes the importance of offering injured workers both options—self-administration and professional administration—while thoroughly educating them on the potential challenges and benefits of each. Hammel encourages professionals involved in the settlement process to approach these decisions with empathy, recognizing the significant emotional and financial stress injured workers face.

Hammel's presentation ultimately advocates for the advantages of professional administration, especially for those dealing with complex, long-term injuries or medications such as opioids. By relieving injured workers of the administrative burdens and ensuring compliance with Medicare regulations, professional administration offers a more secure and financially prudent option, helping individuals navigate the post-settlement healthcare landscape with greater ease and peace of mind.

Learning Objectives

1. Understand the fundamental differences between self-administration and professional administration of workers' comp Medicare set-asides (MSAs).
2. Identify the potential challenges and pitfalls faced by injured workers in self-administering MSAs.
3. Explore the benefits of professional administration in terms of compliance, cost management, and Medicare coverage protection.
4. Evaluate the role of empathy when advising injured workers on their settlement options, ensuring informed decision-making.
5. Discuss how professional administration can protect injured workers from the complexities of post-settlement medical treatment and financial management.

Primary Takeaways

1. Most self-administered MSAs fail to comply with Medicare regulations, leading to jeopardized Medicare coverage.
2. Professional administrators ensure compliance with Medicare guidelines, reducing the risk of mistakes and providing better pricing for medical services.
3. Navigating post-settlement medical billing is complex, and injured workers may face higher costs without the negotiating power of a professional administrator.
4. Advisors must approach settlements with empathy, considering the injured worker's situation and ensuring they fully understand their options.
5. Medicare can provide coverage once MSA funds are exhausted, but only if the funds are managed according to CMS guidelines.

Course Outline

- 1) Introduction
 - a) Overview of the Course
 - i) Madison Hammel's role at Ametros
 - ii) Audience of the course (adjusters, attorneys, injured workers)
 - iii) Goal: Understand the pros and cons of self-administration vs. professional administration
 - b) Empathy in Decision-Making
 - i) Put yourself in the shoes of the injured worker
 - ii) The daunting decisions injured workers face at settlement
- 2) Medicare Set-Asides (MSA)
 - a) Introduction to Medicare Set-Asides
 - i) What is an MSA?
 - ii) CMS guidelines and requirements for MSA
 - iii) Consequences of not adhering to MSA rules
 - b) The Purpose of an MSA
 - i) Ensuring Medicare is not overbilled
 - ii) Four key guidelines for compliance: Interest-bearing accounts, approved treatments, use of funds, annual reporting
 - c) Failure Rates in Self-Administration
 - i) 95% of MSAs are self-administered, but less than 1% are CMS-compliant
 - ii) Why even well-intentioned individuals fail
 - iii) Case example: Challenges John faces with self-administration
- 3) Comparison of Self-Administration vs. Professional Administration
 - a) Self-Administration: Case Study of John
 - i) Settlement Process
 - (1) Understanding Medicare Set-Aside requirements
 - (2) Navigating medical treatment, billing, and compliance alone
 - ii) Challenges of Self-Administration
 - (1) Difficulty understanding Medicare-approved treatments
 - (2) Reporting and annual attestations
 - (3) Complexities of medical pricing and negotiations
 - iii) Common Pitfalls
 - (1) Using funds incorrectly
 - (2) Failing to comply with CMS guidelines
 - (3) Higher costs without negotiation power
 - b) Professional Administration: Case Study of Sally
 - i) Advantages of Professional Administration
 - (1) Compliance with Medicare guidelines
 - (2) Reduced medical costs through negotiation

- (3) Handling of administrative burdens (e.g., annual reporting)
 - ii) The Role of the Professional Administrator
 - (1) Ensuring proper use of MSA funds
 - (2) Obtaining Medicare and workers' comp fee schedules
 - (3) Coordination of medical billing and reporting
 - iii) Why Professional Administration Is Recommended
 - (1) CMS's endorsement for professional administration
 - (2) Managing structured settlements effectively
 - (3) Protecting Medicare coverage while reducing costs
- 4) Key Considerations and Conclusion
- a) Empowering Injured Workers
 - i) Presenting both options: Self-administration vs. professional administration
 - ii) Encouraging informed decision-making
 - b) CMS Recommendations
 - i) CMS endorses professional administration for complex claims
 - ii) High-stakes risks of self-administration in cases involving opioids or long-term care
 - c) Conclusion
 - i) The importance of offering both self-administration and professional administration as options
 - ii) Encouragement to consult professional administrators for guidance

NOTE: Artificial Intelligence was used in the creation of this document.