

# MSA Insider



**Getting You to Settlement**

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Your Premiere Compliance Solution

## ***MSRPC Issues Alert Advising of Temporary Suspension of the Rights and Responsibilities and Demand Letters***

### **MSPRC has issued the following alert:**

**Alert:** Issuance of the Rights and Responsibilities (RAR) and Demand letters has been temporarily suspended

*Issuance of the Rights and Responsibilities ("RAR") and Demand letters has been temporarily suspended while these letters are under review. The MSPRC is still working cases, and the RAR and Demand letters will be mailed out once appropriate revisions have been made.*

### **What is the reason for this temporary suspension?**

While the Centers for Medicare and Medicaid Services and the MSPRC have not stated a reason, we believe it stems from a May 5, 2011 federal court decision from Arizona in the case of Haro v. Sebelius. The primary ruling in the case held CMS could not pursue a claim for reimbursement against the claimant or claimant's attorney until there is a resolution of the claimant's appeal or waiver request to CMS. MedAllocators will go into further detail regarding this case in an upcoming MSA Insider. However, the decision apparently has caused CMS and MSPRC to revise their standard correspondence.

### **What does this mean for conditional payment resolution?**

- ◆ If the Rights and Responsibilities letter has already been issued by MSPRC, then the Conditional Payment letter will be issued as normal. This is the letter obtained prior to settlement of the case and which contains the estimated conditional payment.
- ◆ If the Rights and Responsibilities letter has not been issued by MSPRC, then the Conditional Payment letter will not be issued.
- ◆ No Demand letters will be issued. These are letters obtained post-settlement which contain the final amount being demanded by MSPRC in resolution of the conditional payments.

### **How is MedAllocators addressing this suspension?**

MedAllocators will continue to remain in contact with officials from CMS and MSPRC to determine when this suspension will end and what affect it will have on an already lengthy conditional payment resolution process. In the interim, we continue to initiate requests for Conditional Payment Letters and Demand letters with MSPRC so that the requests will be in line for processing once the suspension is lifted. Therefore, our clients should continue to forward their requests for conditional payment resolution services to our attention.

***For further information and questions, please contact your MedAllocators Account Executive.***

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