

MEDICARE COMPLIANCE

Summary of Medicare changes

September 2022

Centers for Medicare and Medicaid Services (CMS) update

Proposed regulation regarding Liability Medicare Set Asides (MSAs)

Several years ago, the Centers for Medicare and Medicaid Services (CMS) issued a proposed regulation about Liability Medicare Set Asides (MSAs). The industry responded that MSAs are not appropriate for liability cases for a variety of reasons. But despite the industry's misgivings and concerns (both practical and legal), CMS pressed on and submitted the proposal to the Office of Information and Regulatory Affairs (OIRA) for approval. In March 2022, CMS finalized the proposal and the industry awaited the final rules to be issued by OIRA.

However, as of Oct. 13, 2022, CMS [has withdrawn the proposal](#). This was quite unexpected. With this withdrawal, it appears that there is no longer a specter of MSAs hanging over liability settlements. This is indeed good news and the right move by CMS.

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