

Tip-Reporting HSA/FSA/HRA Payments on the UB-04

HSA/HRA/FSA and how to report their payments to MDHHS:

1. Health Savings Account (HSA)-when it is opened the person cannot be eligible for Medicare, Medicaid or VA. These are contributions by the employee (saved up over the year) and are tax exempt for the employee. This should be reported to their local county MDHHS office as they are a countable resources/assets and are available to spenddown in front of MA but are not liable third parties.
 - a. HSA is not a Group Health Plan (GHP) and is not to be reported as Other Insurance (OI) under Section 111*.
2. Flexible Spending Account (FSA)-“cafeteria plan” this is contributions from employer that pays specific medical expenses as they are incurred AND employee contributions through salary reduction agreement. (This is a negotiated part of wages if not chosen the wages would be higher so this is another tax deferral) This should be reported to their local county MDHHS office as they are a countable resources/assets and are available to spenddown in front of MA but are not liable third parties.
 - a. A FSA is not considered to be a GHP and is not to be reported as OI under Section 111*.
3. Health Reimbursement Arrangement (HRA)-an account used by the employer to reimburse employees health insurance/medical expenses. Funds do not accumulate. These monies are tax exempt for the employer.
 - a. HRA these payments must be reported as OI to Medicare/Medicaid Beneficiaries/Providers shall both report this information to be added to the TPL data base also (Via the online form or the DCH-0078).

***If the beneficiary chooses to use this on an account that is being billed to Medicaid it may be reported as a patient payment amount on the claim. It should not be reported as OI. To report a patient payment from a HSA or FSA use Value Code FC-per Medicare Learning Matters CR5882.**

Only overpayments created by #3 above should be reported on Credit Balance report.

Researched materials: Mandatory Insurer Reporting for non-group health plans-Section 111 of the Medicare/Medicaid Act of 2007 added requirements to report in certain instances of settlements etc. There is also information in the *Medicare Claims Processing Manual*, Chapter 25 (Completing and Processing the Form CMS-1450 Data Set), on completing the UB-04. This manual is available at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Internet-Only-Manuals-IOMs.html> on the CMS website.