

MEDICARE – PROFESSIONALLY ADMINISTERED

The Plaintiff recognizes that there may be future Medicare interests that need to be considered and protected as part of this settlement, which will foreclose a claim for future medical expenses against the Defendant. To comply with the Medicare Secondary Payer Statute, the Plaintiff secured a Medicare Set-Aside analysis from _____ prepared by _____ a Medicare Set-Aside Certified Consultant. Based upon the proposed Medicare Set-Aside analysis, the Plaintiff has allocated \$ _____ as the seed amount for the MSA, plus annual payment of \$ _____ beginning _____, for _____ (~~insert either for~~ years if living or guaranteed _____ years). This allocation is intended to protect Medicare's future interest as they relate to the injury related future medical and prescription drug expenses as well as releasing the Defendant from all liability for future Medicare covered medical expenses. Plaintiff acknowledges and understands that he/she will have the settlement funds to satisfy all future Medicare covered expenses administered through _____. The Plaintiff acknowledges and agrees that he/she will not sell or encumber the annuity purchased for the Medical Savings Accounts.

All future medical care and costs are the sole responsibility of the Plaintiff. The funds being paid, as outlined in Section 2.0 of the Settlement Agreement, are intended to ensure that the Plaintiff has funds from which to make payments for future medical care and treatment. In order to protect Medicare's interest in right of recovery under Section 1862(b) of the Social Security Act, 42 U.S.C. §1395y(b), such payments are to be made by the Plaintiff out of the proceeds of this Settlement.

The Administrator of the Medicare Set Aside Fund/Account has been provided with directives issued by CMS regarding their rights and responsibilities in regard to the administration of the Medicare Set Aside Fund/Account.

The Administrator understands that the MSA funds must be placed in an interest bearing account, and the funds in this account may only be used for payment of medical services related to the injury that would normally be paid by Medicare. Payments to providers of medical services or prescription expenses should be paid in accordance with the Cost Calculation Method utilized in the Medicare Set Aside allocation. The Plaintiff acknowledges responsibility, after the date of approval of this settlement, for all common medical expenses related to the injury that are not payable or reimbursable by Medicare.

In consideration of the payment set forth in this Settlement Agreement, Plaintiff waives, releases, and forever discharges Defendant from any obligations for any claim, known or unknown, arising out of the failure of Defendant to provide for a primary payment or appropriate reimbursement pursuant to 42 U.S.C. §1395y(b)(3)(A) of the Medicare, Medicaid, and SCHIP Extension Act of 2007.

The Plaintiff understands that this settlement may impact, limit or preclude his/her right or ability to receive future Medicare benefits arising out of his/her injuries alleged in the Notice of Intent and nevertheless wishes to proceed with this settlement.

Plaintiff acknowledges that all subrogation and lien claims arising out of contract or under state or federal law, including but not limited to any subrogation or lien claims of Plaintiff's healthcare providers, insurance carriers, and any federal agency or program, such as Medicare, Medicaid, or Social Security, are the sole and separate obligation of Plaintiff, which Plaintiff agrees to pay or otherwise resolve. Plaintiff further hereby agrees to defend, indemnify and hold harmless, the Defendant from all such liens and subrogation claims brought against Defendant, related to the Plaintiff's medical expenses.