



MEDICAL CUSTODIAL ACCOUNT



A Medical Custodial Account (MCA) is a fund established to address the specific medical needs of a beneficiary post-settlement. MCAs are a highly flexible way of ensuring that money is spent in a specific way.

A Settlement "Swiss Army Knife"

Medical Custodial Accounts can be used in a variety of situations and need not be paired with other accounts such as a Medicare Set-Aside. They're actually a great stand-alone arrangement to address the specific needs of settlement, even non-Medical needs.

- Pay insurance premiums, attendant care, or home and/or vehicle modifications
- Make periodic distributions to a beneficiary or other party according to specific terms
- Cover living expenses or other life needs such as education tuition.

Medical Custodial Accounts can be established for any period of time. The funds are deposited to a FDIC insured institution, and the account is not co-mingled with other accounts (such as MSAs). The terms of the agreement can be as flexible as necessary and may be amended as needed according to the terms of the original agreement. MCAs may also be reversionary to the beneficiary, the payer, or a combination thereof.

MCAs and Medicare Set-Aside Accounts

MCAs are frequently used in conjunction with a professionally administered Medicare Set-Aside (MSA) Account to cover a beneficiary's total injury-related medical needs.

Where the Medicare Set-Aside Account can only be used to pay for Medicare allowable injury-related expenses that occur after settlement, the MCA is often used to cover the non-Medicare allowable expenses related to the beneficiary's injury.

There are several advantages to pairing a MCA with a MSA. Normally, when only a professionally administered MSA is established, the beneficiary is still responsible to pay for injury-related expenses not covered by the MSA. This means they're still receiving bills from their provider for their injury priced at self-pay rates. When a MCA

has been established, all injury-related expenses benefit from proper coordination of benefits and re-pricing. This not only results in less hassle for the beneficiary, but greater preservation of the funds.

MCAs are also a great way to ensure that any funds resulting from a settlement are spent as intended. Because a MCA is professionally administered by Medivest according to the specific terms of a custodial agreement, all parties can have confidence that the funds are being used according to the terms of the settlement. This is a protection against dissipation and ensures that the funds are available when needed.



Contact Us Today

toll-free: 877.725.2467 | fax: 407.971.4742 | medivest.com | info@medivest.com
2100 Alafaya Trail, Suite 201, Oviedo, FL 32765



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Professionally Administered

Medical Custodial Accounts receive the same professional oversight as Medicare Set-Aside accounts, meaning that each expense is rigorously reviewed, re-priced, and coordinated with other benefits to ensure maximum savings. Medical Custodial Accounts that are used to pay for prescription drug expenses benefit from access to a pharmacy discount plan. The beneficiary is provided with a Medivest Professional Administration Card that can be used with providers and retail pharmacies to coordinate payment. The beneficiary pays nothing at the medical provider.

Common Uses for the Medical Custodial Account

Consider all the ways a Medical Custodial Account (MCA) can be used to facilitate the unique demands of settlements.

- Non-Medicare allowable expenses related to the settled injury (usually paired with a MSA).
- Attendant care
- Home modifications
- Handicap modifications to vehicles
- Vehicle purchases and repairs
- Medical insurance premium payments
- Living expenses
- Periodic payments to the injured person or other specified party.

Integrating a Medical Custodial Account into Your Settlement

Medical Custodial Accounts are simple to setup. All that is needed is a completed referral form, signed agreement, the lump sum deposit (or initial deposit if structured), and any administration fee that may be applicable.

We've helped settling parties engineer win-win solutions in every state in this nation. From simple straightforward claims, to the most complex, we've developed resolutions that address an array of post-settlement concerns. Medivest's settlement consultants provide the necessary agreements, settlement language, and guidance to considerably simplify the integration of professional administration into a settlement. Services such as file review, mediation consultation, on-site training, and waiver language are provided free of charge, regardless of whether professional administration is utilized. Call us today. We're committed to creating solutions.