



Letter of Authority - Frequently Asked Questions

1. **Why is the Sanderson Firm's Letter of Authority (LOA) important?**

The LOA is crucial because it enables Sanderson Firm PLLC to act on behalf of the Responsible Reporting Entity (RRE) in obtaining and responding to Conditional Payment debts. Without the LOA, Medicare and Medicare Advantage Plans only communicate with the debtor, who is typically the RRE in recovery actions prior to settlement, when there is accepted Ongoing Responsibility for Medical (ORM).

2. **Who is identified as the RRE when there's a Third Party Administrator (TPA)?**

In a TPA relationship with a self-insured party or fronting carrier, the RRE is typically the self-insured party or fronting carrier. In such cases, the LOA should be completed by the RRE, not the TPA, to authorize Sanderson Firm PLLC.

3. **What exactly is the "Master LOA" and why do you recommend it?**

A Master LOA is an LOA we keep on file, enabling us to take immediate action on any claims referred to us for Conditional Payment work. This type of LOA helps eliminate the delays often experienced when requesting LOAs on individual files. It also prevents missing deadlines on time-sensitive letters due to LOA completion delays and confusion at the individual adjuster level about what the LOA is and how it should be formatted and completed.

4. **How long does the authority last, and how will the LOA be used?**

Our LOA restricts the authority given to Sanderson Firm PLLC to five years from the date the letter was signed or until the RRE revokes the authority in writing. The LOA is only used on claims individually referred to Sanderson Firm PLLC or on claims that are part of an automatic Conditional Payment program.

5. **What information should be included in the LOA?**

The LOA must be signed and dated by a representative of the RRE and must be on the RRE's letterhead. It should include the RRE's name, phone number, and address, which can either appear on the letterhead or in the signature line. The LOA will also require identifying information for the specific recovery action it's being used for. For a Master LOA, this identifying information will be added on a case-by-case basis as claims are referred to Sanderson Firm PLLC.

Key Features of the LOA include:

- **Efficient Communication:** The LOA allows Sanderson Firm PLLC to efficiently communicate with Medicare and Medicare Advantage Plans on behalf of the Responsible Reporting Entity (RRE), accelerating the response to Conditional Payment debts.
- **Streamlined Process:** In a Third-Party Administrator (TPA) relationship, the LOA allows the RRE (fronting carrier or self-insured party) to authorize Sanderson Firm PLLC, streamlining the process.
- **Preparedness with Master LOA:** Having a Master LOA on file lets Sanderson Firm PLLC take immediate action on any referred claims for Conditional Payment work, reducing delays and avoiding missed deadlines.
- **Flexible Duration:** The LOA offers a flexible period of authority, which lasts up to five years from the date the letter was signed or until the RRE revokes it in writing.
- **Specific Identification:** Each LOA includes specific identifying information for the recovery action it's used for, ensuring precision and clarity in each unique case.
- **Inclusive Information:** The LOA contains comprehensive details of the RRE, including name, phone number, and address, facilitating better coordination and communication.

Remember, it's crucial that the Letter of Authority is correctly completed and formatted, and Sanderson Firm PLLC is ready to assist in ensuring this is done accurately.



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