



## Government Affairs Alert

June 6, 2008

### **PMSI MSA Services – CMS Policy Memorandum**

*CMS to require life expectancy calculations from new table effective July 1, 2008*

On May 20, 2008, the Centers for Medicare and Medicaid Services issued a memorandum in regard to the exclusive use of the Centers for Disease Control (CDC) Table 1 (All American Table) in determining life expectancy in Workers' Compensation Medicare Set-Asides (WCMSA) proposals. The memorandum stated the following:

- CMS will only accept life expectancies obtained from the CDC Table 1—"Life table for the total population"—when determining life expectancy in workers' compensation MSA proposals.
- For workers' compensation MSA submissions received by CMS' Coordination of Benefits (COB) contractor on or after **July 1, 2008**, CMS will only accept life expectancies obtained from the attached table.

PMSI MSA Services recommends review of annuities prior to CMS submission in order to adjust changes in life expectancies per the new CMS guidelines. Effective immediately, PMSI MSA Services will use the new table for all life expectancy calculations. PMSI will continue constant contact with CMS and will communicate relevant information to our clients as it becomes available.

The complete memorandum may be reviewed online at [www.cms.hhs.gov](http://www.cms.hhs.gov).

For questions regarding this issue or general inquiries about our settlement services, please contact PMSI MSA Services at 888.MSA.PMSI.

See below for the CMS Life Expectancy Table 1

See below for the CMS Life Expectancy Table 1 Memo

**Table 1. Life table for the total population: United States, 2004**

[Click here for spreadsheet version](#)

Age	Probability of dying between ages $x$ to $x+1$ $q(x)$	Number surviving to age $x$ $l(x)$	Number dying between ages $x$ to $x+1$ $d(x)$	Person-years lived between ages $x$ to $x+1$ $L(x)$	Total number of person-years lived above age $x$ $T(x)$	Expectation of life at age $x$ $e(x)$
0-1	0.006799	100,000	680	99,403	7,783,712	77.8
1-2	0.000483	99,320	48	99,296	7,684,309	77.4
2-3	0.000297	99,272	29	99,257	7,585,013	76.4
3-4	0.000224	99,243	22	99,232	7,485,755	75.4
4-5	0.000188	99,220	19	99,211	7,386,524	74.4
5-6	0.000171	99,202	17	99,193	7,287,313	73.5
6-7	0.000161	99,185	16	99,177	7,188,119	72.5
7-8	0.000151	99,169	15	99,161	7,088,943	71.5
8-9	0.000136	99,154	14	99,147	6,989,781	70.5
9-10	0.000119	99,140	12	99,134	6,890,634	69.5
10-11	0.000106	99,129	11	99,123	6,791,500	68.5
11-12	0.000112	99,118	11	99,112	6,692,377	67.5
12-13	0.000149	99,107	15	99,100	6,593,264	66.5
13-14	0.000227	99,092	23	99,081	6,494,164	65.5
14-15	0.000337	99,070	33	99,053	6,395,084	64.6
15-16	0.000460	99,036	46	99,014	6,296,031	63.6
16-17	0.000579	98,991	57	98,962	6,197,017	62.6
17-18	0.000684	98,933	68	98,900	6,098,055	61.6
18-19	0.000763	98,866	75	98,828	5,999,155	60.7
19-20	0.000819	98,790	81	98,750	5,900,327	59.7
20-21	0.000873	98,709	86	98,666	5,801,578	58.8
21-22	0.000926	98,623	91	98,577	5,702,911	57.8
22-23	0.000960	98,532	95	98,484	5,604,334	56.9
23-24	0.000972	98,437	96	98,389	5,505,850	55.9
24-25	0.000969	98,341	95	98,294	5,407,460	55.0
25-26	0.000960	98,246	94	98,199	5,309,166	54.0
26-27	0.000954	98,152	94	98,105	5,210,967	53.1
27-28	0.000952	98,058	93	98,012	5,112,862	52.1
28-29	0.000958	97,965	94	97,918	5,014,850	51.2
29-30	0.000973	97,871	95	97,824	4,916,932	50.2
30-31	0.000994	97,776	97	97,727	4,819,109	49.3
31-32	0.001023	97,679	100	97,629	4,721,382	48.3
32-33	0.001063	97,579	104	97,527	4,623,753	47.4
33-34	0.001119	97,475	109	97,420	4,526,226	46.4
34-35	0.001192	97,366	116	97,308	4,428,805	45.5
35-36	0.001275	97,250	124	97,188	4,331,497	44.5
36-37	0.001373	97,126	133	97,059	4,234,310	43.6
37-38	0.001493	96,993	145	96,920	4,137,250	42.7
38-39	0.001634	96,848	158	96,769	4,040,330	41.7
39-40	0.001788	96,690	173	96,603	3,943,562	40.8
40-41	0.001945	96,517	188	96,423	3,846,959	39.9
41-42	0.002107	96,329	203	96,227	3,750,536	38.9
42-43	0.002287	96,126	220	96,016	3,654,308	38.0
43-44	0.002494	95,906	239	95,787	3,558,292	37.1
44-45	0.002727	95,667	261	95,537	3,462,506	36.2
45-46	0.002982	95,406	284	95,264	3,366,969	35.3
46-47	0.003246	95,122	309	94,967	3,271,705	34.4
47-48	0.003520	94,813	334	94,646	3,176,738	33.5
48-49	0.003799	94,479	359	94,300	3,082,092	32.6
49-50	0.004088	94,120	385	93,928	2,987,792	31.7
50-51	0.004404	93,735	413	93,529	2,893,864	30.9
51-52	0.004750	93,323	443	93,101	2,800,335	30.0
52-53	0.005113	92,879	475	92,642	2,707,234	29.1
53-54	0.005488	92,404	507	92,151	2,614,592	28.3
54-55	0.005879	91,897	540	91,627	2,522,441	27.4
55-56	0.006295	91,357	575	91,070	2,430,814	26.6
56-57	0.006754	90,782	613	90,475	2,339,744	25.8
57-58	0.007260	90,169	656	89,841	2,249,269	24.9
58-59	0.007903	89,512	707	89,159	2,159,428	24.1
59-60	0.008633	88,805	767	88,422	2,070,269	23.3
60-61	0.009493	88,038	836	87,621	1,981,848	22.5
61-62	0.010449	87,203	911	86,747	1,894,227	21.7
62-63	0.011447	86,291	988	85,798	1,807,480	20.9
63-64	0.012428	85,304	1060	84,774	1,721,683	20.2
64-65	0.013408	84,244	1130	83,679	1,636,909	19.4

Table 1. Life table for the total population: United States, 2004—Con.

[Click here for spreadsheet version](#)

Age	Probability of dying between ages $x$ to $x+1$	Number surviving to age $x$	Number dying between ages $x$ to $x+1$	Person-years lived between ages $x$ to $x+1$	Total number of person-years lived above age $x$	Expectation of life at age $x$
	$q(x)$	$l(x)$	$d(x)$	$L(x)$	$T(x)$	$e(x)$
65-66	0.014473	83,114	1203	82,513	1,553,230	18.7
66-67	0.015703	81,911	1286	81,268	1,470,718	18.0
67-68	0.017081	80,625	1377	79,936	1,389,450	17.2
68-69	0.018623	79,248	1476	78,510	1,309,513	16.5
69-70	0.020322	77,772	1580	76,982	1,231,004	15.8
70-71	0.022104	76,191	1684	75,349	1,154,022	15.1
71-72	0.024023	74,507	1790	73,612	1,078,673	14.5
72-73	0.026216	72,717	1906	71,764	1,005,060	13.8
73-74	0.028745	70,811	2035	69,793	933,296	13.2
74-75	0.031561	68,776	2171	67,690	863,503	12.6
75-76	0.034427	66,605	2293	65,458	795,812	11.9
76-77	0.037379	64,312	2404	63,110	730,354	11.4
77-78	0.040756	61,908	2523	60,646	667,244	10.8
78-79	0.044764	59,385	2658	58,056	606,597	10.2
79-80	0.049395	56,727	2802	55,326	548,542	9.7
80-81	0.054471	53,925	2937	52,456	493,216	9.1
81-82	0.059772	50,987	3048	49,463	440,760	8.6
82-83	0.065438	47,940	3137	46,371	391,297	8.2
83-84	0.071598	44,803	3208	43,199	344,925	7.7
84-85	0.078516	41,595	3266	39,962	301,727	7.3
85-86	0.085898	38,329	3292	36,683	261,765	6.8
86-87	0.093895	35,037	3290	33,392	225,082	6.4
87-88	0.102542	31,747	3255	30,119	191,690	6.0
88-89	0.111875	28,491	3187	26,898	161,571	5.7
89-90	0.121928	25,304	3085	23,761	134,673	5.3
90-91	0.132733	22,219	2949	20,744	110,912	5.0
91-92	0.144318	19,270	2781	17,879	90,168	4.7
92-93	0.156707	16,489	2584	15,197	72,289	4.4
93-94	0.169922	13,905	2363	12,723	57,092	4.1
94-95	0.183975	11,542	2123	10,480	44,369	3.8
95-96	0.198875	9,419	1873	8,482	33,889	3.6
96-97	0.214620	7,545	1619	6,736	25,407	3.4
97-98	0.231201	5,926	1370	5,241	18,671	3.2
98-99	0.248600	4,556	1133	3,990	13,430	2.9
99-100	0.266786	3,423	913	2,967	9,440	2.8
100 or over	1.00000	2,510	2510	6,473	6,473	2.6

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop C3-14-00  
Baltimore, Maryland 21244-1850



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MEMORANDUM

**DATE:** May 20, 2008

**FROM:** Director  
Financial Services Group  
Office of Financial Management

**SUBJECT:** Medicare Secondary Payer -- Workers' Compensation -- INFORMATION

**TO:** Consortium Administrators for Financial Management and Fee-for-Service Operations

The purpose of this memorandum is to include policy regarding the exclusive use of the Centers for Disease Control (CDC) Table 1 (All American Table) when determining life expectancy in Workers' Compensation Medicare Set-Asides (WCMSA) proposals. The Centers for Medicare & Medicaid Services (CMS) will only accept life expectancies obtained from the CDC Table 1, "Life table for the total population."

Effective with WCMSA submissions received by CMS' Coordination of Benefits Contract on or after July 1, 2008, CMS will only accept life expectancies obtained from the CDC Table 1, "Life table for the total population." The CMS will only use the CDC Table 1 in its WCMSA review process.

Please direct questions or concerns to Frank Johnson of my staff at (410) 786-2892.

*Gerald Walters*

Gerald Walters

cc:  
Charlotte Foster, ARA, DFMFFSO