

# Medicare Set-Aside Custodial Fees (MSA)

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**The annual custodial fee is based on the total allocation for the Medicare Set Aside. The amount of the total allocation must be cited within the Medicare Set Aside Custodial Agreement or Allocation Agreement.**

**Example of how the yearly custodial fee will be calculated:** If the total amount of money that is being “set aside” to cover the lifetime anticipated Medicare covered medical expenses is \$84,735.00, then the annual custodial fee will be \$1,500.00 per year regardless of the actual balance of the Medicare Set Aside Custodial Agreement in any given year. It does not matter whether the \$84,735.00 is funded by a lump sum or a combination of a lump sum and periodic payments; our annual fee as Custodian is based on the total allocation and must be provided for. Since Medi-Bill, Inc. does not create and/or submit allocation proposals; it is the responsibility of those who do provide this service to adhere to CMS guidelines regarding Medicare Set Aside Custodial Agreement custodial/administration fees.

**NO SET UP FEE** (Annual fees are due and payable at the beginning of each account’s fiscal year. If the MSA terminates for any reason during the first year, the first year’s fee is non-refundable.)

<b>Total MSA Allocation</b>	<b>Flat Annual Fee*</b>
\$1,000 to \$25,000	\$ 750.00
\$25,001 to \$50,000	\$1,000.00
\$50,001 to \$75,000	\$1,250.00
\$75,001 to \$100,000	\$1,500.00
\$100,001 to \$200,000	\$1,750.00
\$200,001 and higher	\$2,000.00

Accounts that include the preparation of a 1041 Grantor tax return will have an additional fee of \$200 for Federal returns and \$100 for any state return filed. Generally the owner of the reversionary interest of the MSA accepts a year-end 1099-INT income statement thereby negating the need for filing a 1041 tax return.

\*\$500 final disbursement fee for Probate review.

**Medi-Bill, Inc.**  
**Custodial Medical Agreement Service**  
**Medical Trust Administration**  
P.O. BOX 30725  
Walnut Creek, CA 94598  
1-800-333-9750  
FAX 1-925-933-4143  
On the web @[www.medibill.net](http://www.medibill.net)