

Important Reminder about Medicare Estimation

Medicare Estimation is a process for determining the secondary payment when Medicare Part B is primary, and the member has not enrolled in Medicare Part B. Medicare Estimation reduces the payment by the amount the primary Medicare Part B would have paid if the eligible member was enrolled. This amount is not covered by the fully insured plan.

Applicability

Medicare Estimation applies in any of the following scenarios:

- Member has Part A and no Part B and Medicare is primary.
- Member has both Parts A and B (primary), but provider does not bill or participate in Medicare or has specifically opted out of Medicare.
- Member has Part B only (primary), but provider does not bill or participate in Medicare or has specifically opted out of Medicare.

Medicare Estimation does not apply in these scenarios:

- Member has Part B, and provider is participating with Medicare. If the member has Part B, we pay secondary based on the actual amount Medicare paid.
- Medicare (any part) is the member's secondary payer.
- Member is not eligible for Medicare.

The reduction is permissible under NY rule 11 NYCRR 52.23(l).

The process is described in the member's certificate of coverage. For your reference, the New York plan exclusions states:

- **Medicare or Other Governmental Programs:** "We do not Cover services if benefits are provided for such services under the federal Medicare program or other governmental program (except Medicaid). **When You are eligible for Medicare, we will reduce our benefits by the amount Medicare would have paid for the Covered Services.** Except as otherwise required by law, **this reduction is made even if You fail to enroll in Medicare or You do not pay Your Medicare Premium.** Benefits for Covered Services will not be reduced if We are required by federal law to pay first or if You are not eligible for premium-free Medicare Part A."

Our process applies to members that are Medicare eligible who have Medicare Part A, but not Medicare Part B and Medicare is Primary.

- Medicare is Primary in these scenarios:
 - Medicare due to Age & Group Size 19 or Less.
 - Medicare due to Disability & Group Size is 99 or Less.
 - Medicare due to End Stage Renal Disease (ESRD) & Medicare is Primary depending on what stage of dialysis treatment member is in.
 - Medicare Primary (regardless of reason or groups size) and Not Actively Working (COBRA, State Continuation, Retiree).

Effective Dates

- New York fully-insured groups: Medicare Estimation applies to claims with dates of service on or after July 1, 2020.

Call to Action

- Remind your impacted members to consider enrolling in Medicare Part B.