



Who Pays First?

A Medicare Scholar Presentation

Medicare & Other Health Coverage

If you have Medicare and other health coverage, you may have questions about how Medicare works with your other insurance, like:

- How many payers are there?
- Who pays first?
- Are my bill being paid correctly?
- How do I avoid delays?



Other Health Insurance

- Medicaid
- Employer coverage
- COBRA
- Retiree health plan
- No-fault or liability insurance
- Workers' Compensation
- Veterans' Benefits
- TRICARE



Medicaid

- Medicare pays first
- Medicaid pays second
- If you have Medicare Advantage, Medicare Supplement, or other insurance, Medicaid is the payer of last resort

Employer Coverage

Coverage must be through your or your spouse's current employer

- If employer has 20 or more employees: the group plan pays first, and Medicare pays second
- If the employer has less than 20 employees (and isn't part of a multi-employer plan): Medicare pays first, and the group health plan pays second

COBRA

- If you have Medicare because you have a disability (other than end stage renal disease), Medicare pays first
- If you have Medicare due to ESRD, COBRA pays first and Medicare pays second during the first 30 months after you're first eligible for Medicare. After that period, Medicare pays first



Retiree Health Plan

- If you're 65 or older, follows same rules as Employer Coverage (20 or more employees vs. fewer than 20 employees)
- If you're under 65, disabled and retired:
 - Medicare pays first
 - Retiree coverage pays second

No-Fault or Liability Insurance

If you've been in an accident where no-fault or liability insurance is involved (like auto insurance):

- For services related to the accident or injury, the no-fault or liability insurance pays first and Medicare pays second
- For services not related to the accident or injury, Medicare is the primary payer and the no-fault or liability insurance does not pay

Workers' Compensation

If you're covered under Workers' Compensation due to a job-related illness or injury:

- For services or items related to the workers' compensation claim: workers' compensation pays first
- Medicare may make a conditional payment – a payment that must be repaid to Medicare when a settlement, judgment, award or other payment is made

Veterans' Benefits

Generally, Medicare and Veteran's Affairs (VA) can't pay for the same service or item

- Medicare pays for Medicare-covered services or items at Medicare-approved doctors and facilities
- VA pays for VA-authorized services or items at VA facilities or through the Community Care program

TRICARE

- For active-duty military enrolled in Medicare, TRICARE pays first for Medicare-covered services or items, and Medicare pays second
- For inactive-duty military enrolled in Medicare, Medicare pays first, and TRICARE may pay second
- For services or items from a military hospital or any other federal provider, TRICARE pays first

Coordination of Benefits

- Medicare doesn't automatically know if you have other coverage
- However, insurers must notify Medicare when they're responsible for paying first on your medical claims
- In some cases, your healthcare provider, employer, or insurer may ask you questions about your current coverage so they can report that to Medicare

Report Changes in Coverage

- Insurers must report changes to Medicare, but it may take some time and cause delays or denials of claims
- You can call the Benefits Coordination & Recovery Center at 1-855-798-2627
- You'll have to provide them:
 - Your name
 - Your health plan's name and address
 - Policy number
 - The date the coverage was added, changed, or stopped, and why



Questions?



Thank you for
attending!



Sources

- *Medicare & Other Health Benefits: Your Guide to Who Pays First*, CMS Product No. 02179, Revised September 2021