



## Centers for Medicare & Medicaid Services – National Training Program

### Frequently Asked Questions (FAQs): Coordination of Benefits with Medicare Mini-Course & Podcast Series

#### 1. Coordination of Benefits

##### **What does “coordination of benefits” mean?**

Coordination of benefits is a process for determining which plan or insurance policy will pay first if 2 or more health plans or insurance policies cover the same benefits. When one of the plans is a Medicare health plan, federal law decides who pays first.

Medicare statute and regulations require that all entities that bill Medicare for items or services provided to people with Medicare must determine whether Medicare is the primary payer for those items or services.

#### 2. Why You Need to Understand It

##### **Why is it important to understand coordination of benefits with Medicare?**

Knowing how Medicare works with your other health plans and policies can help you understand costs and coverage so that you can make good decisions about your health coverage when you become eligible for Medicare. Talk with the Benefits Coordination & Recovery Center, Social Security, Medicare, or your other plan if you have questions about coordination of benefits.

#### 3. Who Makes the Rules

##### **Who determines if Medicare pays first or second?**

Federal law determines if Medicare pays first. Whether Medicare pays first or second depends on the type of additional coverage you may have and other factors like your work status, the size of your employer, and entitlement to Medicare due to End-Stage Renal Disease (ESRD) or disability.

#### 4. How Medicare Knows About Your Other Coverage

##### **How does Medicare know I have other coverage, or if my coverage changes?**

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 health care provider, employer, or insurer may ask you questions about your current coverage so they can report that information to Medicare. You can also report your coverage information, or changes in coverage, by calling the Benefits Coordination & Recovery Center at 1-855-798-2627. TTY users can call 1-855-797-2627.

#### 5. Original Medicare and Medicare Advantage

##### **Does having Original Medicare or a Medicare Advantage Plan affect whether Medicare is the primary payer?**

No. Coordination of benefits with other coverage is the same whether you have Original Medicare or a Medicare Advantage Plan.

## 6. Out-of-Pocket Expenses

### Does coordination of benefits guarantee I won't have out-of-pocket expenses?

No. If you have other coverage and Medicare pays first, the secondary payer may cover all or most costs, including copayments and deductibles, after Medicare pays. Medicare may make no payment in some cases.

## 7. Medicare Drug Coverage

### How does coordination of benefits work for Medicare drug coverage (Part D)?

Generally, Medicare drug plans provide primary coverage for prescription drugs:

- Whenever Medicare is primary, your Medicare drug plan is billed and will pay first.
- When Medicare is the secondary payer, drug plans will generally deny primary claims.
- When Medicare is the secondary payer to a non-group health plan, or when a plan doesn't know whether a covered drug is related to an injury, drug plans will usually make a conditional primary payment to ease the burden on you, unless certain situations apply. For example, the drug plan won't pay if it's aware that you have workers' compensation, Federal Black Lung Program benefits, or no-fault or liability coverage, and has previously established that a certain drug is being used exclusively to treat a related illness or injury.

## 8. If You Think There's an Error

### What if I think Medicare or another plan paid a bill out of order, or should have paid but didn't?

Contact the Benefits Coordination & Recovery Center at 1-855-798-2627. TTY users can call 1-855-797-2627. Or you can call 1-800-MEDICARE (1-800-633-4227). TTY users can call 1-877-486-2048.

## 9. Where to Get More Information

### Where can I get answers to questions about coordination of benefits with Medicare?

- Check your insurance policy. It may include the rules about who pays first. You can also call the Benefits Coordination & Recovery Center (BCRC) at 1-855-798-2627. TTY users can call 1-855-797-2627. Have your Medicare Number ready. The BCRC may also ask for your Social Security Number, your address, the date you were first eligible for Medicare, and whether you have Medicare Part A (Hospital Insurance) and/or Part B (Medical Insurance).
- For general information about coordination of benefits or processing of claims, you can call BCRC, or call 1-800-MEDICARE (1-800-633-4227); TTY users can call 1-877-486-2048. You can also visit [Medicare.gov](https://www.medicare.gov).
- If you have coverage under a group health plan and have questions about Medicare enrollment, call Social Security.

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To view all available CMS National Training Program training materials, visit [CMSnationaltrainingprogram.cms.gov](https://www.cms.gov/nationaltrainingprogram).

### Disclaimer Notice

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The information in this document describes the Medicare Program at the time the document was printed. Changes may occur after printing. Visit [Medicare.gov](https://www.medicare.gov), or call 1-800-MEDICARE (1-800-633-4227) to get the most current information. TTY users can call 1-877-486-2048.

This isn't a legal document. Official Medicare Program legal guidance is contained in the relevant statutes, regulations, and rulings.

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