



FAQs about the Medicare Exclusion

We've prepared these FAQs to help answer any questions you may have about the Medicare Exclusion. If you have any questions, please contact us at 1-844-352-1704.

Q1. Why was I sent this letter about the Medicare Exclusion?

You received this letter because you, or a dependent, are, or soon may be, eligible for Medicare as your primary payer for your claims. As is noted below, Medicare is primary for a variety of reasons.

Q2. How is it determined that Medicare is primary?

The Centers for Medicare and Medicaid Services (CMS) have set forth the following rules that determine whether Medicare, or the group health plan, is the primary payer (pays first).

| Member Type | Who pays first |
|--|---|
| Retirees | Medicare pays first. |
| Working Aged (65 or older and still working) and the employer has 20 or more employees | The group health plan pays first. |
| Working Aged (65 or older and still working) and the employer has less than 20 employees | Medicare pays first. |
| Under 65 and disabled, has health coverage through an employer with 100 or more employees | The group health plan pays first. |
| Under 65 and disabled, has health coverage through an employer with less than 100 employees | Medicare pays first. |
| Individuals with ESRD | The group health plan pays first for the first 30 months after the member becomes eligible to enroll in Medicare. Medicare will pay first after this 30-month period. |

Source: CMS *Medicare & You 2014*, <http://www.medicare.gov/Pubs/pdf/10050.pdf>

Q3. How does the Medicare Exclusion work?

If you do not enroll in Medicare Parts A and B by the effective date stated in your letter, Independence Blue Cross (IBC) will calculate the amount that Medicare would have paid. This amount is usually 80 percent of the Medicare rate. IBC will pay only the remaining balance of the claim, usually 20 percent, as if you had enrolled in Medicare Parts A and B. Therefore, you will be responsible for paying your doctor, hospital, or other medical professional the amount that Medicare would have paid in addition to any applicable copayments, coinsurance, and deductibles.