

# Policy Clarifications – Medicaid

## PMA 18784-388

**Submitted:** 12/17

**Agency:** CAOs

**Subject:** Medicare Buy-In Reimbursement Inquiries

**Question:** How should CAOs respond when a client calls in asking when they will receive a Buy-In reimbursement?

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**Response By:** Division of Health Services

**Date:**

The Social Security Administration (SSA) administers Medicare benefits and is responsible for collecting Medicare premiums from beneficiaries. The Department of Human Services (DHS) pays the Medicare premiums for beneficiaries who qualify for state Buy-In. If the beneficiary paid Medicare premiums for some of the months that they qualified for Buy-In, they may receive a premium refund from SSA.

When a Buy-In recipient contacts the County Assistance Office (CAO) or Statewide Customer Service Center (SWCSC) to ask when their premium refund will be issued, the caseworker will take the following actions:

1. Review the client's Exchange 7 Buy-In Match Details screen to determine if the state has made payment to SSA for the appropriate number of months. Confirmation of payment is reflected on the Premium Payments tab by a transaction code '1125' or '1161,' which indicates that an accretion was accepted by CMS, and a corresponding premium amount which covers the total amount of Medicare premiums from the effective date (the month a client started Buy-In with no lapse in coverage) through the bill date (the month DHS is being billed for by CMS).

**Example One:** Exchange 7 Premium Payments screen shows transaction code '1125' with bill date December 2017 and effective date September 2017. The corresponding premium of \$536.00 is equal to four months of Part B premiums at the 2017 rate (\$134.00), which covers the period of September 2017 through December 2017.

**Example Two:** Exchange 7 Premium Payments screen shows transaction code '1161' with bill date October 2016 and effective date August 2016. The corresponding premium of \$365.40 is equal to three months of Part B premiums at the 2016 rate (\$121.80), which covers the period of August 2016 through October 2016.

2. If the Exchange 7 Premium Payments screen confirms that payment was made for the months in question, inform the client that the state has made payment to SSA and SSA will issue a premium refund to the client within three months.

**NOTE:** Do NOT tell the client the amount of the premium refund they will receive. The premium payment amount shown on Exchange 7 may differ from the amount refunded to the client.

3. If the client wants to know exactly when a refund will be issued, advise the client to call SSA and provide SSA's toll-free number: 1 (800) 772-1213. The quickest way for the client to get this information is to contact SSA directly because DHS does not have access to SSA's payment system.