

## 22.1 INTRODUCTION

### A. DEFINITION OF BUY-IN

The Department pays the Medicare, Part B premium for certain individuals who are eligible for Medicare. This procedure is referred to as the buy-in process.

### B. MEDICARE BUY-IN UNIT

The Medicare Buy-In Unit of OFS is responsible for the buy-in process which is a joint effort of SSA and OFS. SSA initiates the process for SSI eligibles by identifying those who qualify and billing the Department monthly for the total premium. DHHS initiates the process for all other Medicaid coverage groups with individuals eligible for Medicare.

The Buy-In Unit is responsible for making sure buy-in is accomplished for all clients who qualify and that the agency is not being charged for premiums of those who are not eligible or those who are not residents of the State. Also, the Buy-In Unit corrects birthdates and claim numbers in the C-219 and M-219 Systems and enters coding necessary to accomplish buy-in in both Systems.

### C. MEDICARE PROGRAM

#### 1. Definition

Medicare is a federal insurance program that helps pay health care costs for people age 65 or older, regardless of income, and certain individuals receiving RSDI benefits based on disability.

Medicare is the same in all states and is administered by the Social Security Administration (SSA). SSA makes all decisions regarding eligibility for Medicare.

#### 2. Medicare, Parts A and B

Medicare consists of two parts as follows:

- Medicare, Part A - Hospitalization Insurance Benefits (HIB)

The Buy-In Unit controls the purchasing and payment of Part A premiums for all uninsured eligibles. The State is billed for the Part A premiums for all Medicare eligibles who are not eligible for premium-free Medicare, Part A because

they lack the necessary quarters of coverage, have enrolled voluntarily and pay a premium.

- Medicare, Part B - Supplementary Medical Insurance Benefits (SMIB)

An individual enrolled in Part B pays a monthly premium. If he is receiving RSDI or Railroad Retirement Benefits, the premium is deducted from his benefit check; otherwise, he must pay the premium from his income.

See Section 22.2 below for a list of those for whom the Department buys-in.