

# Medicare's Coordination of Benefits

Learn how Medicare works with other health or drug coverage, and who should pay your bills first.



Getting Started

Medicare

# Let's get started

It's important to know how Medicare works with other kinds of health or drug coverage, and who should pay your bills first. This is called "coordination of benefits."

If you have Medicare and other health or drug coverage, each type of coverage is called a "payer." When there's more than one potential payer, there are coordination rules that decide who pays first.

The "primary payer" pays what it owes on your bills and then sends the remainder of the bill to the "secondary payer" (supplemental payer) to pay. In some cases, there may also be a third payer.

Tell your doctor, hospital, and all other health care providers about all of your health and drug coverage to make sure your bills are sent to the right payers, in the right order.

Whether Medicare pays first depends on many things, including the situations listed in the chart on the next page. But, this chart doesn't cover every situation.

## Remember these important facts

- The insurance that pays first (primary payer) pays up to the limits of its coverage.
- The insurance that pays second (secondary payer) only pays if there are additional costs the first payer didn't cover.
- The secondary payer (which could be Medicare) might not pay all of the remaining uncovered costs.
- If Medicare is the primary payer and your employer is the secondary payer, you may need to sign up for Medicare Part B (Medical Insurance) before your employer insurance will pay for Part B services.

## These types of non-employer insurance usually pay first:

- No-fault insurance (including automobile insurance)
- Liability insurance (including self-insurance plans and automobile insurance)
- Black lung benefits (for health care related to black lung disease)
- Workers' compensation

### **Medicaid never pays before Medicare.**

Medicaid only pays after Medicare, an employer group health plan, and/or Medicare Supplement Insurance (Medigap).

### **If you have Medicare and you're on active military duty, TRICARE pays first for Medicare-covered services.**

If you aren't on active duty, TRICARE pays after Medicare, an employer group health plan, and/or Medicare Supplement Insurance (Medigap).

### **If you still have questions about who should pay or who pays first:**

- Check your insurance policy or coverage. It may include rules about who pays first.
- Call the Benefits Coordination & Recovery Center at 1-855-798-2627. TTY users can call 1-855-797-2627.
- Contact your employer or union benefits administrator.

## Tell Medicare if your other health or drug coverage changes

Let the Benefits Coordination & Recovery Center know:

- Your name.
- Your health or drug plan's name and address.
- Your health or drug plan's policy number
- The date coverage was added, changed, or stopped, and why.

Also, tell your doctor and other health care providers about your health or drug coverage changes the next time you get care.

## Who pays first?

These and other situations are described in more detail at [Medicare.gov/health-drug-plans/coordination](https://www.medicare.gov/health-drug-plans/coordination).

If you have <b>retiree</b> health coverage (like insurance from your or your spouse's former employment). . .	Medicare pays first.
If you're 65 or older, have group health plan coverage based on your or your spouse's <b>current</b> employment, and the employer has <b>20 or more employees</b> . . .	Your group health plan pays first.
If you're 65 or older, have group health plan coverage based on your or your spouse's <b>current</b> employment, and the employer has <b>fewer than 20 employees</b> . . .	Medicare pays first.
If you're under 65 and have a disability, have group health plan coverage based on your or a family member's <b>current</b> employment, and the employer has <b>100 or more employees</b> . . .	Your group health plan pays first.
If you're under 65 and have a disability, have group health plan coverage based on your or a family member's <b>current</b> employment, and the employer has <b>fewer than 100 employees</b> . . .	Medicare pays first.
If you have group health plan coverage based on your or a family member's employment or former employment, and you're eligible for Medicare because of <b>End-Stage Renal Disease (ESRD)</b> (permanent kidney failure requiring dialysis or a kidney transplant). . .	Your group health plan will pay first for the first 30 months after you become eligible to sign up for Medicare. Medicare pays first after this 30-month period.

**Important:** In some cases, your employer may join with other employers or unions to form a multiple-employer plan. If this happens, only one of the employers or unions in the multiple employer plan needs the required number of employees for the group health plan to pay first. Contact your employer or union benefits administrator for more information.

## Tell your insurance company or employer benefits administrator about changes

Tell your insurance company if you or your spouse's current work status changes, or if your Medicare coverage changes. Tell your employer benefits administrator if you have changes to your health coverage.

To help coordinate benefits, insurance companies must tell Medicare about coverage they offer people with Medicare.

Your insurance company or your employer may ask you for your name, date of birth, gender, and Medicare Number (located on your red, white, and blue Medicare card) so they can update Medicare about your other insurance. Giving this information to your insurance company or employer timely will help make sure your claims are paid correctly.

## Where can I get more information?

- Visit [Medicare.gov/health-drug-plans/coordination](https://www.Medicare.gov/health-drug-plans/coordination).
- Visit [Medicare.gov/publications](https://www.Medicare.gov/publications) to view or print the booklet "How Medicare Works with Other Insurance," or call 1-800-MEDICARE (1-800-633-4227) to find out if a copy can be mailed to you. TTY users can call 1-877-486-2048.
- For free, personalized health insurance counseling, visit [shiphelp.org](https://www.shiphelp.org) to contact your State Health Insurance Assistance Program (SHIP).



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"Medicare's Coordination of Benefits" isn't a legal document. Official Medicare Program legal guidance is contained in the relevant statutes, regulations, and rulings. More details about coordination of benefits are available in the "How Medicare Works with Other Insurance" booklet.

You have the right to get Medicare information in an accessible format, like large print, braille, or audio. You also have the right to file a complaint if you feel you've been discriminated against. Visit [Medicare.gov/about-us/accessibility-nondiscrimination-notice](https://www.Medicare.gov/about-us/accessibility-nondiscrimination-notice), or call 1-800-MEDICARE (1-800-633-4227) for more information. TTY users can call 1-877-486-2048.

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