Medicare Part B Immunosuppressive Drug (Part B-ID) Benefit

Frequently Asked Questions on Medicare Savings Programs for the Part B-ID Benefit

April 2023

General Information

1. Who can enroll in the Part B-ID benefit?

Eligibility for the Part B-ID benefit is limited to certain individuals whose Medicare entitlement based only on End-Stage Renal Disease (ESRD) ended, or will end, 36 months post-kidney transplant. An individual can only sign up for this benefit, however, if they don't have certain other health insurance or coverage. The specific insurance or programs that would prevent Part B-ID coverage are identified in the regulations at 42 C.F.R. § 407.55(b). These are enrollment in a group health plan or individual insurance coverage, coverage under the TRICARE for Life program, or enrollment in Medicaid or Children's Health Insurance Program (CHIP) coverage that includes immunosuppressive drugs, or enrollment in the patient enrollment system of the Department of Veterans Affairs if other specific conditions are met. As a condition of enrollment, an individual must attest to SSA that the individual is not enrolled and does not expect to enroll in other coverage as described above. (42 C.F.R. § 407.59).

We anticipate that the majority of individuals who enroll in this benefit will be those who are eligible for Medicare Savings Programs (MSPs) without full Medicaid and living in states that have not opted to expand Medicaid eligibility to the adult group which provides coverage to certain individuals with incomes up to 138 percent of the Federal Poverty Level (FPL). These individuals may lack access to comprehensive health coverage because their income is too high to be eligible for Medicaid and too low to qualify for advance premium tax credits (APTCs) or cost-sharing reductions (CSRs) in the Health Insurance Marketplace. Most other low-income individuals will be able to enroll in Marketplace qualified health plans (QHPs) with APTC/CSR or Medicaid.

Individuals can enroll in Part B-ID by contacting their local SSA office or by calling 1-877-465-0355.

2. Who can enroll in MSPs for the Part B-ID benefit?

Individuals who enroll in the Part B-ID benefit may also be eligible for coverage under an MSP if the individual meets the current income and resource requirements of MSP (Qualified Medicare Beneficiary-only (QMB-only), Specified Low-Income Medicare Beneficiary-only (SLMB-only) and, Qualifying Individual (QI)) groups. An individual

can enroll in what CMS refers to as "MSP Part B-ID." MSP Part B-ID covers Part B-ID premiums and, for QMB-only, Part B-ID deductible and cost-sharing, as well.

3. How can an individual enroll in MSP Part B-ID?

An individual can become entitled to Part B-ID at different points in time depending on the filing of the application or the timing of the attestation. In general, an individual must be enrolled in Part B-ID based on the requirements in 42 C.F.R. § 407.55 to be eligible to enroll as a QMB-only, SLMB-only, or the QI MSP. Multiple variables can affect whether an individual can seamlessly transition to the MSP Part B-ID benefit.

There are two ways to enroll in the MSPs for the payment of the Part B-ID premiums. First, once enrolled in Part B-ID, individuals may apply for the MSPs and be determined eligible by their state for an MSP eligibility group based on Part B-ID. Second, individuals who are enrolled in an MSP group and lose Medicare entitlement based on ESRD 36 months after the month in which they receive a kidney transplant can transition to an MSP based on Part B-ID enrollment without a break in coverage if: (1) they attest that they do not have other health coverage as described in Medicare General Information, Eligibility, and Entitlement Manual, Ch. 2, Section 40.9.1 by the end of the 36th month after the month in which they receive a kidney transplant; and (2) the state redetermines the individual's Medicaid eligibility on all bases and does not otherwise find the individual ineligible for the MSP group.

For more detail, see Medicare General Information, Eligibility, and Entitlement Manual, Ch. 2, Section 40.9 here: https://www.cms.gov/regulations-and-guidance/guidance/manuals/downloads/ge101c02.pdf.

4. When can individuals enroll in the MSP Part B-ID benefit?

There are no specific enrollment periods; as long as an individual is eligible, they can enroll, disenroll, or re-enroll at any time.

5. What actions must states take upon learning that a Medicaid beneficiary has lost Medicare based on ESRD?

The individual's loss of Medicare based on ESRD status constitutes a change in circumstances that may affect ongoing Medicaid eligibility. Accordingly, a State Medicaid agency is required to promptly redetermine an individual's eligibility for Medicaid whenever it receives information about an individual's loss of Medicare entitlement based on ESRD status. If, upon notice of the loss of ESRD Medicare termination via SSA or CMS systems, the state's redetermination finds the individual is not eligible for Medicaid on any basis, but is potentially eligible for other insurance affordability programs (e.g., Marketplace that has QHPs with APTC/CSR) the state is required to transfer the beneficiary's electronic account to these other insurance

affordability programs in accordance with the procedures set forth in 42 C.F.R. § 435.1200(e)(1).

6. **Will the state be responsible for premiums and cost-sharing for individuals enrolled in MSP-Part B-ID?**

   The state will be responsible for the payment of premiums for all three of the MSP groups noted above, as well as cost-sharing (Part B-ID benefit deductible and co-insurance) for QMB-only beneficiaries, who are enrolled in MSP Part B-ID.

7. **What federal match rate applies to expenditures related to the MSP Part B-ID benefit?**

   The state's standard Federal Medical Assistance Percentage (FMAP) rate applies to the state payment of Part B-ID premiums, deductibles, and coinsurance. The standard federal match of 50 percent applies to systems costs, although states can seek an enhanced matching rate as described in 45 CFR part 95 subpart F and Part 433 subpart C.

8. **Who are the SSA and CMS contacts for states on the Part B-ID benefit?**

   Please send SSA questions to: SSA Regional Data Exchange Coordinators.
   Please send CMS questions to: Office of Information Technology (OIT) at MEPBSEDBSSStaff@cms.hhs.gov or Offices of Hearings & Inquiries (OHI) at statebuy-in@cms.hhs.gov.

MSP Part B-ID Benefit Enrollment Operations for States

9. **How does Part B-ID benefit enrollment data flow between a state, CMS, and SSA?**

   a. SSA processes applications and determines eligibility for the Part B-ID benefit and notifies CMS of the new period of Part B-ID benefit enrollment. SSA also notifies states of the Part B-ID benefit enrollment on the Beneficiary & Earnings Data Exchange **(BENDEX)** file with the Supplemental Medical Insurance (SMI) basis code value of **I** and the associated entitlement effective date (and termination date, if applicable). SSA notifies states of the termination date of the ESRD Medicare coverage as usual.

   b. CMS updates its Medicare Enrollment Database **(EDB)** with Medicare Part B enrollment reason code value of **P**, along with the associated effective date (and termination date, if applicable). This value is reflected throughout CMS systems and interfaces such as:

      - Eligibility and Enrollment Medicare Online User Interface **(ELMO UI)**;
      - the Territories and States Batch Query **(TBQ)** file response; and

- the State Phasedown (also called Medicare Modernization Act **(MMA))** file response.

CMS will not create new dual status codes for MSP Part B-ID groups in its systems. Instead, the presence of the dual status codes of 01 (QMB-only), 03 (SLMB-only), or 06 (QI) during an entitlement period where the Part B enrollment reason code value = **P** designates MSP Part B-ID enrollment.

c. States should report MSP Part B-ID enrollment on the Transformed Medicaid Statistical Information System **(T-MSIS)** file in the RESTRICTED-BENEFIT-CODE field with a value of **G.** For individuals who transitioned from standard MSP to MSP Part B-ID, the state should take the following steps:
   1. End-date the beneficiary's existing ELIGIBILITY-DETERMINANTS record segment (i.e., the segment containing RESTRICTED-BENEFIT-CODE "1" or "3"); and
   2. Replace it with a new ELIGIBILITY-DETERMINANTS record segment that contains the RESTRICTED-BENEFIT-CODE value of **G** that identifies the beneficiary's coverage as MSP Part B-ID.

10. How does CMS's Third-Party System (TPS) process state buy-in periods for MSP Part B-ID enrollees?

TPS sends a new Buy-in Eligibility Code (BIEC) value of **J** (position 71 on the RIC-D reply record) to alert states of records with Part B-ID enrollment. This value cannot be altered by the state.

States are given the option to update the BIEC to identify an MSP Part B-ID group with a 2nd alpha character (position 72 on the RIC-D reply record), either **P**, **L,** or **U**, which will appear on a Part B-ID record as:

- **JP**: QMB-only
- **JL**: SLMB-only
- **JU**: QI

The value of **M** (other full dual) should not be used for Part B-ID enrollees.

States may submit a Part B-ID BIEC value of JP, JL, or JU, or they may submit a BIEC of P, L or U, and CMS will translate and automatically adjust the BIEC to reflect as JP, JL, or JU.

Note: If the state attempts to change the BIEC value for a Part B-ID case to anything other than one of the defined Part B-ID values, TPS will reject the BIEC change request.

11. What can states do if an individual who receives full Medicaid benefits or other coverage that includes immunosuppressive drugs enrolls in Part B-ID? What effect will that have on the individual's Part B-ID benefit?

Individuals with full Medicaid coverage or other comprehensive coverage (that includes coverage of immunosuppressive drugs) are not eligible for the Part B-ID benefit. If they do apply and are mistakenly enrolled (for example, because they verbally attested that they did not have other coverage), states may:

- develop the case using CMS ELMO Case Management Tool (CMT). When adding a case into CMT, a state ELMO user may select the following categories/dropdown options:
    1. Primary: SINQ – State Inquiry/Other
    2. Secondary: State Inquiry /Other
    3. Tertiary: 00 – Not specified
    4. Program: PBID; or
- encourage the individual to contact SSA to disenroll.

If CMS and SSA become aware of, and confirm, the dual enrollment after the effective date of Part B-ID benefit enrollment, SSA will terminate the individual's enrollment from the Part B-ID benefit effective the month following the month of notification. If the notification occurs before the Part B-ID effective date, SSA can terminate the Part B-ID enrollment before coverage begins.

12. Will State Medicaid agencies receive ESRD Medicare Parts A/B termination records from TPS for those in state buy-in who enroll in the Part B-ID benefit? Will the Part B-ID enrollees continue to appear as Part B enrolled on the TBQ file?

CMS will terminate the Part A and Part B buy-in periods when these individuals lose Medicare entitlement based on ESRD. CMS, via TPS, will send states a code 15 transaction to inform the state that CMS has ended the Part A enrollment period and a code 14 transaction to inform the state that CMS has ended the Part B enrollment period. CMS will open a new Part B-ID benefit coverage period with a Buy-in Eligibility Code (BIEC) of **J** and code 1165 which informs the state that CMS initiated an accretion for the Part B-ID benefit period. CMS will act to ensure that those nearing the end of their 36-month ESRD Medicare period who have an open buy-in period will not experience a gap in state buy-in coverage if they enroll in the Part B-ID benefit. In these cases, states will see a new Part B buy-in period associated with the Part B-ID benefit effective date.

In the TBQ, Beneficiary Part B Enrollment Start Date (positions 1242-1249) has 5 occurrences, the first being the current enrollment start date. The prior ESRD Medicare Part B Enrollment period will be closed. For those enrolled in the Part B-ID benefit, the Part B enrollment reason code (position 1258) associated with the current, open enrollment period would be populated with the value of **P**.

13. How will TPS respond if a state sends a code 61 with BIEC value of M when there is a Part B-ID enrollment in CMS systems? If rejected, will it be a code 2161E or something else? Will the rejection also include a BIEC value of J?

TPS will reject a state-initiated accretion with a BIEC value of **M** when CMS records reflect Part B-ID enrollment. The rejection code will be 2161 with no sub-code. TPS will not return a BIEC value of **J** in the rejection response. As with any accretion rejection, CMS will mirror what the state submitted on their request, i.e., the BIEC value on the rejection response will remain **M**.

14. If a Part B-ID enrollee loses MSP Part B-ID eligibility status, how would this affect the individual's Medicare Part B-ID benefit?

The individual would be directly billed for the premiums for the Part B-ID benefit and, for the QMB-only group, cost-sharing for the Part B-ID benefit, as well.

Claims Processing and Crossover

15. How will a provider distinguish the Part B-ID benefit from the standard QMB program?

Claims systems will indicate **both** QMB and Part B-ID enrollments to pharmacy providers for the date the prescription was filled for QMB Part B-ID enrollees. CMS issues Medicare ID cards indicating "IMMUNO DRUG ONLY" to Part B-ID enrollees which will assist providers in the claims process, as well.

16. Will MSP Part B-ID claims be part of the Coordination of Benefits Agreement (COBA) crossover process?

When QMB-only individuals are also enrolled in the Part B-ID benefit and require point-of-sale coverage for immunosuppressive drugs at the pharmacy or in the provider's office, crossover should work as usual, provided the state includes these MSP Part B-ID individuals in the COBA Eligibility file. Following receipt of the COBA Eligibility file, CMS will return the applicable Part B claims, as specified in the state's COBA Trading Partner Agreement, for those MSP Part B-ID individuals. We expect these Part B-ID claims to process as similar to Part B drug claims in the crossover process with Medicare coverage paying primary and the state Medicaid agency paying secondary according to the Medicare cost-sharing payment methodology specified in its state Medicaid plan.

Note: Part B claims may not always crossover from CMS to the state, such as when the state excludes batch NCPDP claim format from their COBA file, or in instances where the state denies the claim, such as when the provider is not enrolled in Medicaid. For instances in which the Part B claims, including MSP Part B-ID claims, do not crossover

and the state is liable for cost-sharing, then the provider/pharmacy provider will follow the state's usual process for submitting claims for cost-sharing directly to the state.

17. If a Medicaid beneficiary mistakenly enrolls in Part B-ID, how will their immunosuppressive drugs and other medications be covered?

As stated in #11, individuals who have full Medicaid (that includes coverage of immunosuppressive drugs), are not eligible to enroll in the Part B-ID benefit. It is possible, however, that some may mistakenly enroll in Part B-ID at SSA. In these cases, the Part B-ID benefit will pay primary to Medicaid for immunosuppressive drugs. For other pharmaceuticals and biologicals not covered under the Part B-ID benefit, Medicaid will cover in accordance with the state Medicaid plan. When these cases are brought to the attention of the state, the state should act promptly in coordination with pharmacy providers to implement manual overrides or any other actions necessary to ensure other pharmaceuticals and biologicals not covered under the Part B-ID benefit may be successfully and timely adjudicated by Medicaid during overlapping periods of coverage.

18. Will CMS provide Part B-ID guidance specific to Medicaid? If so, where and when will the guidance be available?

CMS added MSP Part B-ID benefit information to a new section, 40.9.9 - Medicare Savings Programs for Part B-ID Premiums, to Chapter 2 of the Medicare General Information, Eligibility, and Entitlement Manual (IOM 100-01) found here: https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Internet-Only-Manuals-IOMs-Items/CMS050111. CMS updated the State User's Guide here: https://www.cms.gov/Research-Statistics-Data-and-Systems/CMS-Information-Technology/mapdhelpdesk/MAPD-State-User-Guide. CMS plans to update the Manual for State Payment of Medicare Premiums, as well.