



# Coordination of Benefits

The Importance of  
How Medicare Works  
Along with Your Other  
Insurance Coverage

It's important to know how Medicare works with any other health or drug coverage that you may have 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 to decide who pays first. You'll want to know this information for when those unpaid medical bills start coming in the mail!

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

You need to tell your doctor, hospital and all other health care providers, about all of your health or drug coverage, to avoid delays and to make sure your bills are sent to the right payers, in the right order.

Whether Medicare pays first depends on a number of things, including those listed in the following list. However, keep in mind that this list doesn't cover every situation.

#### Know Who Pays First

If you have retiree insurance (insurance from former employment)...Medicare pays first.

If you're 65 or older, have group health plan coverage based on your or your spouse's current employment and the employer has 20 or more employees...Your group health plan pays first.

If you're 65 or older, have group health plan coverage based on your or your spouse's current employment and the employer has less than 20 employees...Medicare pays first.

If you're under 65 and disabled, have group health plan coverage based on your or a family member's current employment and the employer has 100 or more employees...Your group health plan pays first.

If you're under 65 and disabled, have group health plan coverage based on your or a family member's current employment and the employer has less than 100 employees...Medicare pays first.

If you have Medicare because of End-Stage Renal Disease (ESRD) (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 join Medicare. Medicare will pay first after this 30-month period.

If you have Marketplace coverage and then become eligible for Medicare because of your age (and keep your Marketplace plan)...Medicare pays first.

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 has to have the required number of employees for the group health plan to pay first. For more information, contact your employer or union benefits administrator.

### Remember these important facts

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

These types of insurance usually pay first for services related to each type:

- No-fault insurance (including automobile insurance)
- Liability (including self-insurance plans and automobile insurance)
- Black lung benefits
- Workers' compensation

Medicaid and TRICARE never pay first for services that Medicare covers. They only pay after Medicare, employer group health plans and/or Medicare Supplement Insurance (Medigap) has paid.

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

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

Tell Medicare if your health or drug coverage changes. Give the Benefits Coordination & Recovery Center (BCRC) this information:

- Your name
- The name and address of your plan
- Your 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.

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 you have changes to your Medicare coverage.

Tell your employer benefits administrator if you have changes to your health insurance coverage.

Insurance companies are required to tell Medicare about insurance coverage that they offer people with Medicare, to help coordinate benefits.

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 that they can provide updates to Medicare about your other insurance.

It's appropriate to give this personal information to your insurance company and your employer in order to coordinate benefits. Giving this information in a timely manner will help make sure that your claims are paid correctly.

If you want more information:

- Visit [Medicare.gov](https://www.Medicare.gov) or call 1-800-MEDICARE (1-800-633-4227) to view or print Medicare publications and find helpful phone numbers and websites. TTY users should call 1-877-486-2048.
- Visit [Medicare.gov/publications](https://www.Medicare.gov/publications) to view or print their booklet "Medicare and Other Health Benefits: Your Guide to Who Pays First" or call 1-800-MEDICARE to find out if a copy can be mailed to you.

- Call your State Health Insurance Assistance Program (SHIP) for free health insurance counseling and personalized help.

As always, your independent insurance agent should be able to provide answers to any questions that you may have, but it's nice to know that this other information is also available to you for the asking.

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