



Information about claim payments for Oxford fully insured members eligible for Medicare (Medicare Estimation)

In response to several inquiries about the Medicare Estimation process for our Oxford fully insured business, we are providing additional information to help you guide your customers and their employees. Medicare Estimation is a process for determining the secondary payment when Medicare Part B is primary, and the member has not enrolled in Medicare Part B. Medicare Estimation reduces the payment by the amount the primary Medicare Part B would have paid if the eligible member was enrolled. This amount is not covered by the fully insured plan. The reduction is permissible under NY rule 11 NYCRR 52.23(l) and Conn. Agencies Regs. § 38a-480-4(c).

The process is described in the member's certificate of coverage. For your reference, the **New York** plan exclusions states:

Medicare or Other Governmental Programs:

"We do not Cover services if benefits are provided for such services under the federal Medicare program or other governmental program (except Medicaid). **When You are eligible for Medicare, we will reduce our benefits by the amount Medicare would have paid for the Covered Services.** Except as otherwise required by law, **this reduction is made even if You fail to enroll in Medicare or You do not pay Your Medicare Premium.** Benefits for Covered Services will not be reduced if We are required by federal law to pay first or if You are not eligible for premium-free Medicare Part A."

The **Connecticut** plan exclusions states:

How Are Benefits Paid When You Are Medicare Eligible?

If you are eligible for Medicare on a primary basis (Medicare pays before Benefits under the Policy), you should enroll in and maintain coverage under Medicare Part B. If you don't enroll and maintain that coverage, and if we are the secondary payer as described in *Section 7: Coordination of Benefits*, we will pay Benefits under the Policy as if you were covered under Medicare Part B. As a result, you will be responsible for the costs that Medicare would have paid, and you will incur a larger out-of-pocket cost.

Our process applies to members who are Medicare eligible who have Medicare Part A, but not Medicare Part B and Medicare is primary.

- Medicare is primary in these scenarios:
 - Medicare due to Age & Group Size is 19 or Less.
 - Medicare due to Disability & Group Size is 99 or Less.
 - Medicare due to End Stage Renal Disease (ESRD) & Medicare is Primary depending on what stage of dialysis treatment member is in.
 - Medicare Primary (regardless of reason or group's size) and Not Actively Working.
 - Working (COBRA, State Continuation, Retiree).

Applicability

Medicare Estimation applies in any of the following scenarios:

- Member has Part A and no Part B and Medicare is primary.
- Member has both Parts A and B (primary), but provider does not bill or participate in Medicare or has specifically opted out of Medicare.
- Member has Part B only (primary), but provider does not bill or participate in Medicare or has specifically opted out of Medicare.

Medicare Estimation does not apply in these scenarios:

- Member has Part B, and provider is participating with Medicare. If the member has Part B, we pay secondary based on the actual amount Medicare paid.
- Medicare (any part) is the member's secondary payer.
- Member is not eligible for Medicare.

Scope

- Medicare Estimation is applied to all newly eligible members when we learn they are enrolled in Part A but have not enrolled in Part B and Medicare is primary.
- Letters were mailed to active members with Medicare Part A only (Dec. 2019 – Mar. 2020). Sample copies of the [New York member letter](#) and [Connecticut member letter](#) are attached. The letters let them know we would begin enforcing the Medicare Estimation requirement in their plan. We wanted to provide these members with time to enroll during the Medicare Part B special enrollment period and for coverage to become effective before claim payments were reduced.

Effective dates

- New York fully insured groups: Medicare Estimation applies to claims with dates of service on or after July 1, 2020.
- Connecticut fully insured groups: Medicare Estimation began applying to claims on or after July 1, 2020, upon renewal.
- New Jersey fully insured groups: Medicare Estimation does not currently apply.

Call to action

- Remind your New York- and Connecticut-situs fully insured Oxford groups that Medicare Estimation applies to the employer contract.

- Encourage members who have not enrolled in Medicare Part B to consider enrolling in Medicare Part B and to contact Medicare or refer to [Medicare.gov](https://www.medicare.gov) for assistance.

You can find information about Medicare at [Medicare.gov](https://www.medicare.gov).

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