

Tip Sheet for Opioid Treatment Program Providers Serving Dually Eligible Individuals:

State Coverage of the Medicare Part B Deductible

What is the Medicare Part B Opioid Treatment Program (OTP) benefit?

Starting January 1, 2020, under the Calendar Year (CY) 2020 Physician Fee Schedule [final rule](#), the Centers for Medicare & Medicaid Services (CMS) will pay Opioid Treatment Programs (OTPs) through bundled payments for opioid use disorder (OUD) treatment services provided to people with Medicare Part B (Medical Insurance).

Under the new OTP benefit, Medicare covers:

- U.S. Food and Drug Administration (FDA)-approved opioid agonist and antagonist medication-assisted treatment (MAT) medications
- Dispensing and administration of MAT medications (if applicable)
- Substance use counseling
- Individual and group therapy
- Toxicology testing
- Intake activities
- Periodic assessments

We encourage OTPs to begin the [enrollment](#) process as soon as possible.

What do I need to know about individuals dually eligible for Medicare and Medicaid?

State Medicaid agencies are responsible, with some limits, for paying the Medicare Part B yearly deductible for individuals dually eligible for Medicaid and Medicare. For those in the [Qualified Medicare Beneficiary](#) (QMB) program who are eligible¹, states also pay:

- Medicare Part A and B premiums.
- All Medicare A/B deductibles, coinsurance, and copayments.

States cover the Medicare Part B deductible for certain other dually eligible individuals, as noted in their state plan.

While in some circumstances states can limit their Medicare cost-sharing, beneficiaries enrolled in the QMB program:

- Have no legal obligation to pay Medicare providers for Medicare Part A or Part B cost-sharing.
- Can't be billed by providers for Medicare Parts A and B cost sharing amounts.

¹ Beneficiaries may still be liable for nominal Medicaid copayments.

You can find the QMB status of Medicare beneficiaries:

- Using the Medicare [HIPAA Eligibility Transaction System \(HETS\)](#).
- On the Medicare [Remittance Advice](#) to providers.

Learn more about [QMB cost-sharing prohibitions](#).

What is the Medicare Part B deductible?

In Medicare Part B, there's an annual deductible (\$198 in 2020) that most Medicare beneficiaries pay. State Medicaid programs pay the Part B deductible for:

- Those dually eligible and enrolled in the QMB program.
- Others the state has chosen to cover.

In 2020, the Part B deductible applies to the first \$198 of charges incurred in the calendar year. Opioid Treatment Program (OTP) services are covered under Part B starting in 2020, so if a Medicare beneficiary's Part B deductible hasn't been met, some or all of the deductible may apply to the OTP services the beneficiary received.

Original Medicare doesn't have a copayment for OTP services, but there may be copayments under Medicare Advantage (MA) plans.

What do I need to know about enrolling in Medicare & Medicaid?

For Medicaid to adjudicate OTP providers' Part B deductible claims, you have to enroll in Medicare, the state Medicaid program, and if it applies, the state Medicaid Managed Care Organization (MCO). You can contract with MA plans or furnish services on a non-contract basis to MA enrollees if pre-approved by the enrollee's MA plan.

Our "[Opioid Treatment Programs \(OTPs\) Medicare Enrollment Fact Sheet](#)" gives more details about the Medicare provider enrollment process. For information on how to enroll with a state Medicaid program, go to the state Medicaid agency's website² and/or the Medicaid MCO website.

What is the Original Medicare claims crossover process?

For services delivered to a beneficiary who is dually eligible, Medicare automatically forwards Original Medicare claims (called [coordination of benefits agreement](#) or "crossover claims") to the state Medicaid agency³ to adjudicate how much the state should pay for a beneficiary's deductible. This crossover process **only** works if you're enrolled in both Medicare and

² To locate instructions for how to enroll in a specific state's Medicaid Program or CHIP, please conduct a web search using the terms "state"+ "Medicaid provider enrollment" (replace "state" with the name of the state where you seek to enroll). This will help you to locate information regarding a specific state's enrollment process.

³ State Medicaid agencies must enter into a [Coordination of Benefits Agreement \(COBA\)](#) with CMS to participate in this crossover process. All state Medicaid agencies except for South Carolina have an agreement in place. In South Carolina, providers must bill the state Medicaid agency directly for coverage of the Medicare Part B deductible.

Medicaid. If you're not yet enrolled in Medicare but are enrolled in Medicaid, you should bill Medicaid for OTP services provided to dually eligible individuals, and Medicaid will pay based on the state plan (the Part B deductible would not apply).⁴

You'll receive 2 communications regarding remittance advice from:

- Medicare noting the crossover claim.
- The state Medicaid agency showing the claim processing results and how much of the deductible the state has to pay.

If a dually eligible individual is enrolled in an MCO, the state may delegate Medicaid coverage for OTP services to the MCO. In these cases, the MCO may receive crossover claims directly from Medicare, or the state may "forward" the crossover claims to the MCO plan, and your remittance advice will come from the MCO.

When do I re-code claims?

State Medicaid programs often use different codes and pay differently than Medicare (including MA plans). While states don't have to match Medicare's payment methodology, they must be able to process and adjudicate claims for the Medicare cost-sharing liability for most dually eligible individuals.

For crossover claims, after Original Medicare receives and adjudicates a claim, it will crossover to the state Medicaid agency. If the state Medicaid agency uses different billing codes than Medicare, the state Medicaid claims processing system may initially deny the crossover claim because the codes don't match.

Then, the state Medicaid agency will send you a remittance advice explaining that the claim was denied because of the coding conflict. You will need to re-code the claim using the state Medicaid billing codes and submit to the state Medicaid agency for processing.

In some states the Medicaid OTP benefit covers more than Medicare's does. In this case, the state can "wrap around" or cover the specific services that Medicare doesn't cover. You should bill Medicaid only for these wrap around services.

What is the MA crossover process?

There's **no** automated crossover process for dually eligible individuals enrolled in an MA plan. This means you'll have to bill the state Medicaid agency or Medicaid MCO directly for any Part B deductible and applicable copayments.

No matter how much a state pays, you cannot collect Medicare cost sharing from dually eligible individuals enrolled in the QMB program.

⁴ If you are enrolled in Medicare but are not yet enrolled in Medicaid, the state will not pay the Part B deductible and you cannot bill the beneficiary for the Part B deductible.

Where can I get more information?

- For Medicare, contact your [Medicare Administrative Contractor](#) .
- For Medicaid, contact your state Medicaid agency's provider relations group.
- To find the latest updates, bookmark the [Medicaid](#) and [MA Plan](#) pages of the [OTP website](#).