

PROVIDER BULLETIN NO. 11- 09

Date: January 21, 2011

TO: Nebraska Medicaid Nursing Facility Service Providers
Nebraska Medicaid Waiver Assisted Living Service Providers

FROM: Vivianne M. Chaumont, Director 
Division of Medicaid & Long-Term Care

BY: Joyce Schneider, Program Specialist
Division of Medicaid & Long-Term Care

RE: Client Share of Cost Obligation & Medicare Part B Premium Payment

Please share this information with your administrative and billing staff.

Effective February, 2011, Medicaid payment of Medicare Part B premiums for certain individuals at specific income levels will change, based on clarification recently received from the Center for Medicare and Medicaid Services (CMS).

Current Medicaid clients with income above 120% but less than 135% of Federal Poverty Level (FPL) will have a reduced Share of Cost (POS) amount beginning February 2011, as Medicaid can no longer pay Medicare Part B premium for these individuals. Medicaid will now allow the monthly cost of the Part B premium to be counted as an expense and calculated into the client's budget. This will result in a reduction of the client's monthly POS amount due to your facility. Clients impacted by this change will receive a Notice of Action stating the reason for the change is "Medicare Part B Premium Expense Started." Your facility will receive a copy of the client's Notice of Action.

New Medicaid applicants with income less than 100% FPL will have the Medicare Part B premium counted as an expense and calculated into the client's monthly budget up to the month following the month the case is processed. For example, if an individual applies for Medicaid in November and the case is processed in January, Medicaid will begin paying the eligible client's Part B premium in February. Clients will receive a Notice of Action identifying their initial and subsequent POS amounts and the effective dates of each. The POS amount will increase the month Medicaid begins paying their Part B premium. Your facility will receive a copy of the client's Notice of Action.

If you have questions about a client's Notice of Action information, contact the client's DHHS caseworker at the phone number listed on the Notice.

If you have questions about this Provider Bulletin, contact Joyce Schneider at (402) 471-9752 or joyce.schneider@nebraska.gov