

140.1 Source of Payments

(Rev. 89; Issued: 11-02-07; Effective/Implementation: 11-02-07)

Per 42 CFR 422.322(a), payments for original fee-for-service benefits to MA organizations and to MA Medical Savings Accounts are made from the Federal Hospital Insurance Trust Fund or the Supplementary Medical Insurance Trust Fund in proportions determined by CMS that reflect the relative weights that benefits under Part A and Part B represent of the actuarial value of total Medicare benefits.

Payments to MA organizations for statutory drug benefits provided under an MA-PD plan are made from the Medicare Prescription Drug Account in the Federal Supplementary Medical Insurance Trust Fund.