

## **100 - Beneficiary Liability**

**(Rev. 30, 09-05-03)**

The CMS will pay the HCPP for the reasonable cost of providing covered services to Medicare enrollees less an amount representing the actuarial value of the deductible and coinsurance the Medicare enrollee otherwise would have been liable for had they not enrolled in the current HCPP or in another Medicare HCPP. The organization may charge Medicare enrollees up to this aggregate amount in the form of premiums, membership fees, copayments, charge per unit of service, or similar charges. Another individual, organization, or entity may pay premiums on behalf of the Medicare enrollee. In addition, a Medicare beneficiary's private health insurance may be the primary payer under certain circumstances.

The HCPP may offer the Medicare beneficiaries supplemental benefit plans to cover deductibles and coinsurance amounts, services not covered under Medicare, or both. If a supplemental benefit plan premium (or other payment method) includes charges for both noncovered services and the deductible and coinsurance amounts applicable to covered services, the portion of the premium representing deductibles and coinsurance must be computed separately, and disclosed to the beneficiary prior to his/her election of such coverage options during the enrollment process.

