2027 Blue Cross and Blue Shield Service Benefit Plan
FEP Blue Standard and FEP Blue Basic
Section 9. Coordinating Benefits With Medicare and Other Coverage

When you are age 65 or over and do not have Medicare

Under the FEHB law, we must limit our payments for **inpatient hospital care** and **physician care** to those payments you would be entitled to if you had Medicare. Your physician and hospital must follow Medicare rules and cannot bill you for more than they could bill you if you had Medicare. You and the FEHB benefit from these payment limits. Outpatient hospital care and non-physician-based care are not covered by this law; regular Plan benefits apply. The following chart has more information about the limits.

If you:

- are age 65 or over; and
- do not have Medicare Part A, Part B, or both; and
- have this Plan as an annuitant or as a former spouse, or as a family member of an annuitant or former spouse; and
- are not employed in a position that gives FEHB coverage. (Your employing office can tell you if this applies.)

Then, for your inpatient hospital care:

- The law requires us to base our payment on an amount – the “equivalent Medicare amount” – set by Medicare’s rules for what Medicare would pay, not on the actual charge.
- You are responsible for your deductible (Standard Option only), coinsurance, or copayments under this Plan.
- You are not responsible for any charges greater than the equivalent Medicare amount; we will show that amount on the explanation of benefits (EOB) form that we send you.
- The law prohibits a hospital from collecting more than the equivalent Medicare amount.

And, for your physician care, the law requires us to base our payment and your applicable coinsurance or copayment on:

- an amount set by Medicare and called the “Medicare-approved amount,” or
- the actual charge if it is lower than the Medicare-approved amount.

If your physician: Participates with Medicare or accepts Medicare assignment for the claim and is in our Preferred network
Then you are responsible for:
Standard Option - your deductibles, coinsurance, and copayments.
Basic Option - your copayments and coinsurance.

If your physician: Participates with Medicare or accepts Medicare assignment and is not in our Preferred network
Then you are responsible for:
Standard Option - your deductibles, coinsurance, and copayments, and any balance up to the Medicare-approved amount.
Basic Option - all charges.

If your physician: Does not participate with Medicare and is in our Preferred network
Note: In many cases, your payment will be less because of our Preferred agreements. Contact your Local Plan for information about what your specific Preferred provider can collect from you.
Then you are responsible for:
Standard Option - your deductibles, coinsurance, and copayments, and any balance up to 115% of the Medicare-approved amount.
Basic Option - your copayments and coinsurance, and any balance up to 115% of the Medicare-approved amount.

If your physician: Does not participate with Medicare and is not in our Preferred network
Then you are responsible for:
Standard Option - your deductibles, coinsurance, copayments, and any balance up to 115% of the Medicare-approved amount.
Basic Option - all charges.

If your physician: Opts-out of Medicare via private contract
Then you are responsible for:
Standard Option - your deductibles, coinsurance, copayments, and any balance your physician charges.
Basic Option - your deductibles, coinsurance, copayments, and any balance your physician charges.

It is generally to your financial advantage to use a physician who participates with Medicare. Such physicians are permitted to collect only up to the Medicare-approved amount.

Our explanation of benefits (EOB) form will tell you how much the physician or hospital can collect from you. If your physician or hospital tries to collect more than allowed by law, ask the physician or hospital to reduce the charges. If you have paid more than allowed, ask for a refund. If you need further assistance, call us.