

§ 407.42

42 CFR Ch. IV (10–1–23 Edition)

Samoa, or the Northern Mariana Islands, except when reference is made to “the 50 States”.

State buy-in agreement or buy-in agreement means an agreement authorized or modified by section 1843 or 1818(g) of the Act, under which a State secures Part B or premium Part A coverage for individuals who are members of the buy-in group specified in the agreement, by enrolling them and paying the premiums on their behalf. A State’s submission of a State plan amendment addressing its buy-in process, if approved by CMS, constitutes the “buy-in agreement” between the State and CMS for purposes of sections 1843 and 1818(g) of the Act.

(c) *Basic rules.* (1) A State that has a buy-in agreement in effect must enroll any individual who is eligible to enroll in SMI under § 407.10 and who is a member of the buy-in group, with the State paying the premiums on the individual’s behalf. Individuals enrolled in the buy-in group can enroll in Part B at any time of the year, without regard to Medicare enrollment periods.

(2) Any State that does not have a buy-in agreement in effect may request buy-in for any one of the groups specified in §§ 407.42 and 407.43.

(3) Any State that does have an agreement may request a modification to cover a broader buy-in group or cancel its current agreement and request a new agreement to cover a narrower group.

(4) Any State that has a buy-in agreement in effect must participate in daily exchanges of enrollment data with CMS.

(5) In a 1634 State, CMS enrolls SSI beneficiaries in Medicare Part B, on behalf of the State, with the State paying the beneficiary’s Part B premiums.

(6) Premiums paid under a State buy-in agreement are not subject to increase because of late enrollment or re-enrollment.

[56 FR 38080, Aug. 12, 1991; 56 FR 50058, Oct. 3, 1991; as amended at 85 FR 25632, May 1, 2020; 87 FR 66507, Nov. 3, 2022]

§ 407.42 Buy-in groups available to the 50 States, the District of Columbia, and the Northern Mariana Islands.

(a) *Basic rule.* The 50 States, the District of Columbia, and the Northern

Mariana Islands must select one of the buy-in groups described in paragraph (b) in their buy-in agreements.

(b) *Buy-in groups available—*(1) *Group 1. Cash Assistance and Deemed Recipients of Cash Assistance:* This buy-in group includes all of the following:

(i) Individuals who receive SSI or SSP or both and are covered under the State’s Medicaid state plan as categorically needy.

(ii) Individuals who under the Act or any other provision of Federal Law are treated, for Medicaid eligibility purposes, as though the individual was receiving SSI or SSP and are covered under the State’s Medicaid state plan as categorically needy.

(iii) At State option, individuals whom the State must consider to be recipients of AFDC. Individuals a State would be required to include in electing this option would be, but not limited to, individuals eligible for Medicaid on the basis of section 1931(b) of the Act or their receipt of adoption assistance, foster care or guardianship care under Part E of title IV of the Act, in accordance with § 435.145 of this chapter.

(2) *Group 2. Cash Assistance and Deemed Recipients of Cash Assistance and three Medicare Savings Program eligibility groups.* This buy-in group includes both of the following:

(i) Group 1.

(ii) Individuals enrolled in the—

(A) Qualified Medicare Beneficiary eligibility group described in § 435.123 of this chapter;

(B) Specified Low-Income Beneficiary eligibility group described in § 435.124 of this chapter; and

(C) Qualifying Individual eligibility group described in § 435.125 of this chapter.

(3) *Group 3. All Medicaid Eligibility Groups:* This buy-in group includes all individuals eligible for Medicaid.

[87 FR 66507, Nov. 3, 2022]

§ 407.43 Buy-in groups available to Puerto Rico, Guam, the Virgin Islands, and American Samoa.

(a) *Categories included in buy-in groups.* The buy-in groups that are available to Puerto Rico, Guam, the Virgin Islands, and American Samoa,

which are not covered by the SSI program, are described in paragraph (b) of this section in terms of the following categories:

(1) *Category A*: Individuals receiving OAA, AB, APTD, or AFDC.

(2) *Category B*: Individuals who, under the Act or any other provision of Federal law, are treated, for Medicaid eligibility purposes, as though they were receiving AFDC.

(3) *Category C*: Individuals who, in accordance with §436.112 of this chapter, are covered under the State's Medicaid plan despite the increase in social security benefits provided by Public Law 92-336.

(4) *Category D*: Individuals who are Qualified Medicare Beneficiaries.¹

(5) *Category E*: All other individuals who are eligible for Medicaid.

(b) *Buy-in groups available*. Puerto Rico, Guam, the Virgin Islands, and American Samoa may choose any of the following coverage groups:

(1) *Group 1*: Categories A through E.

(2) *Group 2*: Categories A through D.

(3) *Group 3*: Categories A through C.

(4) *Group 4*: Individuals in category D, and individuals in categories A and B who are not social security or railroad retirement beneficiaries.

(5) *Group 5*: Individuals in categories A and B who are not social security or railroad retirement beneficiaries.

(6) *Group 6*: Individuals in category D, individuals in category A who are receiving OAA, and individuals in category C who are included in that category (in accordance with §436.112 of this chapter) because they received OAA for August 1972 or would have been eligible to receive OAA for that month if they had applied or had not been institutionalized.

(7) *Group 7*: Individuals in category A who are receiving OAA, and individuals in category C who are included in that category (in accordance with §436.112 of this chapter) because they received OAA for August 1972 or would have been eligible to receive OAA for that month if they had applied or had not been institutionalized.

(8) *Group 8*: Individuals in category D and individuals in category A who are receiving OAA and are not social security or railroad retirement beneficiaries.

(9) *Group 9*: Individuals in category A who are receiving OAA and are not social security or railroad retirement beneficiaries.

[56 FR 38082, Aug. 12, 1991]

§ 407.47 Beginning of coverage under a State buy-in agreement.

(a) *General rule*. The beginning of an individual's coverage period depends on two factors:

(1) The individual's meeting the SMI eligibility requirements and the requirements for being a member of the buy-in group; and

(2) The effective date of the buy-in agreement or agreement modification that covers the buy-in group to which the individual belongs, and which may not be earlier than the third month after the month in which the agreement or modification is executed. The State must apply the earliest applicable start date for the applicable buy-in group.

(b) *Application of general rule: Medicaid eligibles who are, or are treated as, cash assistance beneficiaries*. For Medicaid eligibles who are, or are treated as, cash assistance beneficiaries, coverage begins with the later of the following:

(1) The first month in which the individual—

(i) Meets the SMI eligibility requirements specified in §407.10; and

(ii) Is, or is treated as, a cash assistance beneficiary.

(2) The month in which the buy-in agreement is effective.

(c) *Application of general rule: Qualified Medicare Beneficiaries*. For individuals who are QMBs as defined under § 435.123 of this chapter, coverage begins with the later of the following:

(1) The first month in which the individual meets the SMI eligibility requirements specified in §407.10, and has QMB status.

(2) The month in which the buy-in agreement or agreement modification covering QMBs is effective.

¹ Rules for buy-in for premium hospital insurance for QMBs are set forth in §406.26 of this chapter.