

comply. (Rules for collection of overdue premiums, including assessment of interest and offset against FFP due the State, are those set forth in the Notice published on September 30, 1985 at 50 FR 39784.)

§ 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 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.

(b) *Application of general rule: Medicaid eligibles who are, or are treated as, cash assistance recipients.* For Medicaid eligibles who are, or are treated as, cash assistance recipients (that is, are members of categories A through E of § 407.42(a) or categories A through C of § 407.43(a)), 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 a member of one of those categories.

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

(c) *Application of general rule: Qualified Medicare Beneficiaries.* For individuals who are QMBs (that is, are members of category F of § 407.42 or category D of § 407.43(a)), 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.

(d) *Application of general rule: Other individuals eligible for Medicaid.* For individuals who are members of category G of § 407.42(a) or category E of § 407.43(a), coverage begins with the later of the following:

(1) The second month after the month in which the individual—

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

(ii) Is determined to be eligible for Medicaid.

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

(e) *Coverage based on erroneous report.* If the State erroneously reports to SSA that an individual is a member of its coverage group, the rules of paragraphs (a) through (d) of this section apply, and coverage begins as though the individual were in fact a member of the group. Coverage will end only as provided in § 407.48.

[56 FR 38082, Aug. 12, 1991]

§ 407.48 Termination of coverage under a State buy-in agreement.

An individual's coverage under a buy-in agreement terminates with the earliest of the following events:

(a) *Death.* Coverage ends on the last day of the month in which the individual dies.

(b) *Loss of entitlement to hospital insurance benefits before age 65.* If an individual loses entitlement to hospital insurance benefits before attaining age 65, coverage ends on the last day of the last month for which he or she is entitled to hospital insurance.

(c) *Loss of eligibility for the buy-in group.* If an individual loses eligibility for inclusion in the buy-in group, buy-in coverage ends as follows:

(1) On the last day of the last month for which he or she is eligible for inclusion in the group, if CMS determines ineligibility or receives a State ineligibility notice by the 25th day of the second month after the month in which the individual becomes ineligible for inclusion in the group.

(2) On the last day of the second month before the month in which CMS receives a State ineligibility notice later than the time specified in paragraph (c)(1) of this section. A notice received by CMS after the 25th day of the month is considered to have been received in the following month.

(d) *Termination or modification of buy-in agreement.* If the State's buy-in agreement is terminated, or modified to substitute a narrower buy-in group,

§ 407.50

coverage ends on the last day of the last month for which the agreement was in effect, or covered the broader buy-in group.

[53 FR 47204, Nov. 22, 1988, as amended at 56 FR 38082, Aug. 12, 1991]

§ 407.50 Continuation of coverage: Individual enrollment following end of coverage under a State buy-in agreement.

(a) *Deemed enrollment.* When coverage under a buy-in agreement ends because the agreement terminates, or is modified to substitute a narrower buy-in group, or because the individual is no longer eligible for inclusion in the buy-in group, the individual—

(1) Is considered to have enrolled during his or her initial enrollment period; and

(2) Will be entitled to SMI on this basis and liable for SMI premiums beginning with the first month for which he or she is no longer covered under the buy-in agreement.

(b) *Voluntary termination.* (1) An individual may voluntarily terminate entitlement acquired under paragraph (a) of this section by filing, with SSA or CMS, a request for disenrollment.

(2) Voluntary disenrollment is effective as follows:

(i) If the individual files a request within 30 days after the date of CMS's notice that buy-in coverage has ended, the individual's entitlement ends on the last day of the last month for which the State paid the premium.

(ii) If the individual files the request more than 30 days but not more than 6 months after buy-in coverage ends, entitlement ends on the last day of the month in which the request is filed.

(iii) If the individual files the request later than the 6th month after buy-in coverage ends, entitlement ends at the end of the month after the month in which request is filed.¹

[53 FR 47204, Nov. 22, 1988, as amended at 56 FR 38082, Aug. 12, 1991]

¹For requests filed before July 1987, entitlement ended on the last day of the calendar quarter after the quarter in which the disenrollment request was filed.

42 CFR Ch. IV (10-1-05 Edition)

PART 408—PREMIUMS FOR SUPPLEMENTARY MEDICAL INSURANCE

Subpart A—General Provisions

- Sec.
- 408.1 Statutory basis.
 - 408.2 Scope and purpose.
 - 408.3 Definitions.
 - 408.4 Payment obligations.
 - 408.6 Methods and priorities for payment.
 - 408.8 Grace period and termination date.
 - 408.10 Claim for monthly benefits pending concurrently with request for SMI enrollment.

Subpart B—Amount of Monthly Premium

- 408.20 Monthly premiums.
- 408.21 Reduction in Medicare Part B premium as an additional benefit under Medicare+Choice plans.
- 408.22 Increased premiums for late enrollment and for reenrollment.
- 408.24 Individuals who enrolled or reenrolled before April 1, 1981 or after September 30, 1981.
- 408.25 Individuals who enrolled or reenrolled between April 1 and September 30, 1981.
- 408.26 Examples.
- 408.27 Rounding the monthly premium.

Subpart C—Deduction From Monthly Benefits

- 408.40 Deduction from monthly benefits: Basic rules.
- 408.42 Deduction from railroad retirement benefits.
- 408.43 Deduction from social security benefits.
- 408.44 Deduction from civil service annuities.
- 408.45 Deduction from age 72 special payments.
- 408.46 Effect of suspension of social security benefits.
- 408.47 [Reserved]
- 408.50 When premiums are considered paid.
- 408.52 Change from direct remittance to deduction.
- 408.53 Change from partial direct remittance to full deduction.

Subpart D—Direct Remittance: Individual Payment

- 408.60 Direct remittance: Basic rules.
- 408.62 Initial and subsequent billings.
- 408.63 Billing procedures when monthly benefits are less than monthly premiums.
- 408.65 Payment options.
- 408.68 When premiums are considered paid.
- 408.70 Change from quarterly to monthly payments.
- 408.71 Change from deduction or State payment to direct remittance.