

## Issue 113: INSIDER'S EDGE: Paying for Outstanding Medical Bills and Old Pharmacy Claims

Dear Marge,

I know many Medicaid recipients are currently up for renewal. If someone loses coverage because they failed to reapply in a timely fashion, does the Medicaid program offer emergency funds to cover their healthcare costs while their application is processed? Will Medicaid pay for their past medical and pharmacy bills once they are found eligible again?

--Perplexed in Prince George's County

### **Best Practice: Reapply On Time!**

Ideally, Medicaid recipients won't ever experience a lapse in coverage! Medicaid recipients should always reapply as soon as possible once they receive notification that they are up for redetermination. Since reminders about the redetermination process are sent out by [mail](#) and [text](#), it's important that recipients keep the contact information they have shared with the State up-to-date to ensure their renewal reminder reaches them in a timely fashion.

### **When All Else Fails, Apply for Retro**



*Of course, mistakes happen.*

While there isn't a designated emergency fund available to cover a consumer's medical and pharmaceutical expenses while their application is processed, all applicants can apply for up to 3 months retroactive coverage ("retro") when they apply for benefits. Consumers who have paid for medical care or prescription costs out-of-pocket while their coverage was lapsed can seek reimbursement from the provider for these costs if their retroactive coverage is approved.

### **Medical Costs**

Providers who participate with the Medicaid program are eligible for reimbursement for services to recipients who have been found eligible for retroactive coverage. Providers must submit the past claims to the Department for approval. The recipient will then be reimbursed by the provider once the Department approves the claim.

## Pharmaceutical Costs

Recipients who paid for prescriptions out-of-pocket when their coverage lapsed can seek reimbursement from the pharmacy from which the medication was purchased once their retroactive coverage has been approved. The recipient should bring their receipts from past purchases with them and let the pharmacist know that they were covered by Medicaid during this period. The pharmacy will then verify their eligibility. In most cases, the pharmacy will be able to reimburse the recipient on the same day.

### **Note:**

- Only prescription medications covered by the Medicaid program are eligible for reimbursement. Certain medications are not covered by Medicaid, for example, Viagra or Tylenol.
- For fastest processing, the recipient should bring copies of the receipts for the prescriptions they had filled and paid for out-of-pocket. Some pharmacies may be able to verify past purchases without a receipt.
- The recipient will still be responsible for the minimal co-pay associated with filling prescriptions through the Medicaid program--\$1 for generic medication & HIV/AIDS drugs, \$3 for brand name medications.
- In certain cases, prior authorization may be required in order for reimbursement for the claim to be processed. This may delay reimbursement to the recipient. If the recipient does not meet the prior authorization requirements, the cost of the prescription expense will not be eligible for reimbursement.

## **The Logistics: Applying for Retroactive Coverage**

Medicaid recipients previously enrolled in HealthChoice should reapply using Maryland Health Connection. The consumer must indicate they want to apply for retro at the time they submit their initial application. Consumers cannot go back and make this selection by editing their application once it has been submitted. Consumers who forget to check the retro box off before their application is submitted will need to contact the Call Center for assistance if retroactive coverage is needed. Caseworkers should escalate these issues to the Helpdesk.

### Prior Medical Expenses

Do you want help paying for any unpaid medical bills from the last 3 months?

☒ Yes ☐ No

Was your income in each of the last three months equal to your current month's income?

☐ Yes ☒ No

Please indicate the months in which your household income was different

☐ October

☒ September

☐ August

**That's it for today!** Send your questions to [dhmh.medicaidmarge@maryland.gov](mailto:dhmh.medicaidmarge@maryland.gov).