

**CONFIDENTIAL FAX COVERSHEET**

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Subject: Guam Medicaid Buy-in Agreement

See Modification 2, item 1, 'coverage group' definition.

CONFIDENTIALITY PROVISION

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SUPPLEMENTARY MEDICAL INSURANCE BENEFITS
~~(Agreement with State Pursuant to Section 1843)~~

AGREEMENT

Between
The Secretary of Health, Education, and Welfare

and

The State of Guam
(To carry out the provisions of
Section 1843 of the Social
Security Act)

The Secretary of Health, Education, and Welfare, hereinafter referred to as the Secretary, and the Territory of Guam acting through the Department of Public Health and Welfare, hereinafter referred to as the State agency, for purposes of carrying out the provisions of section 1843 of the Social Security Act (providing for the enrollment under Part B of Title XVIII of the Social Security Act of certain eligible individuals included in the coverage group specified in part (A) (4) of the agreement, and for the payment by the State of the premiums payable with respect to such individuals) hereby agree to the following:

A. Definitions

For the purposes of this agreement--

(1) The term "Secretary" means the Secretary of Health, Education, and Welfare or his delegate.

(2) The term "Act" means the Social Security Act.

(3) The term "eligible individual" means an individual who, on the date this agreement is entered into or on any later date, but prior to January 1, 1968--

(a) has attained the age of 65, and

(b)(1) is a resident of the United States, and is either (I) a citizen or (II) an alien lawfully admitted for permanent residence who has resided in the United States continuously during the 5 years immediately preceding the date this agreement is entered into or a later date (but prior to January 1, 1968), or (ii) is entitled to hospital insurance benefits under Part A of Title XVIII of the Act.

5 (4) The term "coverage group" means all eligible individuals receiving money payments, under the plan of the State of Guam approved under Titles I, IV, X, and XIV of the Act, for the month in which this agreement is entered into or for any month thereafter, but prior to January 1968. An individual included in a coverage group by reason of the previous sentence shall, nevertheless, not be a member of such group in any month (during the period beginning with the month this agreement is entered into and ending December 31, 1967) if he is entitled to monthly benefits under Title II of the Act or entitled to receive an annuity or a pension under the Railroad Retirement Act of 1937, as amended (without regard to the retroactivity of such entitlement) in such month. No individual shall be a member of a coverage group after his coverage period attributable to this agreement has ended, if such coverage period ended after December 31, 1967.

(5) The term "money payments" means payments in cash, checks, or warrants immediately redeemable at par, made to--

(i) an eligible individual, or

(ii) his judicially appointed legal representative, or

3 (iii) another individual on behalf of such eligible individual, but only if such payments are protective payments as provided in section 108 of P.L. 87-543 and section 402 of P.L. 89-97,

~~with no restrictions imposed by the State on the use of funds by such~~
eligible individual, or for him by the payee.

(6) The "coverage period" of an individual attributable to this agreement means a period of one or more months, beginning and ending as provided in paragraphs (a) and (b) of this section (6), during which an eligible individual is a member of the coverage group included under this agreement.

(a) An individual's coverage period attributable to this agreement shall begin on whichever of the following is the latest:

- (i) July 1, 1966;
- (ii) the first day of the third month following the month in which this agreement is entered into;
- (iii) the first day of the first month in which he is both an eligible individual and a member of a coverage group, but without regard to any prior coverage period (terminated prior to 1968) attributable to this agreement.

Notwithstanding the provisions of the preceding sentence, an individual's coverage period shall not begin later than January 1, 1968.

(b) An individual's coverage period attributable to this agreement shall end on the last day of whichever of the following first occurs:

- (i) the month in which he becomes ineligible for money payments, as determined by the agency of the State or the local agency administering the plan under which he was receiving such money payments; or
- (ii) the month preceding the month in which he becomes

~~entitled to monthly benefits under Title II of the Act~~
or to an annuity or pension under the Railroad Retirement Act (without regard to retroactivity of such entitlement);

(iii) the month in which this agreement is terminated; or

(iv) the month in which he dies.

(c) Any eligible individual whose coverage period attributable to this agreement has ended, as determined under paragraph (b) of this section, shall be deemed, for purposes of Part B of Title XVIII of the Act, to have enrolled thereunder in the initial general enrollment period provided by section 1837 (c) of the Act.

(d) Any eligible individual who is a member of a coverage group, but who subsequently (prior to 1968 and prior to the beginning of his coverage period) ceases to be such a member because he is entitled to monthly benefits under Title II of the Act or to receive an annuity or a pension under the Railroad Retirement Act, because he becomes ineligible to receive money payments shall, only for purposes of the first sentence of paragraph (c) of this section, be deemed to have had a coverage period attributable to this agreement which has ended.

B. Enrollment of Eligible Individuals

Any individual who is an eligible individual and who is a member of the coverage group included under this agreement shall be deemed to be enrolled under Part B of Title XVIII of the Act. Notwithstanding section (6)(a) of Part A of this agreement, the coverage period of an eligible individual shall begin no earlier than June 1, 1967.

C. Payment by the State

~~The State will pay to the Secretary of the Treasury, at such~~
time or times as the Secretary of Health, Education, and Welfare may by regulation prescribe, amounts for each month equal to the monthly premium determined in accordance with section 1839 of the Act (without any increase under subsection (c) thereof) multiplied by the number of eligible individuals in the coverage group who during that month are in a coverage period attributable to this agreement.

D. Compliance with Regulations

§ The State will comply with such regulations as the Secretary may prescribe to carry out the purposes of section 1843 of the Act. From time to time the Secretary will review such regulations as he may issue pursuant to this agreement and, to the extent possible, will consult with, § and take into consideration the experience of, States or such group of § States as he may consider representative with which agreements have been entered into to carry out the purposes of section 1843 to determine the regulations that are necessary and sufficient to effectuate the purposes of this agreement.

E. Arrangements Between State and Carriers to Supplement Part B of Title XVIII of the Act

§ At the request of the State and to the extent practicable, the Secretary will take such action as may be feasible to secure an arrange- § ment between the State and the carrier or carriers, selected by the Secretary for the administration of Part B of Title XVIII of the Act in § the State, under which such carrier or carriers will undertake financial § transactions on behalf of the State relating to the payment of expenses arising out of the medical or other services specified in section 1832 of

the Act (but excluding items and services described in section 1862 of the Act), furnished any individual enrolled under Part B of Title XVIII of the Act receiving money payments under plans of the State approved under Titles I, IV, X, XIV, or XVI of the Act, for which the State has assumed responsibility and for which no payment can be made under Title XVIII of the Act.

F. Interchange of Information

The Secretary and the State will interchange as expeditiously as possible such information, data, records and other material as may be necessary to carry out this agreement.

G. Confidential Nature of Information

In accordance with regulations promulgated by the Secretary, the State will adopt policies and practices to insure that information contained in its records and obtained from the Secretary or from others in connection with carrying out this agreement will be used solely for the purposes of this agreement. Such information shall be disclosed only as provided in section 1106 of the Act and the regulations promulgated thereunder by the Secretary.

H. Adjustments

If more or less than the correct amount due under Part C of this agreement is paid, proper adjustments with respect to the amounts due under such Part C shall be made upon such conditions, in such manner, and at such times, as may be prescribed by regulation of the Secretary.

I. Modification of the Agreement by Mutual Consent

This agreement may be modified at any time by mutual consent of the parties to the agreement.

MODIFICATION NO. 1 TO AGREEMENT WITH THE STATE OF GUAM UNDER SECTION 1843 OF THE SOCIAL SECURITY ACT

"The Secretary of Health, Education, and Welfare, and the State of Guam, acting through its representative designated to administer its responsibilities under the agreement of March 22, 1967, for the purpose of broadening the scope of coverage of the agreement as provided in section 222 of P. L. 90-248 hereby agree to modification of the agreement as follows:

1. Part A(3) of such agreement is amended to delete the parenthetical phrase "(but prior to January 1, 1968)" so that it will read as follows:

"(3) The term 'eligible individual' means an individual who, on the date this agreement is entered into or on any later date,

(a) has attained the age of 65, and

(b) (i) is a resident of the United States, and is either

(I) a citizen or (II) an alien lawfully admitted for permanent residence who has resided in the United States continuously during the 5 years immediately preceding

the date this agreement is entered into or a later date, or

(ii) is entitled to hospital insurance benefits under

part A of title XVIII of the Act.

~~2. Part A(4) of such agreement is amended to read as follows:~~

(4) The term "coverage group" means all eligible individuals receiving money payments, under the plan of the State of Guam approved under titles I, X, XIV, and part A of title IV of the Act, for the month in which this agreement is entered into or for any month thereafter. An individual included in a coverage group by reason of the previous sentence shall, nevertheless, not be a member of such group in any month (during the period beginning with the month this agreement is entered into) if he is entitled to monthly benefits under title II of the Act or entitled to receive any annuity or a pension under the Railroad Retirement Act of 1937, as amended (without regard to the retroactivity of such entitlement) in such month.

3. Part A(6) (a) of such agreement is amended to delete the parenthetical phrase "(terminated prior to 1968)" in (iii) and to delete the sentence, "Notwithstanding the provisions of the preceding sentence, an individual's coverage period shall not begin later than January 1, 1968."

4. The amendments made by this modification shall be effective as of January 1, 1968.

Approved for the State of Guam this 29 day of January, 1968.

By Joseph M. Gearty

Approved this 8 day of February, 1968.

Secretary of Health, Education, and Welfare

By [Signature]
Deputy Director, BHI
(Title)

**MODIFICATION NO. 2 TO AGREEMENT WITH THE STATE OF
GUAM UNDER SECTION 1843 OF THE SOCIAL SECURITY ACT**

"The Secretary of Health, Education, and Welfare, and the State of Guam, acting through its representative designated to administer its responsibilities under the agreement of March 22, 1967, for the purpose of broadening the scope of coverage of the agreement as provided in section 222 of P. L. 90-248 hereby agree to modification of the agreement as follows:

1. Part A(4) of such agreement is amended to read as follows:

"(4) The term 'coverage group' means all eligible individuals who have been found eligible to receive medical assistance, under the plan of the State of Guam, approved under Title XIX for the month in which this agreement is entered into or for any month thereafter.

2. Part A(6) (a) of such agreement is amended to provide that with respect to any individual who, solely by reason of this modification, becomes a member of the coverage group, clauses (ii) and (iii) of Part A(6) are amended to read as follows:

"(ii) the first day of the third month following the month in which Modification No. 2 to this agreement is entered into; (iii) the first day of the first month in which he is both an eligible individual and a member of a coverage group, but without regard

to any prior terminated coverage period attributable to this agreement; but if such individual is not in such first month receiving any money payment under any plan of the State approved under Title I, X, XIV, XVI, or part A of Title IV of the Act, his coverage period shall begin on the first day of the second month after such first month or on the first day of the first month in which he receives such money payment, whichever first occurs.

3. Part A(6) (b) of such agreement is amended to read as follows:
 - (b) An individual's coverage period attributable to this agreement shall end on the last day of whichever of the following first occurs:
 - (i) the month in which he becomes ineligible to receive medical assistance as determined by the agency of the State or local agency administering the plan under which he was receiving such medical assistance; or
 - (ii) the month in which this agreement is terminated; or
 - (iii) the month in which he dies.
4. Part A(6) (c) is amended to read as follows:
 - (c) Any eligible individual whose coverage period attributable to this agreement has ended, as determined under paragraph (b) of this section, shall thereafter be deemed, for purposes

of part B of Title XVIII of the Act, to have enrolled thereunder in his initial enrollment period as defined in section 1837 of the Act. If any such eligible individual is entitled to monthly benefits under Title II of the Social Security Act or entitled to receive an annuity or a pension under the Railroad Retirement Act of 1937 and if he files a notice with the Secretary, before the close of the third month following the month in which his coverage period attributable to this agreement has ended, that he no longer wishes to be enrolled under part B of Title XVIII of the Act, his coverage period, as defined in section 1838 of the Act, shall be deemed to have ended on the last day of such third month.

5. Part A(6) (d) of such agreement is amended to read as follows:

"(d) Any eligible individual who is a member of a coverage group, but who prior to the beginning of his coverage period ceases to be such a member shall, only for purposes of paragraph (c) of this section, be deemed to have had a coverage period attributable to this agreement, which has ended."

6. The following is added to part A of such agreement:

"(7) The term 'medical assistance' means payment of part or

~~all of the cost of medical care and services covered by Title XIX of the Social Security Act under the plan of the State of Guam approved under such title.~~

7. Part E of such agreement is amended to read as follows:

At the request of the State and to the extent practicable, the Secretary will take such action as may be feasible to secure an arrangement between the State and the carrier or carriers, selected by the Secretary for the administration of part B of Title XVIII of the Act in the State, under which such carrier or carriers will undertake financial transactions on behalf of the State relating to the payment of expenses arising out of the medical or other services specified in section 1832 of the Act (but excluding items and services described in section 1862 of the Act), furnished any individual enrolled under part B of title XVIII of the Act receiving money payments or medical assistance under plans of the State approved under titles I, X, XIV, XVI, or XIX, or part A of title IV of the Act, for which no payment can be made under title XVIII of the Act.

8. The amendments made by this modification shall be effective as of May 1, 1968.

~~Approved for the State of Guam this~~ 24 day of April
1968.

DEPARTMENT OF PUBLIC HEALTH
AND SOCIAL SERVICES
GOVERNMENT OF GUAM

By Joseph H. Gerber
JOSEPH H. GERBER, M. D.
Acting Director of Public Health
and Social Services

Approved this 29th day of April, 1968

64 Secretary of Health, Education,
and Welfare

By Francis A. Taha
Regional Representative
Bureau of Health Insurance
(Title)