

B. Anticipated Effects

1. Effects on Beneficiaries

Before October 1, 2000, disabled beneficiaries who returned to work received 24 additional months of

Medicare coverage following the 15th month of their re-entitlement period. Effective October 1, 2000, these beneficiaries receive 78 months of Medicare coverage following the 15th month of the re-entitlement period.

2. Effects on the Medicare Programs

Anticipated expenditures to the Medicare program have been projected over a 5-year period and are shown in the following chart:

Year	2004	2005	2006	2007	2008
Cost ¹	100	110	130	140	160
Disabled individuals affected ²	35,000	39,000	42,000	45,000	48,000

¹ Rounded to the nearest 10 million.

² Rounded to nearest thousand.

C. Alternatives Considered

We considered excluding individuals whose disability benefit entitlement, and thus Medicare coverage, should have ended September 30, 2001 or earlier, but determined that it would be appropriate to extend the additional Medicare coverage to all beneficiaries who were entitled to Medicare as of October 1, 2000. The aggregate economic effect of this approach is negligible.

In accordance with the provisions of Executive Order 12866, this proposed regulation was reviewed by the Office of Management and Budget.

List of Subjects Affected in 42 CFR Part 406

Health facilities, Medicare.

For the reasons set forth in the preamble, the Centers for Medicare & Medicaid Services proposes to amend 42 CFR, chapter 4, part 406, subpart B as set forth below:

PART 406—HOSPITAL INSURANCE ELIGIBILITY AND ENTITLEMENT**Subpart B—Hospital Insurance Without Monthly Premiums**

1. The authority citation for part 406 continues to read as follows:

Authority: Secs. 1102 and 1871 of the Social Security Act (42 U.S.C. 1302 and 1395hh).

2. In § 406.12, revise the introductory text to paragraph (e)(2) and revise paragraph (e)(2)(i) to read as follows:

§ 406.12 Individual under age 65 who is entitled to social security or railroad retirement disability benefits.

* * * * *

(e) * * *

(2) *Duration of continued Medicare entitlement.* If an individual's entitlement to disability benefits or status as a qualified disabled railroad retirement beneficiary ends because he or she engaged in, or demonstrated the ability to engage in, substantial gainful activity after the 36 months following

the end of the trial work period, Medicare entitlement continues until the earlier of the following:

(i) The last day of the 78th month following the first month of substantial gainful activity occurring after the 15th month of the individual's re-entitlement period or, if later, the end of the month following the month the individual's disability benefit entitlement ends.

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Authority: (Catalog of Federal Domestic Assistance Program No. 93.773, Medicare—Hospital Insurance; and Program No. 93.774, Medicare—Supplementary Medical Insurance Program)

Dated: November 1, 2002.

Thomas A. Scully,

Administrator, Centers for Medicare & Medicaid Services.

Dated: March 26, 2003.

Tommy G. Thompson,

Secretary.

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DEPARTMENT OF HEALTH AND HUMAN SERVICES**Centers for Medicare & Medicaid Services****42 CFR Part 424**

[CMS–1185–P]

RIN 0938–AK79

Medicare Program; Elimination of Statement of Intent Procedures for Filing Medicare Claims

AGENCY: Centers for Medicare & Medicaid Services (CMS), HHS.

ACTION: Proposed rule.

SUMMARY: This proposed rule would remove the written statement of intent (SOI) procedures used to extend the time for filing Medicare claims. One of the goals of our regulatory reform efforts is to update our regulations based on recent experiences with filing practices and changes in the law. The SOI

procedures extend the time to file a claim by 6 months after the month in which a Medicare contractor acknowledges the receipt of a valid statement of intent. We are proposing to remove the SOI procedures because beneficiaries, whom the SOI procedures were intended to benefit, rarely file claims or SOIs. Instead, SOIs are filed in great numbers on behalf of, especially, dually-eligible beneficiaries by States that have previously made Medicaid payments, and occasionally by providers and suppliers. The large number of SOIs imposes a significant expenditure of resources on our contractors, and may also be due to, in part, a lack of careful screening as to whether claims should have initially been presented to and paid by Medicaid. In the absence of an SOI, providers and suppliers (and, where applicable, beneficiaries) would still have from 15–27 months (depending on the date of service) to file claims with Medicare contractors.

DATES: We will consider comments if we receive them at the appropriate address, as provided below, no later than 5 p.m. on September 23, 2003.

ADDRESSES: In commenting, please refer to file code CMS–1185–P. Because of staff and resource limitations, we cannot accept comments by facsimile (FAX) transmission. Mail written comments (one original and three copies) to the following address ONLY: Centers for Medicare & Medicaid Services, Department of Health and Human Services, Attention: CMS–1185–P, P.O. Box 8014, Baltimore, MD 21244–8014.

Please allow sufficient time for mailed comments to be timely received in the event of delivery delays.

If you prefer, you may deliver (by hand or courier) your written comments (one original and three copies) to one of the following addresses: Room 445–G, Hubert H. Humphrey Building, 200 Independence Avenue, SW., Washington, DC 20201, or Room C5–14–03, 7500 Security Boulevard, Baltimore, MD 21244–1850.