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July 27, 2011

The Honorable Paul A. Manglona  
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P. O. Box 500129  
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The Honorable Jude U. Hofschneider  
Senate Vice-President  
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The Honorable Ralph Torres  
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The Honorable Francisco Q. Cruz  
Senate Committee on Federal Relations &  
Independent Agencies  
Seventeenth Northern Marianas Islands  
Legislature  
P.O. Box 500129  
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Greetings Senators:

With the deepening crisis at the Commonwealth Health Center and the increasing lack of capacity there to provide medical services I want to inform you of the result of your congressional office's research into the question of whether Medicare covers treatment furnished outside the United States. The answer is yes. Medicare does pay for both emergency and non-emergency inpatient services if the foreign hospital is closer to a patient's home than the nearest U.S. hospital that can treat the patient's condition. I know that hospitals in the Philippines meet this definition. And travel there would be an attractive alternative for Medicare patients from the Northern Marianas who now go to Hawaii or the U.S. mainland for care, which is both expensive and a physical hardship for seniors.

You raised this important question of Medicare coverage outside the United States during your March meeting here in Washington with senior officials of the Department of Health and Human Services. I have been following up ever since. A few days ago I received confirmation from Dr. Donald Berwick, Administrator of the Centers for Medicare and Medicaid Services. He wrote:

Medicare pays for emergency services and non-emergency inpatient services provided in the Philippines to residents of the Northern Mariana Islands depending on certain circumstances. These include the location of the beneficiary at the time of the emergency, the accessibility to the nearest adequately equipped hospital within the United States, and requirements related to licensure and accreditation of the hospital outside the United States.

Although the details of requirements that must be met are dependent on any particular case and beyond the scope of this letter, I would like to amplify a bit on the specific circumstances that Dr. Berwick mentioned.

With respect to the location of the beneficiary, if an individual is physically present in the Northern Mariana Islands when a medical emergency arises, the individual may go to the Philippines for treatment as long as the reason for departure is specifically to obtain treatment and as long as there is no closer United States hospital that is adequately equipped and available to treat the illness or injury. The same is true for non-emergency conditions, although it is considered advisable that residents of the Northern Mariana Islands traveling to the Philippines for non-emergency services contact their Medicare contractor prior to travel to confirm that the specific services will be covered by Medicare.

The Centers for Medicare and Medicaid Services (CMS) also informed me that a medical referral from a United States hospital, such as CHC, is not required for Medicare to cover either emergency or non-emergency services in the Philippines, nor is a referral a guarantee to the beneficiary that Medicare will pay for the services. A medical referral, however, would be taken into account in making the determination of whether the services outside the United States were reasonable and necessary and whether CHC was adequately equipped to provide those services.

Finally, with respect to licensure and accreditation, for emergency inpatient services the hospital receiving payment must be licensed or approved by the appropriate agency in the Philippines, but it is not necessary that it be accredited by any United States accrediting body. For non-emergency inpatient services, Medicare will pay for services provided by a hospital that is accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) or under standards essentially equivalent to those of the JCAHO.

I am enclosing Dr. Berwick's letter to me, as well as a fact sheet prepared by CMS on the question of Medicare coverage outside the United States. I trust you will share this information widely with Medicare patients, health care providers, contractors, and insurers in the Northern Mariana Islands. I hope that this will result in improved access to health care and that it will help to offset some of the growing difficulties the Commonwealth Health Center is having providing service to seniors and other who qualify for Medicare.

Sincerely,



GREGORIO KILILI CAMACHO SABLAN  
Member of Congress



DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

JUL 21 2011

*Administrator*  
Washington, DC 20201

The Honorable Gregorio Kilili Camacho Sablan  
Washington Delegate from the Northern Mariana Islands  
U.S. House of Representatives  
Washington, DC 20515

Dear Congressman Sablan:

Thank you for your letter regarding Medicare coverage for services furnished outside the United States. The Centers for Medicare & Medicaid Services (CMS) greatly appreciates your bringing these concerns to our attention.

Medicare pays for emergency services and non-emergency inpatient services provided in the Philippines to residents of the Northern Mariana Islands depending on certain circumstances. These include the location of the beneficiary at the time of the emergency, the accessibility to the nearest adequately equipped hospital within the United States, and requirements related to licensure and accreditation of the hospital outside the United States. Specific information on Medicare coverage for such services may be found in our regulations implementing the payment to foreign hospital provisions of section 1814(f) and the exclusion in section 1862(a)(4) of the Social Security Act (the Act), codified at 42 CFR Part 424, Subpart H and 42 CFR 411.9.

In addition, CMS has published various guidance materials to assist beneficiaries and others to understand Medicare coverage for services furnished outside the United States. These materials are publicly available on our internet site at [www.medicare.gov/Publications/Pubs/pdf/11037.pdf](http://www.medicare.gov/Publications/Pubs/pdf/11037.pdf) and [www.medicare.gov/publications/pubs/pdf/10050.pdf](http://www.medicare.gov/publications/pubs/pdf/10050.pdf). Further, we are available to address any questions or concerns you, your staff, or your constituents may have about Medicare coverage.

I appreciate your interest in this important issue as we work toward our mutual goal of strengthening the Medicare program for all beneficiaries.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald M. Berwick", written over a large, stylized oval flourish.

Donald M. Berwick, M.D.



## Medicare Coverage Outside the United States

This fact sheet explains coverage under Original Medicare.

### **Medicare coverage outside the United States is limited.**

In most situations, Medicare won't pay for health care or supplies you get outside the United States (U.S.). The term "outside the U.S." means **anywhere other than** the 50 states of the U.S., the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands. This fact sheet explains some of the exceptions that would allow you to get coverage outside the U.S. under Original Medicare Part A (Hospital Insurance) and/or Medicare Part B (Medical Insurance).

### **When does Medicare cover health care services in a foreign hospital?**

There are three situations when Medicare may pay for certain types of health care services you get in a foreign hospital (a hospital outside the U.S.):

1. You're in the U.S. when you have a medical emergency, and the foreign hospital is closer than the nearest U.S. hospital that can treat your illness or injury.
2. You're traveling through Canada **without unreasonable delay** by the most direct route between Alaska and another state when a medical emergency occurs, and the Canadian hospital is closer than the nearest U.S. hospital that can treat your illness or injury. Medicare determines what qualifies as "without unreasonable delay" on a case-by-case basis.
3. You live in the U.S. and the foreign hospital is closer to your home than the nearest U.S. hospital that can treat your medical condition, regardless of whether it's an emergency.

Remember, in these situations, Medicare will pay only for the Medicare-covered services you get in a foreign hospital.



## **What kind of health care services does Medicare pay for in the three situations described on page 1?**

Original Medicare covers the following services:

- Part A covers inpatient hospital care (care you get when you've been formally admitted with a doctor's order to the foreign hospital as an inpatient). For more information on understanding your hospital status, visit <http://go.usa.gov/im9> to view the publication "Are You a Hospital Inpatient or Outpatient?"
- Part B covers emergency ambulance and doctor services you get immediately before and during your covered foreign inpatient hospital stay. However, if Medicare doesn't cover your hospital stay, and/or you get ambulance and doctor services outside the hospital after your covered hospital stay ends, Medicare generally won't pay for these services. For example, Medicare won't cover return ambulance trips home.
- Part B covers non-emergency doctor and ambulance services that you get immediately before and during your covered foreign inpatient hospital stay. However, if Medicare doesn't cover your hospital stay and/or you get doctor services outside the hospital, Medicare generally won't pay for these services. For example, Medicare won't cover doctor services you get in Canada after your covered Canadian hospital stay ends.

Remember, Medicare only pays for its share of services covered by Original Medicare. If you only have Part A, Medicare only covers inpatient hospital care.

## **Does Medicare pay for dialysis treatments when I travel outside the U.S.?**

Unless it's an emergency in which you get dialysis at a hospital, Medicare doesn't cover dialysis when you travel outside the U.S.

## **Does Medicare pay for prescription drugs outside the U.S.?**

Medicare drug plans can't cover prescription drugs you buy outside the U.S. Call your drug plan for more information.



## **Will Medicare pay for medically-necessary health care services I get on a cruise ship?**

Medicare may cover medically-necessary health care services you get on a cruise ship in these situations:

- The doctor is allowed under certain laws to provide medical services on the cruise ship.
- The ship is in a U.S. port or no more than 6 hours away from a U.S. port when you get the services, regardless of whether it's an emergency.

Medicare doesn't cover health care services you get when the ship is more than 6 hours away from a U.S. port.

## **What do I pay if I get Medicare-covered services outside the U.S.?**

Except in the limited situations described in this fact sheet, Medicare doesn't pay for health care services you get outside the U.S. If your circumstances don't meet these limited exceptions, you pay the full cost to the health care provider.

If your situation matches one of the exceptions in this fact sheet, and Medicare covers the items or services you get, you still pay the coinsurance or copayments and deductibles you would normally pay if you got these same services or supplies inside the U.S.

Although U.S. hospitals must submit claims to Medicare for you, foreign hospitals aren't required to file Medicare claims. If you're admitted to a foreign hospital under one of the three situations described on the first page, and if that hospital doesn't submit Medicare claims for you, then you must submit an itemized bill to Medicare for your doctor, inpatient, and ambulance services.

If you got Medicare-covered services on a cruise ship under a situation described in the previous question, the doctor must ordinarily submit the Medicare claim. However, you may also file a claim directly to Medicare in these rare circumstances.

For information on where to send a foreign claim, please visit [www.medicare.gov/MedicareOnlineForms](http://www.medicare.gov/MedicareOnlineForms), and select the form "Patient's Request for Medical Payment" (CMS 1490S). You should print out the form and instructions that apply to your situation (such as for services you got on a cruise ship or during other foreign travel). You can also call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.



## **What if I have a Medigap (Medicare Supplement Insurance) policy?**

Your Medigap policy may offer additional coverage for health care services or supplies that you get outside the U.S. A Medigap policy is supplemental health insurance sold by private insurance companies to fill “gaps” in Original Medicare coverage. A Medigap policy must be standardized in all states, except Massachusetts, Minnesota, and Wisconsin. (These states have Medicare supplemental coverage similar to the standardized Medigap plans and may offer similar foreign travel benefits.) Most states identify the policies as lettered plans, so you can compare them easily.

Standard Medigap Plans C, D, F, G, M and N provide foreign travel emergency health care coverage when you travel outside the U.S. Plans E, H, I, and J are no longer for sale, but if you bought one before June 1, 2010, you may keep it. All of these plans also provide foreign travel emergency health care coverage when you travel outside the U.S.

Medigap Plans C, D, E, F, G, H, I, J, M and N pay 80% of the billed charges for certain medically-necessary emergency care outside the U.S. after you meet a \$250 deductible for the year. These Medigap policies cover foreign travel emergency care if it begins during the first 60 days of your trip, and if Medicare doesn't otherwise cover the care. Foreign travel emergency coverage with Medigap policies has a lifetime limit of \$50,000.

Before you travel outside the U.S., talk with your Medigap company or insurance agent to get more information about your Medigap coverage while traveling. To learn more about Medigap policies, visit <http://go.usa.gov/lot> to view the booklet, “Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare.” You can also call 1-800-MEDICARE (1-800-633-4227) for more information. TTY users should call 1-877-486-2048.

## **What if I get my health care from another Medicare health plan rather than Original Medicare?**

If you have a Medicare Advantage Plan (like an HMO or PPO) or another Medicare health plan, your plan may offer additional coverage for health care services you get outside the U.S. Check with your plan before traveling to see what's covered.

## **Can I buy travel insurance to help pay for the cost of health care services?**

Yes. Because Medicare has limited coverage of health care services outside the U.S., you can choose to buy a travel insurance policy to get more coverage. An insurance agent or travel agent can give you more information about buying travel insurance. Travel insurance doesn't necessarily include health insurance, so it's important to read the conditions or restrictions carefully.

## **Where can I get more information?**

- Visit [www.medicare.gov/Coverage/](http://www.medicare.gov/Coverage/) to find out what Medicare covers.
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.