
Low Income Programs

December Free Webinar

Medicare Rights Center

❖ The Medicare Rights Center is a national, not-for-profit consumer service organization that works to ensure access to affordable health care for older adults and people with disabilities through:

- Counseling and advocacy
- Educational programs
- Public policy initiatives

Programs that help pay Medicare costs

- ❖ Medicaid
- ❖ Extra Help for drug costs
 - Helps pay Part D premiums, deductibles, copays
- ❖ Medicare Savings Programs (MSPs) for health care costs
 - All help pay B premiums
 - Some also pay Part A premiums; Part A and B coinsurances and deductibles
- ❖ State Pharmaceutical Assistance Programs (SPAPs)
- ❖ Must meet income/asset requirements

Roles of Federal, State & Local Governments

The Big Picture: Who does what

❖ Social Security Administration (SSA)

- Enrolls people into Medicare
 - Parts A and B
- Enrolls people into Extra Help
- Social Security also administers
 - Supplemental Security Income (SSI)
 - Social Security Disability Insurance (SSDI)
 - Social Security Retirement

❖ State Medicaid Programs

- Enroll people into Medicaid
- Enroll people into MSPs
- Some states administer Medicaid programs county by county, such as New York
 - Department of Social Services (DSS)

SSI: Supplemental Security Income

- ❖ Administered by SSA
- ❖ Supplemental Security Income (SSI) is a Federal income supplement program
- ❖ It is designed to help aged, blind, and disabled people, who have little or no income
- ❖ It provides cash to meet basic needs for food, clothing, and shelter
- ❖ May automatically entitle someone to low-income benefits
 - Medicaid, Medicare Savings Program, Extra Help

SSDI: Social Security Disability Insurance

- ❖ Administered by SSA
- ❖ Social Security Disability Insurance (SSDI) is **not** the same as SSI
 - Two separate categories
- ❖ SSDI is a monthly benefit provided through the SSA for people who lose their ability to work because of a severe medical impairment (disability)
- ❖ People who receive SSDI checks for 24 months are eligible for Medicare
 - It can take up to 6 mos to start receiving SSDI payments
- ❖ Does not automatically entitle people to any low income programs

Social Security Retiree Award

- ❖ Administered by SSA
- ❖ Most common source of income
- ❖ Full retirement age is increasing based on when someone was born
- ❖ Medicare eligibility age remains at 65

Medicaid

- ❖ Health coverage for people with low incomes
- ❖ Medicare pays first, Medicaid pays second
- ❖ Must meet eligibility requirements
- ❖ Individuals may also qualify if their income is above the eligibility limit:
 - Certain kinds of income may not be counted

The importance of Extra Help and the MSP

- ❖ Many people with Medicare live on fixed incomes and have difficulty affording their health care costs and Medicare coinsurances, deductibles and premiums
- ❖ If eligible, federal Extra Help subsidizes their drug costs
- ❖ State-based eligibility for MSPs varies, but can help beneficiaries afford Medicare premiums
- ❖ The combined benefit value of an MSP and Extra Help is estimated at \$5,000 per year

Extra Help for Medicare Prescription Drug Costs

Extra Help pays for Part D

- ❖ Extra Help is a federal program that helps pay the deductibles, premiums, copays and coinsurances associated with Medicare Part D
 - It only works with Part D plans
- ❖ Also known as the Low Income Subsidy (LIS)
- ❖ Apply through the Social Security Administration (SSA)

Extra Help Benefits

- ❖ No or low premiums and deductibles for Part D plans
- ❖ Low or zero copayments for Part D covered drugs
- ❖ Enrollment in Part D outside of an enrollment period
- ❖ Continuous or Ongoing Special Enrollment Period (SEP)
 - Can switch Part D or Medicare Advantage plans at any time
- ❖ The level of Extra Help received depends on income and assets
- ❖ Anyone in the US with incomes around or below \$1,396 (\$1,891 for a married couple) is eligible for some form of Extra Help
 - Asset tests apply when someone is directly applying for Extra Help without an MSP

How do people get Extra Help?

- ❖ Some people will get Full Extra Help automatically (no need to apply):
 - Medicare Savings Programs
 - Medicaid
 - Supplemental Security Income (SSI)
- ❖ For Partial Extra Help or Full Extra Help without MSP applications, people must apply directly through the Social Security Administration

Medicare Savings Programs (MSPs)

MSPs

- ❖ Provide help with Medicare costs
- ❖ Contrary to popular belief, the Centers for Medicare and Medicaid Services (CMS) and Social Security Administration (SSA) **do not** determine eligibility for MSPs
- ❖ Eligibility is determined at the state level
- ❖ These rules vary substantially between states
 - Asset limits between states differ
 - Some states have higher income limits
 - States count income differently

MSPs in NY: Keep this in mind

- ❖ Individual eligibility is determined by the Department of Social Services (DSS)
- ❖ In NYS applications are submitted to and processed by the local DSS offices
- ❖ Gross Income is counted, there is a \$20 income disregard
- ❖ In NY, assets are not counted
 - Other states that do not count assets are: Alabama, Arizona, Connecticut, Delaware, DC, Maine, Mississippi, and Vermont

MSPs

- ❖ Based on someone's gross monthly income (sometimes asset levels as well) they qualify for one of three MSPs:
 1. QI: Qualifying Individual
 2. SLMB: Specified Low-Income Medicare Beneficiary
 3. QMB: Qualified Medicare Beneficiary
- A person is not able to choose which MSP apply for.

Benefits of MSPs

All 3 MSPs:

- ❖ Pay for the Part B premium
- ❖ Eliminate late enrollment penalties
- ❖ Enrolls the applicant in Part B outside of an enrollment period, if s/he already has Part A
- ❖ Provides automatic enrollment in Full Extra Help
 - ❖ Called deeming

Benefits of MSPs

QI:

- ❖ May provide up to 3 months retroactive benefits in the same calendar year

SLMB:

- ❖ May provide up to 3 months retroactive benefits, even into the previous calendar year

Benefits of MSPs

QMB:

- ❖ **No retroactive benefits**
- ❖ Can be used to enroll someone in Part A if they don't have it
- ❖ Pays the Part A and B premium for people who are not eligible due to not having enough working history
- ❖ Pays for co-insurances and deductibles when enrollees see a Medicare and Medicaid provider
- ❖ A person with QMB cannot be balance billed when they see a Medicare provider

Benefits of MSPs

- ❖ Being enrolled in Part B is not a prerequisite for applying or becoming eligible for an MSP
 - If a person already has Part A, they can apply and become eligible
- ❖ Enrolling in an MSP will enroll a person in Part B
 - The applicant does not need to be in an enrollment period
- ❖ If a person has a Part B late enrollment penalty, enrolling in an MSP will eliminate it
 - Even if they lose the MSP in the future

MSP: Automatic Enrollment into Full Extra Help

- ❖ A person who is approved for the MSP will automatically be enrolled in **Full Extra Help**
 - This is called “deeming”
 - There is no need to apply separately
 - **Assets will not be considered when someone is eligible through the MSP**
- ❖ People who are deemed are enrolled in a Part D plan if they do not have one already
- ❖ If a person with an MSP loses the program, they will keep Full Extra Help for the rest of the year

Federal Balance Billing Protections (QMB)

- ❖ Balance billing is when doctors and hospitals charge more than the Medicare approved amount for a service
- ❖ Balance-billing people with QMB is prohibited by federal law
 - Medicare providers who offer services to QMBs are prohibited from billing them for Medicare copayments, coinsurances, or deductibles
- ❖ Providers who serve QMBs can bill their state Medicaid program for Medicare cost-sharing

Medigaps and QMB

- ❖ If someone already has a Medigap and becomes eligible for QMB, they can keep the Medigap
- ❖ However, they cannot be sold a Medigap if they already have QMB

Timeline for MSPs

- ❖ Federal law allows 45 days to process an MSP application
- ❖ After the application is processed and the applicant's eligibility is determined, if eligible, the benefits can sometimes take 3-4 months to go into effect
 - ❖ Data sharing between SSA, CMS, the Part D plan, and the State occurs
- ❖ The MSP recipient receives their MSP benefit the same way they receive their monthly Social Security Award, this includes any retroactive benefits
 - ❖ For example, someone with the SLMB benefit gets three months of retroactive Part B premiums

Keeping the MSP

- ❖ People with Medicare Savings Program are required to renew their MSPs every year
 - This is called **recertification**
 - They will be disenrolled if they do not recertify
 - They should receive their recertification forms via mail approximately 2-3 months before they are due
 - Sometimes combined with Medicaid recertification
 - If they have not received the forms, they can call their state Medicaid agency or the Department of Social Service (DSS) in NY to request these forms
- ❖ Our enrollment staff can assist with recertification on a very limited basis

State Pharmaceutical Assistance Programs (SPAPs)

- ❖ Many states offer a state pharmaceutical assistance program (SPAP) to help residents pay for prescription drugs
 - Each program works differently
- ❖ Many states coordinate their SPAP with Part D and require people to get Part D before getting SPAP assistance
- ❖ SPAPs may help people pay Part D costs (such as premiums, deductibles and copays)
 - Can help during coverage gap

Conclusion

Medicare Interactive



- ❖ Medicare Interactive
 - www.medicareinteractive.org
- ❖ Web based information system developed by Medicare Rights to be used as a counseling tool to help people with Medicare.
 - Easy to navigate
 - Clear, simple language
 - Answers to Medicare questions and questions about related topics, for example:
 - “How do I choose between a Medicare private health plan (HMO, PPO or PFFS) and Original Medicare?”
 - State-specific information (Find what programs your state offers and their income and asset limits.)

Dear Marci e-newsletter



- ❖ Timely, understandable answers to Medicare questions
- ❖ Links to deeper exploration of topics
- ❖ Additional resources and health tips
- ❖ Released every two weeks

➤ Sign up on our web site:
MedicareRights.org/about-mrc/newsletter-signup.php

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❖ Medicare Rights University

- www.medicarerihtsuniversity.org

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- Based on the research of Medicare Rights experts
- Both written presentations and webinars
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