What We’ll Cover

- Medicare Savings Programs
- Extra Help
- Health Benefits for Workers with Disabilities
- Aged Blind or Disabled Cash Assistance
- Supplemental Nutrition Assistance Program
What are MSPs?

- MSPs are Medicaid-administered programs.
- MSPs help cover Medicare premiums and cost-sharing for those with Medicare who have limited incomes and resources.
- MSPs “buy” those who are eligible into Medicare.
Why Are MSPs Important?

- Medicare is the primary health insurance for seniors age 65+ and many younger adults receiving Social Security Disability Insurance (SSDI) benefits.

- But Medicare isn’t free – and out-of-pocket costs add up, including:
  - Premiums, deductibles, and copayments/coinsurance.

- Some people can’t afford Medicare:
  - Half of people with Medicare had incomes below $26,200 in 2016.

- MSPs help make Medicare affordable for those who qualify.
Medicare Cost Sharing - 2019

- Medicare Part A Premium = $0 for most, $240 or $437 for some
- Medicare Part B Premium = $135.50 for most
- Medicare Part C Premium = set by plan: $0 - $177.00 in Chicago, in addition to Part B
- Medicare Part D Premium = set by plan: $14.50 - $130.60 in Chicago
- Medicare Part A Deductibles = $1,364
- Medicare Part B Deductibles = $185
- Medicare Part C Deductibles = set by plan: $0 - $200 in Chicago
- Medicare Part D Deductibles = set by plan: $0 - $415; donut hole $3,820 - $5,100
- Medicare Part B Co-insurance = 20%
- Medicare Part D Co-payment = set by plan: $0 - $15 in Chicago
- Medicare Part C Out of Pocket Maximum = set by plan: $2,750 - $6700
- Medicare Part D Out of Pocket Maximum (donut hole) = $3,820 - $5,100
Different Types of MSPs

- **Qualified Medicare Beneficiary (QMB)**
  - Pays Part A premium (if applicable) and Part B premium; also, pays Part A & B deductibles, copayments and/or coinsurance

- **Specified Low-Income Beneficiary (SLMB)**
  - Pays only the Part B premium

- **Qualified Individual (QI)**
  - Pays only the Part B Premium
    - A block grant, meaning if states exceed their allotment no more people can get QI
    - This program was made a permanent part of Medicaid under the *Medicare Access and CHIP Reauthorization Act of 2015*

- **Qualified Disabled Working Individual**
Benefits of MSPs (QMB, SLMB, & QI)

- No Part B late enrollment penalty
  - Any Part B penalty premium is waived for people who qualify for QMB, SLMB, and QI

- No estate recovery
  - States are *not* allowed to ask for repayment of the costs they covered under the MSP from the estates of deceased MSP recipients

- Those eligible for MSPs *automatically* get the Part D Low Income Subsidy/Extra Help
  - They are “deemed eligible” -- meaning they automatically get Extra Help with their prescription costs
How MSPs Work: Who’s Behind the Scenes?

- **CMS & States:** Centers for Medicare & Medicaid Services (CMS) and state Medicaid agencies work together to provide this help.
  - CMS (federal government) oversees the program
    - Provides matching funds for QMB and SLMB
    - Provides 100% of costs for QI (block grant)
  - State Medicaid agencies administer the MSPs
    - Determine eligibility
    - Pay Medicare Part B premium (on behalf of QMBs, SLMBs and QIs)
    - Pay Medicare copayments, coinsurance, and deductibles to health care providers (on behalf of QMBs)
    - Pay Part A premium for those who owe it (on behalf of QMBs and QDWIs)
Who is Eligible?

- Must have Medicare Part A
- Must meet income/resource eligibility tests
  - Financial eligibility guidelines set by law, but states can raise or eliminate these tests
    - For example, 8 states (AL, AZ, CT, DE, MS, NY, OR and VT) and D.C. have eliminated the resource test for all of the MSPs
- Generally applications submitted through local Medicaid agency
  - Can also start application process for MSP by completing LIS application – more on this later
- Eligibility is generally re-determined each year
Eligibility Rules in 2019

Financial eligibility criteria *(in 2019)*:

<table>
<thead>
<tr>
<th>Monthly Income</th>
<th>QMB</th>
<th>SLMB</th>
<th>QI</th>
<th>QDWI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 100% FPL</td>
<td>$1,041 single/ $1,410 married</td>
<td>Between 100-120% FPL</td>
<td>Between 121-135% FPL</td>
<td>$4,249 single/ $5,722 married</td>
</tr>
<tr>
<td>up to 100% FPL</td>
<td></td>
<td>$1,249 single/ $1,691 married</td>
<td>$1,406 single/ $1,903 married</td>
<td></td>
</tr>
<tr>
<td>$7,730 single/ $11,600 married</td>
<td>$7,730 single/ $11,600 married</td>
<td>$7,730 single/ $11,600 married</td>
<td>$4,000 single/ $6,000 married</td>
<td></td>
</tr>
<tr>
<td>Resource Limit</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Type of Benefit</td>
<td>Entitlement</td>
<td>Entitlement</td>
<td>Block grant to states</td>
<td>Entitlement</td>
</tr>
<tr>
<td>Retroactivity</td>
<td>None</td>
<td>90 days if eligible</td>
<td>90 days if eligible</td>
<td>90 days if eligible</td>
</tr>
</tbody>
</table>

* These amounts are higher in Alaska and Hawaii. QDWI amounts include other earned income disregards.

**Notes**: Income limits do **not** include $20 standard income disregard per household. Resource limits do not include $1,500 per person burial allowance.
About QDWI

- Very different from other three MSPs
- Qualified Disabled Working Individual (QDWI) is for people under age 65 who lost premium-free Part A because they’ve gone back to work after getting SSDI long enough to have received Medicare
- QDWI pays Part A premiums for those who qualify (in 2019):
  - Income up to $4,249/month* if single, $5,722/month* if married
  - Assets up to $4,000 if single, or $6,000 if married

*Income limits include $25 standard disregard and additional earned income exclusions; see Medicaid.gov for more info on these disregards
People enrolled in an MSP automatically qualify for the Low-Income Subsidy (LIS)/Extra Help (“deemed eligible”)
  • Means your clients get the help they may need with prescription drug costs and automatically!
If they don’t join a Part D plan on their own - “facilitated” into a plan by CMS
  • Facilitated enrollment occurs two months after being “deemed” eligible for LIS
    o This gives them time to select a Part D plan that best meets their needs
  • However, enrollment is done randomly into a plan within the LIS premium amount without regard to beneficiary’s medication requirements. If medications are not on the formulary, the beneficiary owes the full amount of the drug cost vs. the LIS discounted amount.
What about those with LIS who do NOT automatically qualify for MSPs?

- When they apply for LIS (unless they decline), Social Security sends their LIS application info to their state Medicaid agency
  - That triggers the MSP application process
  - State Medicaid agencies then have 45 days to determine MSP eligibility
    - Applicants may be asked for further information/documentation
Extra Help

Benefit:

- aka Medicare Part D Low Income Subsidy – estimated to be worth $4,900 / year
- Eliminates Part D late enrollment penalty
- Eliminates Part D premium
- Eliminates deductible (unless receiving partial subsidy)
- Caps co-payment at $8.50 in 2019
- A quarterly Special Enrollment Period (one time every three months between January – September + once during Annual Open Enrollment) to join or switch Medicare Part D drug plans during the year.
- Bonus: Automatic eligibility for $10 Social Security Overpayment Repayment
Extra Help

Eligibility

- Limited Resources: below $14,390 for individual or $28,720 for married couple living together – some resources do not count
- Limited Income: below $18,735 for an individual or $25,365 for a married couple living together – some income does not count

How to Apply

- Apply online at www.socialsecurity.gov/extrahelp; or
- Call Social Security at 1-800-772-1213 (TTY 1-800-325-0778) or
- Apply at your local Social Security office.
Relationship with Medigap & Medicaid

- Who with MSP needs a Medicare supplement (Medigap) policy?
  - QMB pays all out-of-pocket Medicare Parts A & B cost-sharing
    - QMBs should **not** be sold a Medigap policy
    - Allowed to suspend Medigap up to 2 years when person qualifies for QMB
  - SLMB and QI only pay Part B premium
    - You can help your clients assess whether they want/can afford a Medigap policy

- MSP and Medicaid “surplus income” (or Medicaid “spend down”)
  - Assess how to use Medicare cost-sharing amounts
    - Apply to “surplus income” spend-down to get “full” Medicaid, or
    - Get an MSP and have Medicaid pay for these amounts

- MSP for people getting long-term care Medicaid
  - At home – like all other community-based MSPs
  - In residential facilities – QMB pays SNF daily copays, days 20-100
Illinois MSP Problems

- Illinois requires, in practice, specific request for MSP
- Delayed MSP / Medicaid eligibility determinations
- Delays in implementing enrollment
- SSI Recipients
- Low 39% Participation
Larry

- Larry is 58, disabled, and receives monthly Social Security Disability Insurance benefits of $1,148.
- Larry was enrolled in Medicare Part A on April 1, 2010 and Medicare Part B on December 1, 2010
- Larry applied for Department of Human Services benefits in February 2012. He was approved for SNAP.
- Larry completed a DHS redetermination / reapplication in September 2018 specifically requesting MSP
- In December 2018, DHS found Larry eligible for Qualified Medicare Beneficiary effective October 1, 2018
- Can Larry appeal the failure of DHS to evaluate eligibility for MSP in February 2012?
- Will DHS determine MSP eligibility back to February 2012?
MaryBeth

- MaryBeth is 67, relies on SSI for $771 monthly income and is on AABD Medicaid
- MaryBeth is not happy with her doctor and wants to see the doctor her twin sister, MaryLou sees, but that doctor only accepts Medicare, not Medicaid
- MaryBeth did very little remunerative work outside the home and does not qualify for Social Security Retirement benefits and automatic Medicare enrollment
- Can MaryBeth enroll in Medicare?
- If MaryBeth can enroll in Medicare, how much will it cost her?
How to Help Your Clients: Application Issues

▪ Those who are otherwise eligible, but not enrolled…
  • If have Medicare Part A, but not Part B:
    o State Medicaid agency must enroll in Part B during QMB application process
  • If do not have Medicare Part A:
    o Must go to Social Security for “conditional enrollment”
      ➢ Note: In some states can only do this Jan-March during the General Enrollment Period
    o Take proof to Medicaid and apply for QMB
    o Learn more at: https://secure.ssa.gov/poms.nsf/lnx/0600801140
  o Retroactive Coverage
Health Benefits for Workers with Disabilities

- Age 16 – 64
- Working
  - No minimum income
  - Employed or self-employed with proof of payment of payroll taxes through FICA, IMRF, or the equivalent.
  - Or proof that employment will begin within 60 days.
- Countable income of up to $3,404 per month for a single person and $4,588 per month for a couple
- up to $25,000 in assets
- Premium rather than spenddown
- Full Medicaid coverage
AABD - Cash

- Also called State Supplemental Payments (SSP)
- Age 65 or older, or
  - receive SSI; or
  - be ineligible for SSI due to income; or
  - be a noncitizen who was legally residing in the U.S. on 08/22/96, and who was denied SSI due to a finding of "not disabled," and who meets the immigration requirements for medical assistance; or
  - be a noncitizen ineligible for SSI due to expiration of the federal 7-year limit.
- Under age 65 and determined blind or disabled as defined by the Social Security Administration
  - receive SSI or
  - be ineligible for SSI due to income and was found disabled; or
  - be a noncitizen ineligible for SSI due to expiration of the federal 7-year limit.
# AABD Cash Calculator

For use with single non bed ridden individuals in Cook County

<table>
<thead>
<tr>
<th>Policy Citation</th>
<th>Category Applied</th>
<th>Client’s Info</th>
<th>Standard Amount</th>
<th>Special considerations:</th>
</tr>
</thead>
<tbody>
<tr>
<td>PM 11-01-07</td>
<td>Grant adjustment</td>
<td>Standard Rate</td>
<td>$592.90</td>
<td></td>
</tr>
<tr>
<td>WAG 11-01-01</td>
<td>Personal Allowance</td>
<td>Standard Rate</td>
<td>$62.43</td>
<td></td>
</tr>
<tr>
<td>PM 11-01-02</td>
<td>Shelter</td>
<td></td>
<td>$500.00</td>
<td>$97.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>*use actual amount client pays, special rules for boarders</td>
</tr>
<tr>
<td>WAG 11-01-01-a</td>
<td>Special Diet</td>
<td>No</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>WAG 25-03-03</td>
<td>Water</td>
<td>No</td>
<td>$0.00</td>
<td>*only add paid utilities not uncluded in rent</td>
</tr>
<tr>
<td>WAG 25-03-03</td>
<td>Electricity</td>
<td>Yes</td>
<td>$5.55</td>
<td>*only add paid utilities not uncluded in rent</td>
</tr>
<tr>
<td>WAG 25-03-03</td>
<td>Cooking Fuel</td>
<td>No</td>
<td>$0.00</td>
<td>*only add paid utilities not uncluded in rent</td>
</tr>
<tr>
<td>WAG 25-03-03</td>
<td>Heat</td>
<td>Metered Gas</td>
<td>$11.90</td>
<td>*only add paid utilities not uncluded in rent</td>
</tr>
<tr>
<td></td>
<td>Excess Utility Credit</td>
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<td>$6.80</td>
<td></td>
</tr>
<tr>
<td>PM 11-01-04</td>
<td>Laundry</td>
<td>Yes</td>
<td>$3.18</td>
<td>*WAG 11-01-04, if client has to pay for coin-operated machines, they get this credit</td>
</tr>
<tr>
<td>PM 11-01-05</td>
<td>Telephone</td>
<td></td>
<td>$18.00</td>
<td>*cost of basic plan (call service provider to get basic plan rate)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>$18.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>$797.76</td>
<td></td>
</tr>
</tbody>
</table>

| Income          | $1,415.00        | *use actual amount client receives (e.g. income after overpayment deduction or CS withholding) |
| Income Disregard| $25.00           | |
| Benefit Amount  | $0.00            | |
Myrna

- She gets a job and is earning $1000 a month.
- She reports her earnings to the Social Security Administration and her SSI is reduced to $0.
- Myrna pays $500 in monthly rent, uses the coin operated laundry in her apartment building, pays for metered gas heat, electricity and phone.
- Was she categorically eligible for AABD before working? Now?
- What would her AABD benefit be before working? Now?
- **BONUS QUESTION #1**: Myrna was on AABD-Medicaid prior to starting her job. How does the job impact her AABD – Medicaid?
- **BONUS QUESTION #2**: Do Myrna’s wages impact her Social Security Disability Insurance?
Bob

- 73 year old man
- Receives $1,090 in Social Security Retirement benefits
- Pays $800 in rent, plus gas heat, electricity and phone. He has a washing machine in his apartment.
- Is Bob Categorically eligible for AABD-Cash?
- Bob has Medicare and AABD - Medicaid with a $19 spenddown?
- How much AABD-Cash is Bob eligible for?
- Bob develops vertigo. His doctor suggests that he move to a first floor apartment so as to not risk falling on the stairs and that he use a service animal. His landlord agrees to move him to a first floor apartment at the same rent, $1000. Does this affect his AABD-Cash eligibility?
- Does use of a service animal affect Bob’s AABD-Cash eligibility?
- **BONUS QUESTION #1**: Does Bob moving to the first floor apartment impact his medical coverage?
SNAP Problems in Illinois

- Qualifying Member designation
- Excess Medical Expenses
  - Standard Deduction versus actual expenses
  - Exceed $35 a month
  - Qualifying Medical Expenses
- Utility Expenses
Remember Bob

- Once Bob is eligible for full Medicaid no obvious medical expenses
- Costs for service animal:
  - $600 a year for veterinary visits
  - $30 a month for dog food
- Medical transportation costs
  - $70 Metra card for 3 medical visits per month
THANK YOU

- Please complete evaluation
- Post Test will be emailed to you / please complete
- Pick up certificate of attendance