

- **Extra Help with Part D (Low Income Subsidy-LIS)**
 - **Medicare Savings Programs (MSP)**

Agenda

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Extra Help with Part D (Low Income Subsidy-LIS)

What is the Extra Help (Low Income Subsidy-LIS) program

- It is a federal program for Medicare beneficiaries who have limited income and resources
- It is known as “Extra Help”, “LIS”, or “Low Income Subsidy”
- Social Security determines continued eligibility annually for current beneficiaries of this subsidy, and will determine eligibility of new requests and new to Medicare beneficiaries throughout the year
- This federal program helps pay for Part D prescription costs
 - Monthly premiums
 - Annual Part D deductible
 - Prescription coinsurance and copays
 - Part D late enrollment penalties

How does the Extra Help program work

- Eligible beneficiaries pay reduced or lower copayments
 - Full Extra Help: If a beneficiary qualifies for full Extra Help in 2020, they should pay no more than \$3.60 for a covered generic drug and \$8.95 for a covered brand name drug.
Full Extra Help can also be referred to as “100% LIS Eligible”
 - Partial Extra Help: Some beneficiaries with higher incomes qualify for partial Extra Help and pay reduced monthly premiums, deductibles, and copayments. With partial Extra Help, they will pay no more than 15% of the costs of drugs on their plan’s formulary (covered drug list) until their out-of-pocket costs reach \$6,350.
Partial Extra help can also be referred to as “75%, 50%, or 25% LIS Eligible”

How does the Extra Help program work

- Most eligible beneficiaries will not experience a coverage gap, meaning they will continue to pay their reduced cost-sharing amounts until their out-of-pocket costs reach \$6,350.
- Full-benefit, dual eligible low-income beneficiaries will have no premium or deductible. We will review the eligibility requirements for the Medicare Savings Programs and Dual Special Needs plans further in the coming chapters.
- It is important to note: Beneficiaries who qualify for Extra Help with Medicare Part D may or may not qualify for Medicare Savings Programs or their States' Medicaid programs. Income requirements for Extra Help eligibility are generally higher and it is not uncommon to meet a beneficiary who qualifies for Extra Help but does not qualify for other financial assistance programs.
- Extra Help is not Medicaid and should not be represented as Medicaid assistance.

Who is eligible for Extra Help

- Did you know...
 - According to The Social Security Administration (SSA), Extra Help is estimated to be worth approximately \$4,000 per year. Many people qualify for these big savings and do not know they do.
- A beneficiary will automatically qualify for Extra Help (and will not need to complete the application) if any of the following are true:
 - The beneficiary receives Medicaid and has Medicare
 - The beneficiary's Medicare premiums are paid by their state (Medicare Savings Program)
 - The beneficiary receives Supplemental Security Income (SSI) payments and has Medicare

Who is eligible for Extra Help

- Other Medicare beneficiaries may qualify for Extra Help with Medicare prescription drug (Part D) costs based on the following:
 - Income
 - Resources/assets
 - Household size
- Beneficiaries who believe they are eligible based on the above categories must complete and submit an application. Depending on their income and assets, they may qualify for either full or partial Extra Help.

Complete the application for Extra Help if the following apply

- If they have Medicare Part A (hospital insurance) and/or Medicare Part B (medical insurance); and
- Their income is below \$18,735* for an individual or \$25,365* for a married couple living together; and
- Their combined savings, investments, and real estate are not worth more than \$14,390 if not currently married or not living with a spouse, or \$28,720 if they are currently married and living with their spouse.

**in 48 states and DC, amounts can vary for Alaska and Hawaii*

2020 Income levels listed are per www.Medicare.gov. Guidance on married couples is that the couple is living together.

Income requirements for Extra Help eligibility

- **Income is the earnings an individual or family receives**

- This includes:

- Wages
- Social Security Income
- Support from other family members

- The following items do not count as income:

- Help received regularly from someone else to pay household expenses
- *food, mortgage, rent, heating fuel or gas, electric, water and property taxes*

- **Income limits are based on the Federal Poverty Level (FPL), which changes every year in February or March. Limits are higher for each additional relative living with the beneficiary for whom they are responsible.*

- ***2020 Income levels listed are per www.Medicare.gov. Guidance on married couples is that the couple is living together.*

Annual income levels for partial Extra Help in 48 states and DC are shown below.

These income levels vary for Alaska and Hawaii.

150% of Federal Poverty Level		
Income	Individual	Married
Yearly	\$18,735*	\$25,365*

Asset limits for Extra Help eligibility

- **Resources/assets are the value of things people own**

- Examples of resources/assets:

- Real estate
- Bank accounts, cash
- Stocks, bonds, mutual funds & Individual Retirement Accounts (IRAs)

Asset Limit	Single	Married
Extra Help	\$14,390	\$28,720

- The following items do not count as resources/assets:

- Home the beneficiary lives in (primary residence), personal possessions, vehicles
- Farmland, burial plots, life insurance policies
- Irrevocable burial contracts or back payment from Social Security Income (SSI)

- *Contact Social Security for questions on additional income or resource/asset exclusions*

- **2020 Income levels listed are per www.Medicare.gov. Guidance on married couples is that the couple is living together.**

How to apply for Extra Help

- Online
 - www.SSA.gov/ExtraHelp
- Beneficiaries can call Social Security to apply over the phone or request an application.
 - 1-800-772-1213 (TTY 1-800-325-0778)
- Beneficiaries can apply in-person at their local Social Security office.

After submitting the Extra Help application, the application will be reviewed by the Social Security Administration (SSA). They will be sent a letter from the SSA to let them know if they qualify. Please note, this process can take 4-6 weeks. SSA will also send information about Medicare prescription drug coverage and tell them their next steps.

- The application is for Extra Help with Medicare prescription drug costs and does not enroll beneficiaries into a Medicare Part D plan.

Documents that may help with application completion

- Social Security Card
- Bank account statements, including checking, savings, and certificates of deposit (CDs)
- Individual Retirement Accounts (IRAs), stocks, bonds, savings bonds, other investment statements
- Tax returns
- Payroll slips
- Recent Social Security benefits award letters or Railroad Retirement benefits statement
- Veterans benefits statement
- Pension statement
- Annuities statement

If the beneficiary does not have these documents, provide a best estimate so that Social Security can determine whether the beneficiary is likely to qualify for Extra Help. They will not have to submit the documents unless Social Security contacts them and requests documentation.

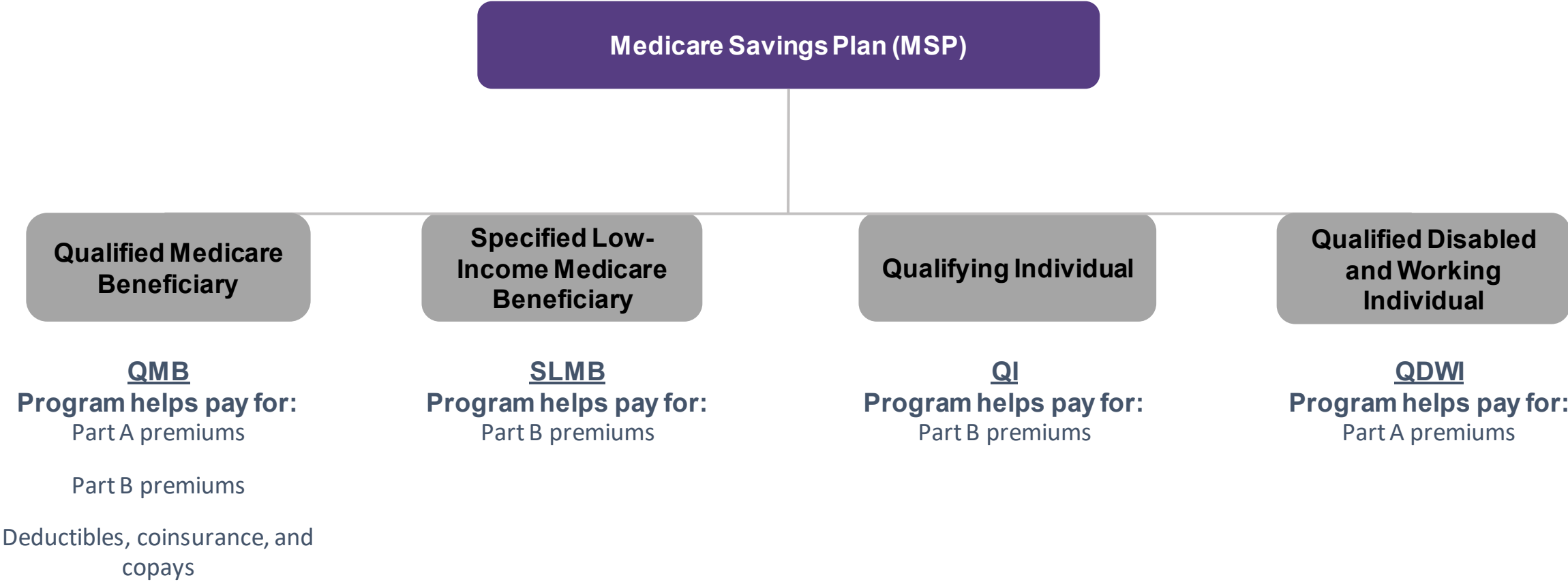
Medicare Savings Programs (MSP)

Medicare Savings Programs (MSPs)

- You can get help from your state paying your Medicare premiums. In some cases, Medicare Savings Programs may also pay [Medicare Part A \(Hospital Insurance\)](#) and [Medicare Part B \(Medical Insurance\)](#) deductibles, coinsurance, and copayments if you meet certain conditions. These conditions will be reviewed when we go over how to apply for an MSP.
- There are four types of Medicare Savings Programs that you may qualify for:
 - Qualified Medicare Beneficiary (QMB) Program
 - Specified Low-Income Medicare Beneficiary (SLMB) Program
 - Qualifying Individual (QI) Program
 - Qualified Disabled and Working Individuals (QDWI) Program

MSP eligibility is based on your income from working and can change annually, income limits can vary in Alaska and Hawaii

What do Medicare Savings Plans help pay for



Qualified Medicare Beneficiary Program (QMB)

- QMB income and resource limits
- Resources that are not included in the MSP resource limit?
 - Your home
 - One car
 - Burial plot
 - Up to \$1,500 for designated (put aside) burial expenses
 - Household and personal items
- Resources that are included in the MSP resource limits?
 - Money in a checking or savings account
 - Stocks
 - Bonds

QMB	Individual*	Married Couple*
Monthly Income Limit	\$1,060	\$1,430
Resource Limit	\$7,730	\$11,600

**QMB
Program helps pay for:**

Part A premiums

Part B premiums

Deductibles, coinsurance, and copays

**2019 Income levels listed are per www.Medicare.gov. Guidance on married couples is that the couple is living together. Income and asset limits can change annually, and can be slightly higher in Alaska and Hawaii.*

Qualified Medicare Beneficiary (QMB)

- **Important notes for QMB eligible beneficiaries to understand**

- Medicare providers may not bill you for Medicare deductibles, coinsurance, and copays when you are getting services and items that are covered by Medicare. The exception to this is outpatient prescription drugs. Pharmacies may charge you only up to a limited amount for prescription drugs that are covered by Medicare Part D.
- To ensure that your providers are aware of your QMB eligibility, always show both your Medicare and Medicaid (QMB) card each time you visit your providers and receive care.
- If you receive a bill or statement for care that is covered by Medicare, call your provider and tell them that you are a QMB. If this does not resolve the billing question, you can call Medicare at 1-800-MEDICARE (1-800-633-4227).

Specified Low-Income Medicare Beneficiary (SLMB)

- SLMB income and resource limits
- Resources that are **not included** in the MSP resource limit?
 - Your home
 - One car
 - Burial plot
 - Up to \$1,500 for designated (put aside) burial expenses
 - Household and personal items
- Resources that **are included** in the MSP resource limits?
 - Money in a checking or savings account
 - Stocks
 - Bonds

SLMB	Individual*	Married Couple*
Monthly Income Limit	\$1,269	\$1,711
Resource Limit	\$7,730	\$11,600

SLMB
Program helps pay for:
Part B premiums

**2019 Income levels listed are per www.Medicare.gov. Guidance on married couples is that the couple is living together. Income and asset limits can change annually, and can be slightly higher in Alaska and Hawaii.*

Qualifying Individual (QI)

- QI income and resource limits
- Resources that are not included in the MSP resource limit?
 - Your home
 - One car
 - Burial plot
 - Up to \$1,500 for designated (put aside) burial expenses
 - Household and personal items
- Resources that are included in the MSP resource limits?
 - Money in a checking or savings account
 - Stocks
 - Bonds

QI	Individual*	Married Couple*
Monthly Income Limit	\$1,426	\$1,923
Resource Limit	\$7,730	\$11,600

QI
Program helps pay for:
Part B premiums

**2019 Income levels listed are per www.Medicare.gov. Guidance on married couples is that the couple is living together. Income and asset limits can change annually, and can be slightly higher in Alaska and Hawaii.*

Qualifying Individual (QI)

- **Important notes for QI eligible beneficiaries to understand:**

- You need to apply every year for QI eligibility.
- The QI applications are on a first-come, first-served basis. Meaning that priority will be given to beneficiaries who received QI benefits during the previous year.
- You are not eligible for QI benefits if you qualify for your state Medicaid program.
- Check state guidelines for each state you sell in for QI eligibility.

Qualified Disabled and Working Individual (QDWI)

- QDWI income and resource limits
- Resources that are **not included** in the MSP resource limit?
 - Your home
 - One car
 - Burial plot
 - Up to \$1,500 for designated (put aside) burial expenses
 - Household and personal items
- Resources that **are included** in the MSP resource limits?
 - Money in a checking or savings account
 - Stocks
 - Bonds

QI	Individual*	Married Couple*
Monthly Income Limit	\$4,249	\$5,722
Resource Limit	\$4,000	\$6,000

QDWI
Program helps pay for:
Part A premiums

**2019 Income levels listed are per www.Medicare.gov. Guidance on married couples is that the couple is living together. Income and asset limits can change annually, and can be slightly higher in Alaska and Hawaii.*

Qualified Disabled and Working Individual (QDWI)

- **Important notes for QDWI eligible beneficiaries to understand:**
 - You may qualify for the QDWI program if any of these apply
 - You are a working and disabled person under the age of 65
 - You are no longer eligible for Part A (premium-free) when you returned to work
 - You are not receiving medical assistance from your state
 - You meet the income and resource limits that are required by your state

How to apply for a Medicare Savings Program (MSP)

- **If your answer is “yes” to all of the below questions, please call your state Medicaid office to see if you qualify for the MSP in your state**
 - Do you currently have, or are you eligible for, Medicare Part A?
 - Is your income at or below the listed limits for the current year?
 - Do you have limited resources and are they below the listed limits for the current year?

Remember: If you have qualified for an MSP (QMB, SLMB, QI, or QDWI), you will automatically qualify to receive Extra Help for Medicare Part D prescription drug coverage

It is very important to call your Medicaid office and fill out an application. If you are unsure that you will qualify, still submit an application. You may qualify for savings that you are not aware of.

Medicaid

What is Medicaid and how to apply

- Medicaid is a joint federal and state program that helps with medical costs for some people with limited income and resources. Medicaid also offers benefits not normally covered by Medicare, like nursing home care and personal care services.
- Every state has its own rules surrounding Medicaid eligibility and how to apply for Medicaid benefits. Please contact your state Medicaid office for guidance and qualifications. To find information on who to call in your state, you can use this link:
<https://www.medicare.gov/Contacts/>
- If a beneficiary is eligible for both Medicare and Medicaid, they are considered to be “dual eligible”. Beneficiaries who are dual eligible will automatically qualify for Extra Help with Medicare Part D prescription drug coverage and may receive their Medicare covered services through Original Medicare or a Medicare Advantage Plan (Part C).

