
MEDICARE SAVINGS PROGRAMS: HELP PAYING FOR MEDICARE COSTS

COLUMBIA LEGAL SERVICES

APRIL 2019

1. Are you eligible for help paying for Medicare premiums or deductibles?

If you're on Medicare, you may qualify for help with Medicare premiums, deductibles, and cost-sharing. There are four programs that can help. They are called "Medicare Savings Programs" or "MSPs." The MSPs are:

- Qualified Medicare Beneficiary (QMB)
- Specified Low Income Medicare Beneficiary (SLMB)
- Qualified Individual (QI-1)
- Qualified Disabled Working Individual (QDWI)

2. Do I have to be 65?

No, with one exception. As long as you are on Medicare, your age does not matter **except** for QDWI. For QDWI, you must be under 65 and not eligible for free Part A.

3. What are the names of the MSPs? Am I eligible?

Summary Tables of the income and resource limits for each MSP are on the last page.

Qualified Medicare Beneficiary (QMB) Program:

QMB pays for most premiums, deductibles, co-payments and coinsurance. QMB does not pay prescription co-pays. QMB pays for your Medicare Part A hospital deductible, hospital coinsurance, and nursing home coinsurance. QMB also pays for your Part B monthly premium, deductible, and coinsurance. If you don't have free Part A coverage, QMB will pay your Part A premium.

QMB starts paying for your Part A and Part B premiums the first of the month after you are found eligible. For example, if you are found eligible on May 10th, QMB starts paying on June 1.

QMB only pays for deductibles, coinsurance, and copayments for services that Medicare would cover and only up to the Medicare allowed amount.

Important Note: Health care providers are not allowed to bill people on QMB for what Medicare does not pay for. Example: you are on QMB. You go to the doctor. Medicare pays the doctor 80% of the Medicare-approved amount. The 20% Medicare does not cover is called Medicare cost-sharing. Health care providers can bill the state for the

MEDICARE SAVINGS PROGRAMS

Medicare cost-sharing part, but cannot bill you. Billing you violates federal law.

Who qualifies for QMB?

Your income must be at or below 100% of the federal poverty level (FPL). This number changes once a year in April. As of April 2019, you qualify if your income is \$1,041 per month or less if you are single and \$1,409 or less for a married couple. Your countable resources must be less than \$7,730 if you are single and \$11,600 for a married couple.

Specified Low Income Medicare Beneficiary (SLMB) Program:

SLMB pays for your Medicare Part B premiums. And, if you are eligible, SLMB pays premiums for up to three months before you are found eligible. For example, you apply for SLMB on April 1 and are declared eligible on April 15. It turns out you were eligible for SLMB during March, February, and January, too. SLMB will pay for your Part B premiums starting in January. You will get a refund from Social Security for the premiums you already paid for January-March.

Who qualifies for SLMB?

Your income must be at or below 120% of the federal poverty level (FPL). This number changes once a year in April. As of April 2019 you qualify if your income is \$1,249 per month or less if you are single and \$1,690 or less for a married couple. Your countable resources must be less than \$7,7730 if you are single and \$11,600 for a married couple.

Qualified Individual (QI-1) Program:

QI-1 pays for your Medicare Part B premiums unless you already receive Medicaid. If you are eligible, QI-1 pays

for premiums for up to three months before you are found eligible. For example, you apply for QI-1 on April 1 and are declared eligible on April 15. It turns out you were eligible during March, February, and January, too. QI-1 will pay for your Part B premiums starting in January. You will get a refund from Social Security for any premiums you already paid for January – March.

You may still be eligible for the QI-1 program so long as you are not eligible for any other Medicaid program.

Who qualifies for QI-1?

Your income must be at or below 135% of the federal poverty level (FPL). As of April 2019, you qualify if your income is \$1,405 per month or less if you are single and \$1,902 or less for a married couple. Your countable resources must be less than \$7,730 if you are single and \$11,600 for a married couple.

Qualified Disabled Working Individual (QDWI) Program:

QDWI is available to people who had Social Security and Medicare benefits because of a disability, but lost them because they went back to work and earned more than Social Security allows. QDWI pays for your Medicare Part A premiums, if you have to pay them, but does not pay for Part B premiums. QDWI can pay for your Part A premiums for up to three months before you are found eligible. For example, you apply for QDWI on April 1 and are declared eligible on April 15. It turns out you were eligible during March, February, and January, too. QDWI will pay for your Part A premiums starting in January.

You may still be eligible for the QDWI program so long as you are not eligible for any other Medicaid program.

Who qualifies for QDWI?

You must be under age 65. Your income must be no more than 200% of FPL. As of April 2019, 200% of FPL is \$2,082 for an individual and \$2,818 for a married couple. A client must be working to qualify for QDWI. Countable resources must be less than \$4,000 for a single person and \$6,000 for a couple.

4. What if I'm on Medicare, but my spouse or minor children are not?

If you are on Medicare, but your spouse, or minor children are **not**, you may be eligible. The Washington State Health Care Authority (HCA) is changing eligibility requirements effective July 1, 2019. In the meantime, if your application is rejected and you have minor children or a spouse who is not on Medicare, ask for an administrative hearing. And, ask the DSHS hearing representative to contact Mark, who is at the Health Care Authority's Office of Medicaid Eligibility and Policy. Mark's fax number is (360) 586-9548.

Here are examples:

First example: 66-year old Nancy lives with her 64-year old husband, Ted. Nancy is on Medicare. Ted isn't. Nancy's income is \$1,215 per month from Social Security. Ted has no income., Nancy may be eligible for QMB because the couple's income is under 100% of the federal poverty guideline of \$1,409 for a family of two. The applicable resource limit is the

two-person resource limit which is \$11,600.

Second example: 67-year old Bill is on Medicare and lives with his 64-year old wife, Jane. Bill is on Medicare. Jane isn't. Bill's income is \$850 from Social Security. Jane earns \$400 per month from part time work. Bill and Jane's income is \$1,250 per month. Bill may be eligible for QMB. The couple's income of \$1,250 is under 100% of the federal poverty guideline of \$1,409 for a family of two. The applicable resource limit is the two-person resource limit of \$11,600.

Third example: A single mom, Sally, lives with her 13-year old daughter, Linda. Sally is disabled. She gets \$995 in Social Security disability. She is on Medicare. Linda gets \$200 per month Social Security dependent benefits. Sally's household income is \$1,195 per month. , Sally may be eligible for QMB. The family's income is under 100% of the federal poverty limit of \$1,409 for a family of two. The applicable resource limit is the one-person resource limit of \$7,730.

Fourth example: A single dad, Kevin, lives with his three children. Kevin is disabled and receives Social Security disability benefits of \$1,800 per month. His children get Social Security dependent benefits of \$245 per month. The family's income of \$2,535 per month is less than 120% of FPL for a family of four which is \$2,575. Kevin may be eligible for SLMB. The applicable resource limit is the one-person resource limit of \$7,730 .

You can discuss your MSP eligibility, including the family size issue, at no cost with an advocate. Call the Northwest Justice Project or contact them online.

People under 60, call: 1-888-201-1014.

People over 60, call: 1-888-387-7111.

Contact online at:

<https://waoi.legalserver.org/modules/a2j/intake.php>

5. What income and resources count?

What counts as income? What doesn't count?

Income is usually money, either earned through working, or unearned, such as Social Security or pensions. Income also includes interest earned on savings accounts or certificates of deposit, as well as dividends on stocks.

Income does not include cash assistance from the state or in-kind federal, state, or local government assistance for medical care or for needs other than food, shelter, or clothing.

What counts as a resource? What doesn't count?

Cash, liquid assets, and real or personal property are all resources.

The following resources are not counted when figuring eligibility:

- Your home and surrounding land, household goods and personal effects, life insurance with cash value less than \$1,500, burial spaces, and burial funds of less than \$1,500.
- A vehicle of any value is not counted if it is necessary for employment, getting to medical treatment, modified for handicapped use, or necessary for transportation due to climate, terrain or distance. If a vehicle cannot be

excluded based on these exceptions, then it can be excluded if its current market value is \$5,000 or less. A vehicle can be anything used to transport people on land, by air, or by water.

- Trust or restricted Indian property.
- Up to \$6,000 in land or personal property used to produce goods and services essential to everyday living.

6. What about Medicare Part D?

The MSPs do not pay for Medicare Part D prescription drug coverage. But, eligibility for QMB, SLMB, or QI-1 means you are eligible for the Part D *federal* Low-Income Subsidy. This subsidy allows you to sign up for some Part D Plans with no premiums, deductibles or gaps in coverage, and with low copayments.

You enroll in a Part D Plan through Medicare, not through DSHS. More information is available at:

www.ssa.gov/prescriptionhelp/

You can also get free help from a Statewide Health Insurance Benefits Advisor. Call 1-800-562-6900 to get information about your local SHIBA or visit:

<http://www.insurance.wa.gov/about-oic/what-we-do/advocate-for-consumers/shiba/find-a-local-shiba-office/>

7. How do I apply?

You can apply at the local Department of Social and Health Services (DSHS) office or online at:

www.washingtonconnection.org

MEDICARE SAVINGS PROGRAMS

DSHS is listed in the blue pages in the phone book under the State of Washington listings.

If DSHS say you are not eligible and you don't agree, you can appeal by asking for a hearing. To ask for a hearing, write to the Office of Administrative Hearings at P.O. Box 42489, Olympia, Washington 98504-2489. To find out more, see our publication [Representing Yourself at a Fair Hearing](#).

8. Is there Estate Recovery for Medicare Savings Programs?

Beginning in January 2010, there is no estate recovery for MSP expenses.

Recovery is allowed for MSP expenses paid between June 1, 2004 through December 31, 2009 if the person was also on a non-MSP Medicaid program such as COPES or the Medically Needy program.

MSP 04-2019

<p>COLUMBIA LEGAL SERVICES 101 Yesler Way, Suite 300, Seattle, WA 98104</p>
--

SUMMARY TABLE

MSPs		People in Household			
		1	2	3	4
QMB	100% FPL	1,041/mo	1,409/mo	1,778/mo	2,146/mo
SLMB	120% FPL	1,249/mo	1,691/mo	2,134/mo	2,575/mo
QI-1	135% FPL	1,405/mo	1,902/mo	2,400/mo	2,897/mo
QDWI Must be employed	200% FPL	2,082/mo	2,818/mo	3,555/mo	4,292/mo
QMB, SLMB, QI-1 Resources		7,730	7,730 11,600	7,730 11,600	7,730 11,600
QDWI Resources		4,000 6,000	4,000 6,000	4,000 6,000	4,000 6,000

MSPs		People in Household			
		5	6	7	8
QMB	100% FPL	2,514/mo	2,883/mo	3,251/mo	3,619/mo
SLMB	120% FPL	3,017/mo	3,460/mo	3,901/mo	4,343/mo
QI-1	135% FPL	3,394/mo	3,891/mo	4,389/mo	4,88/mo
QDWI Must be employed	200% FPL	5,028/mo	5,765/mo	6,502/mo	7,238/mo
QMB, SLMB, QI-1 Resources		7,730 11,600	7,730 11,600	7,730 11,600	7,730 11,600
QDWI Resources		4,000 6,000	4,000 6,000	4,000 6,000	4,000 6,000

* This resource limit applies only if there is a married couple in the household. Both spouses do not have to be on Medicare for the two-person resource limit to apply. For households without a married couple, the one-person resource limit applies.