

JUSTICE IN AGING
FIGHTING SENIOR POVERTY THROUGH LAW

**Medicare for Dually Eligible and Low-
Income People Under Age 65**

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JUSTICE IN AGING
FIGHTING SENIOR POVERTY THROUGH LAW

Justice in Aging is a national non-profit organization that fights senior poverty through law. We secure health and economic security for older adults of limited income and resources by preserving their access to the courts, advocating for laws that protect their rights, and training advocates around the country to serve the growing number of older Americans living in poverty.

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Presentation Overview

- Programs that help with Medicare premiums and co-insurance
- Billing protections for people with low incomes
- Tips for navigating the intersections of Medicare and Medicaid.

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Low Income Under 65

- 41% of the 10 million dual eligible beneficiaries are under 65
- Of those dual eligibles under 65, 54 percent have full scope Medicaid and also have income below 100% of Federal Poverty Level (QMB-plus)

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Financial challenges for Under 65 Medicare beneficiaries

- More likely to be low income
- Combination of high health care costs and impact of disability on ability to earn
- 24 month waiting period can eat up savings
- MediGap coverage is not available in some states and, where available, is expensive

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Programs that help low income Medicare beneficiaries under 65

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Programs that help with health care costs for Medicare for those under 65

Full Medicaid

Qualified Medicare Beneficiary (QMB)

Specified Low Income Medicare Beneficiary (SLMB)

Qualified Individual (QI)

Qualified Disabled and Working Individual (QDWI)

Part D Low Income Subsidy (LIS)

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Medicaid

- Medicaid covers many of the services that Medicare does not, especially long term services and supports (LTSS)
- Medicaid is always the payor of last resort.
- Every state Medicaid program is different.
- Eligibility-always low asset requirements but income requirements differ
- Many waiver programs focused on particular disabilities with specific eligibility requirements and/or specific covered services

Examples: Traumatic brain injury waivers

CA 250% working disabled program



Medicaid is complicated. Either become an expert or find an expert, but don't wing it!

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Qualified Medicare Beneficiary (QMB)

Benefit

Pays Medicare Part B premium,
Pays Medicare Part A premium if needed,
Protects beneficiary from paying any Medicare deductible, co-insurance or co-pays.
Automatic Part D Low Income Subsidy

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Qualified Medicare Beneficiary (QMB)

Eligibility minimums

- **Income:** Under 100% Federal Poverty Level plus \$20 income disregard--\$1,010 individual/\$1,355 couple
- **Resources:** \$7,280 individual/\$10,930 couple
- Several states have more generous limits. Some have eliminated resource limits altogether.

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Qualified Medicare Beneficiary (QMB) Three important facts

- Most QMBs are also full benefit dual eligible (QMB-plus). They qualify for Medicaid and also are below 100% FPL.
- The QMB program is chronically undersubscribed.
- QMB protects beneficiaries from balance billing. A QMB may not be charged Medicare deductibles, co-insurance or co-pays in any circumstances. True even if they use providers who do not accept Medicaid.

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All QMBs are protected from balance billing

All Medicare physicians, providers, and suppliers who offer services and supplies to QMBs may not bill QMBs for Medicare cost sharing. Any payment (if any) made by the State Medicaid plan shall be considered payment in full. Provider will be subject to sanctions.

Federal law: 42 U.S.C. Sec. 1396a(n)(3)(B) (Sec. 1902(n)(3)(B) of the Social Security Act)

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QMB Balance Billing Protection

- A QMB cannot waive the protection. Agreements to pay are not enforceable.
- The protection applies in Fee for Service Medicare and all Medicare Advantage plans. Not just D-SNPs!
- The protection applies whether or not the provider is enrolled in Medicaid and whether or not the provider gets any additional payment from Medicaid.

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QMB Balance Billing Protection Limitations

- Only applies to services covered by Medicare
 - If not covered by Medicare and get an ABN, you may have to pay
 - If you are in a Medicare Advantage plan, you must follow the rules (in-network, prior authorization, etc.)
- Fee for service providers can refuse to serve a QMB. But Medicare Advantage network must be equally available to all plan members.
- Providers may charge Medicaid co-pays, if any.

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QMB Balance Billing Protection

- Learn more—

<http://www.justiceinaging.org/our-work/healthcare/dual-eligibles-california-and-federal/balance-billing/>

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Specified Low Income Medicare Beneficiary (SLMB)

Benefit

Pays Medicare Part B premium

Automatic Part D Low Income Subsidy

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Specified Low Income Medicare Beneficiary (SLMB)

- **Income** between 100% and 120% of Federal Poverty Level, \$1,208 individuals/\$1,622 couples
- **Assets** \$7,280 individual/\$10,930 couple

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Qualified Individual (QI)

Benefit

Pays Medicare Part B premium

Automatic Part D Low Income Subsidy

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Qualified Individual (QI)

- **Income** between 120% and 135% of Federal Poverty Level, \$1,375 individuals/\$1,823 couples
- **Assets** \$7,280 individual/\$10,930 couple
- Limited number of slots available
- You must apply every year. People who had QI in the previous year have priority.

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Qualified Disabled and Working Individual (QDWI)

Benefit

Pays Medicare Part A premium for a person with disabilities who lost premium-free Part A when returning to work and does not qualify for full-scope Medicaid

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Qualified Disabled and Working Individual (QDWI)

- **Income** 200% Federal Poverty Level, Monthly income limit \$4,045 individual/\$5,425 couple
- **Assets** \$4,000 individual/\$6,000 couple
- Lost SSDI coverage of Part A premium because income rose above SSDI limit \$1130 (\$1,820 if blind) and exhausted trial work period

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Qualified Disabled and Working Individual (QDWI)

Helen

Helen has been receiving SSDI benefits following an accident that left her with a permanent disability. She qualified for Medicare benefits after her 24 month waiting period. Because she did not have a long enough work record to qualify for premium-free Part A, she relied on her SSDI to pay her Part A premium. She has now started working again on a part-time basis. She earns \$2,400/month and has \$3,000 in countable assets. She is losing her SSDI benefit because her income now exceeds the SSDI limit and she is past all relevant periods that would allow her to continue free Part A coverage.

QDWI can pay Helen's \$411 monthly Part A premium. Helen must continue to pay her Part B premium, which is \$121.80/month.

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Part D Low Income Subsidy (LIS)

Full Benefit--

- Pays premium for any benchmark plan
- No Part D deductible
- No donut hole
- Co-pays ranging from \$0 to \$7.40
- Zero co-pay above out-of-pocket threshold

Partial Benefit—

- Pays premium for any benchmark plan
- Lowered Part D deductible
- No donut hole
- 15% co-pays
- Limited co-pay above out-of-pocket threshold

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Part D Low Income Subsidy (LIS)

- Full subsidy is automatic if you qualify for SSI, Medicaid, QMB, SLMB, or QI
- Full Subsidy if you apply
 - Income: \$1,537.88 single/\$2,073.38 couple
 - Resources: \$8,780 single/ \$13,930 couple
- Partial Subsidy
 - Income: \$1,708.75 single/\$2,303.75 couple
 - Resources: \$8,780 single/ \$13,930 couple

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Part D Low Income Subsidy (LIS)

Low-Income Subsidy Category	Deductible	Copayment up to Out-of-Pocket Threshold	Copayment above \$4,850 Out-of-pocket Threshold
Institutionalized Full-Benefit Dual Eligible; or Beneficiaries Receiving Home and Community-Based Services	\$0	\$0	\$0
Full-Benefit Dual Eligible ≤ 100% FPL	\$0	\$1.20 generic \$3.60 brand	\$0
Full-Benefit Dual Eligible > 100% FPL; or Medicare Savings Program Participant (QMB-only, SLMB only, or QI); or Supplemental Security Income (but not Medicaid) Recipient; or Applicant < 135% FPL with resources ≤ \$8,780 (\$13,930 if married)**	\$0	\$2.95 generic \$7.40 brand	\$0
Applicant < 150% FPL with resources between \$8,780 - \$13,640 (\$13,930 - \$27,250 if married)**	\$74	15%	\$2.95 generic \$7.40 brand

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Caution—Counting rules count!

- Medicaid counting is most complicated and usually most restrictive
- Medicare Savings Programs differ by state
- Part D Low Income Subsidy has streamlined income and asset counting
 - Does not count in-kind services as income
 - Assumes you are setting aside \$1,500 for burial expenses
 - Does not count the cash value of life insurance as a resource

Everyone has at least three countable incomes and assets

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Navigating the intersections of Medicare and Medicaid

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Issue: Provider assurances of getting paid

- Medicaid is always the payor of last resort. If Medicare covers something, Medicare always pays before Medicaid.
- Medicare almost always requires delivery of services or equipment before authorizing or denying payment.
- Medicaid will not authorize without first having a Medicare denial.
- Provider won't deliver without knowing that someone will pay.

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Issue: Provider assurances of getting paid

- States have developed work-arounds
 - Conditional pre-authorization
 - Exceptions for items Medicare never covers
 - Manual overrides
- Medicare has instituted a limited number of prior authorizations.
- Advocate intervention still is often needed to get things unclogged.

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Issue: Different provider networks

- Where Medicare and Medicaid coverage for services overlaps, providers/suppliers might not be enrolled in both programs.
- Skilled nursing
 - Initial stay covered by Medicare
 - Facility does not accept Medicaid
- Durable Medical Equipment
 - Beneficiary with multiple needs may need to use one DME supplier for Medicare-covered supplies and another for Medicaid-covered supplies.

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Issue: Medicaid-enrolled prescribers

- Affordable Care Act requires that prescriber of Medicaid-covered services must be enrolled in Medicaid.
- Many dual eligible are patients of Medicare-only doctors who do not participate in Medicaid.
- Issue when prescribing Medicaid covered DME, home health, etc.

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Issue: Medicaid-enrolled prescribers

- Enforcement delayed: June 2016 but up to two years more if state needs to pass legislation.
- Many states have creates short Ordering/Referring/Prescribing Provider Application form
 - California example here: http://files.medical.ca.gov/pubsdoco/Publications/masters-other/provappsenroll/23enrollment_DHCS6219.pdf

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A rectangular stamp with a distressed, ink-like texture. The words "COMING SOON" are written in a bold, sans-serif font, slanted upwards from left to right.

Webinar #3

Medicare Part D – Prescription Drug Coverage and Related Issues for
Individuals Under 65 –

May 17, 2016, 2:00–3:00pm EDT.

Save the Date, or Register Now at

www.medicareadvocacy.org/webinars

www.medicareadvocacy.org/under-65-project/

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May you live as long as you want,
And never want as long as you live.

Irish blessing

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Thank you!

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Questions?

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