




Getting Medicare right

Medicare Savings Programs and Medicaid: Reminders and Important Updates

HIICAP Regional Training
Fall 2023



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.

Medicare Rights works with HIICAP through:

- Monthly coordinator calls
- Quarterly Medicare Counselor newsletters
- Fall and spring regional trainings



Helpline available for HIICAP counselors:

800-480-2060

hiicap@medicarerights.org

Learning objectives

- Review Medicare Savings Programs (MSPs), Extra Help, and Medicaid
- Discuss tips for MSP applications and budgeting
- Describe MAGI Medicaid-to-Medicare transitions during the public health emergency unwind period

MSP basics

Medicare Savings Programs:

- Pay for monthly Part B premium (\$164.90 in 2023)
- Eliminate Part B late enrollment penalty
- Enroll a beneficiary in Part B outside of an enrollment period, if they already have Part A
- Provide automatic enrollment in full Extra Help (called deeming)

MSP eligibility in 2023

| Program | Monthly income limit | | Asset limit | |
|---------|----------------------|---------|----------------------------------|--------|
| | Single | Couple | Single | Couple |
| QI | \$2,280 | \$3,077 | No asset limit in New York State | |
| QMB | \$1,697 | \$2,288 | | |

These eligibility limits include a standard \$20 disregard

Extra Help basics

- Federal program that helps pay deductibles, premiums, copays, and coinsurances associated with Medicare Part D
- Only works with Part D plans
- Also known as the Low-Income Subsidy (LIS)

| | Single | Couple |
|---------------|-------------------|-------------------|
| Income limits | \$1,843/ month | \$2,485/ month |
| Asset limits | \$16,660 | \$33,240 |

Extra Help benefits

- **Helps with Part D costs**
 - No or low premiums and deductibles for Part D plans
 - Low or zero copays for Part D-covered drugs
- **Increases flexibility to join and change Part D plans**
 - Allows enrollment in Part D once per calendar quarter in the first three quarters of each year
 - January to March, April to June, July to September
 - Changes are effective the first of the next month
 - Beneficiaries use Fall Open Enrollment during the fourth quarter, with changes effective January 1
- **Waives late enrollment premium penalties**

QMB benefits

- Pays Part A premium for those who do not have enough work history for premium-free Part A
- Can be used to enroll someone in Part A if they do not have it (known as **Part A Buy-in**)
 - Process available in New York State
 - Other states may have the Part A Buy-in, but process varies
- Medicare providers may not charge QMB beneficiaries Medicare deductibles, coinsurances, or copays (known as **improper billing**)

Improper billing

- Federal law prohibits providers from billing **QMB beneficiaries** for any Medicare-covered services, even if:
 - Their providers do not accept Medicaid
 - They are enrolled in a Medicare Advantage (MA) Plan
 - Beneficiaries in MA Plans cannot be billed for cost-sharing if they have QMB or Medicaid and they see in-network providers
 - MA Plans are contractually obligated to ensure that their members who have QMB or Medicaid are not being improperly billed

Troubleshooting improper billing issues

- Beneficiaries who are improperly billed should:
 - **Inform providers of their QMB status**, and explain that they cannot be charged
 - Beneficiary can consider sharing [Medicare Learning Network \(MLN\) article](#) with provider that explains these protections
 - **Call 1-800-MEDICARE**
 - Representatives should be able to identify the QMB status of all callers and provide QMB billing protections information
- If beneficiary has a problem with debt collection, they should submit a complaint to the Consumer Financial Protection Bureau

Screening clients for MSP



Question:

**What kinds of information do you
need to know for an MSP
application?**

Check health insurance information

- Ask to see Medicare card
 - Check effective dates for:
 - Medicare Part A
 - Medicare Part B
- Check for other types of insurance
 - Medicaid
 - Medigap or retiree insurance
 - Prescription drug coverage
 - Managed long-term care



Identify income sources

- Social Security retirement or disability income (before deductions, including Part B premium deductions)
- Supplemental Security Income (SSI)
- Pensions

- Income from **retirement accounts**, generally:
 - Retirement related assets that pay out regular distributions (IRA, annuity, etc.) **count**
 - Interest/dividends **do not count**
- Income from **current employment**
 - Less than half of earned income is counted
 - Subtract \$65 from gross earned monthly income
 - Divide the remaining income by half

Check marital status

- **Single**

- Consider **income of applicant only**

- **Married and living together**

- Consider **income of applicant and spouse** (even if the spouse is not applying for the program)
- Apply even if one spouse is not Medicare eligible

- **Married and living separately**

- Consider **income of applicant only**

Identify health insurance premiums disregard

- Monthly premiums for other health insurance get subtracted from total income
- Types of health insurance premiums that can be used as disregard:
 - COBRA
 - FEHB
 - Medigap
 - Dental plan
 - Vision plan
 - Long-term care plan
 - Medicare Advantage (health portion)
 - Part D plan (amount above benchmark)



Case example: Screening for MSP

Ben has Medicare Parts A, B, and D due to disability, and he is single. Every month he receives \$1,420.10 from Social Security (after \$164.90 is deducted for his Part B premium). He also receives SNAP benefits and \$200 from workers' compensation.

Is Ben eligible for a Medicare Savings Program?

Is Ben eligible for an MSP?

- Ben's **gross** monthly income:
\$1,585 from Social Security
(\$1,420.10 + \$164.90)
+ \$200 from workers' comp
= \$1,785
- SNAP benefits are not counted
- Yes, Ben is eligible for QI

| Monthly income limit for individual | |
|--|---------|
| QI | \$2,280 |
| QMB | \$1,697 |

Advice for filling out MSP applications

Starting an application

- Review information gathered
 - Name, date of birth, address
 - Medicare information
 - Income sources
 - Citizenship status/immigration information
 - Marital status
 - Health insurance types and premium costs



MSP application form (DOH-4328)

Medicare Savings Program Application

APPLICANT

Please print clearly and do not write in the dark shaded area.

| | | | | | |
|---|----------|------|------------|----------|--------|
| First Name, Middle Initial, Last Name | | | Home Phone | | |
| Home Address Street | Apt. No. | City | State | Zip Code | County |
| Is this a shelter? <input type="checkbox"/> Yes <input type="checkbox"/> No | | | | | |
| Mailing Address Street/P.O. Box (If Different from Above) | Apt. No. | City | State | Zip Code | County |

NAMES

List your name first. Include aliases and maiden name. If necessary, attach an extra sheet to list all children.

| First Name, Middle Initial, Last Name | Date of Birth (MM/DD/YYYY) | Sex | Social Security Number | Race/Ethnic Group (See Codes Below) |
|---------------------------------------|----------------------------|-----|------------------------|-------------------------------------|
| Self | | | | |
| Spouse | | | | |
| Child* | | | | |
| Child* | | | | |

*If under 18 years of age.
Race/Ethnic Affiliation Codes: B: Black, Not of Hispanic Origin W: White, Not of Hispanic Origin H: Hispanic A: Asian or Pacific Islander I: American Indian or Alaskan Native U: Unknown O: Other

CITIZENSHIP INFORMATION

Are you a U.S. citizen? ☐ Yes ☐ No

If No, do you have satisfactory immigration status? ☐ Yes ☐ No Include alien number, date of status, and date entered country, if applicable.

| | | |
|--------------|----------------------|----------------------------|
| Alien Number | Date of Status (DOS) | Date Entered Country (DEC) |
|--------------|----------------------|----------------------------|

Is your spouse a U.S. citizen? ☐ Yes ☐ No

If No, does your spouse have satisfactory immigration status? ☐ Yes ☐ No Include alien number, date of status, and date entered country, if applicable.

| | | |
|--------------|----------------------|----------------------------|
| Alien Number | Date of Status (DOS) | Date Entered Country (DEC) |
|--------------|----------------------|----------------------------|

MEDICARE INFORMATION

| | |
|--|-------------------|
| Applicant's Medicare Number (From Red and Blue Medicare Card) | |
| Do you have Medicare Part A? <input type="checkbox"/> Yes <input type="checkbox"/> No | Effective Date |
| Do you have Medicare Part B? <input type="checkbox"/> Yes <input type="checkbox"/> No | Effective Date |
| Spouse's Medicare Number (From Red and Blue Medicare Card) | |
| Does your spouse have Medicare Part A? <input type="checkbox"/> Yes <input type="checkbox"/> No | Effective Date |
| Does your spouse have Medicare Part B? <input type="checkbox"/> Yes <input type="checkbox"/> No | Effective Date |
| Would you like us to consider providing retroactive reimbursement of your Medicare premium? <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| Do you or your spouse pay any health insurance premiums other than Medicare? <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| Who? | Monthly Amount \$ |
| Do you or your spouse pay child/spousal support? <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| Who? | Monthly Amount \$ |
| Do you or your spouse receive payments from or are named beneficiary of a trust? <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| Who? | Value \$ |

INCOME

List below all available income such as: salary, wages, pension, social security, severance pay, rental or business income, etc. If necessary, attach an extra sheet to list all sources of income.

| Name of Applicant, Spouse, or Child Under 18 | Who Provides the Money? (Name/Source of Income) | What Amount? | How Often? (Weekly, Every Two Weeks, Monthly, Other) |
|--|---|--------------|--|
| | | | |
| | | | |
| | | | |

Do you want to receive notices in: ☐ English Only ☐ Spanish and English

CONSENT

I understand that by signing this application/certification form I agree to any investigation made by the Department of Social Services to verify or confirm the information I have given or any other investigation made by them in connection with my request for Medicaid. If additional information is requested, I will provide it.

SIGNATURES

| | |
|------------------------------------|----------------|
| Applicant/Representative Signature | Date |
| Spouse Signature | Date |
| Representative Address | |
| City | State Zip Code |
| Phone Number | Relationship |

INSTRUCTIONS

COMPLETE THE APPLICATION

Be sure to answer all the questions. If you are married and living with your spouse, you must complete both the "Self" and "Spouse" questions on the application (even if the spouse is not applying for the MSP).

SIGN AND DATE THE APPLICATION

If both spouses are applying, both must sign the MSP application.

INCLUDE THE FOLLOWING VERIFICATION DOCUMENTS

Please review this list and submit the documents that you will need to provide in order for the Medicaid Program to determine if you are eligible for MSP. If you are requesting retroactive reimbursement of your Medicare premiums, you must send proof of income for the previous three-months. If there is an applying spouse, the spouse must also provide documentation.

- A photocopy of the front and back of your **Medicare card**.
- Proof of income:** Paycheck stubs, letter from employer, income tax return, award letter for any unearned income benefit such as social security, unemployment, or veteran's benefit, or letter from renter, boarder or tenant.
- Health insurance premiums that you pay other than Medicare:** Letter from employer, premium statement, or pay stub.
- Proof of date of birth:** State driver's license, U.S. birth certificate, permanent resident card ("green card"), or NYS Benefit Identification Card.
- Proof of residence:** Lease/letter/rent receipt with your home address from your landlord, driver's license (if issued in the past 6 months), utility bill (gas, electric, phone, cable, fuel or water), government ID card with address, property tax records or mortgage statement, or postmarked envelope or postcard (cannot use if sent to a P.O. Box).
- If you are not a U.S. citizen, you must provide documents indicating your current immigration status.

Mail the application and required documentation to your local Department of Social Services (DSS) or Human Resource Administration (HRA). To find the address in your county: http://www.health.ny.gov/health_care/medicaid/dss.htm

TERMS, RIGHTS AND RESPONSIBILITIES

By completing and signing this form, I am applying for the Medicare Savings Program. **PAYMENT OF YOUR MEDICARE PREMIUM IS A MEDICAID BENEFIT.**

PENALTIES

I understand that my application may be investigated, and I agree to cooperate in such an investigation. Federal and State laws provide for penalties of fine, imprisonment or both if you do not tell the truth when you apply for Medicaid benefits or at any time when you are questioned about your eligibility, or cause someone else not to tell the truth regarding your application or your continuing eligibility.

CHANGES

I agree to immediately report any changes to the information on this application.

SOCIAL SECURITY NUMBER (SSN)

If you are applying for the Medicare Savings Program, you must report your SSN, unless you are a pregnant woman. The laws requiring this are: 18NYCRR Sections 351.2, 360-1.2, and 360-3.2(j)(3); 42USC 1320b-7. SSNs are used in many ways, both within the local social services districts and also between local social services districts and federal, state, and local agencies, both in New York and in other jurisdictions. Some uses of SSNs are: to check identity, to identify and verify earned and unearned income, to see if absent parents can get health insurance for applicants, to see if applicants can get child support and to see if applicants can get money or other help.

CERTIFICATION OF CITIZENSHIP & IMMIGRATION STATUS

I certify, under the penalty of perjury by signing my name on this application, that I, and/or any person for whom I am signing is a U.S. citizen or national of the United States or has satisfactory immigration status. I understand that information about me will be submitted to the United States Citizenship and Immigration Services (USCIS) for verification of my immigration status, if applicable. I further understand that the use or disclosure of information about me is restricted to persons and organizations directly connected with the verification of immigration status and the administration and enforcement of the provisions of the Medicaid program.

NON-DISCRIMINATION NOTICE

This application will be considered without regard to race, color, sex, disability, religious creed, national origin, or political belief.

CERTIFICATION

In signing this application, I swear and affirm that the information I have given or will give to the Department of Social Services as a basis for Medicaid is correct. I also assign to the Department of Social Services any rights I have to pursue support from persons having legal responsibility for my support and to pursue other third-party resources. I understand that Medicaid paid on my behalf may be recovered from persons who had legal responsibility for my support at the time medical services were obtained.

If after reading and completing this form, you decide that you **DO NOT** want to apply for the Medicare Savings Program, please sign your name below:

I consent to withdraw my application:

| | |
|---------------------|------|
| Applicant Signature | Date |
|---------------------|------|

| | | | | |
|--|------------------|------------------------------|-------------|--|
| Signature of Person Who Obtained Eligibility Information | | Date | Employed By | |
| Date Eligibility Determined by Worker | | Date Eligibility Approved By | | |
| Central/Office | Application Date | Unit ID | Worker ID | Case Type |
| | | Case No. | Reuse Ind. | |
| Case Name | District | Registry No. | Ver. | |
| Effective Date | MA Disp. | Denial | Withdrawal | Reason Code |
| | | | Proxy | <input type="checkbox"/> Yes <input type="checkbox"/> No |

MSP application form (closer look)

NEW YORK STATE DEPARTMENT OF HEALTH
Office of Health Insurance Programs

Medicare Savings Program Application

APPLICANT

Please print clearly and do not write in the dark shaded area.

| | | | | | |
|--|------------------------------|-------------------------|-----------------------------------|--------------------------|---------------------------|
| First Name, Middle Initial, Last Name Michael S. Peters | | | Home Phone 111-222-3333 | | |
| Home Address Street 266 West 37th Street | Apt. No. 3rd Floor | City New York | State NY | Zip Code 10018 | County New York |
| Is this a shelter? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | | | |
| Mailing Address Street/P.O. Box (If Different from Above) | Apt. No. | City | State | Zip Code | County |

NAMES

List your name first. Include aliases and maiden name. If necessary, attach an extra sheet to list all children.

| | First Name, Middle Initial, Last Name | Date of Birth (MM/DD/YY) | Sex | Social Security Number | Race/Ethnic Group (See Codes Below) |
|--------|---------------------------------------|-----------------------------|----------|------------------------|--|
| Self | Michael S. Peters | 1/1/1950 | M | 000-00-0001 | |
| Spouse | | | | | |
| Child* | | | | | |
| Child* | | | | | |

*If under 18 years of age.

Race/Ethnic Affiliation Codes: B: Black, Not of Hispanic Origin W: White, Not of Hispanic Origin H: Hispanic A: Asian or Pacific Islander I: American Indian or Alaskan Native U: Unknown O: Other

MSP application form (closer look)

| CITIZENSHIP INFORMATION | | | |
|--|----------------------|--|----------------|
| Are you a U.S. citizen? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | | |
| If No, do you have satisfactory immigration status? <input type="checkbox"/> Yes <input type="checkbox"/> No <i>Include alien number, date of status, and date entered country, if applicable.</i> | | | |
| Alien Number | Date of Status (DOS) | Date Entered Country (DEC) | |
| Is your spouse a U.S. citizen? <input type="checkbox"/> Yes <input type="checkbox"/> No | | | |
| If No, does your spouse have satisfactory immigration status? <input type="checkbox"/> Yes <input type="checkbox"/> No <i>Include alien number, date of status, and date entered country, if applicable.</i> | | | |
| Alien Number | Date of Status (DOS) | Date Entered Country (DEC) | |
| MEDICARE INFORMATION | | | |
| Applicant's Medicare Number (From Red and Blue Medicare Card) | | | |
| 1AAA-2BB-3CCC | | | |
| Do you have Medicare Part A? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | Effective Date | Do you have Medicare Part B? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | Effective Date |
| | 01/01/2015 | | 01/01/2015 |
| Spouse's Medicare Number (From Red and Blue Medicare Card) | | | |
| Does your spouse have Medicare Part A? <input type="checkbox"/> Yes <input type="checkbox"/> No | Effective Date | Does your spouse have Medicare Part B? <input type="checkbox"/> Yes <input type="checkbox"/> No | Effective Date |
| Would you like us to consider providing retroactive reimbursement of your Medicare premium? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | | |
| Do you or your spouse pay any health insurance premiums other than Medicare? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | |
| Who? | Monthly Amount | | |
| | \$ | | |
| Do you or your spouse pay child/spousal support? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | |
| Who? | Monthly Amount | | |
| | \$ | | |
| Do you or your spouse receive payments from or are named beneficiary of a trust? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | |
| Who? | Value | | |
| | \$ | | |

MSP application form (closer look)

INCOME

List below all available income such as: salary, wages, pension, social security, severance pay, rental or business income, etc. If necessary, attach an extra sheet to list all sources of income.

| Name of Applicant, Spouse, or Child Under 18 | Who Provides the Money? (Name/Source of Income) | What Amount? | How Often? (Weekly, Every Two Weeks, Monthly, Other) |
|--|--|--------------|---|
| Michael S. Peters | SSA | \$1,250 | Monthly |
| | | | |
| | | | |

Do you want to receive notices in: ☒ English Only ☐ Spanish and English

CONSENT

I understand that by signing this application/certification form I agree to any investigation made by the Department of Social Services to verify or confirm the information I have given or any other investigation made by them in connection with my request for Medicaid. If additional information is requested, I will provide it.

SIGNATURES

| | | | | |
|------------------------------------|--------------------------|--------------|-------|------------------|
| Applicant/Representative Signature | <i>Michael S. Peters</i> | | Date | <i>5/11/2023</i> |
| Spouse Signature | | | Date | |
| Representative Address | | | | |
| City | | | State | Zip Code |
| Phone Number | | Relationship | | |

Beneficiary is applying as individual

- Include applicant's Medicare number, Part A and Part B effective dates
- Individual signs and dates application (**front page**)
- Check "**Yes**" next to "Would you like us to consider providing retroactive reimbursement of your Medicare premium?"
- Answer all questions to avoid delays

If individual and spouse are applying

- Complete one application with information for both spouses
- **Both spouses** must sign application
- In application margins, write "both are spouses applying"
- Provide all supporting documents for both spouses

Only one spouse is applying

- Name of spouse who is applying should be written at top of application form
 - In application margins, write “spouse not applying”
- Income must be provided and declared for **both** individuals
- Include the non-applying spouse’s name, Social Security number, and date of birth
 - Questions for non-applying spouse’s citizenship and Medicare information can be disregarded
- Only applicant’s signature is required

Make copies of documents

- Proof of date of birth
 - Passport/Naturalization Papers OR
 - Birth Certificate OR
 - Permanent Resident Card (front and back) OR
 - Baptismal certificate OR
 - Military discharge papers OR
 - State ID
- Social Security card
- Medicare card
- Name change information (marriage certificate, death certificate)
- Proof of address (utility bill, lease, government letter, etc.)
- Proof of income from all sources (SS award letter, pension statement, paystubs, etc.)
- Proof of other health insurance premiums

Timeline for MSP application

- Client will receive decision about 45 days after application is submitted
 - Client receives Notice of Action
- After individual is approved for MSP, it may take 2+ months for premiums to stop being deducted
 - Data sharing between SSA, CMS, the Part D plan, and the State must occur and can cause delays
 - No way to expedite this process
 - Does not change the MSP effective date
 - Will receive a reimbursement

MSP recertifications



MSP recertification

- Typically, MSP recipients must renew their MSPs annually
 - They should receive recertification forms via mail about 2-3 months before they are due
 - They will lose benefits if they do not recertify
- During COVID-19 public health emergency, MSP cases were automatically renewed

Failure to renew

- Automatic MSP renewals have ended
- All MSP cases ending **after May 31, 2023** must be actively renewed
- For **MSP only**, Local Department of Social Services will extend case for four months if renewal is not received
- Four-month extension will only be issued once, and if the second renewal is not received the case will be closed

Sample MSP renewal notice

< insert return address
snippet 1a>



RENEWAL NOTIFICATION

< insert snippet 1b,1c,1d or 1e>

LOCATION:
NOTICE DATE:
CASE NUMBER:
NUMBER OF ADULTS:
NUMBER OF CHILDREN:
PRIORITY:
RVI CODE:
TELEPHONE NUMBER:

Dear Consumer:

It is time to renew your Medicaid / Managed Long Term Care / Medicare Savings Program (MSP / QMB). Renewal instructions are attached to help you. **Complete and sign** this form and attach all required proofs. Return your entire renewal form, **including this page**.

You must respond **before** < insert date – snippet 1f > or your coverage may end. If your coverage ends, depending on the coverage that you have now, we will no longer be able to provide you with health insurance coverage or pay your Medicare premium, deductible or co-pays.

Review the form carefully. If anything is wrong or has changed, write in the correct information. If it is correct, check the **"No Change"** box.

If you moved from New York City to another county within New York State, but a new case has not yet been opened where you now live, you should complete this form and we will make sure your renewal gets to your new local district.

You **must provide** certain "proofs" supporting the information you provide on this form:

- Proof of any change in your immigration status, if you are reporting a new status;
- Proof of any change in your health insurance other than Medicare, including any change to the premium that you pay;
- If you are blind or disabled, proof of disability-related work (non-medical) expenses, if any;
- If you are enrolled in the Medicaid Buy-In Program for Working People with Disabilities;
 - proof of current employment; **or**
 - a letter stating that you lost your job within the last six months either because of a change in medical condition or through no fault of your own (for example, you were laid off).

Medicaid



Medicaid basics

State and federal program offering health insurance to those with limited incomes/assets

- Each state has its own Medicaid rules
- All Medicaid programs regulated at state and federal level
- People of different ages and groups may have different financial qualification limits

Different kinds of Medicaid

Forms of Medicaid that work with Medicare:

- **Aged, Blind, and Disabled (ABD) Medicaid**
- **Medicaid home and community-based (HCBS) waiver programs:** Provides coverage for services to help beneficiaries stay at home or in community-based settings (such as an assisted living facility)
- **Institutional Medicaid:** For residents in nursing homes
- States may have additional Medicaid programs

Medicaid and Medicare

- For services covered by Medicare and Medicaid, Medicare will pay first and Medicaid may cover Medicare cost-sharing, like copayments
- Medicaid may cover services that Medicare does not, such as dental and/or vision



ABD Medicaid eligibility in 2023

| | Single | Couple |
|---------------|---------------|---------------|
| Income limits | \$1,697/month | \$2,288/month |
| Asset limits | \$30,182 | \$40,821 |

Eligibility limits are based on the 2023 FPL and include a standard \$20 disregard

- In NYS, individuals apply for ABD Medicaid through
- Local Department of Social Services (LDSS) if outside NYC
 - Human Resources Administration (HRA) if in NYC

Medicaid spend-down

- If beneficiary needs Medicaid coverage and their income is above the Medicaid limit, they may be eligible for the Medicaid spend-down program
 - Also called Medicaid Excess Income Program
 - Allows individual to deduct certain medical expenses from their income so that they can qualify for Medicaid
 - Individual can also pay their spend-down amount directly by sending a check to their Medicaid office

Medicaid spend-down

- **Difference between individual's monthly income and Medicaid eligibility limit**
- Beneficiary qualifies for Medicaid coverage each month they meet their spend-down



Meeting spend-down limit

- Beneficiary uses medical expenses that reduce their income to a level at or below the Medicaid eligibility limit
- Medical bills serve as proof of high medical expenses and can qualify New Yorkers for spend-down
 - Unpaid medical bills can be up to six years old
 - Paid medical bills must be from the past three months
 - Certain expenses may be used to meet a spend-down
 - More information should be provided by a Medicaid counselor

A beneficiary could also consider a trust to lower their income and qualify for Medicaid. They should contact an elder law attorney for more information about setting up a trust.

Spend-down example

- Betsy signs up for the Medicaid spend-down program with a monthly income of \$2,037
- She is \$340 over the \$1,697 income limit for Medicaid
- Once she accrues \$340 of medical bills each month and sends these bills to Medicaid, her Medicaid benefits will begin
- She could also pay \$340 each month to her local Medicaid office in order to have Medicaid



Case example: MSP and Medicaid

Ben's gross monthly income is \$1,785 (after \$164.90 is deducted for his Part B premium) and he has no savings. He is eligible for an MSP at the QI level. He is also interested in getting Medicaid through the spend-down.

What counseling should you provide Ben in this situation?

Options for Ben

- Ben's gross income is
 - \$1,949.90 from Social Security (\$1,785 + \$164.90)
- A beneficiary cannot have both QI and Medicaid
- Ben would have to choose between enrolling into the MSP at QI level **or** enrolling in Medicaid spend-down. If he chooses Medicaid spend-down his Part B premium can be used as an income disregard to lower his spend-down amount.
 - If he decides on Medicaid, his spend-down would be $\$1949.90 - \$164.90 - \$1,697 = \88

| Monthly income limit for individual | |
|-------------------------------------|---------|
| QI | \$2,280 |
| QMB | \$1,697 |
| ABD Medicaid | \$1,697 |

MAGI Medicaid

- Available for populations previously ineligible for Medicaid, including childless adults ages 19-64
- Provided through health insurance Marketplace
 - New York State's Marketplace is called the **New York State of Health (NYSOH)**
- Eligibility calculated from modified adjusted gross income (MAGI)
 - Resources and assets not counted
- Individuals with expansion Medicaid generally receive Medicaid through private managed care plans (called Medicaid Managed Care, or MMC, plans)

Medicare coverage and MAGI Medicaid

- Beneficiaries with expansion Medicaid should enroll in Medicare when they become Medicare-eligible
 - Most beneficiaries should automatically receive QMB to pay for the Part B premium, effective first of the month following month of Medicare enrollment
- Medicare is primary insurance for eligible individuals with Medicaid



Part B premium reimbursement

- People who become eligible for Medicare while on NYSOH Medicaid no longer get MIPP (Part B premium reimbursement)
 - These people will be enrolled in QMB MSP
 - There's a one-month lag, so if someone gets Medicare in February, they will be enrolled in an MSP as of March
- People owe a premium for one month before MSP starts
 - No reimbursement if someone has Part B premium deducted from SS benefits

Transitions during the unwind

- As of July 1, 2023, people can lose Medicaid or MSP benefits if they do not renew on time or no longer meet income requirements
- Most dually eligible beneficiaries' cases will remain with NYSOH
 - Beneficiaries who require managed long-term care, Medicaid spend-down referral, or retroactive Medicaid coverage will be transferred to LDSS
- CMS has approved several waivers in New York which allow for certain flexibilities during the unwind period
 - Some waivers are in place to help beneficiaries retain Medicaid coverage
 - Waivers apply until unwind period ends: **May 2024**

Marketplace to Medicare transitions during the unwind

Approved NYS waivers

- **Automated renewals for SNAP recipients**

- ABD Medicaid beneficiaries who are also recipients of the Supplemental Nutrition Assistance Program (SNAP) will be automatically renewed for ABD Medicaid (some exceptions)

- **Asset test waived for Medicaid renewals**

- Medicaid asset test waived at renewal for anyone in non-MAGI category
- Asset information submitted during renewal will be not be reviewed

Waivers cont.

- **Medicaid enrollees retained on NYSOH**

- Medicaid recipients on NYSOH who are eligible for Medicare will not have their cases transferred to the LDSS
- They will remain on NYSOH throughout the waiver period and be renewed using MAGI budgeting rules
- Does not apply to beneficiaries who require managed long-term care, Medicaid spend-down referral or retroactive Medicaid coverage

Retaining MMC

- Individuals enrolled in an aligned Dual-eligible Special Needs Plan (D-SNP) retain MMC
 - Default enrollment: Approved plans may allow newly Medicare-eligible individuals to remain in MMC or HARP and enroll in an aligned D-SNP
 - Voluntary enrollment: Newly Medicare-eligible individuals may choose to remain in MMC and enroll in D-SNP operated by the same plan

MSP-only failure to renew

- LDSS provides one-time only 4-month extension of MSP case if renewal is not received
- A second renewal will be sent to the beneficiary
- If the second renewal is not returned to the LDSS within the given deadline then their MSP case may be closed



Scenario #1

Client with MAGI Medicaid has Medicare or becomes Medicare-eligible

- Client automatically enrolled into QMB and deemed into Extra Help
- Client should fill out Medicaid renewal (asset test will be waived)
 - Medicaid renewal is also for QMB renewal
 - If client does not complete Medicaid renewal, they lose Medicaid **and** QMB
- Case will remain on NYSOH instead of being transferred to the LDSS
- Transitioned off MMC and into FFS Medicaid



Scenario #2

Client with MAGI Medicaid is not Medicare-eligible

- Anyone whose case ends July 1 or later must actively renew
- Clients who do not renew on time will lose Medicaid



Scenario #3

Client has ABD Medicaid, Medicare, and SNAP

- Automatically renewed for Medicaid (and QMB) based on SNAP
- Client does not need to complete renewal application



Scenario #4

Client has ABD Medicaid and Medicare

- Must actively renew
 - Medicaid renewal is also for QMB renewal
 - If client does not complete Medicaid renewal, they lose Medicaid **and** QMB
- Asset test is waived for ABD renewals during unwind period



Thank you!