



Medicare Rights Center



Let's Learn Medicare

Helping Kansans Apply for Medicare-Related
Limited-Income Programs

and

Upcoming Program Changes Through MIPPA

What is the Medicare Rights Center

- **The Medicare Rights Center is a national, nonprofit consumer service organization that works to ensure access to affordable health care for older adults and people with disabilities through**
 - counseling and advocacy
 - educational programs
 - public policy initiatives

What We Will Cover Today

- Medicare-related costs
- Low-Income programs that pay for Medicare related costs
 - Medicare Savings Program
 - Extra Help
- How to access these benefits
- Upcoming eligibility changes to these benefits
 - MIPPA
- How to help and advocate for your clients

Applying for Low-Income Programs

- Before applying for low-income programs, you should know
 - Eligibility for one does not guarantee eligibility for another.
 - Becoming eligible for one might affect your eligibility for others.
 - Programs may offer different levels of assistance depending on income and assets.
 - The source of income affects eligibility for each program
 - e.g., earned wages from employment vs. unearned income from Social Security



Section 1

Medicare Health Coverage and Costs

Ways to Get Medicare Benefits

- Most people have — Original Medicare
 - Traditional program created in 1965.
 - Accepted by most doctors and hospitals in the country.
 - Includes Parts A and B.
 - Purchasing supplemental insurance can help with out-of-pocket costs.
 - If you want Part D, you must get it through a private drug plan that works with Original Medicare.
 - Eligible at age 65, whether taking Social Security retirement or not
 - **The majority of people keep Original Medicare.**
- You can choose to get Medicare benefits from a private health plan (Medicare Advantage, Part C).
 - All plans must cover A and B benefits, may offer Part D.
 - Plans may offer extra benefits, but have extra **rules, restrictions, and costs.**

Part A Costs (Original Medicare)

- **Monthly Premium**

- Premium free for those with 10 years work (40 quarters).
- \$240 if you have worked between 7.5 and 10 years (30-39 quarters).
- \$437 if you have worked fewer than 7.5 years (fewer than 30 quarters).

- **Hospital Deductible**

- \$1,364 in 2019 for each benefit period.

- **Hospital Coinsurance**

- \$341 a day for days 61–90, each benefit period.
- \$682 for days 91–150 (these are 60 non-renewable lifetime reserve days).

- **Skilled Nursing Facility Coinsurance**

- \$170.50 a day for days 21–100, each benefit period.

Your Part B Costs (Original Medicare)

- **Annual Deductible**

- \$185 in 2019.

- **Standard Monthly Premium**

- \$135.50 in enrolling in 2019, continuing coverage \$109
- Higher if you have high income (\$85K individ; \$170K joint) - (from \$189.60 - \$446.50) -

- **Coinsurance**

- Medicare pays 80 percent of Medicare-approved amount for doctors' services; you pay 20 percent coinsurance.
- Exception: Outpatient mental health has a 50 percent coinsurance.

Patient Costs in a Medicare Private Health Plan – Medicare Advantage

- You must continue to pay Part B premium, if one is charged.
- Plan may charge additional monthly premium.
- Generally, no deductible for doctors' visits, but may have one for hospital care and prescriptions.
- Usually charge set copayments (such as \$15) for doctors' visits instead of 20 percent coinsurance.
- Copayments may be higher for specialty care, like hospitalization, chemotherapy, etc.
- You may pay more if you
 - get care outside the plan's network or service area.
 - do not ask the plan's permission to get certain types of care or do not follow plan rules.



HELP KLS promote MARCH MEDICARE
MADNESS!

Medicare Savings Programs (MSPs):
Help with Medicare
Part A and B Costs

Medicare Savings Programs (MSPs)

- Medicare Savings Programs help people who have low incomes pay for the out-of-pocket costs of Original Medicare (Parts A & B).
- Joint federal/state programs.
 - Apply through your state Medicaid program (DCF in Kansas)
- Three MSP programs:
 - **QMB** (Qualified Medicare Beneficiary).
 - **SLMB** (Specified Low-Income Medicare Beneficiary).
 - In Kansas, commonly known as **LMB** (Low-income Medicare Beneficiary).
 - **QI** (Qualifying Individual)
 - In Kansas, commonly known as **ELMB** (Expanded Low Income Medicare Beneficiary).
- Different programs offer different benefits.
 - DCF offices determine which program you qualify for based on income and assets.
- **MSPs are exempt from estate recovery in Kansas**

What are the Benefits of MSPs?

- **Depending on program, an MSP could help pay some of the following costs (in 2019):**
 - Standard Part B premium: \$135.50
 - Part B late enrollment penalty
 - Part A premium (if you have worked less than 10 years and you owe a Part A premium)
 - Part B deductible: \$185
 - Hospital deductible: \$1,364/benefit period
 - Coinsurance for services (doctor, hospital, skilled nursing facility, home health, hospice)
- **“Deemed” eligible for Full Extra Help (Part D).**

Qualified Medicare Beneficiary (QMB)

- Income limits (2019, changes in March, 2019)
 - \$1,041 a month or less for an individual.
 - \$1,409 a month or less for a couple.
 - These numbers include a built-in \$20 general income “disregard”
- Asset limits (doesn’t change annually, but can be changed)
 - \$8,780 or less for an individual.
 - \$13,930 or less for a couple.
- Pays for Medicare Part A & B premiums.
- **Pays your Medicare deductibles and coinsurances** if you go to providers who participate in Medicaid **and** Medicare (including a Medicare private health plan’s network).
- Can have QMB and Medicaid.

Specified Low-Income Medicare Beneficiary (SLMB)

- **Known as LMB in Kansas**
- **Income limits (2019)**
 - \$1,405 a month or less for an individual.
 - \$1,902 for a married couple.
 - These numbers include a built-in \$20 general income disregard.
- **Asset limits (don't change annually, but they can change)**
 - \$8,780 or less for an individual.
 - \$13,930 or less for a married couple.
- **Pays the Medicare monthly Part B premium.**
- **Can have SLMB and Medicaid (including Spend- Down).**

Qualifying Individual (QI)

- **Known as ELMB in Kansas**
- **QI has the highest income limits**
- **Pays the monthly Part B premium.**
- **Must *not* be eligible for Medicaid benefits**

Should I apply if my income is over the limit?

- **Yes!**
- **How your income is counted depends on whether or not you are working and/or receiving Social Security benefits.**
 - For example, less than **half** of your earned income will be counted.
- **You may be able to deduct certain expenses from your income.**
 - Contact DCF for details

When Does Coverage Start?

- You should be notified of your application decision within 45 days of applying for an MSP.
- It may take several weeks or months from MSP determination to start receiving benefits.
- You continue to pay Medicare costs until approved, then you will be reimbursed.
 - QMB benefits begin the month after the month you are determined eligible.
 - You may be eligible for retroactive benefits for up to three months before you applied for SLMB and QI.

What if I am Denied Enrollment?

- **You have the right to appeal.**
 - Submit an appeal request to the address shown on the denial notice within 33 days of the denial date.
 - You must continue to pay your monthly Part B premium during this time.
- **If you win your appeal:**
 - Kansas will pay your Part B premium starting the month indicated on your new acceptance notice.
 - You will receive a lump-sum check as reimbursement for the months before the Part B premium (\$96.40 a month in 2009) is added to your Social Security check back to the month of application.

MSPs: How to Apply in Kansas

- Get the four-page paper application form
 - DCF Offices
 - KHPA
 - Area Agency on Aging
 - SHICK Offices
 - Hospitals
 - Community groups
- How to apply
 - Complete application
 - Provide any requested documentation
- Method of Application
 - In-person at DCF Offices
 - Through the mail (DCF)
 - Fax to DCF (follow-up needed)
 - In-person assistance is available at other locations

Kansas Health Policy Authority and Social and Rehabilitation Services		Application/Redetermination Medicare Savings Plans		ES-3100.8 12-08	
This application is only for the following types of medical coverage:					
<ul style="list-style-type: none"> • Qualified Medicare Beneficiary (QMB) • Low Income Medicare Beneficiary (LMB) • Expanded Low Income Medicare Beneficiary (ELMB) • Medicare Part D Subsidy Estate Recovery does not apply to these programs.			Agency Use Only Date Received: _____ Date Registered: _____ Case #: _____ Worker: _____		
Instructions: <input type="checkbox"/> Complete the whole form. If you need more room to write, attach additional pages. <input type="checkbox"/> Include copies of documents where requested. <input type="checkbox"/> Sign the application at the bottom of the last page. Your application is not complete until it is signed. <input type="checkbox"/> Read your rights and responsibilities on the last page.					
Tell us Your Mailing Address					
Last Name		First Name		MI	
Address			Apt. #		
City		State	Zip Code		
Telephone	E-mail		County		
Do you want your spouse to manage your medical assistance?			<input type="checkbox"/> No	<input type="checkbox"/> Yes	
Do you want someone in addition to, or instead of, your spouse to manage your medical assistance?					
In addition to your spouse?		<input type="checkbox"/> No	<input type="checkbox"/> Yes	Instead of your spouse? <input type="checkbox"/> No <input type="checkbox"/> Yes	
If you said yes to someone in addition to, or instead of, your spouse, please list the person below and sign below:					
Last Name		First Name		Telephone	
Address			Apt. #		
City		State	Zip	E-mail	
I appoint the person named above to be my representative to apply for and manage my medical assistance case.					
Signature: _____					
Language: Do you prefer a language other than English or need other media to communicate (e.g., Braille?)					
<input type="checkbox"/> No		<input type="checkbox"/> Yes		Spoken: _____ Written: _____	
Other Media (Be specific): _____					

MSPs and People with SSI

- **People who receive Supplemental Security Income (SSI) should not need to apply for an MSP.**
- **Kansas must pay Part B premiums for all people with SSI, automatically.**
- **Some people with SSI still inappropriately pay Medicare premiums.**
 - Once State is alerted to this fact, these people should be reimbursed for all months of self- paid premium back to date of SSI eligibility

MSPs and Medicaid

- If you are enrolled in Medicaid, you should make sure you are also enrolled in QMB.
 - This is how Medicaid pays for your Medicare Part B premium.
- MSPs may increase your monthly income by the amount of the Part B premium (\$135.50 in 2019).
 - Make sure the increase will not make you ineligible for Medicaid.
- Contact your local DCF office for more information.



Section 3

Medicare Drug Coverage Costs

What is the Medicare Prescription Drug Benefit (Part D)?

- Outpatient drug coverage: Prescription drugs you get at a pharmacy or through mail order
 - **Coverage only through private plans.**
- Anyone entitled to Medicare is eligible - income does not matter.
- This coverage is voluntary for most.
 - Late Enrollment Penalty – 63 days with no creditable coverage and not enrolled in Part D – 1% per month of no coverage – 3 years, pay 33% more for the rest of your life
- Premium is higher for higher income participants.

What Does Medicare Drug Coverage Look Like?

- Drug plans vary widely in their benefits.
- Each plan has
 - different costs.
 - a different list of drugs that it covers (formulary).
 - its own network of pharmacies.
- Cost is determined by the plan chosen.
 - Pharmacists, AAA staff or online options are good for determining best plan, based on drugs needed
- Annual enrollment, so can change plans annually between Oct 15 and early Dec. for the next year.

How does it work?

- To get the Medicare drug benefit, you must choose and enroll in a private drug plan.
- You need to choose a drug plan that works with your Medicare coverage.
 - **Original Medicare:** Stand-alone drug plan (PDP) + Original Medicare to cover doctor and hospital services.
 - **Medicare private health plan:** You generally must get all benefits (doctors, hospitals, drugs) from the same plan (MA- PD). Some exceptions.

Medicare Drug Coverage (Part D) Costs

- **Monthly Premiums**

- National average monthly premium for all Part D plans (PDP and MA-PD) is \$33.19. in 2019. High earners pay more.

- You will have different costs for different prescriptions at different times

- **Deductible:** No more than \$415 in 2019.
- **Initial Coverage Period:** You pay copayments or coinsurances. These can vary by plan and by drug.
- **Coverage gap:** At some point (usually after \$3,820 in **total** drug costs in 2019) you may pay 35%(brand name)-44%(generic)of the cost for your covered drugs.
- **Catastrophic coverage:** After you spend \$5,100 **out- of-pocket*** in 2019, your copayments go down significantly.



Section 4

Extra Help (Low-Income Subsidy, LIS)
Help with Medicare Prescription Drug
Coverage (Part D) Costs

What is Extra Help (For Part D)?

- Extra Help (Low-Income Subsidy, LIS) is a federal subsidy program that helps pay for some or most of the costs of Medicare drug coverage.
 - No or low premium and deductible for prescription drug coverage.
 - Low copayments (as low as \$3.35 (generic); no more than 15 percent of cost of your drug).
- The level of Extra Help you are eligible for depends on your income and assets.
 - Full Extra Help.
 - Partial Extra Help.
- Federally administered; federally funded.
 - Get it from Social Security Administration

“Full” Extra Help – 135% FPL

- Eligibility (2019):
 - Monthly income below \$1,425 (\$1,922 for married couples).
 - Assets below \$9,230 (\$14,600 for married couples).
- **No premium or deductible** as long as you choose a drug plan with a premium at or below the Kansas regional benchmark (the amount Extra Help will pay for in full) of \$30.27 per month in 2019.
- You only pay a **small copayment** for each drug you buy.
 - **Your copayment amount depends on your income and whether you have full Medicaid.** (\$3.40 generic/\$8.50 brand name).
 - You pay **nothing** after **\$5,100 in out of pocket annual drug costs** in 2019 (catastrophic coverage).

“Partial” Extra Help - up to 150% of poverty

- Eligibility (2019):
 - Monthly income below \$1,581 (\$2,134 for a married couple).
 - Assets below \$14,390 (\$28,720 for married couples).
- Benefits vary depending on income
 - a sliding-scale premium based on your income;
 - a **\$83** deductible;
 - No more than 15 percent for each drug you buy (you will pay either 15 percent or the standard copay, whichever is lower);
 - \$3.40/generic and \$8.50/brand-name drug copayment after **\$5,100 in out of pocket drug costs in 2019.**

How Does Catastrophic Coverage Work with Extra Help?

- Once your **total** drug costs reach \$5,100 in 2019, you will reach catastrophic coverage. This includes
 - what you, family members or friends pay for covered drugs at in-network pharmacies;
 - what Extra Help pays;
 - what your Medicare private drug plan pays.
- **Note:** Monthly Part D premiums and drugs not covered by your plan or by Medicare will **not** count toward catastrophic coverage.

Extra Benefits of Extra Help

- You get an ongoing Special Enrollment Period to enroll in a Part D plan.
 - Can change plans once a month.
 - Effective 1st of following month.
- No penalty for late enrollment even if you did not have creditable coverage

How do I get Extra Help?

- Some people will get Extra Help automatically (“deemed”)
 - Medicaid.
 - Medicaid Spend-down.
 - Supplemental Security Income (SSI).
 - Medicare Savings Programs.
- Everyone else must apply through SSA.

What if I Do Not Get Extra Help Automatically?

- You have to fill out an application.
 - You and your spouse can apply with the same application.
- You can apply through:
 - Social Security Administration
 - Online application works best (www.ssa.gov).
 - Mail in print application (use original).
 - Apply by phone (800-772-1213).
 - Apply in person at local SSA office.
- You will need to declare your income and assets (do not need to provide proof).

When Will My Extra Help Begin?

- **If you get Extra Help automatically**
 - Extra Help benefits will be retroactive to effective date of full Medicaid, or the month in which you meet your spend-down, SSI or an MSP.
- **If you apply for Extra Help**
 - If you applied for Extra Help through SSA, there is no time-limit for SSA to process your application.
- **Out-of-pocket costs should be reimbursed by your plan.**
 - Only drugs on plan's formulary list that should have been subsidized by Extra Help.

For More Information and Help

- Kansas DCF
 - www.dcf.ks.gov
- Kansas AAA assistance: 1-866-457-2364
- KS State Health Insurance Information, Counseling and Assistance Program (SHICK)
 - Phone: 800-860-5260
 - Fax: 785-296-0256
- Medicare
 - 800-MEDICARE (800-633-4227)
 - www.medicare.gov
- Medicare Rights Center
 - Hotline for people with Medicare: 800-333-4114
 - Hotline for professionals: 877-794-3570
 - www.medicareriights.org
 - www.medicareinteractive.org (see next slide)

Medicare Interactive

- Medicare Interactive
 - www.MedicareInteractive.org
- Web based information system developed by Medicare Rights to be used as a counseling tool to help people with Medicare.
 - Easy to navigate.
 - Clear, simple language.
 - Answers to Medicare questions and questions about related topics, for example:
 - Will I get help paying for the Medicare drug benefit if my income is low (Extra Help)?
 - State-specific information (find what programs your state offers and their income and asset limits).