

MS-MEDICARE SAVINGS PROGRAMS
Medicare Savings Programs**23000-23010****23000 Medicare Savings Programs****01-01-03**

Since 1988, several laws have been passed requiring states to provide savings to certain Medicare recipients through the state's Medicaid program. The categories enacted are Qualified Medicare Beneficiaries (QMB) including ARSeniors, Specified Low-Income Medicare Beneficiaries (SMB), Qualifying Individuals - 1 (QI-1), Qualified Disabled and Working Individuals (QDWI). These categories provide Medicare savings by paying the Medicare premium(s) or a portion of the Medicare premium, and possibly the Medicare deductibles and coinsurance. Except for ARSeniors, these categories do not pay for the full range of Medicaid services.

23010 Medicare Savings Programs - Comparison Chart**01-01-2010**

The comparison chart below provides a brief overview of the six categories including the coverage provided and eligibility requirements.

MS-MEDICARE SAVINGS PROGRAMS
Medicare Savings Programs-Comparison Chart

23010-23010

	ARSeniors	QMB	SMB	QI-1	QDWI
Benefits	Full Range of Medicaid Benefits	Pays Medicare Premium(s), deductible and coinsurance	Pays Part B Premium	Pays Part B Premium	Pays Part A premium
Categorical	Aged Only	Aged, Blind or Disabled	Aged, Blind or Disabled	Aged, Blind or Disabled	Blind or Disabled
Income Limits	Equal to or below 80% of FPL	100% of the Federal Poverty Level (FPL)	Between 100% and 120% of FPL	At least 120% but less than 135% of FPL	200% of FPL
Resource Limit	Individual \$6600.00 Couple \$9910.00				
Certified in other category at same time?	No	Yes	Yes	No	Yes
Medicare Requirements	Must receive Medicare if entitled to Medicare	Entitled to or conditionally eligible for Medicare Part A	Entitled to (actually receiving) Medicare Part A		Lost Medicare Part A & SSA-DIB benefits due to SGA Entitled to reenroll in Medicare Part A
Policy Re:	MS 23100	MS 23100	MS 23100	MS 23100	MS 23500

23100 History of ARSeniors, QMB, SMB, QI-1

01-01-03

1. ARSeniors: Initiated Act 1 of 2000 authorizes expanded services to lower income Aged QMB (Category 18) recipients. Funding for this program is provided from the Tobacco Settlement funds. This coverage group is called ARSeniors and provides the full range of Medicaid services to individuals receiving Aged QMB whose income is equal to or less than 80% of the Federal Poverty Level (FPL). The ARSeniors program was implemented effective November 1, 2002.
2. QMB: Section 301 of Public Law 100-360, the Medicare Catastrophic Coverage Act of 1988, requires Medicaid buy-in of Medicare premiums and coverage of deductibles and coinsurance for Qualified Medicare Beneficiaries (QMBs) with income at or below 100% of the Federal Poverty Level and resources at or below twice the SSI limit.
3. SMB: On January 1, 1993, Section 4501 of the Omnibus Budget Reconciliation Act of 1990 (Public Law 101-508) mandated that State Medicaid Agencies pay the Medicare Part B premium for Specified Low Income Medicare Beneficiaries (SMBs) for individuals with income between 100% and 110% of the Federal Poverty Level. These limits became effective in 1994. Beginning in 1995, the SMB income limit increased to between 100% and 120% of the Federal Poverty Level.
4. QI-1: Section 4732 of the Balanced Budget Act of 1997 (Public Law 105-33) created the Qualifying Individuals-1 group (QI-1). QI-1s are individuals who would be eligible for SMB except that their incomes exceed the SMB level. QI-1s must have income of at least 120% but less than 135% of the Federal Poverty Level.
5. QI-2: Section 4732 of the Balanced Budget Act of 1997 (Public Law 105-33) also created the Qualifying Individuals-2 group (QI-2) with a sunset date of December 31, 2002. QI-2s must have income of at least 135% but less than 175% of the Federal Poverty Level. The QI-2 program ended December 31, 2002, as it was not re-authorized by Congress.

23105 Scope of Services

01-01-03

ARSeniors for Aged QMBs provides full Medicaid coverage. It is the only coverage group in the Medicare Savings categories that provides the full range of Medicaid benefits. If applicants for ARSeniors Medicaid are eligible in the month of application, they can also receive retroactive coverage for the three months prior to application, if otherwise eligible. However, retroactive benefits cannot begin prior to November 1, 2002.

QMB pays all Medicare premiums, deductibles, and coinsurance. There is no retroactive coverage for QMBs. Coverage of Medicare premiums, deductibles, and coinsurance will begin on the first of the month following the month of approval in the QMB category.

SMBs are eligible for the payment of Medicare Part B premiums only. No other Medicare cost sharing charges will be covered. SMBs, are, however, eligible for retroactive benefits for up to 3 calendar months prior to application, if the individual meets all SMB eligibility requirements in the retroactive period. Coverage must begin on the first day of the month. Individuals who qualify for SMB will not receive a Medicaid card.

QI-1s are eligible for payment of their Medicare Part B premiums only. QI-1s are eligible for retroactive benefits for up to 3 calendar months prior to application if the individual meets all eligibility requirements. Coverage must begin on the first day of the month. However, retroactive coverage cannot begin before January 1 in the current calendar year. QI-1s will not receive a Medicaid card.

23110 Eligibility Requirements

01-01-2010

ARSeniors, QMBs, SMBs, and QI-1s must all meet the same basic eligibility requirements. Self-declaration will be accepted for all eligibility requirements with the exception of alien status of non-citizens. Eligibility requirements are as follows:

1. Categorical Relatedness: the individual must be aged, blind or disabled as specified in MS 3321 - 3323. The individual must be aged to qualify for ARSeniors.
2. Medicare Part A Entitlement or Conditional Eligibility: QMBs must be entitled to or conditionally eligible for hospital benefits under Medicare Part A (Re. MS 23125). SMBs and QI-1s must be entitled to Part A. *Entitled* means that the individual has applied for, is eligible for, and is enrolled in Medicare Part A. *Conditionally eligible* means that an individual can be enrolled (entitled) for Part A Medicare only on the condition that he/she is eligible for QMB, and thus eligible for the state Medicaid agency to pay the Part A premium as part of the QMB benefits. ARSeniors recipients do not have to be entitled to Medicare. (e.g. Qualified Aliens who have not worked enough quarters to qualify for Medicare can still be eligible for ARSeniors.) However, individuals who are entitled to Medicare and choose not to enroll in Medicare are not eligible for the ARSeniors program.
3. Citizenship or Alien Status: the individual must meet the citizenship/alien status requirement as specified in MS 6700.
4. Enumeration: the individual must meet the Social Security Enumeration requirement as specified in MS 1358.
5. Residency: the individual must be an Arkansas resident as specified at MS 2200.
6. Resources: ARSeniors, QMBs, SMBs or QI-1 can have resources equal to but not exceeding three times the SSI resource standard, indexed annually since 2006 by the increase in the Consumer Price Index (CPI). The current Medicare Savings resource standards are as follows:

Individual \$6,600

Couple \$9,910

Countable resources are determined according to LTC guidelines (Re. MS 3330-3337).

Caseworkers will determine resource eligibility based on what is self-declared on the application.

7. Income: The Medicare Savings Programs recipient's monthly countable income must meet the appropriate Federal Poverty Level for the specific category. (Re: FPL Chart at Appendix F).

- ◆ ARSeniors - equal to or less than 80%
- ◆ QMB – equal to or less than 100%
- ◆ SMB – between 100% - 120%
- ◆ QI-1 – at least 120% but less than 135%

Countable income is determined according to LTC guidelines (Re. MS 3340-3348). Self-declaration will be accepted. However, the caseworker will be responsible for requesting a SSA Query before certification. In-Kind Support and Maintenance is considered in ARSeniors, QMB, SMB and QI-1 determinations. For a couple, total monthly countable income will be compared to the couple's standard in each case. If only one spouse is eligible, the procedures for deeming of income at MS 2111-2111.5 will apply.

Individuals applying for Medicare Savings coverage only will not be required to apply for SSI if their income is less than the SSI/SPA (Re: SSI Chart at Appendix S)). If an individual does not wish to be referred to SSA and does not want to be certified for full Medicaid benefits in another Medicaid category, he/she may be certified for Medicare Savings coverage only.

8. Mandatory Assignment of Rights to Medical Support/Third Party Liability: Re. MS 1350. (Applies only to QMB and ARSeniors).
9. CSE Referrals for Minors With Absent Parents: Required only if the child is on QMB and a parent is receiving Medicaid in a category other than Pregnant Women or Family Planning. Otherwise, referral is strictly voluntary. A QMB child is eligible for free services through OCSE.

23115 Self Declaration

11-01-02

Self-declaration will be accepted for all eligibility requirements with the exception of alien status of non-citizens. Alien status must always be verified. If the declared income and resources are within the allowable amounts for the program, the client's declaration will be accepted. The caseworker, will however, complete a SSA Query on all applicants to confirm the accuracy of the gross benefits, Medicare claim number, and Medicare Part-A entitlement. If the applicant declares resources, the value of which would make him/her ineligible, and the caseworker cannot determine if the resource is countable (such as a life insurance policy or burial plan), the caseworker should then contact the applicant to determine if the resource is countable. The client's statement of the type of

resource and the resource value will be accepted and documented. If it cannot be determined through contact with the client if the resource is countable, the client should be given the opportunity to provide a copy of the resource document.

23120 Simultaneous Coverage in Other Categories

01-01-03

Individuals who apply for QMB or SMB coverage and have medical expenses in prior months may be considered in other Medicaid categories (including spend-down categories) for the retroactive coverage.

Except for Medical Spend-downs, an individual may not be certified in a QMB or SMB category and in another Medicaid category for simultaneous periods. If an individual is eligible in a category other than QMB, he/she will be eligible for and receive the QMB benefits along with other Medicaid benefits (Re MS 23150). If an individual could be eligible in either a QMB category or a non-QMB category, the individual should be approved in the non-QMB category.

Example: An individual eligible for both an Aid to the Disabled and a Disabled QMB category will be certified in the Aid to the Disabled category, but will receive full QMB benefits. An individual may be approved for a spend-down and a QMB for simultaneous periods.

Example: An individual applies for QMB coverage and for other Medicaid categories on March 1, and has sufficient non-coverable medical bills for a spend-down period of March, April, and May. QMB coverage is approved on March 30. QMB coverage will begin April 1. For any concurrent months of QMB and spend-down eligibility, Medicare premiums may not be considered as a non-coverable medical expense.

Unlike QMBs and SMBs, QI-1s may not be certified in any other Medicaid category for simultaneous periods. An individual who is eligible for QI-1 and a spend-down will have to choose which coverage is wanted for a particular period of time.

23125 Medicare Part A Entitlement

01-01-03

ARSeniors do not have to eligible for Medicare entitlements. QMBs must be entitled to or conditionally eligible for hospital insurance benefits under Medicare Part A. SMBs