

Medicare Savings Programs

Medicare Savings Programs (MSPs) pay your Medicare premiums if you have a limited income. Premiums are what you pay each month for Medicare.

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| Qualified Medicare Beneficiary (QMB): | Pays for Medicare Part A (\$407) and B (\$104.90) premiums, deductibles, and coinsurances or copays. If you have QMB, you will have no coinsurance or copayment for Medicare-covered services you get from providers who participate in Medicare or Medicaid or are in your Medicare Advantage Plan's network. |
| Specified Low-income Medicare Beneficiary (SLMB): | Pays for monthly Part B premium. |
| Qualifying Individual (QI) Program | Pays for monthly Part B premium. |

MSPs and Extra Help

Extra Help is a federal program that can pay some of the costs of your drugs when you have the Medicare drug benefit (Part D). It is also sometimes referred to as the Low-Income Subsidy (LIS). You automatically get Extra Help if your MSP application is approved. Your local State Health Insurance Assistance Program (SHIP) can also enroll you in Extra Help. If you specify on your Extra Help application that you want to have your information transferred to your state, that application should also be considered as an MSP application by your state.

What to know when you are eligible for a MSP

- MSP enrollment eliminates any penalties for late enrollment into Medicare Part B
- Even if you only have Medicare Part A, you can still apply for a MSP
- The MSP will allow you to enroll in Part B even when it is not the General Enrollment Period (January 1 to March 31 every year)
- You should apply even if your income and assets seem to be above the limit. Some income and assets may not count toward the limit
- If you feel your application for a MSP is wrongly denied, ask for a fair hearing to appeal the decision. Instructions for requesting a fair hearing will be on your denial notice.

MSP Enrollment and Extra Help Enrollment

Your local State Health Insurance Assistance Program (SHIP) can determine your eligibility and help you enroll.

Medicare Savings Programs

To qualify for Medicare Savings Programs, you must meet your state's income and asset guidelines. Listed below are the baseline federal income and asset limits for a MSP. Most states use these limits, but some states have more generous income and/or asset guidelines. For example, Alaska, Connecticut, the District of Columbia (DC), Hawaii and Maine have higher income limits. Alabama, Arizona, Connecticut, Delaware, DC, Maine, Mississippi, New York and Vermont do not apply asset limits.

MSP Eligibility Standards

Qualified Medicare Beneficiary (QMB):

Monthly Income Limits: (100% Federal Poverty Level or FPL + \$20)

Most States: \$1,001 – Individual \$1,348 – Couple

Asset Limits: \$7,280 – Individual \$10,930 – Couple

Specified Low-Income Medicare Beneficiary (SLMB):

Monthly Income Limits: (120% FPL + \$20)

Most States: \$1,197 – Individual \$1,613 – Couple

Asset Limits: \$7,280 – Individual \$10,930 – Couple

Qualifying Individual (QI):

Monthly Income Limits: (135% FPL + \$20)

Most States: \$1,345 – Individual \$1,813 – Couple

Asset Limits: \$7,280 – Individual \$10,930 – Couple

Income limits, which are based on the FPL, generally increase each year. New limits take effect on January 1 and are released in January or February. The amounts listed above include a standard \$20 income disregard. Your state may disregard other income as well. Double-check with your state for current income guidelines and to find out which income will and will not be counted.

Financial resources or assets cannot include your primary home or your primary car. Other types of assets may not count. Your SHIP can tell you the exact eligibility rules in your state.

MSP Income and Asset Disregards

Even if your income (money you take in, for example, Social Security payments that you receive, or wages that you earn) or assets (resources such as checking accounts, stocks and some property) are higher than the guidelines in your state, you should still apply. This is because certain kinds of income and assets may not be counted. Under federal law, states cannot count certain kinds of income and assets.

Some examples of income that will never be counted are:

- The first \$20 of your monthly income
- The first \$65 of monthly wages
- One-half of your monthly wages (after the \$65 is deducted)
- Food stamps

Note: Some states exclude more of your monthly income than the examples listed above.

In all states, the following assets will never be counted:

- Your primary house
- Your car
- Household goods and wedding/engagement rings
- Burial spaces
- Burial funds for you and your spouse valued up to \$1,500 each
- Life insurance with a cash value of less than \$1,500

Local SHIP Contact Information

SHIP toll-free:

SHIP email:

SHIP website:

To find a SHIP in another state: call 877-839-2675 or visit www.shiptacenter.org

If you have Medicare and Medicaid and/or a Medicare Savings Program

| You are enrolled in... | And your income is... | Then you get... | Your 2015 copays are... |
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| Medicaid | Up to \$981 (\$1,328 for couples) per month in 2015 | Full Extra Help \$0 premium and deductible | \$1.20 generic copay \$3.60 brand-name copay No copay after \$4,700.00 in total drug costs |
| Medicaid and/or the Medicare Savings Program | Above \$981 (\$1,328 for couples) per month in 2015 | Full Extra Help \$0 premium and deductible | \$2.65 generic copay \$6.60 brand-name copay No copay after \$4,700.00 in total drug costs |

If you have Medicare only

| And your income is... | And your assets are... | Then you can get... | Your 2015 copays are... |
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| Up to \$1,324 (\$1,792 for couples) per month in 2015 | Up to \$8,780 (\$13,930 for couples) in 2015 | Full Extra Help \$0 premium and deductible | \$2.65 generic copay \$6.60 brand-name copay No copay after \$4,700.00 in total drug costs |
| Below \$1,471 (\$1,991 for couples) per month in 2015 And your income and/or assets are above Full Extra Help limits | Up to \$13,640 (\$27,250 for couples) in 2015 And your income and/or assets are above Full Extra Help limits | Partial Extra Help Premium depends on your income, \$66 deductible, or the plan's standard deductible, whichever is cheaper | 15% coinsurance or the plan's copay, whichever is less After \$4,700.00 in total drug costs, you pay \$2.65/generic and \$6.60 brand-name or 5% of the drug cost, whichever is greater |

Note: Income and asset limits on this chart are rounded to the nearest whole dollar. There's also a \$20 income disregard (not factored into the income limits above) that the Social Security Administration automatically subtracts from your monthly unearned income. Income limits are based on the Federal Poverty Level (FPL), which is subject to change every year.