



Medicare Minute Script How to Save on Your Health Care

Health care coverage can be expensive. Today we will discuss programs that could help you reduce your Medicare-related health care costs.

Point 1: Understand how Medicare Savings Programs help with your Medicare costs.

Medicare Savings Programs (MSPs), also known as Medicare Buy-In programs or Medicare Premium Payment Programs, are state programs that assist you with paying your Medicare premiums, deductibles, and coinsurances for Parts A and B. There are three MSPs, each with different federal income and asset eligibility limits, which can also vary by state.

- **Qualified Medicare Beneficiary (QMB):** Pays for Part A (up to \$407/month) and Part B premiums (\$104.90/month), deductibles, and coinsurances or copays
- **Specified Low-income Medicare Beneficiary (SLMB):** Pays for monthly Part B premiums
- **Qualifying Individual (QI) Program:** Pays for monthly Part B premiums

Point 2: How can I get Extra Help to assist with my health care costs?

Extra Help, also sometimes referred to as the Low Income Subsidy (LIS), is a federal program that helps pay for Medicare prescription drug coverage (Part D) costs. If you are single and your monthly income is under \$1,471 (\$1,991 for couples), and your assets are below \$13,640 (\$27,250 for couples) in 2015, you are likely eligible for Extra Help. Even if your income or assets are above the limits you may qualify because certain types of income and assets may not be counted. Know that if you are already enrolled in an MSP or receive Supplemental Security Income (SSI), you automatically qualify for Extra Help, and you do not have to apply. Contact your State Health Insurance Assistance Program (SHIP) for help determining whether or not you qualify for an MSP or Extra Help. Your SHIP will be able to assist you with the enrollment process.

Point 3: Learn about Medigap policies and how can they help cover Medicare costs.

Medigaps are standardized health insurance policies sold by private insurance companies. You can only have a Medigap with Original Medicare, not with a Medicare Advantage Plan. If you have a Medigap, Original Medicare first pays for its share of your care, and the Medigap assists with the remaining costs, including deductibles, coinsurance, and copayments. Medigaps do not help pay for Medicare premiums. All Medigap policies must offer the following basic benefits:

- Hospital coinsurance coverage
- 365 additional days of full hospital coverage



- Full or partial coverage for the 20 percent coinsurance for doctor charges and other Part B services
- Full or partial coverage for the first 3 pints of blood you need each year
- Hospice coinsurance for drugs and respite care

Beyond these basic benefits, each Medigap covers a different amount of Medicare costs. Medigap policies generally don't cover long-term care, vision, or dental care. Note that Medicare Advantage Plans, which cannot be used with Medigaps, are intended to provide you with all your health and medication needs through one private plan, and may cover limited vision and dental care. Also keep in mind that your right to buy a Medigap will depend upon your state of residence because insurance companies can only sell you a policy at certain times and if you meet specific requirements.

Take Action: Contact your State Health Insurance Assistance Program (SHIP) to discuss your eligibility for an MSP and Extra Help or to determine if a Medigap policy is the right choice for you.

Local SHIP Contact Information
<p>SHIP toll-free:</p> <p>SHIP email:</p> <p>SHIP website:</p> <p>To find a state SHIP: call 877-839-2675 or visit www.shiptacenter.org</p>

The production of this document was supported by Grant No. 90ST1001 from the Administration for Community Living (ACL). Its contents are solely the responsibility of the SHIP National Technical Assistance Center (SHIP TA Center) and do not necessarily represent the official views of ACL.