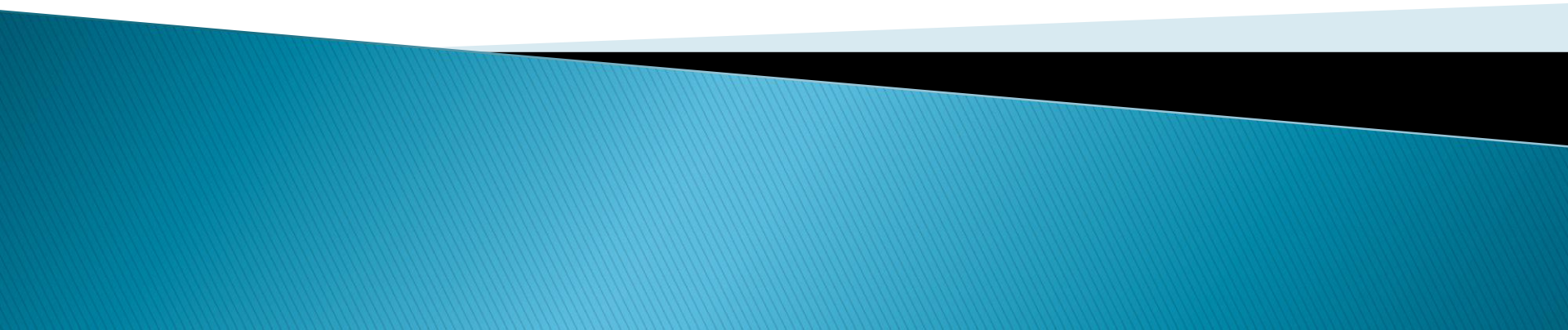


MEDICARE SAVINGS PROGRAMS AND THE PICKLE AMENDMENT

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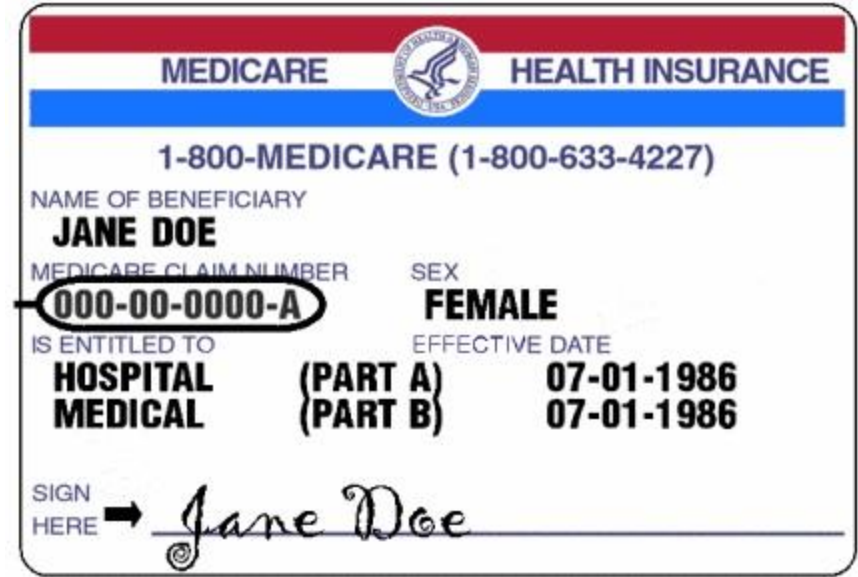
MEDICARE SAVINGS PROGRAMS

- ▶ Medicaid categories of eligibility
- ▶ Medicaid pays Medicare cost sharing
 - **QMB** – Qualified Medicare Beneficiary
 - **SLMB** – Specified Low-Income Medicare Beneficiary
 - **QI** – Qualified Individual
- ▶ Related benefit
 - Part D LIS – low income subsidy
 - SSA program helps with prescription drug costs under Medicare



REFRESHER

MEDICAID VS. MEDICARE



REFRESHER

MEDICAID VS. MEDICARE

- ▶ NEEDS BASED
- ▶ NO NEED FOR WORK HISTORY
- ▶ MANY CATEGORIES
- ▶ JOINT FEDERAL-STATE PROGRAM
- ▶ ADMINISTERED BY NM's HSD
- ▶ APPLY AT NM's ISD/HSD
- ▶ NO INCOME/RESOURCE LIMITS
- ▶ WORK QUARTERS COUNT
- ▶ PARTS A, B, C, AND D
- ▶ FEDERAL PROGRAM
- ▶ ADMINISTERED BY FEDERAL CMS
- ▶ APPLY AT SSA

MEDICARE COST SHARING

PART A- HOSPITAL	2014 COST SHARING
Hospital deductible	\$1,216/benefit period
Hospital copayment	\$304/day for days 61-90; \$608/day for days 91-150
SNF copay	\$152/days 21-100
Premiums	\$0 if 40 work quarters \$426/mo < 30 quarters \$234/mo > 30-39 quarters

MEDICARE COST SHARING

PART B – MEDICAL INSURANCE	2014 COST SHARING
Premium	\$104.90/mo Higher if higher income
Annual deductible	\$147
Coinsurance Doctor's visits Outpatient therapy Durable medical equip. Outpatient mental health Other	20% of Medicare approved amount

MEDICARE COST SHARING

Part D – Prescription Drugs

- ▶ Premium
- ▶ Deductible
- ▶ Cost sharing/copays
- ▶ Donut hole

2014 Cost Sharing

- Depends on plan
Avg. \$32.42/mo
- Depends on plan; can't be higher than \$310
- Depends on plan
- After you and plan spend \$2,850, you pay
45.7% for brand name;
72% for generic
- When your total out of pocket hits \$4,550 then you pay 5% of prescription drugs for rest of year

MEDICARE SAVINGS PROGRAMS

- ▶ Must be entitled to Medicare Part A
 - Individuals 65 and older
 - Individuals under 65 with disability on SSDI for 2 yrs.
 - Not eligible for premium free Part A?
 - Medicaid can pay premium!
- ▶ Income and resource limits
- ▶ Limited coverage Medicaid
 - Medicaid pays all or some Medicare cost sharing
 - NO other Medicaid benefits

2014	INCOME*	RESOURCES**
QMB	$\leq 100\%$ of FPL	
Individual	\$993	\$8,580
Couple	\$1,331	\$13,620
SLMB	$100\% \geq 120\%$ FPL	
Individual	\$1,187	\$8,580
Couple	\$1,593	\$13,620
QI	$120\% > 135\%$ FPL	
Individual	\$1,333	\$8,580
Couple	\$1,790	\$13,620

- ▶ *Use gross income; includes \$20 income disregard; SS COLA disregarded first 3 months of year
- ▶ **NMAC § 8.200.510.14; No transfer of asset penalty, unlike Institutional Medicaid

MEDICARE SAVINGS PROGRAMS

QMB BENEFIT DESCRIPTION

- ▶ Pays Part B premium (\$104.90/mo)
- ▶ Pays premium penalties if enrolled late
- ▶ Pays other Medicare cost sharing
- ▶ Automatically enrolled in Part D LIS
- ▶ Pays Part A premium if not eligible for free
- ▶ Enrollment periods
 - Can enroll anytime if eligible for premium free Part A
 - Can switch Medicare Advantage Plan (MAP) or drug plan any month
- ▶ Not retroactive



MEDICARE SAVINGS PROGRAMS

BENEFIT DESCRIPTION

▶ SLMB

- Pays Part B premium (\$104.90/mo in 2014)
- Automatically enrolled in Part D LIS
- No other Medicare cost sharing assistance
- Can be retroactive 3 months

▶ QI

- Pays Part B premium (\$104.90/mo in 2014)
- Automatically enrolled in Part D LIS
- No other Medicare cost sharing assistance
- Limited enrollment – sign up early in the year
- Can be retroactive 3 months

Part D Low Income Subsidy (Extra Help)

- ▶ Income/Resource limit slightly higher than for MSPs

2014	Income*	Resources
Full Subsidy	135% FPL	
Individual	\$1,333	\$8,660
Couple	\$1,790	\$13,750
Partial Subsidy	135%–150% FPL	
Individual	\$1,479	\$13,440
Couple	\$1,986	\$26,860

- ▶ Full Medicare/Medicaid Dual Eligibles and QMB, SLMB, and QI beneficiaries are deemed eligible for LIS, no separate application for LIS necessary; otherwise apply at SSA

*includes \$20 income disregard

REFERENCES

- ▶ QMB: 42 U.S.C. § 1396d(p)(1).
- ▶ SLMB: 42 U.S.C. § 1396a(a)(10)(E)(iii).
- ▶ QI: 42 U.S.C. § 1396a(a)(10)(E)(iv).

- ▶ NMAC
 - 8.240.400, 500, and 600 (QMB)
 - 8.245.400, 500, and 600 (SLMB)
 - 8.242.400, 500, and 600 (QI)

- ▶ Centers for Medicare and Medicaid, U.S. Dep't. of Health and Human Services, State Medicaid Manual §§3490-3490.14

OTHER RESOURCES

- ▶ Medicare
 - www.medicare.gov
- ▶ Social Security Administration
 - www.ssa.gov
- ▶ NM Aging and Disability Resource Center
 - www.nmaging.state.nm.us
- ▶ Center for Medicare Advocacy
 - www.medicareadvocacy.org
- ▶ Medicare Interactive
 - www.medicareinteractive.org/

PICKLE AMENDMENT

PL 94-566

“Preservation of Medicaid Eligibility for Individuals Who Cease to be Eligible for Supplemental Security Income Benefits on Account of Cost-of-Living Increases in Social Security Benefits”

PICKLE AMENDMENT

- ▶ People who, after 1977, were entitled to SSI and OASDI at the same time, and who lost their SSI
- ▶ But for the COLA in their OASDI they would still be eligible for SSI
- ▶ Freeze OASDI at an amount from earlier time and compare to current SSI benefit rate
- ▶ Provides full Medicaid benefits



PICKLE AMENDMENT

► Medicaid Extension Categories

- Category 001 – Aged - individuals 65 and older
- Category 003 – Blind - individuals who are blind and under 65
- Category 004 – disabled - individuals under 65 and disabled

§ 8.201.400.10(A) NMAC

PICKLE AMENDMENT SCREENING FOR ELIGIBILITY

1 Are you currently receiving OASDI?

- If no, you are not eligible

2 Were you ever entitled to receive SSI and OASDI at the same time after 1977?

- If no, you are not eligible

3 What was the last month/year you received SSI?

- Go to Tennessee Justice Center Chart

IfSSI was terminated during this period:	Multiply 2014 OASDI income By:	IfSSI was terminated during this period:	Multiply 2014 OASDI	If SSI was terminated during this period:	Multiply 2014 OASDI income by :
May-June 1977	.249	Jan. 1989-Dec. 1989		Jan. 2001-Dec. 2001	.736
July 1977-June 1978	.264	Jan. 1990-Dec. 1990	.535	Jan. 2002-Dec. 2002	.756
July 1978-June 1979	.281	Jan. 1991-Dec. 1991	.564	Jan. 2003-Dec. 2003	.766
July 1979-June 1980	.309	Jan. 1992-Dec. 1992	.585	Jan. 2004-Dec. 2004	.782
July 1980-June 1981	.353	Jan. 1993-Dec. 1993	.603	Jan. 2005-Dec. 2005	.803
July 1981-June 1982	.393	Jan. 1994-Dec. 1994	.618	Jan. 2006-Dec. 2006	.836
July 1982-Dec. 1983	.422	Jan. 1995-Dec. 1995	.636	Jan. 2007-Dec. 2007	.864
Jan. 1984-Dec. 1984	.437	Jan. 1996-Dec. 1996	.652	Jan. 2008-Dec. 2008	.883
Jan. 1985-Dec. 1985	.452	Jan. 1997-Dec. 1997	.671	Jan. 2009-Dec. 2011	.935
Jan. 1986-Dec. 1986	.466	Jan. 1998-Dec. 1998	.685	Jan. 2012-Dec. 2012	.969
Jan. 1987-Dec. 1987	.472	Jan. 1999-Dec. 1999	.694	Jan. 2013-Dec. 2013	.985
Jan. 1988-Dec. 1988	.492	Jan. 2000-Dec. 2000	.712		

Tennessee Justice Center Quick and Easy Method of Screening for
Medicaid Eligibility under the Pickle Amendment

PICKLE AMENDMENT

Case Study

Ms. Gherkin received both SS and SSI in 1976-78. Her SSI was terminated in March 1978 because she started receiving a private pension that when added to her SS put her over the 1978 SSI income limit. She now receives SS benefit of \$1,294/mo. Her private pension is \$275/mo. Her total monthly income is \$1,569.

PICKLE AMENDMENT

1. Is she currently receiving OASDI?
2. Was she eligible for SSI and SS after 1977?
3. What was the last month she received SSI?
4. Multiply her current OASDI benefit by reduction factor of .264.
 $\$1,294 \times .264 = \341 (round down)
5. Add countable SS to other income $\$341 + \$275 = \$616$
Compare to current SSI amount of \$741 in 2014

If she meets other eligibility criteria for SSI she is eligible for Medicaid under Pickle Amendment (she is aged/disabled/blind and under resource limit of \$2,000)

REFERENCES AND RESOURCES

- ▶ www.tnjustice.org/help/pickle
- ▶ NMAC
 - 8.201.400 Medicaid Extension Recipient Policies
 - 8.201.500 Medicaid Extension Income Resource Standards
 - 8.201.600 Medicaid Extension Benefit Description
 - 8.200.520.12 COLA disregard calculation
 - 8.200.400.10(D) General Medicaid Eligibility, Basis for Defining the Group, Medicaid Extension
- ▶ 42 C.F.R. § 435.135
- ▶ *Ciampa v. Sec. of Health and Human Services*, 687 F.2d 518 (1st Cir. 1982)
- ▶ *Lynch v. Rank*, 747 F.2nd 528 (9th Cir. 1984)
- ▶ *Lynch v. Rank*, 629 F.Supp. 66 (N.D. Cal. 1985)
- ▶ <http://www.pi-yimayo.com/Papers/Mayo%20Pickle%20Paper--Final%202-28-11.pdf>