



Low Income Programs for Medicare Beneficiaries

Session Objectives

This session should help you identify the following:

- SHIP Program
- Medicare & Medicaid
- Medicare Savings Programs (MSP's)
- Extra Help/Low Income Subsidy (LIS)
- Limited Income Newly Eligible Transition (LI NET) Program
- Medicare Fraud, Waste and Abuse
- Medicare Resources & Products

New Mexico State Health Insurance Assistance Program (SHIP)

- Federal Program
- Free and Unbiased
- Counseling
- People on Medicare
- Education
- Family Members
- Outreach
- Caregivers

1-800-432-2080

A close-up photograph of a person's hand holding a large, dense ball of red string. The string is tightly packed and forms a roughly spherical shape. The background is blurred, showing what appears to be a person's face and clothing. The word "Medicare" is overlaid in the center of the image in a bold, black, sans-serif font.

Medicare

What Is Medicare?

Health insurance for people

- 65 and older
- Under 65 with certain disabilities
 - ALS (Amyotrophic Lateral Sclerosis, also called Lou Gehrig's disease) without a waiting period
- Any age with End-Stage Renal Disease (ESRD)

Note: To get Medicare, you must be a U.S. citizen or lawfully present in the U.S. Must reside in the U.S. for 5 continuous years.

A close-up photograph of a red, textured object, possibly a piece of fabric or a decorative item, with the word "Medicaid" overlaid in the center. The object has a complex, woven or knitted pattern. The background is blurred, showing a person's face in profile.

Medicaid

What is Medicaid?

- Federal and state program
- Medical assistance for people with limited income and resources
- Covers about 74 million adults and children
 - Medicaid—68 million individuals enrolled
 - CHIP—6 million individuals enrolled
- Supplements Medicare for more than 10 million people who are aged and/or disabled

How Are Medicare and Medicaid Different?

Medicare	Medicaid
National program that's consistent across the country	Statewide programs that vary among states
Administered by the federal government	Administered by state governments within federal rules (federal/state partnership)
Health insurance for people 65 and older, people under 65 with certain disabilities, or any ag with End-Stage Renal Disease (ESRD)	Health insurance for people based on need, financial and non-financial requirements
Nation's primary payer of inpatient hospital services to the disabled, elderly and people with ESRD	Nation's primary public payer of acute health care, mental health, and long-term care services



**Medicare Savings
Programs
(MSPs)**

What Are MSPs?

- MSPs are Medicaid-administered programs
- MSPs help cover Medicare premiums and cost-sharing for those with Medicare who have limited incomes and resources and don't qualify for full Medicaid

Why Are MSPs Important?

- Medicare is the primary health insurance for seniors age 65+ and many younger adults receiving Social Security Disability Insurance (SSDI) benefits
- Medicare isn't free and out-of-pocket costs add up, including premiums, deductibles and copayments/coinsurance.
- Some people can't afford Medicare-half of people with Medicare had incomes below \$26,000 in 2016
- MSP's help make Medicare affordable for those who qualify

Types of Coverage

- Qualified Medicare Beneficiary (QMB)
 - Pays Part A premium (if applicable) and Part B premium; also, pays Part A & B deductibles, copayments and/or coinsurance
- Specified Low-Income Beneficiary (SLMB)
 - Pays only the Part B premium
- Qualified Individual (QI)
 - Pays only the Part B premium
 - A block grant, meaning if states exceed their allotment no more people can get QI

About Qualified Disabled Working Individual (QDWI)

- Very different from other three MSPs
- QDWI is for people under age 65 who lost premium-free Part A because they've gone back to work after getting SSDI long enough to have received Medicare
- QDWI pays Part A premiums for those who qualify

Benefits of QMB, SLMB & QI

- No Part B late enrollment penalty
- No estate recovery
 - States are not allowed to ask for repayment of the costs they covered under the MSP from the estates of deceased MSP recipients
- Those eligible for MSPs automatically get the Part D Low Income Subsidy/Extra Help
 - They are “deemed eligible” – meaning they automatically get Extra Help with their prescription costs

How MSPs Work

- Centers for Medicare & Medicaid Services (CMS), the federal agency, oversees the program
 - Provides matching funds for QMB and SLMB
 - Provides 100% of costs for QI
- State Medicaid agencies administer the MSPs
 - Determine eligibility
 - Pay Medicare Part B premium (on behalf of QMBs, SLMBs and QIs)
 - Pay Medicare copayments, coinsurance and deductibles to health care providers (on behalf of QMBs)
 - Pay Part A premium for those who owe it (on behalf of QMBs and QDWHs)

Who is Eligible?

- Must have Medicare Part A
- Must meet income/resource eligibility guidelines
- Generally, applications are submitted through the local Medicaid agency, but can also start application process by completing an LIS application
- Eligibility is generally re-determined each year

2019 Medicare Savings Program Income/Resource Limits

Medicare Savings Program	Individual Monthly Income Limit*	Married Couple Monthly Income Limit*	Resource Limits
Qualified Medicare Beneficiary (QMB)	\$1,041	\$1,410	\$7,730 Single \$11,600 Married
Specified Low-Income Medicare Beneficiary (SLMB)	\$1,249	\$1,691	\$7,730 Single \$11,600 Married
Qualifying Individual (QI)	\$1,406	\$1,903	\$7,730 Single \$11,600 Married
Qualified Disabled & Working Individuals (QDWI)	\$4,249	\$5,722	\$4,000 Single \$6,000 Married

Notes: Income limits do not include \$20 standard income disregard per household. Resource limits do not include \$1,500 per person burial allowance.

Applying for Medicare Savings Programs

- If you might qualify for a Medicare Savings Program
 - Review your local guidelines
 - Contact the NM State Medicaid Program or the NM SHIP Program for more information
 - Collect your personal documents
 - Complete an application with the NM State Medicaid Program



**Extra Help/
Low-Income Subsidy (LIS)**

&

**Limited Income Newly
Eligible Transition
(LI NET) Program**

What's Extra Help?

- Program to help people pay for Medicare Part D prescription drug costs
 - Also called the low-income subsidy (LIS)
- For people with limited income and resources
 - Lowest income and resources
 - Pay no premiums or deductible and small or no copayments
 - Slightly higher income and resources
 - Pay a reduced deductible and a little more out-of-pocket
- You won't enter the coverage gap or pay late enrollment penalty if you qualify
- If you reach catastrophic coverage limit (\$5,100) and have Extra Help, you'll generally pay nothing for covered drugs for the rest of the year
- Special Enrollment Period (SEP)
 - **Changed in 2019 - Once per calendar quarter during first 9 months each year**

Qualifying for Extra Help

- You automatically qualify for Extra Help if you get
 - Full Medicaid coverage (sometimes called “full dual”)
 - Supplemental Security Income (SSI)
 - Help from Medicaid paying your Part B premium (Medicare Savings Program; sometimes called “partial dual”)
- All others must apply
 - Online at [socialsecurity.gov/benefits/medicare/prescriptionhelp](https://www.socialsecurity.gov/benefits/medicare/prescriptionhelp)
 - Call Social Security at 1-800-772-1213; TTY: 1-800-325-0778
 - Ask for “Application for Help With Medicare Prescription Drug Plan Costs” (SSA-1020)
 - With the NM Human Services Department (Medicaid Program). For more information, please go to their website at <https://www.hsd.state.nm.us/LookingForAssistance/apply-for-benefits.aspx>
 - Call the NM State Health Insurance Assistance Program (SHIP) at 1-800-432-2080

2019 Income and Resource Limits to Apply for Extra Help

- Income limits (based on family size)-2019
 - Below 150% of the federal poverty level (FPL)
 - \$18,735 per year for an individual, or \$25,365 per year for a married couple
- Resource limits-2019
 - Up to \$14,390, per year for an individual, or \$28,720 per year for a married couple
 - Cash, bank accounts, stocks, bonds, mutual funds and other similar investments
 - Real estate (except your home or properties needed for self-support like a rental property or land used to grow produce for home consumption)
 - Doesn't include \$1,500/person for burial expenses, life insurance policies, personal possessions like your car, jewelry or furniture

Automatic Enrollment

People with Medicare and...	Basis for Qualifying	Data Source
Full Medicaid benefits (full duals)	Automatically qualify	State Medical Assistance (Medicaid) office

- Automatic enrollment in Part D drug plan (unless already in a drug plan)
- Letter on YELLOW paper
- Coverage starts first month eligible for Medicare and Medicaid

Facilitated Enrollment

- Facilitated enrollment in Part D drug plan
- Letter on GREEN paper
 - 2 versions (full or partial Extra Help)
- Coverage starts 2 months after CMS gets notice of eligibility

People with Medicare and...	Basis for Qualifying	Data Source
Medicare Savings Program	Automatically qualify	State Medical Assistance (Medicaid) office
Supplemental Security Income (SSI) benefits	Automatically qualify	Social Security Administration (SSA)
Limited income and resources	Must apply and qualify	SSA (most) or State Medical Assistance (Medicaid) office

2019 Extra Help Copayments

Extra Help Copayments	2019 Generic/Brand-name
Institutionalized (Level 3)	\$0
Receiving Home and Community-Based Services (under waiver only) (Level 3)	\$0
Up to or at 100% federal poverty level (FPL) (Level 2)	\$1.25/\$3.80
Full Extra Help (Level 1)	\$3.40/\$8.50
Partial Extra Help (deductible/cost-sharing) (Level 4)	\$85.00/15%

What is Medicare's Limited Income Newly Eligible Transition (LI NET) Program

- Designed to remove gaps in coverage for low-income individuals moving to Part D coverage
- Gives temporary drug coverage if you have Extra Help and no Medicare drug plan
- Coverage may be immediate, current, and/or retroactive
- Medicare's Limited Income Newly Eligible Transition (LI NET) Program
 - Has an open formulary
 - Doesn't require prior authorization
 - Includes standard safety and abuse edits to protect you from refilling too soon or therapy duplication
 - Has no network pharmacy restrictions
- Continuing education credit webinars available
 - Run by Humana

Accessing Medicare's LI NET Program?

Auto-enrollment by CMS

- CMS auto-enrolls you if you have Medicare and get either full Medicaid coverage or SSI benefits.

Point-of-Sale (POS) Use

- You may use Medicare's LI NET program at the pharmacy counter.

Submit a Receipt

- You may submit pharmacy receipts (not just a cashier's receipt) for prescriptions already paid for out-of-pocket during eligible periods.

Reassignment Notices

- People reassigned notified by CMS early November (BLUE paper)
 - 3 versions of notice
 - People whose plans are leaving the Medicare Program
 - CMS Product No. 11208 (Medicare Advantage Plan with prescription drug coverage (MA-PD))
 - CMS Product No. 11443 (MA)
 - People whose premiums are increasing
 - CMS Product No. 11209

Changes in Qualifying for Extra Help

- Medicare reestablishes eligibility each fall for next year if
 - You no longer automatically qualify
 - Medicare sends “Loss-of-Deemed-Status” notice in September (GRAY paper)
 - Includes Social Security application to reapply
 - Your status changes and you again automatically qualify
 - Medicare sends “Deemed Status” notice (PURPLE paper)
 - You automatically qualify, but your copayment changed
 - Medicare sends “Change in Extra Help Co-payment” notice in early October (ORANGE paper)

Redetermination Process

- People who applied and qualified for Extra Help
 - 4 types of redetermination processes
 - Initial
 - Cyclical or recurring
 - Subsidy-changing event (SCE)
 - Other event (change other than SCE)



Medicare & Medicaid Fraud, Waste and Abuse

Definitions of Fraud, Waste, and Abuse

Fraud

When someone **intentionally** deceives or makes misrepresentations to obtain money or property from any health care benefit program.

Waste

Overusing services or other practices that directly or indirectly result in unnecessary costs to any health care benefit program.

Abuse

When health care providers or suppliers perform actions that directly or indirectly result in unnecessary costs to any health care benefit program.

The primary difference between fraud, waste, and abuse is intention.

The NM Senior Medicare Patrol (SMP)

- Education and prevention program aimed at educating people with Medicare on preventing, identifying, and reporting health care fraud and abuse
- Get complaints regarding from people with Medicare regarding fraud and abuse
- For more information, visit smpresource.org or call the NM SMP Program at 1-800-432-2080



Examples of Possible Fraud

- Medicare or Medicaid is billed for
 - Services you never got
 - Equipment you never got or that was returned
- A provider bills Medicare or Medicaid for services that would be considered impossible
- Documents are altered to gain a higher payment
- Dates, descriptions of furnished services, or your identity are misrepresented
- Someone uses your Medicare or Medicaid card with or without your knowledge
- A company uses false information to mislead you into joining a Medicare plan

Preventing Fraud in Medicare Advantage (MA) and Medicare Prescription Drug Plans

- Plan agents and brokers must follow CMS's Marketing Guidelines
- Examples of what plans can't do include
 - Send unwanted emails without an "opt-out" function
 - Visit homes uninvited to encourage enrollment in their plan
 - Call or text non members (unless given permission)
 - Offer cash to join their plan (nominal, noncash gifts under \$15 are allowed)
 - Give free meals at sales or marketing events
 - Talk about their plan in restricted areas like exam rooms, hospital patient rooms, treatment areas, and pharmacy counters
- If you think an agent or broker broke Medicare plan rules, call 1-800-MEDICARE (1-800-633-4227); TTY: 1-877-486-2048

Telemarketing and Fraud— Durable Medical Equipment (DME)

- DME telemarketing rules
 - DME suppliers can't make unsolicited sales calls
- Potential DME scams
 - Calls or visits from people saying they represent Medicare
 - Phone or door-to-door selling techniques
 - Equipment or service is offered for free and then you're asked for your Medicare Number for "record keeping purposes"
 - You're told that Medicare will pay for the item or service if you provide your Medicare Number

“4Rs” for Fighting Medicare Fraud

- **Record** appointments and services
- **Review** services provided
 - Compare services actually obtained with services on your Medicare Summary Notice (MSN)
- **Report** suspected fraud
- **Remember** to protect personal information, such as your Medicare and Social Security Numbers, credit card and bank account numbers

MyMedicare.gov

- Secure site to manage personal information
- You register to
 - Review eligibility, entitlement, and plan information
 - Access your Medicare card
 - Track preventive services
 - Keep a prescription drug list
- Review claims for Medicare Part A and Part B
 - Available almost immediately after they are processed

Protecting Personal Information

- Medicare mailed new cards to people with Medicare
 - Has a Medicare Number that's unique to you; not your Social Security Number
- Only share information with people you trust
 - Doctors, other health care providers, and plans approved by Medicare
 - Insurers who pay benefits on your behalf
 - Trusted people in the community who work with Medicare
- If you aren't sure if a provider is approved by Medicare or someone calls you and asks for your Medicare Number call, 1-800-MEDICARE (1-800-633-4227); TTY: 1-877-486-2048

Identity Theft

- Identity theft is a serious crime
 - Someone else uses your personal information, like your Social Security Number, or if they're using your Medicare or Medicaid Number, it's considered Medical Identity theft
- If you think someone is using your information
 - Call your local police department
 - Call the Federal Trade Commission's ID Theft Hotline at 1-877-438-4338; TTY: 1-866-653-4261
- If your Medicare card is lost or damaged, visit [MyMedicare.gov](https://www.mymedicare.gov) to print an official copy
- If you think someone else is using your Medicare Number, report it right away call 1-800-MEDICARE (1-800-633-4227); TTY: 1-877-486-2048

Reporting Suspected Medicaid Fraud

- Medicaid Fraud Control Unit (MFCU) investigates and prosecutes
 - Medicaid fraud
 - Patient abuse and neglect in health care facilities
- U.S. Department of Health & Human Services Office of the Inspector General (OIG) certifies and annually re-certifies each MFCU
 - Call to report fraud at 1-800-447-8477;
TTY: 1-800-377-4950
- State Medical Assistance (Medicaid) office
 - See state listing for Medicaid at [CMS.gov/apps/contacts](https://www.cms.gov/apps/contacts)

Medicare Resources

Centers for Medicare & Medicaid Services	<ul style="list-style-type: none">▪ Call 1-800-MEDICARE (1-800-633-4227); TTY: 1-877-486-2048.▪ CMS.gov▪ Medicare.gov▪ Medicare.gov/fraud▪ MyMedicare.gov
Social Security	<ul style="list-style-type: none">▪ Call 1-800-772-1213; TTY: 1-800-325-0778▪ socialsecurity.gov
Health & Human Services Office of the Inspector General	<ul style="list-style-type: none">▪ Call 1-800-HHS-TIPS; (1-800-447-8477); TTY: 1-800-377-4950▪ OIG.hhs.gov/fraud/report-fraud
Medicaid Beneficiary Education	<ul style="list-style-type: none">▪ CMS.gov/Medicare-Medicaid-Coordination/Fraud-Prevention/Medicaid-Integrity-Education/edmic-landing.html
State Health Insurance Assistance Programs (SHIPs)	<ul style="list-style-type: none">▪ shiptacenter.org▪ NM SHIP Program 1-800-432-2080
Senior Medicare Patrol Program	<ul style="list-style-type: none">▪ smpresource.org▪ NM SMP Program 1-800-432-2080

Medicare Products

“Medicare & You” Handbook (CMS Product No. 10050)	Medicare.gov/Pubs/pdf/10050-Medicare-and-You.pdf
“Your Medicare Benefits” (CMS Product No. 10116)	Medicare.gov/Pubs/pdf/10116-Your-Medicare-Benefits.pdf
“4 Programs that Can Help You Pay for Your Medical Expenses (CMS Publication No. 11445)	Medicare.gov/Pubs/pdf/11445-4-Programs-that-Can-Help-You-Pay-Your.pdf
“4 Ways to Help Lower Your Medicare Prescription Drug Costs”	Medicare.gov/Pubs/pdf/11417-4-Ways-Lower-Prescription-Costs.pdf
“Protecting Yourself & Medicare From Fraud” (CMS Product No. 10111)	Medicare.gov/Pubs/pdf/10111-Protecting-Yourself-and-Medicare.pdf
“Guard your Medicare card” (CMS Video)	youtube.com/watch?v=D_dHiln4bg&feature=youtu.be
“4Rs for Fighting Fraud” (CMS Product No. 11610)	Medicare.gov/Pubs/pdf/11610-4R-for-Fighting-Fraud.pdf
“Medicare & You: Preventing Medicare Fraud” (CMS Video)	youtube.com/watch?v=zKZuVdL-GC0

Contact Information

The contact information for the NM State SHIP Program is:

1-800-432-2080

Questions?

If you have any questions, we have a table in the exhibitor section of the conference if you have basic questions or you can make an appointment outside Ballroom C for more in-depth assistance.