

Welcome to Medicare 2020



Module 6: Low Income Programs

Presented by Contra Costa HICAP

April 3, 2020



1

What is HICAP?

HHealth **I**nsurance **C**ounseling and **A**dvocacy **P**rogram

- All things Medicare
 - Education, Counseling & Advocacy
- Primarily a Volunteer Organization
 - Initial and Ongoing Training
 - Registered with California Department of Aging
- Funded by California and Federal Gov't
- No affiliation with Insurance Companies
 - No Policies Sold or Endorsed
- Free to you!

2

After This Module You Will Know

The programs that can reduce Medicare and prescription drug costs, including:

- ✓ Extra Help for prescription drug costs
- ✓ Medicare Savings Programs
- ✓ 3 Medi-Cal programs

3

3







Low Income Programs Overview

	Ease of Qualifying	Benefits to Eligible Persons
Extra Help for Prescription Drugs		
Medicare Savings Programs (MSPs)		
Full Medi-Cal		

4

4

Low Income Programs Overview


	Ease of Qualifying	Benefits to Eligible Persons
Extra Help for Prescription Drugs		
Medicare Savings Programs (MSPs)		
Full Medi-Cal		

5

5

Extra Help, aka Low Income Subsidy (LIS) Overview

- Federal program administered by Social Security
- Provides savings on premium and co-pays for Medicare Part D drug coverage
- Savings are graduated, depending on income and assets
- Higher income/asset limits for this program than the other low-income programs



6

6

Extra Help, aka Low Income Subsidy (LIS) Asset and Income Limits

	Full	Partial
Asset Limits <ul style="list-style-type: none"> ▪ Not counted as assets: house you live in, one car, personal property. IRAs, etc. ARE counted as assets 	\$9,360 (single) \$14,800 (married)	\$14,610 (single) \$29,160 (married)
Income Limits <ul style="list-style-type: none"> ▪ Income before deductions ▪ If working, slightly less than half of income from work is counted ▪ Monthly IRA withdrawals not counted 	\$1,456 (single) \$1,960 (married)	\$1,615 (single) \$2,175 (married)

7

7

Extra Help, aka Low Income Subsidy (LIS) Benefits

	Full	Partial
Premium	\$0 for benchmark drug plan reduced for other plans	\$0 to sliding scale, depending on income
Copays	\$3.60 for covered generics \$8.95 for covered brand (\$0 if in skilled nursing or home/community based services)	15% coinsurance for covered drugs
Deductibles	\$0	\$89 in 2020
Others	<ul style="list-style-type: none"> ▪ Can change plans quarterly through Sep 30 ▪ No Part D late enrollment penalty 	

8

8

Extra Help, aka Low Income Subsidy (LIS) Enrollment

- People in Medicare Savings Program or with full-scope Medi-Cal – automatically enrolled
- All others should apply through Social Security
 - Best to apply on-line: SSA.gov
 - Or can request a paper application

HICAP can help you enroll!



9

9

Low Income Programs Overview

	Ease of Qualifying	Benefits to Eligible Persons
Extra Help for Prescription Drugs		
Medicare Savings Programs (MSPs)		
Full Medi-Cal		

10

10

Medicare Savings Programs (MSPs) Overview

- National programs
 - Funded by federal and state
 - Administered by county Medicaid (Medi-Cal)
- Pay Medicare premiums, provide low-cost prescriptions, and more
- 3 programs with varying level of benefits and income limits:
 - QMB: Qualified Medicare Beneficiary
 - SLMB: Specified Low Income Beneficiary
 - QI: Qualified Individual



HICAP can help you enroll!

11

11

Medicare Savings Programs Asset and Income Limits

	QMB	SLMB	QI
Asset Limits <ul style="list-style-type: none"> ▪ Not counted as assets: house you live in, one car, personal property, IRAs, etc. IF monthly withdrawals are being taken 		\$9,360 (single) \$14,800 (married)	
Income Limits <ul style="list-style-type: none"> ▪ Income before deductions ▪ If working, slightly less than half of income from work is counted 	100% FPL: \$1,083 (single) \$1,457 (married)	120% FPL: \$1,296 (single) \$1,744 (married)	135% FPL: \$1,456 (single) \$1,960 (married)

12

12

Medicare Savings Programs Benefits

Benefits	QMB	SLMB	QI
Part B <ul style="list-style-type: none"> \$0 Part B Premium (\$144.60/mo in 2020) No late enrollment penalties, can enroll in Part B anytime 	✓	✓	✓
Part D Low Income Subsidy <ul style="list-style-type: none"> aka Extra Help Low copays and \$0 premium drug plan Can change plan (drug or Advantage) quarterly through Sep 30 	✓	✓	✓
Other medical benefits <ul style="list-style-type: none"> \$0 Part A Premium (If not eligible for premium free Part A) No copays or coinsurance for Medicare covered <u>medical</u> services 	✓		

13

Medicare Savings Programs Enrollment

- Generally, you
 - Must be enrolled or eligible for Medicare
 - Apply to all programs with one application, available at:
https://www.dhcs.ca.gov/formsandpubs/forms/Forms/MCED/MC_Forms/MC14A_ENG.pdf
- If you already applied for Medi-Cal
 - should be automatically screened for QMB and enrolled if eligible, but this doesn't always happen



14

Medicare Savings Programs Enrollment

- Generally, you
 - Must be enrolled or eligible for Medicare
 - Apply to all programs with one application, available at:
https://www.dhcs.ca.gov/formsandpubs/forms/Forms/MCED/MC_Forms/MC14A_ENG.pdf
- If you already applied for Medi-Cal
 - should be automatically screened for QMB and enrolled if eligible, but this doesn't always happen



15

15

Low Income Programs Overview

	Ease of Qualifying	Benefits to Eligible Persons
Extra Help for Prescription Drugs		
Medicare Savings Programs (MSPs)		
Full Medi-Cal		

16

16

Medi-Cal Programs Overview

- “Medi-Cal” = California name for Medicaid
 - A “safety net” benefits program based on need
 - Funded by state and federal government
 - Managed by CA Dept. of Health Care Services (DHCS)
 - Administered through county Medi-Cal agencies
- Over 200 Medi-Cal programs
- Our focus is on 3 selected programs
 - MAGI Medi-Cal
 - Aged and Disabled Medi-Cal
 - Working Disabled Medi-Cal



17

17

3 Selected Medi-Cal Programs Different Eligibility Criteria

MAGI Medi-Cal	Aged and Disabled Medi-Cal	Working Disabled Medi-Cal
<ul style="list-style-type: none"> ✗ No Asset Limits ✓ Income Limits <ul style="list-style-type: none"> ▪ Age 19-64 ▪ No other medical coverage (e.g. Medicare) 	<ul style="list-style-type: none"> ✓ Asset Limits ✓ Income Limits <ul style="list-style-type: none"> ▪ Age 65+, blind or disabled 	<ul style="list-style-type: none"> ✓ Asset Limits ✓ Income Limits <ul style="list-style-type: none"> ▪ Federally recognized disabled ▪ Have some sort of job

18

18

3 Selected Medi-Cal Programs Different Eligibility Criteria

MAGI Medi-Cal	Aged and Disabled Medi-Cal	Working Disabled Medi-Cal
<ul style="list-style-type: none"> ✗ No Asset Limits ✓ Income Limits <ul style="list-style-type: none"> ▪ Age 19-64 ▪ No other medical coverage (e.g. Medicare) 	<ul style="list-style-type: none"> ✓ Asset Limits ✓ Income Limits <ul style="list-style-type: none"> ▪ Age 65+, blind or disabled 	<ul style="list-style-type: none"> ✓ Asset Limits ✓ Income Limits <ul style="list-style-type: none"> ▪ Federally recognized disabled ▪ Have some sort of job

19

19

MAGI Medi-Cal

- California’s name for the expanded Medicaid option enabled by the Affordable Care Act
- Called MAGI because it’s based on **Modified Adjusted Gross Income**
- Provides no-cost coverage through the county for both medical and prescription needs



20

20


MAGI Medi-Cal Eligibility

- Available to persons 19-64, even if not disabled, who aren't eligible for other medical coverage, including Medicare, other Medi-Cal, Employer, VA or other coverage
- Monthly income limit in 2020:
 - \$1436 (S), \$1861 (M). If working, slightly less than half of work income is counted.
- Asset limit: No asset limits for this program

21

21

If you have MAGI Medi-Cal and become eligible for Medicare...

- Eligibility for MAGI Medi-Cal ends with Medicare eligibility (at age 65 or earlier)  regardless of whether you enroll in Medicare
- It is important to enroll in Medicare timely to avoid having no medical coverage
- Covered California is not an option unless you must pay for Medicare Part A
- There are Medi-Cal programs for Medicare beneficiaries but they have asset limits and different income limits

22

22

3 Selected Medi-Cal Programs Different Eligibility Criteria

MAGI Medi-Cal	Aged and Disabled Medi-Cal	Working Disabled Medi-Cal
<ul style="list-style-type: none"> ✗ No Asset Limits ✓ Income Limits ▪ Age 19-64 ▪ No other medical coverage (e.g. Medicare) 	<ul style="list-style-type: none"> ✓ Asset Limits ✓ Income Limits ▪ Age 65+, blind or disabled 	<ul style="list-style-type: none"> ✓ Asset Limits ✓ Income Limits ▪ Federally recognized disabled ▪ Have some sort of job

23

23

“Aged and Disabled” Medi-Cal

- **A&D FPL**, or “Aged and Disabled Federal Poverty Level program” is most common Medi-Cal program for persons 65 and older, blind or disabled
- People who qualify for both Medicare and full Medi-Cal are known as “dual eligibles” or “Medi-Medis”



24

24

“Aged and Disabled” Medi-Cal Asset and Income Limits

	Full-Scope Medi-Cal	Medi-Cal w/ Share of Cost
Asset Limits <ul style="list-style-type: none"> Not counted as assets: house you live in, one car, personal property, IRAs, etc. IF monthly withdrawals are being taken 	\$2,000 (single) \$3,000 (married)	
Income Limits <ul style="list-style-type: none"> Income after deductions If working, slightly less than half of income from work is counted Monthly IRA withdrawals included 	\$1,313 (single) \$1,767(married)	No Limit

25

25

“Aged and Disabled” Medi-Cal Benefits

	Medicare with Full-Scope Medi-Cal	Medi-Cal w/ Share of Cost
Medical	<ul style="list-style-type: none"> \$0 for Part B premium No late enrollment penalties No copays permitted in CA 	<ul style="list-style-type: none"> Each month, if you have medical expenses, you are responsible to pay them up to “Share of Cost,” amount, then you can get full Medi-Cal coverage for the remainder of the month If you have no medical expenses, you pay nothing If you meet SOC in any month you get LIS for the rest of the year
Prescription	<ul style="list-style-type: none"> Automatic LIS with lowest copays: <ul style="list-style-type: none"> \$1.30 for covered generics \$3.90 for covered brand 	
Others	<ul style="list-style-type: none"> Can join Special Needs Advantage plan with \$0 premium and no medical costs If qualified, In Home Supportive Services paid Can change plans quarterly through Sep 30 Covers some services not covered by Medicare, e.g. dental 	

23

26

“Aged and Disabled” Medi-Cal Benefits

	Medicare with Full-Scope Medi-Cal	Medi-Cal w/ Share of Cost
Medical	<ul style="list-style-type: none"> \$0 for Part B premium No late enrollment penalties No copays permitted in CA 	<ul style="list-style-type: none"> Each month, if you have medical expenses, you are responsible to pay them up to “Share of Cost,” amount, then you can get full Medi-Cal coverage for the remainder of the month If you have no medical expenses, you pay nothing If you meet SOC in any month you get LIS for the rest of the year
Prescription	<ul style="list-style-type: none"> Automatic LIS with lowest copays: <ul style="list-style-type: none"> \$1.30 for covered generics \$3.90 for covered brand 	
Others	<ul style="list-style-type: none"> Can join Special Needs Advantage plan with \$0 premium and no medical costs If qualified, In Home Supportive Services paid Can change plans quarterly through Sep 30 Covers some services not covered by Medicare, e.g. dental 	

27

27

“Aged and Disabled” Medi-Cal What does it mean if I have Medi-Cal with SOC?

- “Share of Cost (SOC)” is not a monthly premium. It is more like a deductible
 - You never “pay” a “Share of Cost.” It’s just the amount of medical expense you are responsible for each month before Medi-Cal will pay
- In practical terms, that means the benefits of having Medi-Cal with SOC are very limited:
 - Sets a limit to your out of pocket expenses
 - You can save costs with a special bill reduction program if you use county providers (Contra Costa only)
- It is sometimes possible to eliminate the SOC to get to full scope Medi-Cal
 - Contact HICAP for assistance. We have helped many people do this

28

28

“Aged and Disabled” Medi-Cal Enrollment

- Best to apply by calling county enrollment number (800-709-8348). Say you want to start your application on the phone
 - They won't take entire application, but if you are found eligible, benefits will start on the day you call, rather than when the application is submitted. Can also request 3 mo's retro coverage
- Can complete application online: <http://www.mybenefitscalwin.org>
- Or in person at a county social services office

29

29

3 Selected Medi-Cal Programs Different Eligibility Criteria

MAGI Medi-Cal	Aged and Disabled Medi-Cal	Working Disabled Medi-Cal
<ul style="list-style-type: none"> ✗ No Asset Limits ✓ Income Limits <ul style="list-style-type: none"> ▪ Age 19-64 ▪ No other medical coverage (e.g. Medicare) 	<ul style="list-style-type: none"> ✓ Asset Limits ✓ Income Limits <ul style="list-style-type: none"> ▪ Age 65+, blind or disabled 	<ul style="list-style-type: none"> ✓ Asset Limits ✓ Income Limits <ul style="list-style-type: none"> ▪ Federally recognized disabled ▪ Have some sort of job

30

30

Working Disabled Medi-Cal

Overview: This little-known state program (sometimes called 250% Working Disabled) is extremely beneficial to those who qualify. Applies to persons under and over 65

Eligibility:

- If you receive any federally recognized disability benefits, e.g. SSDI, you may qualify. May also qualify if prior disability benefits converted to retiree benefits at age 65
- Must meet income and asset limits
- You must have some sort of job. See next slide for details—this is the surprising part

31

31

Working Disabled Medi-Cal

Work Requirements are extremely flexible. If you earn as little as \$5/mo. regularly, you may qualify.

- Work might be: babysitting grandchildren, picking up mail for a neighbor, making wellness or check-in calls, pet-sitting, driving someone to doctor or store, light housekeeping, etc.
- Your “employer” can be friend or family member*
- Documentation of employment can be a simple letter. HICAP has sample letters and detailed instructions for applying
- SSDI limit for “substantial gainful activity” is \$1260/mo., so this is unlikely to be a problem

*Employer can't have the same Medi-Cal case number

32

32

Working Disabled Medi-Cal Asset and Income Limits

	Working Disabled Medi-Cal
Asset Limits <ul style="list-style-type: none"> Not counted as assets: house you live in, one car, personal property IRA, etc also not counted regardless of whether withdrawals are being taken 	\$2,000 (single) \$3,000 (married)
Income Limits <ul style="list-style-type: none"> <u>Disability income is not counted for this program</u>, including prior disability that converted to retirement benefits at age 65 If working, slightly less than half of income from work is counted 	"Unearned monthly income" (e.g. pension, spouse's SSA income) can't exceed: \$944 (single) \$1,582 (married) Countable income limits: \$2,658 (single) \$3,592 (married)

33

33

Working Disabled Medi-Cal Benefits

	Working Disabled Medi-Cal
Medical	<ul style="list-style-type: none"> \$0 for Part B premium No late enrollment penalties No copays permitted in CA
Prescription	<ul style="list-style-type: none"> Automatic LIS with lowest copays: \$1.30 for covered generics \$3.90 for covered brand
Others	<ul style="list-style-type: none"> Can join Special Needs Advantage plan with \$0 premium and no medical costs If qualified, In Home Supportive Services paid Can change plans quarterly through Sep 30 Covers some services not covered by Medicare, e.g. dental

Same benefits as Full-Scope Medi-Cal!

34

34

Working Disabled Medi-Cal Enrollment

- If you don't yet have Medi-Cal, contact county social services to apply
 - Be sure to specify you are applying for "Aid code 6-G," the Working Disabled Program
 - Must also submit documentation verifying your employment (usually just a simple letter, but could be a W-2 or tax return if self-employed)
- If you have Medi-Cal
 - Submit employment documentation with a request to be enrolled in Aid Code 6-G
- HICAP website has detailed information on this plan including a sample employment letter

35

35

Helpful References

Resource	Website	Telephone
HICAP	cchicap.org	(925) 602-4163 or (800) 510-2020
Medicare	Medicare.gov (use GOV!)	800-Medicare [(800) 633-4227]
California Health Advocates	cahealthadvocates.org	
Medicare Rights Center	medicareinteractive.org	
Social Security	ssa.gov	(800) 772-1213
Calif. Dept. Insurance	insurance.ca.gov	
Veteran's Benefits		(800) 827-1000
Medi-Cal		(800) 709-8348
"Medicare & You"	Printed publication	

36

36