

## **Medicare Advantage: Members with Limited Incomes**

Many individuals with both Medicare and Medicaid (or “dual eligible beneficiaries”) enroll in Medicare Advantage. Most dual eligible beneficiaries also may qualify for one of the Medicare Savings Programs (MSPs). MSPs help cover some of the costs in Medicare, such as premiums and cost-sharing amounts. There are four different Medicare Savings Programs, each with a different income and resource eligibility limit:

- Qualified Medicare Beneficiary (QMB)
- Specified Low-Income Beneficiary (SLMB)
- Qualifying Individual (QI)
- Qualified Disabled Working Individual (QDWI)

As more people with Medicare and limited incomes join Medicare Advantage plans (particularly Special Needs Plans or SNPs), it is important to understand the connection between MSPs and Medicare Advantage plans – that is, MSPs or Medicaid may pay certain Medicare Advantage charges on behalf of their members.

### **Medicare Part A Premium: Who Pays?**

Some Medicare beneficiaries must pay a Part A premium because they (or their spouse) did not work long enough to qualify for premium-free Part A. These beneficiaries are called “voluntary” Medicare enrollees.

The QMB program will pay the Medicare Part A premium on behalf of these “voluntary” Medicare beneficiaries if they are eligible for the program.

### **Medicare Part B Premium: Who Pays?**

Three Medicare Savings Programs – QMB, SLMB, and QI – pay the Part B premium. MSPs pay the Part B premium for enrollees whether the beneficiaries are enrolled in Original Medicare or have joined a Medicare Advantage plan.

### **Medicare Advantage: Who Pays the Monthly MA Premium?**

Medicare Advantage plans, including Special Needs Plans (SNPs) for duals (D-SNPs), can charge their members monthly premiums.

Medicaid law allows each state Medicaid agency to decide whether the QMB program will pay the Medicare Advantage plan premium for people enrolled in that program.

### **Who Pays the Medicare Advantage Copayments and Coinsurance?**

CMS requires Medicaid to pay Medicare Advantage coinsurance or copayments to the plan on behalf of QMBs. You may hear from beneficiaries who are being charged copayments by their MA plan providers. They should file a complaint with their plan and you can help them, to be sure they are heard and this problem resolved. The Medicare Advantage plan should reimburse them, regardless of whether the plan has a contract set up with the state Medicaid agency.

Beneficiaries who have SLMB or QI should know that federal statutes governing these programs limits them to only pay for the Part B premium; therefore any additional Medicare Advantage plan premium is not covered by SLMB or QI.

Full duals who are not enrolled in a Medicare Savings Program should check with their state Medicaid agency; some states may opt to cover the Medicare Advantage premium, but they get no federal match for doing so.

For more information on MSP eligibility, consult our chart, [\*Medicare Savings Programs \(MSPs\) – Eligibility and Coverage\*](#).

### **References**

See the Centers for Medicare & Medicaid Services (CMS) publication, [Dual Eligible Beneficiaries Under the Medicare and Medicare Programs](#), (revised November 2014) available from the Medicare Learning Network.

See [42 C.F.R. Section 1396a \(n\)](#) for legal authority that protects QMBs from being charged Medicare Parts A and B copayments and coinsurance.