

Department of Public Health
and Human Services

MEDICAL ASSISTANCE

Section:

MEDICARE SAVINGS
PROGRAMS

Subject:

Qualified Medicare Beneficiaries
(QMB)

Supersedes: MA 801-1 (07/01/08)

► References: ARM 37.82.101; ARM 37.83.201 and .202; Federal Register; 42 U.S.C. 1396d (p); P.L. 100-360 (1988), P.L. 101-239 § 6411 (1989), and P.L. 101-508 § 4501 (1990)

GENERAL RULE--Certain Medicare beneficiaries may qualify for Qualified Medicare Beneficiary (QMB) coverage if they:

1. are entitled to Medicare Hospital Insurance (Part A) – see MA 800;
2. meet all non-financial criteria:
 - a. categorical eligibility (aged, blind or disabled);
 - b. citizenship or alien status;
 - c. state residency;
 - d. Social Security number; and
 - e. cooperation with Third Party Liability requirements;
- 3. have countable resources (MA 400 Section) which do not exceed the resource limit for the Qualified Medicare Beneficiary Program (MA 003).

NOTE: The resource limit may be met on any day during the month as per MA 400 “Date of Resource Eligibility.”

4. have countable income at or below 100% of the federal poverty level for the appropriate household size as listed in MA 003.

NOTE: A household may consist of a married couple including an ineligible spouse. If no income is deemed from the ineligible spouse to the eligible spouse, the income standard for an individual (single person) is used to determine income eligibility. If income is deemed from the ineligible spouse, the income standard for a couple is used to determine income eligibility. (See Income Eligibility Computation later in this section.)

Disregard the yearly cost of living adjustment (COLA) increases to Social Security benefits for those QMB recipients who would lose eligibility due to the COLA

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increase in Social Security benefits. These recipients are entitled to receive continuous QMB benefits until the new QMB income limits are published.

► **NOTE:** CHIMES is programmed to disregard the COLA automatically.

► **APPLICATION
FORMS
ACCEPTED**

Applicants may use any valid paper or electronic Montana Medicaid application form to apply for QMB. Applications for SSI and Social Security Extra Help (LIS) are among the valid Montana Medicaid applications.

**APPLICATION
BY MAIL**

Upon request, applications will be mailed to QMB applicants. The completed application may be returned to the county office by mail. An individual applying for QMB benefits is not required to participate in an office interview. Eligibility staff can make a QMB eligibility determination based on verified information from the application and related documentation.

NOTE: An interview is required if the applicant requests one or if the applicant is also applying for other programs that require interviews (e.g., SNAP or TANF).

**SSI CASH
RECIPIENTS**

SSI (Supplemental Security Income) cash recipients who are entitled to Medicare Part A insurance may also be eligible for QMB coverage. However, because there are exceptions, QMB eligibility must be determined by an eligibility case manager. All SSI cash recipients who are opened for Medicaid due to SDX interface must be screened for QMB eligibility, and must verify all eligibility factors.

A disabled person under age 65 who does not receive Social Security benefits cannot buy into Part A coverage.

► QMB recipients who also receive SSI do receive redetermination forms, and redetermination is a requirement of the QMB program for all QMB recipients, including those receiving SSI cash benefits.

Redetermination of QMB eligibility is required for individuals who lose SSI cash benefits. If the case file contains adequate information to verify continued QMB eligibility, no further redetermination is required. Case note that redetermination of eligibility was completed. However, if the case file does not contain enough information to determine continued QMB eligibility, recipients must be informed that redetermination of their QMB eligibility must be completed no later than the last day of the month of Medicaid closure.

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Example: SSI is closed in April. The SSI recipient is also receiving SNAP, and redetermination of SNAP eligibility was completed in February. The recipient filed a change report stating that the SSI closure was due to receipt of increased Social Security RSDI benefits. The information from the SNAP redetermination, in addition to information available on SOLQ, is adequate to determine that the recipient continues to qualify for QMB. This information is case noted and no further action is necessary. However, if the SSI recipient had only been receiving Medicaid due to receipt of SSI, a notice would have been required notifying the recipient that more information is necessary to determine continued QMB eligibility. A redetermination form (HCS-272) may be used as a tool to assist the recipient and OPA in gathering information.

INCOME ELIGIBILITY COMPUTATION

Income eligibility for individuals and couples is determined as follows.

If both spouses are applying for QMB coverage and meet all non-financial and resource criteria, determine their income eligibility using STEP III.

STEP I

COMPUTATION FOR ELIGIBLE INDIVIDUAL/SPOUSE

1. Unearned income
2. - Legally obligated child support/alimony
3. - General income disregard (\$20 max.)
4. = Countable unearned income

5. Earned income
6. - Legally obligated child support/alimony balance
7. - General income disregard balance
8. - Blind/disabled work expenses
9. - Work expense disregard (\$65)
10. = Remainder
11. - ½ Remainder
12. = Countable earned income
13. Total countable income (Line 4 + 12)
14. - QMB income standard for one
15. = If line 15 is \$0 or less and the applicant is a single individual (or is a married individual whose ineligible spouse's income does not deem in Step II), the applicant is eligible for QMB benefits.

If line 15 is more than \$0 and the applicant is a single individual (or is a married individual whose ineligible

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spouse's income does not deem in Step II), applicant is ineligible for QMB benefits.

If applicant is **married to an ineligible spouse**, continue to Step II and determine whether the ineligible spouse's income must be deemed to the applicant.

STEP II**DEEMED INCOME FROM INELIGIBLE SPOUSE**

16. Gross unearned income of ineligible spouse
 17. - Ineligible child(ren) allocation
 18. = Countable unearned income of spouse

NOTE: The allocation for each ineligible child is equal to the difference between the SPA for 1 and 2 people minus the child's own gross income.

19. Gross earned income of ineligible spouse
 20. - Remaining ineligible child(ren) allocation not offset
by unearned income
 21. = Countable earned income of spouse
 22. Total countable income of spouse (line 18 + 21)
 23. - The difference between the SPA for a couple and the
SPA for an individual
 24. = If line 24 is **\$0 or less**, STOP. Use STEP I to determine
 applicant's income eligibility. Deeming does not apply.

If line 24 is **more than \$0**, continue to STEP III.

STEP III**COMPUTATION FOR A COUPLE (after ineligible child allocation)**

25. Combined unearned income (line 1 +18)
 26. - Legally obligated child support/alimony
 27. - General income disregard (\$20 max.)
 28. = Countable unearned income
 29. Earned income (line 5 + 21)
 30. - Legally obligated child support/alimony balance
 31. - General income disregard balance
 32. - Blind/disabled work expenses
 33. - Work expense disregard (\$65)
 34. = Remainder
 35. - ½ remainder
 36. = Countable earned income
 37. + Countable unearned income (line 28)
 38. = TOTAL COUNTABLE INCOME

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39. - QMB income limit for a couple
40. = If **\$0 or less**, recipient(s) is eligible for QMB benefits.

If **more than \$0**, recipient(s) is ineligible for QMB benefits.

If resources are within the resource limit for Medicare Savings Programs (MSPs) and "total countable income" exceeds the QMB limit, deny QMB eligibility and evaluate for SLMB, QI and/or medically needy.

**COVERAGE
EFFECTIVE
DATE**

QMB coverage begins the month **after** application is made and all eligibility criteria is met. QMB benefits cannot be granted for retroactive periods.

Example: Clara applies for and meets all QMB eligibility criteria in September; her QMB benefits begin October first. Even if she met all eligibility criteria for QMB for the months of June, July and/or August, QMB could not be opened for those months prior to the month of application/coverage request.



CHIMES is programmed to apply the appropriate coverage effective date. No manipulation of coverage request date, start date, or approval months is necessary on the part of the eligibility case manager.



Example: Trudie applies for QMB on 3/10/2011. Her application is registered into CHIMES with a 3/10/2011 application received date, a 3/10/2011 application start date, and a 3/10/2011 coverage request date. It is found she meets all eligibility criteria for QMB beginning with 3/2011. March 2011 QMB is finalized in CHIMES as 'eligible', and the case is copied forward and finalized as 'eligible' for QMB for all months through maximum system benefit month. The CHIMES QMB approval notice will notify Trudie that her QMB application is approved, and her benefits will start 4/1/2011. CHIMES will 'issue' QMB benefits for Trudie beginning 4/1/2011.

**QMB
BENEFITS**

QMB benefits include payment of:

1. Medicare Part A premiums (for individuals who do not receive premium-free Part A coverage);
2. Medicare Part B premiums;

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3. Medicare deductibles; and
4. Medicare coinsurance (the cost share amount the recipient is responsible to pay).

NOTE: QMB recipients are not subject to Medicaid cost share (co-payment) provisions.

NEW MEDICARE BENEFICIARIES

When an on-going Medicaid recipient becomes entitled to Medicare Part A, and reports this to the OPA (s/he may or may not formally request QMB coverage), his/her situation must be evaluated for MSP coverage at that time. If verification of eligibility criteria becomes necessary, the OPA will request the information immediately. If the information is not provided, the MSP will be denied. If the information is provided, eligibility will be determined for MSPs. If the person is found eligible for QMB, the QMB coverage will become effective in the second month in which the person qualifies for QMB. Staff must not indicate in the system that the Medicare eligibility starts a month earlier than it actually does in order to acquire earlier coverage for the recipient. The recipient will be responsible for the first month's Medicare premium (unless the person is also an SSI recipient and qualifies for Part B buy-in automatically due to SSI recipient status).

PROCEDURE:

Responsibility

ACTION

Applicant/
Representative

1. Complete a valid application and provide required documentation/verifications.
2. Provide proof of Medicare Part A entitlement.

Eligibility Case
Manager

3. Determine whether the amount of countable resources is within Medicare Savings Program standard.
4. Determine whether countable income is within the QMB limit.
5. Notify the applicant of the determination.
6. Inform recipient of his/her responsibility to timely report future changes in resources, income or circumstances, if eligible.
7. Certify eligible applicants/recipients for twelve (12) months. Schedule an earlier redetermination if recipient's circumstances are expected to change earlier, or in order to coincide with another program's redetermination due date.

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TPL Unit

8. Buy into Medicare Part B (and A, if necessary) for the QMB eligible individual.

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