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BOOKLET

KNOWLEDGE • RESOURCES • TRAINING

DUAL ELIGIBLE BENEFICIARIES UNDER MEDICARE AND MEDICAID

Target Audience: Medicare Fee-For-Service Providers and Medicaid Programs

The Hyperlink Table, at the end of this document, provides the complete URL for each hyperlink.

TABLE OF CONTENTS

Learn about these topics on dual eligible beneficiaries under Medicare and Medicaid:

- Medicare and Medicaid Programs
- Dual eligible beneficiaries
- Prohibited billing of Qualified Medicare Beneficiary (QMB) individuals and Medicare assignment
- Resources

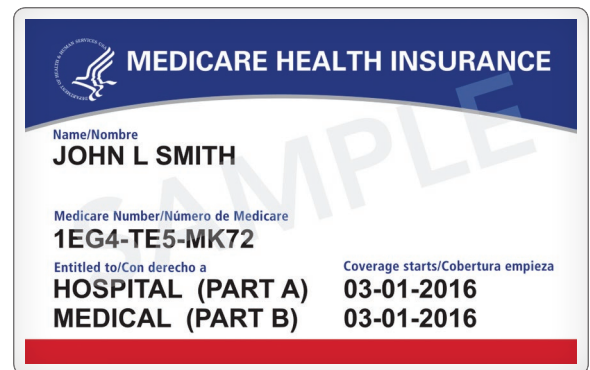When "you" is used in this publication, we are referring to Medicare and Medicaid health care providers.

MEDICARE AND MEDICAID PROGRAMS

Medicare Program

Medicare is health insurance for people 65 or older, certain people under 65 with disabilities, and people of any age with End-Stage Renal Disease.

Medicare consists of four different parts:

- **Part A** – Hospital insurance (inpatient hospital care, inpatient care in a Skilled Nursing Facility, hospice care, and some home health services)
- **Part B** – Medical insurance (physician services, outpatient care, durable medical equipment, home health services, and many preventive services)
- **Part C** – Medicare Advantage (MA) (Medicare-approved private insurance companies provide all Part A and Part B services and may provide prescription drug coverage and other supplemental benefits)
- **Part D** – The Prescription Drug Benefit (Medicare-approved private companies provide outpatient prescription drug coverage)

> The Extra Help Program helps pay for monthly premiums, annual deductibles, and copayments for Medicare Beneficiaries who have or want Part D coverage and meet certain income and resource limits.

Medicare beneficiaries can get their Medicare coverage one of these ways:

- Receive Part A and Part B services through the **Original Medicare Program**. To get Part D coverage, they must join a stand-alone Prescription Drug Plan.
- Receive Part A and Part B services from an **MA Plan** if they reside in its service area. Most MA plans include Part D coverage.

Medicaid Program

Medicaid is a medical health insurance program funded by Federal and State governments that pays costs for certain individuals and families with low incomes and, in some cases, limited resources.

The Federal government sets statutes, regulations, and policies. Each State operates within those broad national guidelines and:

- Establishes its own eligibility standards
- Determines the type, amount, duration, and scope of services
- Sets the rate of payment for services
- Administers its own program

DUAL ELIGIBLE BENEFICIARIES

"Dual eligible beneficiaries" generally describes beneficiaries eligible for both Medicare and Medicaid. The term includes beneficiaries enrolled in Medicare Part A and/or Part B and receiving full Medicaid benefits and/or assistance with Medicare premiums or cost sharing through one of these Medicare Savings Program (MSP) categories:

- **Qualified Medicare Beneficiary (QMB) Program:** Helps pay premiums, deductibles, coinsurance, and copayments for Part A, Part B, or both programs
- **Specified Low-Income Medicare Beneficiary (SLMB) Program:** Helps pay Part B premiums
- **Qualifying Individual (QI) Program:** Helps pay Part B premiums
- **Qualified Disabled Working Individual (QDWI) Program:** Pays the Part A premium for certain disabled and working beneficiaries

Medicare pays covered medical services first for dual eligible beneficiaries because Medicaid is generally the payer of last resort. Medicaid may cover medical costs that Medicare may not cover or partially covers (such as nursing home care, personal care, and home- and community-based services).

Medicare and Medicaid dual eligible benefits vary by State. Some States offer Medicaid through Medicaid managed care plans, while other States provide Fee-For-Service Medicaid coverage. Some States provide certain dual eligible beneficiary plans that include all Medicare and Medicaid benefits.

Federal law defines income and resource standards for full Medicaid and the MSPs, but States have discretion to effectively raise those limits above the Federal floor. On an annual basis, the Centers for Medicare & Medicaid Services (CMS) releases dual eligible standards. The Medicare Savings Programs section on the next page provides additional information.

Medicare Savings Programs

MSPs consider an individual's income and resources and other criteria. States can raise Federal income and resources criteria under Section 1902(r)(2) of the Social Security Act (the Act) for most of the MSP groups (though not QDWIs), as long as they ensure that a QMB's income and resources are raised at least as much as they are raised for SLMBs or QIs. Tables 1 through 7 summarize the benefits and basic qualifications for each program.

Table 1. Full Medicaid (only)

Benefits & Qualifications	Description
Benefits	• Full Medicaid coverage either through mandatory coverage groups (for example, Supplemental Security Income [SSI] recipients) or optional coverage groups such as the "special income level" group for institutionalized individuals or home- and community-based waiver participants and medically needy individuals • Medicaid may pay Part A (if any) and Part B premiums and cost-sharing for Medicare services furnished by Medicare providers to the extent consistent with the Medicaid State Plan
Qualifications	• States determine income and resources criteria • No required enrollment in Medicare Parts A and B • State Medicaid eligibility may factor in the individual's institutional status or clinical need in some cases

Table 2. QMB Only

Benefits & Qualifications	Description
Benefits	• Medicaid pays Part A (if any) and Part B premiums • Medicaid may pay deductibles, coinsurance, and copayments for Medicare services furnished by Medicare providers consistent with the Medicaid State Plan (even if the Medicaid State Plan payment is unavailable for these charges, the QMB is not liable for them)
Qualifications	• Income may be up to 100% of the Federal Poverty Level (FPL) • Resources must be no more than 3 times the SSI resource limit, adjusted annually according to Consumer Price Index (CPI) increases • To qualify as a QMB Only, the beneficiary must be enrolled in Part A (or if uninsured for Part A, have filed for premium Part A on a conditional basis). For more information on this process, refer to Section HI 00801.140 of the Social Security Administration Program Operations Manual System.

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Table 3. QMB Plus

Benefits & Qualifications	Description
Benefits	• Full Medicaid coverage • Medicaid pays Part A (if any) and Part B premiums, and may pay deductibles, coinsurance, and copayments consistent with the Medicaid State Plan (even if the Medicaid State Plan payment is unavailable for these charges, the QMB is not liable for them)
Qualifications	• Income may be up to 100% of the FPL • States determine resources criteria • To qualify as a QMB Plus, the individual must be enrolled in Part A (or if uninsured for Part A, have filed for premium Part A on a conditional basis). For more information on this process, refer to Section HI 00801.140 of the Social Security Administration Program Operations Manual System. • To qualify for full Medicaid benefits, an individual must meet financial and other criteria

Table 4. SLMB Only

Benefits & Qualifications	Description
Benefits	• Medicaid pays Part B premiums
Qualifications	• Income must be more than 100% but less than 120% of the FPL • Resources must be no more than 3 times the SSI resource limit, adjusted annually according to CPI increases • To qualify as an SLMB Only, individuals must be enrolled in Part A. Part A coverage is not a factor for full Medicaid eligibility.

Table 5. SLMB Plus

Benefits & Qualifications	Description
Benefits	• Full Medicaid coverage • Medicaid pays Part B premiums
Qualifications	• Income must be more than 100% but less than 120% of the FPL • States determine resources criteria • To qualify as a SLMB Plus, individuals must be enrolled in Part A. Part A coverage is not a factor for full Medicaid eligibility. • To qualify for full Medicaid benefits, an individual must meet financial and other criteria

Table 6. QI

Benefits & Qualifications	Description
Benefits	• Medicaid pays Part B premiums
Qualifications	• Income must be at least 120% but less than 135% of the FPL • Resources must be no more than 3 times the SSI resource limit, adjusted annually according to CPI increases • To qualify as a QI, individuals must be enrolled in Part A. Part A coverage is not a factor for full Medicaid eligibility. • Beneficiaries under this program are not otherwise eligible for full Medicaid coverage through the State

Table 7. QDWI

Benefits & Qualifications	Description
Benefits	• Medicaid pays Part A premiums
Qualifications	• Income must be no more than 200% of the FPL • Resources must be no more than 2 times the SSI resource limit • The individual with a qualifying disability lost free Part A coverage upon returning to work and now must enroll in and purchase Part A coverage

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PROHIBITED BILLING OF QMBs AND MEDICARE ASSIGNMENT

Be aware that certain billing prohibitions apply to dual eligible beneficiaries you serve. Federal law (Sections 1902(n)(3)(B) and 1866(a)(1)(A) of the Act, as modified by Section 4714 of the Balanced Budget Act of 1997) prohibits all Medicare providers from billing QMBs for all Medicare deductibles, coinsurance, or copayments. All Medicare and Medicaid payments you receive for furnishing services to a QMB are considered payment in full. You are subject to sanctions if you bill a QMB for amounts above the total of all Medicare and Medicaid payments (even when Medicaid pays nothing). For more information on prohibited billing of QMBs, visit Prohibition on Billing Dually Eligible Individuals Enrolled in the Qualified Medicare Beneficiary (QMB) Program and Section 1902 of the Act.

Also under Section 1848(g)(3)(A) of the Act, all Medicare providers must accept assignment for Part B services furnished to dual eligible beneficiaries. Assignment means the Medicare-allowed amount (Physician Fee Schedule amount) constitutes payment in full for all Part B-covered services provided to beneficiaries.

Medicare Remittance Advice notices clearly indicate if a beneficiary is a QMB and show that the beneficiary's responsibility for deductible, copayment, and coinsurance cost-sharing is zero. Providers may bill subsequent payers for any cost-sharing amounts. If you collected any money from a QMB for cost-sharing, then you must refund it. If you sent a bill for these charges to a QMB, or turned such a bill over to collections, then you must recall it.

RESOURCES

Table 8 lists some dual eligible beneficiary resources.

Table 8. Dual Eligible Beneficiary Resources

For More Information About…	Resource
Medicare and Medicaid Basics	CMS.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/MLN-Publications-Items/ICN909330.html
Medicare General Information, Eligibility, and Entitlement: Chapter 2—Hospital Insurance and Supplementary Medical Insurance	CMS.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/ge101c02.pdf
Medicare Claims Processing Manual, Chapter 1—General Billing Requirements, Section 200 – Qualified Medicare Beneficiary (QMB) Program	CMS.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c01.pdf
Medicare Savings Programs	Medicare.gov/your-medicare-costs/help-paying-costs/medicare-savings-program/medicare-savings-programs.html

Table 8. Dual Eligible Beneficiary Resources (cont.)

For More Information About…	Resource
Qualified Medicare Beneficiary (QMB) Program	CMS.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/QMB.html
Social Security Administration's Role in Medicare Savings Programs (MSP) Applications	Secure.SSA.gov/poms.nsf/lnx/0600815024
Reinstating the Qualified Medicare Beneficiary Indicator	CMS.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM10433.pdf CMS.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM9911.pdf
Medicare Advantage and Other Medicare Health Plans – General Information	CMS.gov/Medicare/Health-Plans/HealthPlansGenInfo
Medicare Managed Care Manual	CMS.gov/Regulations-and-Guidance/Guidance/Manuals/Internet-Only-Manuals-IOMs-Items/CMS019326.html
Medicare Managed Care Manual: Chapter 16b—Special Needs Plans, Section 20.2 – Dual Eligible SNPs	CMS.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/mc86c16b.pdf
Prescription Drug Coverage—General Information	CMS.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovGenIn
Medicare Prescription Drug Benefit Manual	CMS.gov/Regulations-and-Guidance/Guidance/Manuals/Internet-Only-Manuals-IOMs-Items/CMS050485.html
Extra Help Program	SSA.gov/benefits/medicare/prescriptionhelp SSA.gov/pubs/EN-05-10508.pdf
Medicaid	Medicaid.gov
Medicare-Medicaid Coordination Office	CMS.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office
Medicare Learning Network® (MLN) Catalog	CMS.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/MLNCatalog.pdf

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Table 8. Dual Eligible Beneficiary Resources (cont.)

For More Information About…	Resource
Medicare Information for Beneficiaries	Medicare.gov
Medicare Administrative Contractor Contacts	Go.CMS.gov/MAC-website-list

Table 9. Hyperlink Table

Embedded Hyperlink	Complete URL
1848(g)(3)(A)	https://www.ssa.gov/OP_Home/ssact/title18/1848.htm#act-1848-g-3
1866(a)(1)(A)	https://www.ssa.gov/OP_Home/ssact/title18/1866.htm
1902	https://www.ssa.gov/OP_Home/ssact/title19/1902.htm
1902(n)(3)(B)	https://www.ssa.gov/OP_Home/ssact/title19/1902.htm#act-1902-n-3
1902(r)(2)	https://www.ssa.gov/OP_Home/ssact/title19/1902.htm#act-1902-r-2
Dual Eligible Standards	https://www.medicaid.gov/medicaid/eligibility/medicaid-enrollees
MSPs	https://www.medicare.gov/your-medicare-costs/help-paying-costs/medicare-savings-program/medicare-savings-programs.html
Prohibition on Billing Dually Eligible Individuals Enrolled in the Qualified Medicare Beneficiary (QMB) Program	https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMatters Articles/Downloads/SE1128.pdf
Social Security Administration Program Operations Manual System	https://secure.ssa.gov/apps10/poms.nsf/lnx/0600801140

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