

## Dually Eligible Individuals - Categories

People who are dually enrolled in both Medicare and Medicaid, also known as dually eligible individuals or Medicare-Medicaid enrollees, fall into several eligibility categories. These individuals may either be enrolled first in Medicare and then qualify for Medicaid, or vice versa.

Dually eligible individuals are enrolled in [Medicare Part A \(Hospital Insurance\)](#) and/or [Part B \(Medical Insurance\)](#), and are also enrolled in full Medicaid benefits and/or the [Medicare Savings Programs \(MSPs\)](#) administered by each individual state. MSPs pay the enrollee's Medicare Part B premium. Depending upon the program the individual is enrolled in, the MSPs also pay the Part A premium, and [Medicare Part A](#) and [Medicare Part B](#) deductibles, coinsurance, and copayments.

### Medicare Coverage

Medicare coverage has four parts:

- Part A (Hospital Insurance) helps cover inpatient care in hospitals, as well as skilled nursing facility, hospice, and home health care. Most individuals qualify for premium-free Part A (i.e., those who have worked the requisite quarters to qualify for Social Security benefits). However, individuals who lack a sufficient work history can pay a monthly premium to enroll in Part A. The MSP may pay the premium for certain individuals who must pay a premium to enroll in Part A. Applicants must live in the U.S. and either be a U.S citizen or a Legal Permanent Resident who has lived in the U.S. continuously for five years prior to the application.
- Part B (Medical Insurance) helps cover doctor and other health care providers' services, outpatient care, durable medical equipment, home health care, and some preventive services. All beneficiaries pay a monthly Part B premium except for those enrolled in a MSP that pays their Part B premium.
- Part C (Medicare health plans – also called Medicare Advantage) provides Part A and Part B benefits to people with Medicare who enroll in these plans. Medicare Advantage is offered by private companies that contract with Medicare to provide Part A and Part B benefits, and in most cases, Part D. Dual eligible beneficiaries may also get help with [Medicare Part C costs](#).
  - Plans that integrate Medicare coverage with Medicaid include Programs of All-inclusive Care for the Elderly (PACE), Medicare-Medicaid Plans (MMPs), and Fully Integrated Dual Eligible Special Needs Plans.
- Part D (outpatient prescription drugs) provides coverage of prescription drug costs through private plans. Beneficiaries who qualify for Medicaid or an MSP in a state automatically qualify for [Extra Help](#) (also known as the Low-Income Subsidy program) to help pay for the costs — monthly premiums, annual deductibles, and prescription copayments — related to [Medicare Part D](#).

### Medicaid Coverage

Medicaid provides health coverage to millions of Americans, including eligible low-income adults, children, pregnant women, elderly adults, and people with disabilities. Medicaid is a state-based program that is funded jointly by states and the federal government. Within broad national guidelines established by federal statutes, regulations, and policies, each state has the flexibility to:

- Establish its own eligibility standards;
- Determine the type, amount, duration, and scope of services;
- Set the rate of payment for services; and

- Administer its own program.

Medicare and Medicaid cover many of the same services. All providers, including Medicare providers, must enroll in their Medicaid system for provider claims review, processing, and payment. Providers should contact the state Medicaid agency or additional information regarding Medicaid provider enrollment.

Medicare pays first for Medicare-covered services that are also covered by Medicaid because Medicaid is generally the payer of last resort. Medicaid may cover care that Medicare does not cover (such as a variety of long term services and supports).

**Table 1 - Eligibility Categories and Assistance with Medicare Part A and Part B Costs**

This section summarizes the eligibility categories for dually eligible individuals, including the degree to which individuals in each category receive assistance with Medicare Parts A and B premiums and cost sharing. Each eligibility category is mutually exclusive.

Category	Monthly Income as of 2018*	Assets as of 2018*	Covers Part A premium (when applicable)	Covers Part B premium	Covers Parts A & B cost sharing	Full Medicaid coverage**
QMB only	Individual: \$1,032; Married Couple: \$1,392	Individual: \$7,560; Married Couple: \$11,340	X	X	X***	
QMB plus	Individual: \$1,032; Married Couple: \$1,392	Individual: \$7,560; Married Couple: \$11,340	X	X	X***	X
SLMB only	Individual: \$1,234; Married Couple: \$1,666	Individual: \$7,560; Married Couple: \$11,340		X		
SLMB plus	Individual: \$1,234; Married Couple: \$1,666	Individual: \$7,560; Married Couple: \$11,340		X	Depends on State Plan****	X
QI	Individual: \$1,386; Married Couple: \$1,872	Individual: \$7,560; Married Couple: \$11,340		X		
QDWI	Individual: \$4,132; Married Couple:	Individual: \$4,000; Married Couple:	X			

Category	Monthly Income as of 2018*	Assets as of 2018*	Covers Part A premium (when applicable)	Covers Part B premium	Covers Parts A & B cost sharing	Full Medicaid coverage**
	\$5,572	\$6,000				
Full Medicaid (only)**	Determined by state	Determined by state		Depends on State Plan	Depends on State Plan****	X

\* The income and asset limits for the MSPs are released annually by the Centers for Medicare & Medicaid Services (CMS). The income limit for QDWI includes an earned income disregard of \$65. The asset limit calculation for QMBs, SLMBs, and QIs is 3 times the SSI resource limit, adjusted annually by increases in the Consumer Price Index (effective January 1, 2010). States can effectively raise the federal floor for income and resources standards under the authority of section 1902(r)(2) of the Social Security Act, which generally permits state Medicaid agencies to disregard income and/or resources that are counted under certain standard financial eligibility methodologies. Some states have used the authority of section 1902(r)(2) of the Act to eliminate any resource criteria for the MSP groups.

\*\* Individuals who are QMB/SLMB “plus” receive full Medicaid in addition to Medicare cost-sharing and premiums coverage. See number seven below for additional information on full Medicaid coverage.

\*\*\* While individuals enrolled in QMB do not pay Medicare deductibles, coinsurance, or copays, they may have a small Medicaid copay for certain Medicaid-covered services.

\*\*\*\* Beneficiary pays no more than amount allowed by the State Plan for services covered by both Medicare and Medicaid. Also, all Medicare providers (regardless of Medicaid participation) must accept the Medicare-allowed amount as payment in full for Part B services furnished to dual eligible beneficiaries.

- 1. Qualified Medicare Beneficiaries (QMBs) without other Medicaid (QMB Only – also known as QMB “partial benefit”)** are enrolled in Medicare Part A (or if uninsured for Part A, have filed for premium Part A on a conditional basis), have income up to 100% of the federal poverty level (FPL) and resources that do not exceed three times the limit for supplementary security income (SSI) eligibility with adjustments for inflation, and are not otherwise eligible for full Medicaid benefits through the state. Medicaid pays their Medicare Part A premiums, if any, and Medicare Part B premiums. Medicare providers may not bill QMBs for Medicare Parts A and B cost sharing amounts. Providers can bill Medicaid programs for these amounts, but states have the option to reduce or eliminate the state’s Medicare cost sharing payments by adopting policies that limit payment to the lesser of (a) the Medicare cost sharing amount, or (b) the difference between the Medicare payment and the Medicaid rate for the service.
- 2. QMBs with full Medicaid (QMB Plus)** meet the QMB-related eligibility requirements described above and the eligibility requirements for a separate “categorical” eligibility group covered under the individual’s state Medicaid plan. In addition to the coverage for Medicare premiums and cost-sharing described above, QMB “Plus” individuals are entitled to Medicaid coverage for the services included in the benefit package that corresponds to the separate eligibility group for which they qualify. Medicaid pays their Medicare Part A premiums, if any, and Medicare Part B premiums. Medicare providers may not bill QMBs for Medicare Parts A and B cost sharing amounts. Providers can bill Medicaid programs for these amounts, but states have the option to reduce or eliminate the state’s Medicare cost sharing payments by adopting policies that limit payment to the lesser of (a) the Medicare cost sharing amount, or (b) the difference between the Medicare payment and the Medicaid rate for the service. For services that Medicare doesn’t cover, Medicaid may cover the service, and pay the amount specified in the State Plan.
- 3. Specified Low-Income Medicare Beneficiaries (SLMBs) without other Medicaid (SLMB only – also known as SLMB “partial benefit”)** are enrolled in Part A and have income between 100% and 120% of the FPL. Medicaid pays only the Medicare Part B premiums for this group.
- 4. Specified Low-Income Medicare Beneficiaries (SLMBs) with full Medicaid (SLMB Plus – also known as SLMB “full benefit”)** meet the SLMB-related eligibility requirements described above, and the eligibility requirements for a separate “categorical” eligibility group covered under the

individual's state Medicaid plan. In addition to the coverage for Medicare Part B premiums, SLMB "Plus" individuals are entitled to coverage for the services included in the benefit package that corresponds to the separate eligibility group for which they qualify. Medicaid pays their Medicare Part B premiums and provides full Medicaid benefits. Beneficiary pays no more than amount allowed by the State Plan for services covered by both Medicare and Medicaid. For services that Medicare doesn't cover, Medicaid may cover the service and pay the amount specified in the State Plan.

5. **Qualifying Individuals (QIs)** are enrolled in Part A and have income between 120% and 135% of the FPL, and may not be eligible for a separate eligibility group covered under the state Medicaid plan. QIs receive coverage for their Medicare Part B premiums, to the extent their state Medicaid programs have available funding. The federal government makes annual allotments to states to fund the Part B premiums.
6. **Qualified Disabled and Working Individuals (QDWIs – also known as QDWI “partial benefit”)** became eligible for premium-free Part A by virtue of qualifying for disability insurance benefits through the Social Security program, but lost those benefits, and consequently premium-free Medicare Part A, because they returned to work. QDWIs have income up to 200% of the FPL, resources that do not exceed two times the SSI resource standard, and are not otherwise eligible for Medicaid. Medicaid pays the Medicare Part A premiums only.
7. **Full Medicaid Only:** These individuals are enrolled in Medicare Part A and/or Part B, and qualify for full Medicaid benefits, but not the QMB or SLMB programs. “Full” Medicaid coverage refers to the package of services, beyond coverage for Medicare premiums and cost-sharing, that certain individuals are entitled to when they qualify under eligibility groups covered under a state's Medicaid program. Some of these coverage groups are ones states generally must cover (for example, supplemental security income (SSI) recipients) and some are ones states have the option to cover (for example, the “special income level” group for institutionalized individuals, home- and community-based services (HCBS) programs participants, and “medically needy” individuals). Some of the services in the Medicaid benefit package are ones Medicare does not cover, such as certain long-term services and supports (LTSS), behavioral health, transportation, and vision services. Medicaid benefits vary by state. Beneficiary pays no more than amount allowed by the State Plan for services covered by both Medicare and Medicaid. For services that Medicare doesn't cover, Medicaid may cover the service and pay the amount specified in the State Plan.