



## DUAL ELIGIBLE BENEFICIARIES UNDER THE MEDICARE AND MEDICAID PROGRAMS

ICN 006977 February 2016

This publication provides the following information on dual eligible beneficiaries under the Medicare and Medicaid Programs:

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

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

### The Medicare and Medicaid Programs

#### The 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); and
- **Part D** – The Prescription Drug Benefit (Medicare-approved private companies provide outpatient prescription drug coverage). Medicare beneficiaries who meet certain income and resource limits may qualify for the Extra Help Program, which helps pay for monthly premiums, annual deductibles, and copayments.

Medicare beneficiaries can obtain their Medicare coverage in the following ways:

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

## The Medicaid Program

The Medicaid Program is a cooperative venture funded by Federal and State governments that pays for medical costs for certain individuals and families with low incomes and, in some cases, limited resources.

Within broad national guidelines established by Federal statutes, regulations, and policies, each State:

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

## Dual Eligible Beneficiaries

“Dual eligible beneficiaries” is the general term that describes individuals who are enrolled in both Medicare and Medicaid. The term includes individuals who are enrolled in Medicare Part A and/or Part B and receive full Medicaid benefits and/or assistance with Medicare premiums or cost sharing through one of the following “Medicare Savings Program” (MSP) categories:

- **Qualified Medicare Beneficiary (QMB) Program** – Helps pay for Part A and/or Part B premiums, deductibles, coinsurance, and copayments;
- **Specified Low-Income Medicare Beneficiary (SLMB) Program** – Helps pay for Part B premiums;
- **Qualifying Individual (QI) Program** – Helps pay for Part B premiums; and
- **Qualified Disabled Working Individual (QDWI) Program** – Pays the Part A premium for certain people who have disabilities and are working.

Medicare-covered services also covered by Medicaid are paid first by Medicare because Medicaid is generally the payer of last resort. Medicaid may cover the cost of care that Medicare may not cover or may partially cover (such as nursing home care, personal care, and home- and community-based services).

The options for dual eligible individuals to receive their Medicare and Medicaid benefits varies by State. In some States, dual eligible individuals receive Medicaid through Medicaid managed care plans, and in other States, Medicaid coverage may be Fee-For-Service. In some States, certain dual eligible individuals can join 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. For more information about the Federal income and resources levels for the MSPs the Centers for Medicare & Medicaid Services (CMS) releases on an annual basis, visit <https://www.medicare.gov/Medicare-CHIP-Program-Information/By-Population/Medicare-Medicaid-Enrollees-Dual-Eligibles/Seniors-and-Medicare-and-Medicaid-Enrollees.html> on the CMS website.

The chart below provides additional information on dual eligible Medicaid programs.

**Dual Eligible Medicaid Programs**

<b>Program</b>	<b>Income Criteria*</b>	<b>Resources Criteria*</b>	<b>Medicare Part A and Part B Enrollment</b>	<b>Other Criteria</b>	<b>Benefits</b>
<b>Full Medicaid (only)</b>	Determined by State	Determined by State	Not applicable (N/A)	In some cases, institutional status or clinical need may factor into eligibility	<ul style="list-style-type: none"> <li>• Full Medicaid coverage either categorically or through optional coverage groups based on Medically Needy status, special income levels for institutionalized individuals, or home- and community-based waivers</li> <li>• Medicaid may pay for 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</li> </ul>
<b>QMB Only</b>	≤100% of Federal Poverty Line (FPL)	≤3 times Supplemental Security Income (SSI) resource limit, adjusted annually in accordance with increases in Consumer Price Index (CPI)	Part A***	N/A	<ul style="list-style-type: none"> <li>• Medicaid pays for Part A (if any) and Part B premiums, and may pay for deductibles, coinsurance, and copayments for Medicare services furnished by Medicare providers to the extent consistent with the Medicaid State Plan (even if payment is not available under the State plan for these charges, QMBs are not liable for them)</li> </ul>

**Dual Eligible Medicaid Programs (cont.)**

<b>Program</b>	<b>Income Criteria*</b>	<b>Resources Criteria*</b>	<b>Medicare Part A and Part B Enrollment</b>	<b>Other Criteria</b>	<b>Benefits</b>
<b>QMB Plus</b>	≤100% of FPL	Determined by State	Part A***	Meets financial and other criteria for full Medicaid benefits	<ul style="list-style-type: none"> <li>• Full Medicaid coverage</li> <li>• Medicaid pays for Part A (if any) and Part B premiums, and may pay for deductibles, coinsurance, and copayments to the extent consistent with the Medicaid State Plan (even if payment is not available under the State plan for these charges, QMBs are not liable for them)</li> </ul>
<b>SLMB Only</b>	>100% of FPL but <120% of FPL	≤3 times SSI resource limit, adjusted annually in accordance with increases in CPI	Part A	N/A	<ul style="list-style-type: none"> <li>• Medicaid pays for Part B premiums</li> </ul>
<b>SLMB Plus</b>	>100% of FPL but <120% of FPL	Determined by State	Part A***	Meets financial and other criteria for full Medicaid benefits	<ul style="list-style-type: none"> <li>• Full Medicaid coverage</li> <li>• Medicaid pays for Part B premiums</li> </ul>

**Dual Eligible Medicaid Programs (cont.)**

<b>Program</b>	<b>Income Criteria*</b>	<b>Resources Criteria*</b>	<b>Medicare Part A and Part B Enrollment</b>	<b>Other Criteria</b>	<b>Benefits</b>
<b>QI**</b>	≥120% of FPL but <135% of FPL	≤3 times SSI resource limit, adjusted annually in accordance with increases in CPI	Part A	N/A	<ul style="list-style-type: none"> <li>• Medicaid pays for Part B premiums</li> </ul>
<b>QDWI</b>	≤200% of FPL	≤2 times SSI resource limit	Part A benefits lost due to individual's return to work; eligible to enroll in and purchase Part A coverage	N/A	<ul style="list-style-type: none"> <li>• Medicaid pays for Part A premiums</li> </ul>

\* States can effectively raise these Federal income and resources criteria under Section 1902(r)(2) of the Social Security Act (the Act).

\*\* Beneficiaries under this program are not otherwise eligible for full Medicaid coverage through the State.

\*\*\* To qualify as a QMB or a QMB plus, individuals 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 (SSA) Program Operations Manual System at <http://policy.ssa.gov/poms.nsf/lnx/0600801140> on the SSA website. To qualify as a SLMB, SLMB plus, or QI, individuals must be enrolled in Part A. Part A coverage is not a factor for full Medicaid eligibility.

## Prohibited Billing of QMB Individuals and Medicare Assignment

Be aware that certain billing prohibitions apply to dual eligible individuals whom 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 QMB individuals for all Medicare deductibles, coinsurance, or copayments. All Medicare and Medicaid payments you receive for furnishing services to a QMB individual are considered payment in full. You are subject to sanctions if you bill a QMB individual for amounts above the sum total of all Medicare and Medicaid payments (even when Medicaid pays nothing).

In addition, 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 that the Medicare-allowed amount (Physician Fee Schedule amount) constitutes payment in full for all Part B-covered services provided to beneficiaries.

## Resources

The chart below provides dual eligible beneficiaries resources.

### Dual Eligible Beneficiaries Resources

For More Information About...	Resource
Medicare Part A and Part B	Chapter 2 of the " <a href="#">Medicare General Information, Eligibility and Entitlement Manual</a> " (Publication 100-01) on the CMS website
MA	<a href="https://www.cms.gov/Medicare/Health-Plans/HealthPlansGenInfo">https://www.cms.gov/Medicare/Health-Plans/HealthPlansGenInfo</a> on the CMS website
Prescription Drug Coverage	<a href="https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovGenIn">https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovGenIn</a> on the CMS website " <a href="#">Medicare Prescription Drug Benefit Manual</a> " (Publication 100-18) on the CMS website
Extra Help Program	<a href="https://www.ssa.gov/medicare/prescriptionhelp">https://www.ssa.gov/medicare/prescriptionhelp</a> on the SSA website <a href="https://www.ssa.gov/pubs/EN-05-10508.pdf">https://www.ssa.gov/pubs/EN-05-10508.pdf</a> on the SSA website
Medicaid	<a href="https://www.medicaid.gov">https://www.medicaid.gov</a> on the CMS website

**Dual Eligible Beneficiaries Resources (cont.)**

<b>For More Information About...</b>	<b>Resource</b>
Medicare Balance Billing	<a href="https://www.ssa.gov/OP_Home/ssact/title19/1902.htm">https://www.ssa.gov/OP_Home/ssact/title19/1902.htm</a> on the SSA website “ <a href="#">Prohibition on Balance Billing Dually Eligible Individuals Enrolled in the Qualified Medicare Beneficiary (QMB) Program</a> ” on the CMS website
Medicare-Medicaid Coordination	<a href="https://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office">https://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office</a> on the CMS website
All Available Medicare Learning Network® Products	“ <a href="#">MLN Catalog</a> ” on the CMS website
Provider-Specific Medicare Information	“ <a href="#">MLN Guided Pathways: Provider Specific Medicare Resources</a> ” on the CMS website
Medicare Information for Beneficiaries	<a href="https://www.medicare.gov">https://www.medicare.gov</a> on the CMS website

The Medicare Learning Network® Disclaimers are available at <http://go.cms.gov/Disclaimer-MLN-Product> on the CMS website.

The Medicare Learning Network®, MLN Connects®, and MLN Matters® are registered trademarks of the U.S. Department of Health & Human Services (HHS).