



DUALLY ELIGIBLE BENEFICIARIES UNDER MEDICARE AND MEDICAID



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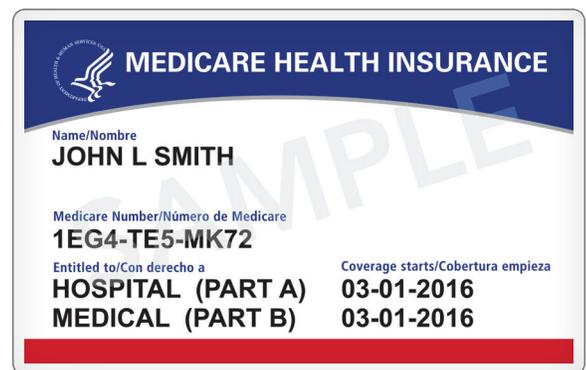
MEDICARE AND MEDICAID PROGRAMS

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 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 cover all Part A and Part B services and may cover prescription drug coverage and other supplemental benefits)
- **Part D – Prescription Drug Benefit** (Medicare-approved private companies cover outpatient prescription drug coverage)



Medicare beneficiaries get their Medicare coverage one of these ways:

- Get 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.
- Get Part A and Part B services from an **MA Plan** if they reside in its service area. Most MA plans include Part D coverage.

The [Extra Help Program](#) helps pay Medicare monthly premiums, annual deductibles, and copayments for beneficiaries who have or want Part D coverage and meet certain income and resource limits.

Medicaid Program

Medicaid is a 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 the rules, 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 service payment rates
- Administers its own program

DUALLY ELIGIBLE BENEFICIARIES

“Dually eligible beneficiaries” generally describes beneficiaries enrolled in Medicare and Medicaid. The term includes beneficiaries enrolled in Medicare Part A and/or Part B and getting full Medicaid benefits and/or assistance with Medicare premiums or cost sharing through the **Medicare Savings Program (MSP)**:

- **Qualified Medicare Beneficiary (QMB) Program:** Helps pay Part A, Part B, or both Program premiums, [deductibles](#), [coinsurance](#), and [copayments](#)
- **Specified Low-Income Medicare Beneficiary (SLMB) Program:** Helps pay Part B premiums
- **Qualifying Individual (QI) Program:** Helps pay Part B premiums but is limited to a first-come, first-served basis
- **Qualified Disabled Working Individual (QDWI) Program:** Pays Part A premiums for certain disabled and working beneficiaries under 65 not getting Medicaid and who meet certain income and resource limits set by their State

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

Coverage for dually eligible beneficiaries varies by State. Some States offer Medicaid through Medicaid managed care plans, while others provide Fee-For-Service Medicaid coverage. Some States contract with health plans that include all Medicare and Medicaid benefits.

Federal law defines Medicaid and MSP income and resource standards, but States can effectively raise those limits above the Federal floor (except for QDWIs). Annually, the Centers for Medicare & Medicaid Services (CMS) releases eligibility standards for [dually eligible beneficiaries](#).

Tables 1 through 7 summarize the eligibility categories for dually eligible beneficiaries, including each category's benefits and basic qualifications.

Table 1. Full Medicaid (only)

Benefits & Qualifications	Description
Benefits	<ul style="list-style-type: none"> • Full Medicaid coverage refers to the package of services, beyond coverage for Medicare premiums and cost-sharing that certain individuals are entitled when they qualify under eligibility categories covered under a State's Medicaid Program. Some of these coverage groups are ones that States must cover (for example, Supplemental Security Income [SSI] beneficiaries), and some are ones that States have the option to cover (for example, the "special income level" institutionalized group for individuals or home- and community-based waiver participants and "medically needy" individuals). • Individuals who get Medicaid only are enrolled in Medicare Part A and/or B and qualify for full Medicaid benefits but not for the Medicare Savings Program categories. However, the State may pay for their Part B premiums. • Beneficiaries pay no more than the amount allowed under the State's Medicaid Program for services furnished by Medicare providers.
Qualifications	<ul style="list-style-type: none"> • States determine income and resources criteria. • States can require Part A or B enrollment if they pay the premiums for these Parts on the individual's behalf. • Individuals must demonstrate they need a certain level of care or meet State-specific medical criteria to qualify for certain categories.

Table 2. QMB Only Without Other Medicaid

Benefits & Qualifications	Description
Benefits	<ul style="list-style-type: none"> • Medicaid pays Part A (if any) and Part B premiums. • Medicaid pays Medicare deductibles, coinsurance, and copayments for services furnished by Medicare providers for Medicare-covered items and services (even if the Medicaid State Plan payment does not fully pay these charges, the QMB is not liable for them).
Qualifications	<ul style="list-style-type: none"> • Income can be up to 100% of the Federal Poverty Level (FPL). • Resources cannot be more than 3 times the SSI resource limit, increased annually by the Consumer Price Index (CPI). • To qualify for QMB, 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, refer to the SSA Program Operations Manual System § HI 00801.140.

Table 3. QMB Plus

Benefits & Qualifications	Description
Benefits	<ul style="list-style-type: none"> • Medicaid pays Part A (if any) and Part B premiums. • Medicaid pays Medicare deductibles, coinsurance, and copayments for services furnished by Medicare providers for Medicare-covered items and services (even if the Medicaid State Plan payment does not fully pay these charges, the QMB is not liable for them). • Get “full Medicaid” coverage in addition to coverage for Medicare premiums and cost-sharing (see Table 1 for a definition of full Medicaid coverage).
Qualifications	<ul style="list-style-type: none"> • Meet the QMB-related eligibility requirements described in Table 2 and the eligibility requirements for full Medicaid in Table 1.

Table 4. SLMB Only Without Other Medicaid

Benefits & Qualifications	Description
Benefits	<ul style="list-style-type: none"> • Medicaid pays Part B premiums.
Qualifications	<ul style="list-style-type: none"> • Income between 100% and 120% of the FPL. • Resources cannot be more than 3 times the SSI resource limit, increased annually based on the CPI. • Individuals must be enrolled in Part A.

Table 5. SLMB Plus

Benefits & Qualifications	Description
Benefits	<ul style="list-style-type: none"> • Medicaid pays Part B premiums. • Get “full Medicaid” coverage in addition to coverage for Medicare Part B premiums (see Table 1 for a definition of full Medicaid coverage).
Qualifications	<ul style="list-style-type: none"> • Meet the SLMB-related eligibility requirements described in Table 4 and the eligibility requirements for full Medicaid in Table 1.

Table 6. QI

Benefits & Qualifications	Description
Benefits	<ul style="list-style-type: none"> • Medicaid pays Part B premiums. • Benefits are limited to first-come, first-served.
Qualifications	<ul style="list-style-type: none"> • Income between 120% and 135% of the FPL. • Resources cannot be more than 3 times the SSI resource limit, increased annually by the CPI. • Individuals must be enrolled in Part A. • QI beneficiaries are ineligible for any other Medicaid coverage.

Table 7. QDWI

Benefits & Qualifications	Description
Benefits	<ul style="list-style-type: none"> • Medicaid pays Part A premiums.
Qualifications	<ul style="list-style-type: none"> • Income up to 200% of the FPL. • Resources up to 2 times the SSI resource limit. • Individuals under 65 with a qualifying disability who lost premium-free Part A coverage after returning to work and now must enroll in and purchase Part A coverage. • QDWI beneficiaries are ineligible for any other Medicaid coverage.



BILLING PROHIBITIONS FOR QMBs

- All original Medicare and Medicare Advantage providers and suppliers – not only those that accept Medicaid – cannot charge QMBs for Medicare cost sharing for covered Parts A and B services. (**Note:** QMBs cannot elect to pay Medicare deductibles, coinsurance, and copays, but may have a small Medicaid copay.)
- Medicare Remittance Advice notices clearly indicate if a beneficiary is a QMB and show the beneficiary's deductible, copayment, and coinsurance cost-sharing is zero.
- If a provider bills a QMB for Medicare cost-sharing, or turns a bill over to collections, the provider **must** recall it. If the provider collects any cost-sharing money from a QMB, the provider **must** refund it.
- A provider may be subject to sanctions if it bills a QMB for amounts above the total of all Medicare and Medicaid payments (even when Medicaid does not fully pay the Medicare cost-sharing).

For more information, see the [Prohibition Billing Dually Eligible Individuals Enrolled in the Qualified Medicare Beneficiary \(QMB\) Program](#) MLN Matters® article.

Additional Billing Requirements for Dually Eligible Beneficiaries

- All Medicare providers must accept assignment for Part B-covered services furnished to dually eligible beneficiaries. Assignment means the Medicare Physician Fee Schedule amount is payment in full.
- Special instructions apply when a provider issues an Advance Beneficiary Notice (ABN) to a dually eligible beneficiary, based on the expectation that Medicare will deny the item or service because it is not medically reasonable and necessary or constitutes custodial care.
- The provider cannot bill the dually eligible beneficiary when the ABN is furnished.
- Once the claim is adjudicated by both Medicare and Medicaid, providers may only charge the patient in the following circumstances:
 - If the beneficiary has QMB coverage without full Medicaid coverage, the ABN could allow the provider to shift financial liability to the beneficiary per Medicare policy.
 - If the beneficiary has full Medicaid coverage and Medicaid denies the claim (or will not pay because the provider does not participate in Medicaid), the ABN could allow the provider to shift financial liability to the beneficiary per Medicare policy, subject to any State laws that limit beneficiary liability.

For more information, see the [ABN Form and Instructions](#).

RESOURCES

Table 8. Dually Eligible Beneficiary Resources

Resources	Website
Dually Eligible Individuals – Categories	CMS.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/Downloads/MedicareMedicaidEnrolleeCategories.pdf
Extra Help Program	SSA.gov/benefits/medicare/prescriptionhelp SSA.gov/pubs/EN-05-10508.pdf
Medicaid	Medicaid.gov
Medicare Administrative Contractor Contacts	Go.CMS.gov/MAC-website-list
Medicare Advantage and Other Medicare Health Plans – General Information	CMS.gov/Medicare/Health-Plans/HealthPlansGenInfo
Medicare and Medicaid Basics	CMS.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/MLN-Publications-Items/ICN909330
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 General Information, Eligibility, and Entitlement: Chapter 2—Hospital Insurance and Supplementary Medical Insurance	CMS.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/ge101c02.pdf
Medicare Information for Beneficiaries	Medicare.gov
Medicare Managed Care Manual	CMS.gov/Regulations-and-Guidance/Guidance/Manuals/Internet-Only-Manuals-IOMs-Items/CMS019326
Medicare-Medicaid Coordination Office	CMS.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office
Medicare Prescription Drug Benefit Manual	CMS.gov/Regulations-and-Guidance/Guidance/Manuals/Internet-Only-Manuals-IOMs-Items/CMS050485

Table 8. Dually Eligible Beneficiary Resources (cont.)

Resources	Website
Medicare Savings Programs	Medicare.gov/your-medicare-costs/get-help-paying-costs/medicare-savings-programs
Medicare Summary Notice (MSN) Changes to Assist Beneficiaries Enrolled in the Qualified Medicare Beneficiary (QMB) Program	CMS.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM11230.pdf
Prescription Drug Coverage—General Information	CMS.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovGenIn
Qualified Medicare Beneficiary (QMB) Program	CMS.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/QMB
Social Security Administration’s Role in Medicare Savings Programs (MSP) Applications	Secure.SSA.gov/poms.nsf/lnx/0600815024

Table 9. Hyperlink Table

Embedded Hyperlink	Complete URL
ABN Form and Instructions	https://www.cms.gov/Medicare/Medicare-General-Information/BNI/ABN
Deductibles, Coinsurance, and Copayments	https://www.medicare.gov/your-medicare-costs
Dually Eligible Beneficiaries	https://www.medicare.gov/medicaid/eligibility/index.html
Extra Help Program	https://www.medicare.gov/manage-your-health/information-for-my-situation/i-need-or-get-extra-helpmedicaid
MSP	https://www.medicare.gov/your-medicare-costs/get-help-paying-costs/medicare-savings-programs
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/MLNMattersArticles/Downloads/SE1128.pdf
SSA Program Operations Manual System § HI 00801.140	https://secure.ssa.gov/apps10/poms.nsf/lnx/0600801140

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