

# MEDICARE SAVINGS PROGRAMS – REFERENCE GUIDE

General Information	FAQ's																
<p>Medicare Savings Programs pay for cost sharing expenses for Medicare beneficiaries and include the following programs:</p> <ul style="list-style-type: none"> <li>• QMB (S03)</li> <li>• SLMB (S05)</li> <li>• QI-1 (S06)</li> <li>• QDWI (S04)</li> <li>• State buy-in (not in ACES)</li> </ul>	<p><b>1. What do the Medicare Savings programs pay for?</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">PROGRAM</th> <th>COVERAGE</th> </tr> </thead> <tbody> <tr> <td>QMB</td> <td>Part A premiums, Part B premiums, coinsurance, deductibles and Part B co-payments</td> </tr> <tr> <td>SLMB</td> <td>Part B premiums</td> </tr> <tr> <td>QI-1</td> <td>Part B premiums for non-medicaid clients</td> </tr> <tr> <td>QDWI</td> <td>Part A premiums</td> </tr> <tr> <td>State Buy-In</td> <td>Part B premiums, coinsurance and deductibles (if not eligible for QMB,SLMB,QI-1 or QDWI)</td> </tr> </tbody> </table>	PROGRAM	COVERAGE	QMB	Part A premiums, Part B premiums, coinsurance, deductibles and Part B co-payments	SLMB	Part B premiums	QI-1	Part B premiums for non-medicaid clients	QDWI	Part A premiums	State Buy-In	Part B premiums, coinsurance and deductibles (if not eligible for QMB,SLMB,QI-1 or QDWI)				
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<p>Cost sharing expenses include:</p> <ul style="list-style-type: none"> <li>• Medicare Part A and Part B premiums</li> <li>• Co-insurance charges</li> <li>• Deductibles</li> <li>• Some co-payments under Part B</li> </ul>	<p><b>2. What is the State Buy-In program and who is eligible?</b></p> <p>State Buy-in is a state-funded program that pays for Part B premiums, coinsurance and deductibles for medicaid clients who are not eligible for a federally funded MSP (QMB, SLMB, QI-1, and QDWI). A dual eligible client active on CN or MN coverage is automatically approved for the State to pay their Part B premiums until the medicaid coverage ends. There is no coverage group for this in ACES as it happens behind the scenes. It takes approx. 60 days for the State to start paying the premiums and for SSA to reimburse clients for monies withheld from their SSA checks. When clients call about reductions in a recent SSA check or loss of Medicare B coverage, check to see if there has been a recent loss of CN/MN eligibility, especially Spenddown cases.</p>																
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<p><b>What are the different parts to Medicare?</b></p> <p>Part A – inpatient hospital insurance            Part B – outpatient physicians insurance            Part C (optional) – Medicare services delivered via a managed care plan            Part D – Prescription drug coverage</p>	<p><b>5. What about Part D co-payments?</b></p> <p>Clients who are eligible for the low income subsidy pay a reduced amount for their drug co-payments. Until 12/31/2010, these state-funded co-payment charges were paid by the State of Washington for medicaid eligible clients. Effective 1/1/2011, these costs are now the responsibility of the client since the optional Part D co-payment program was cut by the legislature due to budget reductions.</p>																
	<p><b>6. What is the 'donut hole' or coverage gap?</b></p> <p>The 'donut hole' is a period during which a client bears the full cost of their prescription drugs. DSHS medicaid clients and clients who receive coverage under an MSP do NOT have a donut hole.</p>																
	<p><b>7. I've heard there is a penalty if a client does not accept Medicare when they are first eligible?</b></p> <p>There is a penalty for non-DSHS individuals. However DSHS clients who are eligible for medicaid/MSP are not subject to the penalty or restricted to set enrollment periods. They can enroll in Medicare at any time.</p>																

**For Medicare Buy-in questions or issues relating to payment for Medicare premiums, please contact:  
 Medicare Buy-In unit at 1-800-562-3022 Ext: 16129**