



Medicare Savings Programs (MSPs)

The Medicare Savings Programs help lower-income older adults and persons with disabilities pay their Medicare Part B premium. Some individuals may also qualify for help with their Medicare Part A and Part B deductibles and coinsurance. If someone qualifies for Medicare Part B **and** meets the income and resource guidelines below, she should apply for the program—even if she is not yet enrolled in Part B.

Please note that individuals could have higher income and resources than the figures listed below, but still qualify for help, because the Pennsylvania Department of Human Services may not count all of their income and resources.

2020 Eligibility Guidelines for the Medicare Savings Programs

	Monthly Income	Resources**	Benefits
Qualified Medicare Beneficiary (QMB)	<100% FPL* \$1,064 – single person \$1,437 – married couple	\$7,860 single \$11,800 married	State pays Medicare Part B premium and individual gets ACCESS card that only covers Medicare deductibles and coinsurance
Specified Low-Income Medicare Beneficiary (SLMB)	<120% FPL* \$1,276 – single \$1,724 – married	\$7,860 single \$11,800 married	State pays Medicare Part B premium
Qualified Individual (QI-1)	<135% FPL* \$1,436 – single \$1,940 – married	\$7,860 single \$11,800 married	State pays Medicare Part B premium

* Federal Poverty Levels are updated each year, usually in January or February.

** Someone cannot get QI-1 benefits and Medicaid (i.e. through MAWD or HCBS Waiver)

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How will the Department of Human Services (DHS) look at income and resources?

Income

DHS will not count some portion of the applicant's monthly income depending on whether it is unearned or earned income. If income is unearned (i.e., Social Security, pensions), DHS will **not** count \$20 of the monthly gross benefit amount. If income is earned (wages), DHS will **not** count the first \$65 of monthly gross earnings and then will only count half of the remaining gross wages earned in that month. After these disregards are applied, income must be under the limits on page 1.

An individual who is married and living with her spouse **must** report the spouse's income (even if the spouse is not applying for the MSP). Individuals with minor children should include them in their household when completing the MSP application. The County Assistance Office will review the household's income, and will count the children (and any income the children have such as support payments or disability benefits based on parents record) **only** if it benefits the applicant. If the children are included, individuals can have higher income than the chart on page 1 shows and still qualify for MSP.

Resources

DHS looks at resources when determining if someone qualifies for the MSPs but **does not count** certain resources. Resources that are **not** counted include the person's primary residence and the property surrounding it, one motor vehicle, burial plots, and prepaid burial accounts (also called irrevocable burial reserves).

Resources that **are** counted include: checking and savings accounts, certificates of deposit, stocks, bonds, mutual funds, IRAs/401ks, cash-on-hand, life insurance, and real property that is not someone's primary residence.

Even if a resource is counted, DHS may not count its entire value. Generally, DHS counts the amount of the resource that is actually available to the person at the time of application. These rules can be complicated, so please contact PHLP if you have specific questions about how DHS counts resources when determining eligibility for these programs.

How to apply?

Individuals can apply for the Medicare Savings Programs in any of the following ways:

- download the application ([PA 600M](#)), complete it, and submit it to their local [County Assistance Office](#); or
- have an application mailed to them by requesting it from the DHS Customer Service Center at 1-877-395-8930 or their local County Assistance Office (CAO); or
- apply online at www.compass.state.pa.us. *Please note that the online application is longer than the paper application and will ask for additional information not asked for on the paper application.*

DHS requires applicants to verify information by submitting documentation. The application lists what type of information can be submitted to prove the individual's income, resources, address, and identification.

Individuals needing help with their application can contact the APPRISE program at 1-800-783-7067.

Application Tips:

- If someone needs help getting the documentation required for the application to be processed, make sure she checks the box on the application requesting help (Question 12 on the paper application) so that the CAO worker can help her get this information.
- Keep a copy of the completed MSP application and all supporting documentation.
- If the application is going to be mailed to the County Assistance Office, try to send it some way that there is proof that it was received by the office (such as certified mail, return receipt requested). When this is not possible, call the CAO or the DHS Customer Service Center a week after the application is mailed to make sure that it has been received and is in the system for processing.

Generally, it takes 30-45 days for the CAO to process an application. Everyone who applies should receive a written notice telling them if they qualify and when the benefits start. The notice will also include information about appealing if the individual is denied or otherwise disagrees with the CAO's decision.

Getting the Benefit

If MSP is approved, it usually takes 1-2 months for all the systems to communicate and for Social Security's system to show that the state is now paying the Part B premium. Since most people receive their Social Security check through direct deposit, they should notice that the amount of their monthly check has increased once DHS starts to pay the premium. After that, the person will also get reimbursed, often in a lump sum, for any premiums already paid back to the MSP start date. The person will receive this reimbursement the same way she receives her Social Security monthly benefit. If the person's monthly Social Security Check gets direct deposited into her bank account, then the reimbursement payment will also be direct deposited.

If three months goes by after someone gets approved for the MSP and her Part B premium is still being deducted from her check, please contact PHLP's Helpline at 1-800-274-3258 for assistance.

This publication is intended to provide general legal information, not legal advice. Each person's situation is different. If you have questions about how the law applies to your particular situation, please consult a lawyer or call the Helpline at 1-800-274-3258.