



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 premium* and Part A and Part B deductibles and coinsurance. If someone qualifies for Medicare Part B **and** meets the income and resource guidelines below, they should apply for the program—even if they are 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.

2023 Eligibility Guidelines for the Medicare Savings Programs

	Monthly Income	Resources	Benefits
Qualified Medicare Beneficiary (QMB)	<100% FPL** \$1,215 – single person \$1,643 – married couple	\$9,090 single \$13,630 married	State pays Medicare Part A* and Part B premium. Individual gets ACCESS card that only covers Medicare cost-sharing
Specified Low-Income Medicare Beneficiary (SLMB)	<120% FPL** \$1,458 – single \$1,972 – married	\$9,090 single \$13,630 married	State pays Medicare Part B premium
Qualified Individual (QI-1)***	<135% FPL** \$1,641 – single \$2,219 – married	\$9,090 single \$13,630 married	State pays Medicare Part B premium

* Most people get Medicare Part A for free; however, some people may have a full or partial premium depending on their work history.

** 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 total monthly gross 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 a 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 **only** if it helps the applicant qualify. If the children are counted, then any income they have counts (such as support payments or Social Security benefits). The income limit used is based on the number of people counted in the household, so children may increase the household size and a higher income limit may apply.

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 are not counted for people whose income is under 100% FPL and who have minor children living in the home.

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 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 PA MEDI program at 1-800-783-7067.

Application Tips:

- If someone needs help getting the documentation required for the application to be processed, make sure to check the box on the application requesting help (Question 12 on the paper application) so that the CAO worker can help 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 (1-877-395-8930/in Philadelphia call 215-560-7226) 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, the state starts to pay the monthly Medicare premium as of the start date given on the eligibility notice. If someone has the premium deducted from their Social Security check, this deduction should stop. If someone does not get Social Security and has been getting billed for the Medicare premium, they should stop receiving this bill. If the premium continues to be deducted or if the person continues to be billed for the premium after they are approved for the MSP, there might be a problem with the MSP approval getting communicated to the Social Security Administration. People can contact the Department of Human Services Customer Service Center at 1-877-395-8930 if they continue to pay the Part B premium after they are approved for the MSP.

People should be reimbursed for any Medicare Part A or Part B premiums they pay after their MSP start date. This reimbursement is often paid in a lump sum, and it is paid the same way the person receives their monthly Social Security benefits (usually by direct deposit).

People who have problems with the MSP benefit taking effect or who do not get a reimbursement they are due can contact PHLP's Helpline at 1-800-274-3258 or email staff@phlp.org to get help.

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.