

MIPPA State TA Call

Call 1-866-740-1260, passcode 4796976# if you cannot get audio through a computer headset

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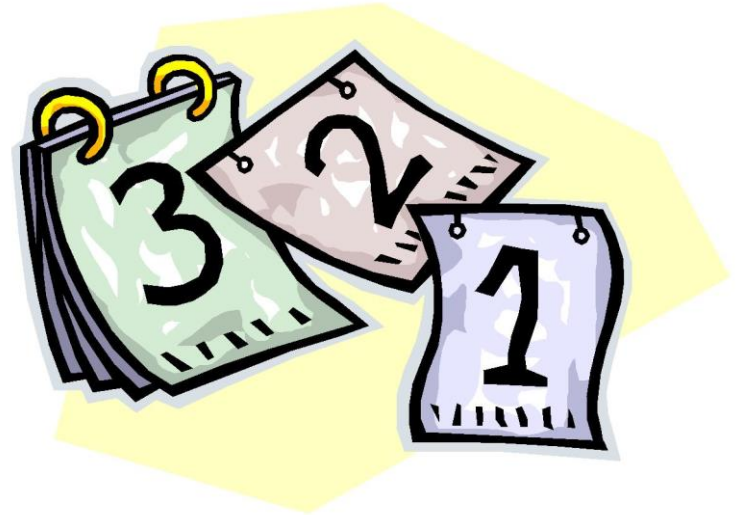
National Council on Aging

Improving the lives of 10 million older adults by 2020

Reminders

If you're on the phone,
mute your line by pushing
*6; unmute by pressing *7

- No call during Open Enrollment
- Second Thursday, 2-3 p.m. EST



On Today's Call

- Medigap and QMBs
 - Federal and State Protections
 - Cost Sharing Policies and Provider Issues
 - Suspending a Medigap Plan
- Part A Conditional Enrollment
- Open Discussion

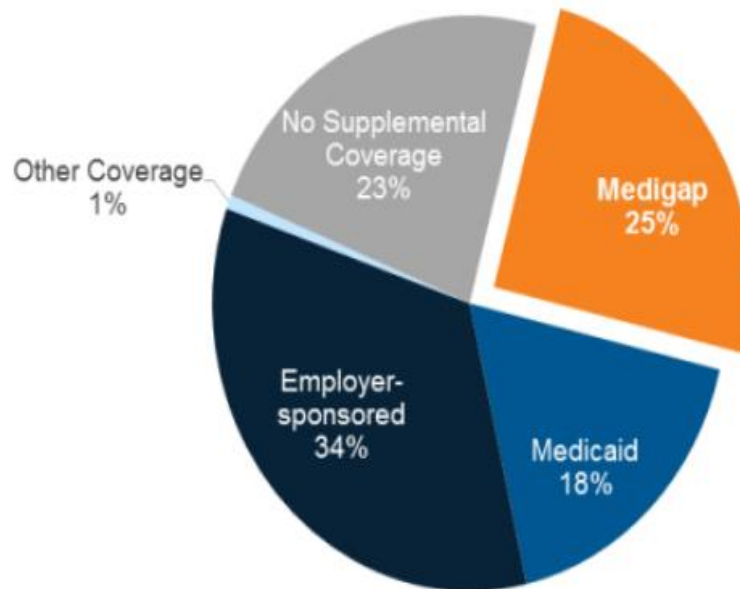
Poll

How many (what percentage) of your clients have/choose to enroll in a Medigap plan?



What percentage of your clients who end up qualifying for a Medicare Savings Program have a Medigap?

1 in 4 with Traditional Medicare Have Medigap



2015 Total = 39 million traditional Medicare beneficiaries*

NOTE: * Roughly one-third of the Medicare population is enrolled in a Medicare Advantage Plan and is excluded from this analysis. Coverage is assigned in the following hierarchical order: Medicaid, Employer-Sponsored, Medigap, other coverage, no supplemental coverage. Medicaid groupings reflect enrollment in March 2015.
SOURCE: KFF analysis of the centers of Medicare & Medicaid Services Medicare Current Beneficiary Survey, 2015.



Figure 2: 1 in 4 people with traditional Medicare had a Medigap supplemental policy in 2015

Federal Protections Under Medigap

Guarantee issue for Medicare beneficiaries 65 and older during:

Medigap Open Enrollment Period (MOEP)

- One-time, six-month period in which a Medigap company cannot refuse Medigap coverage for 65+ and enrolled in Medicare Part B

Qualifying Events Complete List

- Beneficiary involuntary loses supplemental coverage
- MA trial rights
- Medicare select or MA plan goes bankrupt, move out of service area
 - 63 days to apply for Medigap policy

Federal Protections under Medigap

- Medigap is state regulated but subject to federal minimum requirements, including:
 - Standardization of plans for easier comparison
 - Renewable if premium is paid
 - Limits on agent commissions
 - Rules prevent selling Medigap policies to applicants with duplicate coverage
 - “Free look” period: 30 day trial to cancel policy and get a refund

Some States Expanded Medigap Protections

- States have expanded guarantee issue rights beyond the federal minimum standard.
Examples of additional qualifying events:
 - Change in retiree plan benefit change (28)
 - Loss of Medicaid is a qualifying event (9)
 - Continuous or annual Medigap open enrollment opportunities are available in only 4 states: CT, ME, MA, NY
- Some state prevent Medigap plans from charging higher premiums based on age or health status

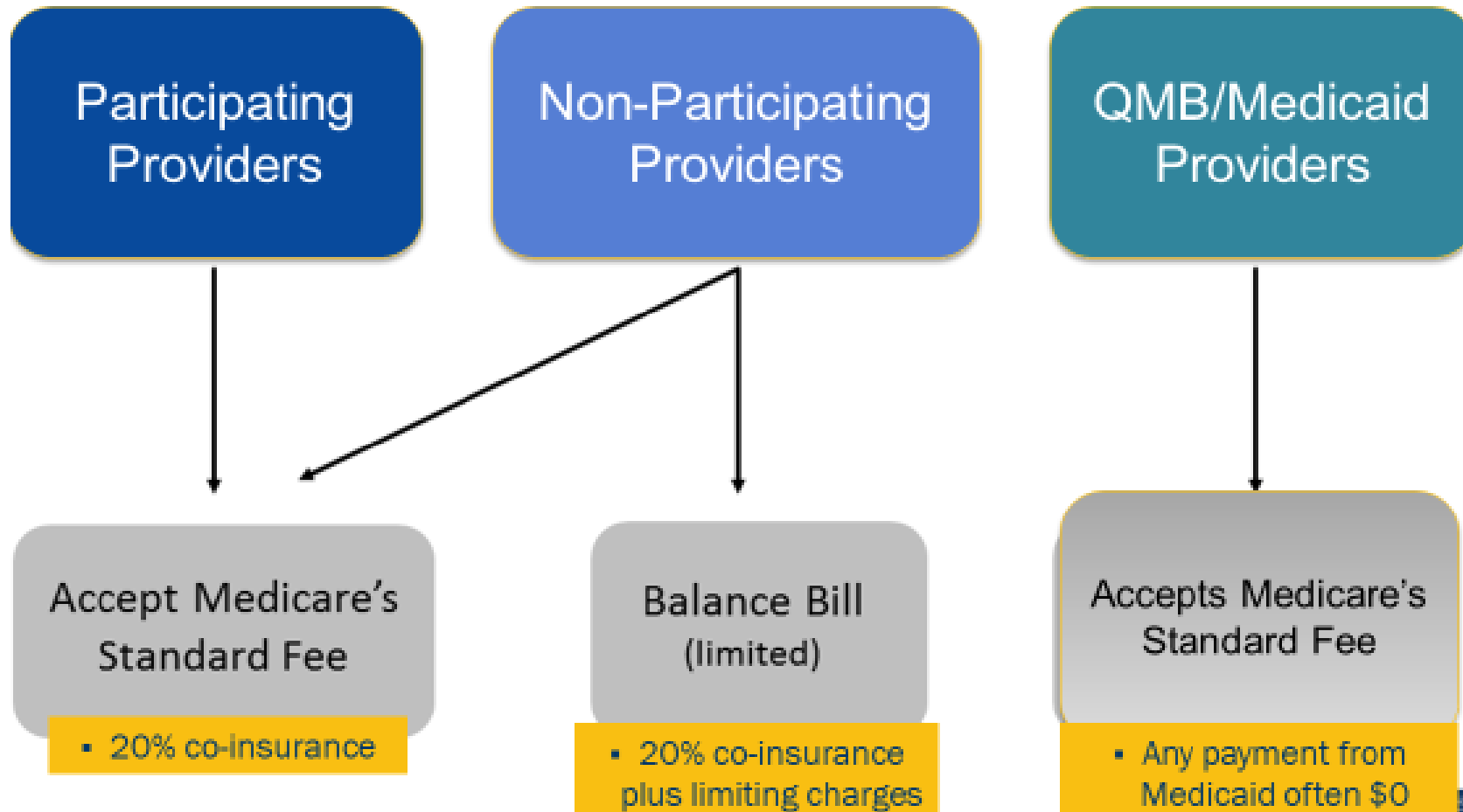
Cost Sharing Policies and Medigap

- For Medicare covered services Medicare is the primary payer and Medigap pays secondary
- Medigap follows Medicare's coverage determinations and pay up to the standardized policy limits
- Most Medicare providers accept Medigap plans
- Beginning in January 2020, Medigap plans C and F will no longer be available to new Medicare beneficiaries
 - Elimination of coverage of Part B deductible

So what happens when your client with Medigap qualifies for the Qualified Medicare Beneficiary (QMB) program?



Billing Options under Traditional Medicare



Suspending Medigap

When a beneficiary with Original Medicare and Medigap policy is deemed eligible for Qualified Medicare Beneficiary Program (QMB):

- Putting a Medigap policy on hold
- Notify the Medigap plan within 90 days of getting Medicaid
- Suspension can last up to 2 years
- No premium payment equals no coverage
- Restart the Medigap policy without new medical underwriting or waiting periods for pre-existing conditions if QMB/Medicaid coverage ends

Caution! Before suspending a Medigap plan ensure that payment of a regular monthly premium is not a determining factor in qualifying for Medicaid

[CMS Guidance on Suspending Medigap due to Medicaid enrollment](#)

Why Suspend a Medigap Plan

- Federal law does not provided guaranteed issue protection for Medigap due to loss of Medicaid/QMB
- Only 9 states recognize loss of Medicaid as a qualifying event and ensure guarantee issue opportunities
- Medigap policy may medically underwrite and potentially deny coverage due to pre-existing conditions or charge high premiums due to health status

QMBs Cannot Purchase a Medigap Plan

- Federal law prohibits the sale of Medigap policies to Medicaid beneficiaries
- QMBs unable to change to cheaper Medigap plan because federal government prevents insurance companies from selling coverage to QMBs
- Agents must also ask if the beneficiary is eligible for Medicaid coverage
- There is no prohibition on the sale of Medigap policies to SLMBs or QIs

Cost Sharing Policies Impact QMB

- Federal law allows States to limit their payment of Medicare deductibles, coinsurance and copays for QMBs by adopting “lesser-of” policies:
 - Apply the Medicare or Medicaid payment rate, whichever is less – Usually eliminates or reduces the Medicare cost sharing payment
- As of 1/2017, most States apply “lesser of” policies [MACPAC 2017](#)

Provider Options with QMBs

- Provider must forgo the cost-sharing amounts
- Providers may limit their patient pool to non-QMB enrollees
- Providers may choose to treat some but not all QMBs
- Providers may not allow QMBs to waive improper billing protections and pay Medicare deductibles, coinsurance, and copays

Notes from the Field on QMBs

- QMB more success in keeping current provider if they are an established patient in the practice
- QMBs experience providers closing their practices to patients once the Medicaid reimbursement rate is determined
- Advise clients to look for a Medicaid provider before dropping Medigap plan to determine the degree of difficulty of working with State Medicaid
- Clients in our area are often giving up a wider range of access to higher quality healthcare providers by dropping Medigap and going with Medicaid
- Most beneficiaries can not afford a Medigap policy

Resources

- [Guidance on QMB improper billing](#)
- State based insurance regulation for Medigap policies [National Association of Insurance Commissioners](#)
- [NCOA Medigap Open Enrollment Fact](#)
- [KFF Medigap-Enrollment-and-consumer-protections-vary-across-states](#)

Part A Conditional Enrollment

- Some individuals may not qualify for Premium-free Part A services, due to a lack of work history and/or payment of Medicare taxes
- QMB eligibility require that an individual be enrolled in both Part A and Part B creating a catch 22 since most individuals are unable to afford the Part A premium prior to QMB eligibility
- SSA can process a “conditional” process which allows an individual to apply for Part A but only get coverage if the state approves the QMB application and then pay the Part A premium
- If the QMB application is denied, the individual will not be enrolled in Part A

Background Part A Conditional Enrollment

- Buy-in States are those states that include Premium-Part A in their State Buy-in agreements. In Part A Buy-in States, individuals can complete the conditional enrollment process at any time.
- Group Payer States are those states that did not include Premium-Part A for QMBs in their State Buy-in agreements. In Group Payer States, individuals must complete the conditional enrollment process during a prescribed enrollment period.
 - January 1-March 31 enrollment period for a July 1 effective date

List of Group Payer States

Alabama	Kansas	New Mexico
Arizona	Kentucky	South Carolina
California	Missouri	Utah
Colorado	Nebraska	Virginia
Illinois	New Jersey	

Scenario #1: Group Payer State

- March 2018: Ms. Green, 66, a SC resident, seeks assistance in enrolling in Medicare A and B, which she has delayed because she can not afford the premiums
- Ms. Green's income is \$11,500 annually with no additional resources or assets. Ms. Green has worked for 30 quarters.
- How do you assist Ms. Green?



Counseling Considerations –Group Payer States

- Confirm QMB eligibility (income and assets thresholds)
- Explain that an application for Part B and a “conditional enrollment” for Premium Part A must be filed with SSA during the state’s prescribed enrollment period (January 1-March 31).
- The effective date will be July 1.

Note: SSA will not take the application outside the prescribed enrollment period

Prepare for SSA appointment

- Collect and bring the following information to the SSA appointment:
 - Proof of date of birth (passport, birth certificate or state ID)
 - Proof of all types of income, earned and unearned (recent pay stubs, pension statements, tax returns, proof of Social Security benefits if applicable)
 - Proof of U.S. citizenship or lawful residence (passport, permanent resident card, or U.S. birth certificate)
 - Copy of Social Security card

Required Remarks from SSA Transmittal

- Ensure that the “Remarks” section of the application contains the following language
 - I wish to enroll in Part A. I understand that:
 - I’m not eligible for Premium-Free Part A. By enrolling, I’m buying Part A coverage.
 - I must also have Part B. I must pay monthly premiums for Part A and Part B coverage.
 - (if Applicable) I only want Part A coverage if my State approves my application for the Qualified Medicare Beneficiary (QMB) program. I do not want Part A coverage to begin before my State starts paying my monthly premiums. I understand that if I lose my QMB status, I must pay the monthly premiums to keep my Part A coverage.”

Counseling Considerations: Group Payer States

- Advise client to obtain a copy of the screen shot documenting their conditional enrollment in Part A
- Complete/or direct the client to the State Medicaid office to complete a QMB application. Include/attach a copy of the SSA screen shot with the application
- Explain that a QMB is automatically eligible for LIS
- QMB eligibility must be recertified annually

Scenario #2: Buy-In State

- March 2018: Ms. Green, 66, a MD resident, seeks assistance in enrolling in Medicare A and B, which she has delayed because she can not afford the premiums
- Ms. Green's income is \$11,500 annually with no additional resources or assets. Ms. Green has worked for 30 quarters.
- How do you assist Ms. Green?



Counseling Considerations Buy-In States

- Confirm QMB eligibility (income and assets thresholds)
- Complete/or direct the client to the State office to complete a QMB application. She does not need to file an application for conditional Part A at SSA
- Explain that a QMB is automatically eligible for LIS
- QMB eligibility must be recertified annually

Note: If the State (MD) approves the QMB application the effective date will be the month after she is found eligible for QMB

Buy-In vs Group-Payer State Comparison

	Local SSA Office Accepts Part A Conditional Enrollments Application	Client Has Part B	Client Does Not Have Part B	Coverage Effective Date
Buy-In States	Any time	File a QMB application with State Medicaid anytime	File an application for Part B and Part A Conditional Application with SSA, then QMB application with State Medicaid anytime	Varies with application date
Group-Payer-States	Only during prescribed enrollment periods	File a Part A Conditional Application with SSA, then a QMB application with State Medicaid during prescribed enrollment period only	File an application for part B and Part A Conditional Application with SSA, then a QMB application with State Medicaid during prescribed enrollment period only	July 1

Additional Information & Resources

- Conditional Part A enrollment does not change eligibility criteria for Part A
- Beneficiaries are allowed to complete conditional applications even if they owe Medicare premiums
- Part B does not have a conditional enrollment provision

Resources

- SSA POMS Conditional Part A Guidance:
<https://secure.ssa.gov/apps10/reference.nsf/links/06212018094607AM>
- NCOA Fact Sheet: A Closer Look: Medicare GEP and the Significance for Your Low Income Clients:
<https://www.ncoa.org/wp-content/uploads/medicare-general-enrollment-period.pdf>
- Part A premium amounts:
<https://www.ncoa.org/resources/medicare-premiums-and-cost-sharing-chart/>

Open Discussion

Share whatever is on your mind or posing a challenge in your state

