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FACT SHEET
KNOWLEDGE • RESOURCES • TRAINING

Beneficiaries Dually Eligible for Medicare & Medicaid

What's Changed?

- Note: No substantive content updates

CMS CENTERS FOR MEDICARE & MEDICAID SERVICES
Medicare Learning Network®

Medicare & Medicaid Programs

Medicare Program

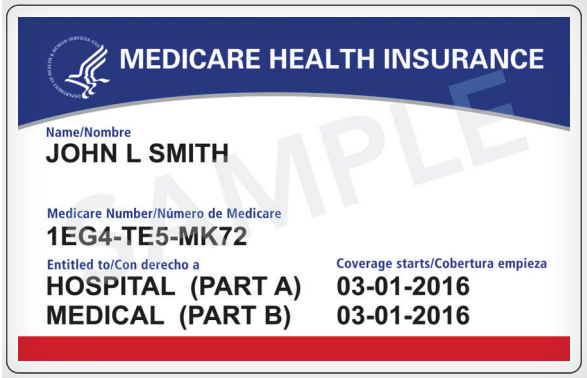
Medicare is health insurance for people age 65 or older, certain people under age 65 with disabilities and entitled to Social Security disability or Railroad Retirement Board (RRB) benefits for 24 months (we waive the 24-month waiting period for people with amyotrophic lateral sclerosis [ALS], also known as Lou Gehrig's disease), and people of any age with ESRD.

Together we can advance health equity and help eliminate health disparities for all minority and underserved groups. Find resources and more from the CMS Office of Minority Health:

- Health Equity Technical Assistance Program
- Disparities Impact Statement

Medicare has 4 parts:

1. **Part A — Hospital Insurance** includes inpatient hospital, inpatient skilled nursing facility (SNF), hospice, and some home health services
2. **Part B — Medical Insurance** includes physician services, outpatient care, durable medical equipment (DME), lab and X-ray services, home health services, and many preventive services
3. **Part C — Medicare Advantage (MA) (for example, Health Maintenance Organizations [HMOs] or Preferred Provider Organizations [PPOs]):** Medicare-approved private insurance companies provide all Part A and Part B services and may provide prescription drug coverage and other supplemental benefits
4. **Part D — Prescription Drug Benefit:** Medicare-approved private insurance companies provide prescription drug coverage



Beneficiaries may choose:

- Part A and Part B services through Original Medicare with optional Part D coverage through an approved stand-alone Medicare drug plan
- Part A and Part B services through an MA Plan if they live in its service area, with a drug plan included in some plans

The Extra Help Program helps pay beneficiaries' Medicare drug plan monthly premiums, annual deductibles, and copayments for those who have or want Part D coverage and meet certain income and resource limits.

Medicaid Program

Medicaid is a joint federal and state program that provides health insurance for certain individuals with low income. Each state administers its own program, following broad national federal guidelines, statutes, regulations, and policies. Each state:

- Establishes eligibility standards
- Decides type, amount, duration, and scope of services
- Sets payment rates

Dually Eligible Beneficiaries

Dually eligible beneficiaries generally describe low-income beneficiaries enrolled in both Medicare and Medicaid. The term includes beneficiaries enrolled in Medicare Part A, Part B, or both, and getting full Medicaid benefits or only help with Medicare premiums or cost-sharing through 1 of these Medicare Savings Programs (MSP) eligibility groups:

- **Qualified Medicare Beneficiary (QMB) Program:** Pays Part A and Part B premiums, deductibles, coinsurance, and copayments.
- **Specified Low-Income Medicare Beneficiary (SLMB) Program:** Pays **only** the Part B premiums.
- **Qualifying Individual (QI) Program:** Pays **only** Part B premium (individuals enrolled in this program have no other Medicaid eligibility).
- **Qualified Disabled Working Individual (QDWI) Program:** Pays **only** Part A premium for certain individuals under age 65 with disabilities who have returned to work. Medicare pays covered dually eligible beneficiaries' medical services first because Medicare is the primary payer for items and services that both programs cover. Medicaid may cover medical costs that Medicare doesn't cover or partially covers (for example, nursing home care, personal care, and home- and community-based services). Beneficiaries' coverage can vary by state. Some Medicaid Programs pay care directly through Fee-for-Service (FFS) coverage. Others offer Medicaid through managed care or other integrated care models.

Note

Medicare providers **can't** bill QMB beneficiaries for Medicare cost-sharing. This includes Medicare deductibles, coinsurance, and copayments. In some cases, a beneficiary may owe a small Medicaid copayment. Medicare and Medicaid payments (if any) (and any applicable Medicaid QMB copayment) are considered payment in full. You're subject to sanctions if you bill a QMB above the total Medicare and Medicaid payments (even when Medicaid pays nothing).

States **must** cover certain services through their Medicaid Programs, including:

- Doctor visits
- Inpatient and outpatient hospital services
- Mental health services
- Prescription drugs
- Prenatal care, maternity care, and family planning services (for example, contraceptives)
- Preventive care, like immunizations, mammograms, and colonoscopies

States **may** cover added services, including:

- Dental services
- Home- and community-based services
- Physical therapy
- Prosthetic devices
- Vision and eyeglasses
    - Very few children are dually eligible beneficiaries, but those who are can access vision, dental, hearing, and other services through the Medicaid Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) benefit

Federal law defines Medicaid and MSP income and resource standards, but states can effectively raise those limits above the federal floor through the use of disregards (except for QDWIs). Annually, we release dually eligible beneficiary standards.

Tables 1–7 summarize the dually eligible categories, including each category's benefits and basic qualifications.

Table 1. Full Medicaid (only)

Benefits & Qualifications	Description
Benefits	• Full Medicaid coverage refers to the package of services beyond Medicare premiums coverage and cost-sharing certain beneficiaries get when they qualify for certain eligibility groups under a state's Medicaid Program. States must cover some of these groups (like Supplemental Security Income [SSI] recipients). States have the option to cover others, like the special income level institutionalized beneficiary group, home- and community-based waiver participants, and medically needy individuals. • Dually eligible beneficiaries who get Medicaid only are enrolled in Part A and or Part B and qualify for full Medicaid benefits but not for MSP groups. States may pay their Part B premium.
Qualifications	• States decide income and resource criteria. • States can require Part A or B enrollment if they pay the beneficiary's premiums for these parts. • Beneficiaries must show they need a certain level of care or meet state-specific medical criteria to qualify for certain categories.

Table 2. Qualified Medicare Beneficiary (QMB) Only Without Other Medicaid

Benefits & Qualifications	Description
Benefits	• Medicaid pays Part A (if any) and Part B premiums. • Medicaid is liable for Medicare deductibles, coinsurance, and copayments for Medicare-covered items and services. Even if Medicaid doesn't fully cover these charges, the QMB isn't liable for them.
Qualifications	• Income can be up to 100% of the Federal Poverty Level (FPL). • Resources can't be more than 3 times the SSI resource limit, increased annually by the Consumer Price Index (CPI). • QMB qualifications include enrollment in Part A (or if uninsured for Part A, have filed for premium Part A on a conditional basis). Social Security Administration Program Operations Manual System section HI 00801.140 has more information.

Table 3. Qualified Medicare Beneficiary Plus (QMB+)

Benefits & Qualifications	Description
Benefits	• Medicaid pays Part A (if any) and Part B premiums. • Medicaid is liable for Medicare deductibles, coinsurance, and copayments for Medicare-covered items and services. Even if Medicaid doesn't fully cover these charges, the QMB+ isn't liable for them. • Get full Medicaid coverage plus Medicare premiums and cost-sharing coverage (see Table 1 for a definition of full Medicaid coverage).
Qualifications	• Meet QMB-related eligibility requirements described in Table 2 and full Medicaid eligibility requirements in Table 1.

Table 4. Specified Low-Income Medicare Beneficiary (SLMB) Only Without Other Medicaid

Benefits & Qualifications	Description
Benefits	• Medicaid pays Part B premium.
Qualifications	• Income between 100%–120% of FPL. • Resources can't be more than 3 times the SSI resource limit, increased annually by the CPI. • Enrolled in Part A.

Table 5. Specified Low-Income Medicare Beneficiary Plus (SLMB+)

Benefits & Qualifications	Description
Benefits	• Medicaid pays Part B premium. • Get full Medicaid coverage plus Medicare Part B premium coverage (see Table 1 for a definition of full Medicaid coverage).
Qualifications	• Meet SLMB-related eligibility requirements described in Table 4 and full Medicaid eligibility requirements in Table 1.

Table 6. Qualifying Individual (QI)

Benefits & Qualifications	Description
Benefits	• Medicaid pays Part B premium. • Benefits limited to first-come, first-served.
Qualifications	• Income between 120%–135% of FPL. • Resources can't be more than 3 times the SSI resource limit, increased annually by the CPI. • Enrolled in Part A. • QI beneficiaries aren't eligible for any other Medicaid coverage.

Table 7. Qualified Disabled Working Individual (QDWI)

Benefits & Qualifications	Description
Benefits	• Medicaid pays Part A premium.
Qualifications	• Income up to 200% of 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 pay a premium to enroll in Part A. • QDWI beneficiaries aren't eligible for any other Medicaid coverage.

Qualified Medicare Beneficiary (QMB) Billing Prohibitions

- No Original Medicare or MA providers or suppliers can charge QMBs Medicare Part A and Part B cost sharing for covered services. This prohibition applies even if the provider or supplier doesn't participate in Medicaid.
  - **Note:** QMBs may have a small Medicaid copayment if 1 applies.
- Providers should use the Medicare 270/271 HIPAA Eligibility Transaction System (HETS) and the Medicare Remittance Advice to identify if a beneficiary is a QMB and owes no Medicare cost-sharing.
- If you bill a QMB Medicare cost-sharing, or turn a bill over to collections, you **must** recall it. If you collect any QMB cost-sharing money, you **must** refund it.
- You may be subject to sanctions if you bill a QMB amounts above the total Medicare and Medicaid payments (even when Medicaid pays nothing).

Dually Eligible Beneficiary Billing Requirements

- You must accept assignment for Part B-covered services provided to dually eligible beneficiaries. Assignment means the Medicare Physician Fee Schedule (PFS) amount is payment in full. Special instructions apply when you provide an Advance Beneficiary Notice (ABN) to a dually eligible beneficiary, based on the expectation that Medicare will deny the item or service because it isn't medically reasonable and necessary or is custodial care.
- You can't bill the dually eligible beneficiary up front when you provide an ABN.
- Once Medicare and Medicaid adjudicate the claim, you may only charge the beneficiary in these circumstances:
  - If the beneficiary has QMB coverage without full Medicaid coverage and Medicare denies the claim, the ABN could allow you to shift financial responsibility to the beneficiary under Medicare policy.
  - If the beneficiary has full Medicaid coverage and Medicaid denies the claim (or won't pay because you don't participate in Medicaid), the ABN could allow you to shift financial responsibility to the beneficiary under Medicare policy, subject to state laws that limit beneficiary responsibility.

ABN Form and Instructions has more information.

Resources

- Medicare Claims Processing Manual, Chapter 1
- Medicare General Information, Eligibility, and Entitlement, Chapter 2
- Medicare Patient Information
- Medicare & Medicaid Basics
- Medicare Managed Care Manual
- Medicare-Medicaid Coordination Office
- Medicare Prescription Drug Benefit Manual
- Social Security Administration's Role in MSP Applications