

APPRISE Health Insurance Counseling



APPRISE is a free health insurance counseling program designed to help older Pennsylvanians with Medicare. Counselors are specially trained volunteers who can answer your questions about Medicare and provide you with objective, easy-to-understand information about Medicare, Medicare Supplemental Insurance, Medicaid, and Long-Term Care Insurance.

For more information on APPRISE in Berks County please contact Berks Encore at 610-374-3195 or visit their website at <http://berksencore.org>.

Medicare Part D Extra Help

The Medicare Part D Extra Help Program helps Medicare consumers dramatically lower their prescription drug costs and can help save them thousands of dollars per year.



Remember, anyone who has Medicare and gets **any** help from the Medical Assistance program (even if it's just payment of the Medicare Part B premium) should automatically get the full Extra Help and doesn't need to apply. Any other Medicare beneficiary will need to apply to get this help.

How to Qualify:

Individuals must meet income and resource guidelines to qualify for Extra Help. Below are the **2018** guidelines. Please note that if someone's income and resources exceed the amounts listed below, she could still qualify for a subsidy because SSA may not count all of her income and/or resources.

Full Subsidy: Countable Income must be below 135% FPL (see table below)
Countable Resources* must be below \$9,060 (if single) / \$14,340 (if married)

Partial Subsidy: Countable Income must be below 150% FPL (see table below)
Countable Resources* must be below \$14,100 (if single) / \$28,150 (if married)

2018 Federal Poverty Levels (FPL)		
Household Size	135% (monthly income)	150% (monthly income)
1	\$1,366	\$1,518
2	\$1,852	\$2,030
3	\$2,338	\$2,598
4	\$2,824	\$3,138

*The amounts listed **include** the \$1500 per person disregard given to applicants who plan to use their assets for funeral/burial expenses.

Household size: If an applicant has a relative living with her (other than a spouse) who depends on the applicant for at least half of their financial support, this should be noted on the application. SSA will then count that person in the applicant's household but will not count the dependent relative's income (if any).

How is income counted?

All income must be reported on the Extra Help application (unless the application specifies not to report it-i.e., interest income), but some income may not be counted when SSA determines Extra Help eligibility.

- *Unearned income:* Unearned income must be reported on a monthly basis before any deductions are taken out (such as the Medicare Part B premium, child support, etc). When determining Extra Help eligibility, SSA will not count the first \$20/month of unearned income.
- *Earned income:* Earned income must be reported on a yearly basis with consumers projecting the gross amount (before taxes or deductions are taken out) they expect to earn that year. If earnings fluctuate during the year, figure the average monthly income and multiply it by twelve to project the yearly amount. When determining if the applicant meets the Extra Help income limits, SSA will not count the first \$65 of earned income and ½ of the remaining gross monthly earnings reported.

How are resources counted?

SSA asks for information about certain resources owned by an applicant/her spouse on the Extra Help application. However, SSA will not necessarily count all those resources (or the entire value of the resource) when determining whether someone qualifies for Extra Help.

- **SSA will count :**
 - Any real estate or property that someone owns that is not their primary residence
 - Liquid resources (i.e., stocks, bonds, IRAs, CDs, 401ks, annuities) unless an applicant can show that a resource cannot be converted to cash within 20 days.
- **SSA will not count:**
 - Certain resources such as the applicant's primary residence, motor vehicles, burial plots/spaces, irrevocable burial accounts, and life insurance.
 - \$1500 of liquid resources for the applicant (and \$1500 for her spouse) **unless** the individual states on the application that he/she does **not** plan to use resources to pay for funeral or burial expenses.

How to apply?

- APPRISE works with the Benefits Data Trust (BDT) to submit Extra Help applications electronically. APPRISE workers and volunteers as well as Community Partners can download a copy of the application at www.ssa.gov/prescriptionhelp and complete the paper application with the consumer.
 1. Community Partners will forward the completed paper applications every 2 weeks to the local Area Agency on Aging (AAA). Local APPRISE programs will forward the completed applications to BDT every two weeks.
 2. BDT will input the information from the paper application into the online application and submit the online application directly to SSA.

Remember to put the APPRISE PSA on the Extra Help application (bottom right of the first page) so that it can be tracked!!

- Local APPRISE programs and Community Partners can also refer consumers to the PACE Application Center (1-800-866-1807) or contact the Application Center with the

client. The Application Center is staffed by BDT and they will complete and submit the online application.

SSA does not require applicants to submit verification of the information reported. If SSA needs documentation to finish processing the application, they will contact the applicant by phone or by mail.

Application Tips:

- Review the application thoroughly to be sure that all questions are answered before submitting it to the local APPRISE program (if a Community Partner) or to BDT (if APPRISE staff/volunteer). Incomplete applications will result in delayed processing.
- Keep a copy of the completed application that is submitted. This is a grant requirement but also will be helpful if any problems arise.
- Although most applications will be submitted to BDT, in limited circumstances it may be best to submit an online application directly.
 - Make sure to note the Reentry number that will be generated so that you can get back into the application in case you are not able to complete it all at one time.
 - You will also need the applicant’s Social Security Number to access the application again. Also, make sure to keep a copy of the online application and the confirmation form (you will have the opportunity to print this once the application is submitted). The local APPRISE programs must keep the confirmation form.

Where to call if you have problems?

Contact SSA with questions or to follow-up on the status of the application-1-800-772-1213.

After the Extra Help application is processed, SSA will send a written notice telling the applicant if they qualify for Extra Help and how much help they will get. If an individual does not agree with the SSA determination, they can appeal. If someone is approved, SSA will also notify Medicare so Medicare can update their system.

Medicare Savings Programs (MSPs)

The Medicare Savings Programs help lower-income seniors and persons with disabilities pay for their Medicare Part B premium. Some individuals may also qualify for help with their Medicare deductibles and coinsurance. If someone is entitled to Medicare Part B and meets the income and resource guidelines below, he should apply for the program.

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

2018 Eligibility Guidelines for the Medicare Savings Programs			
	Monthly Income Limit	Resource Limit	Benefits
Qualified Medicare Beneficiary (QMB)	\$1,012-single person; \$1,372-married couple (<100% FPL*)	\$7,390 (single); \$11,090 (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)	\$1,012-\$1,214-single; \$1,372-\$1,646-married (100%-120% FPL*)	\$7,390 (single); \$11,090 (married)	State pays Medicare Part B premium
Qualified Individual (QI-1)	\$1,214-\$1,366-single; \$1,646-\$1,852-married (120%-135% FPL*)	\$7,390 (single); \$11,090 (married)	State pays Medicare Part B premium

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

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

Income: DHS will disregard some portion of the applicant's monthly income depending on whether it is unearned or earned income. If income is unearned (for example, Social Security or 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 above.

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, disability benefits based on parents record) only if it benefits the applicant. If the children are included, individuals can have higher income than the above chart shows and still qualify for MSP. County Assistance Office staff can answer any questions people have about this.

Resources: DHS will consider resources when determining if someone qualifies for the MSPs. 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 (except for someone's primary residence).

Even if a resource is counted, DHS may not count its entire value. For example, DHS will only count life insurance if the total face value of all policies is over \$1,500. If the face value of all policies is over this amount, then DHS looks at the cash surrender value (how much someone could get if they cashed in their policy) and counts any amount over \$1,000. If the life insurance policy is a term policy or some other type of policy that does not accumulate a cash value, then it is not counted at all.

DHS **will not** count certain resources. These 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).

How to apply?

- **Apply directly to DHS**--Individuals can download the application ([PA 600M](#)), complete it, and mail it to their local County Assistance Office 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 MSP applicants to submit certain verification documents with their application. This includes proof of income, resources, address, identification, and social security card. The application specifies what types of documents should be submitted.

- **Use MIPPA Process to generate MSP application**--This process can only work for those individuals **who APPRISE verifies are not already getting any Extra Help from Medicare**. In this process an Extra Help application is submitted to SSA. After SSA determines eligibility, they send the Extra Help application data to DHS. DHS

treats this data as an application for MSP and determines MSP eligibility using only that data (they do not look behind this data and they do not ask for any verification). Since the Extra Help program does not consider life insurance or in-kind support and maintenance, DHS will not have (and will not ask for) this information when determining MSP eligibility under the MIPPA process. After the MSP application is processed, individuals should receive a notice telling them whether they qualify or not and explaining their appeal rights if they do not agree with DHS' decision.

APPRISE representatives, volunteers and partners should help someone apply for **both** the MSP and Extra Help and not rely on the MIPPA process. *The MIPPA process should **only** be used in rare cases when APPRISE has verified someone is not already getting any Extra Help and the person has resources (i.e., life insurance, motor vehicles) that would make him ineligible should he apply directly to the County Assistance office for the MSP.*



F.Y.I.

Application Tips:

- **Remember to put the APPRISE PSA on the MSP application so that it can be tracked!!**
- 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, then call the CAO a week after the application is mailed to make sure that it has been received and is in the system for processing.
- APPRISE staff, volunteers, and partners should follow-up with consumers they help about 4-6 weeks after the application was submitted to see if they have received a notice of eligibility. See below for contact information if additional follow-up with DHS is needed.
- If APPRISE staff, volunteers, and partners help someone apply for Extra Help only and are counting on the MIPPA process to work, they should contact the consumer 4-6 weeks after the Extra Help application was submitted to see if he heard back from SSA. Follow-up with DHS may be necessary to see if the SSA data was received and to see if they are processing MSP application using MIPPA process.

Where to call if you have problems

- Contact the MA Ombudsman at the local DHS County Assistance Office.
- If you cannot reach the MA Ombudsman, you can contact the DHS Customer Service Center (1-877-395-8930). They can look into the system and check on the status of an application or whether benefits have been approved. If additional follow-up is needed, they can forward a message to the County Assistance Office for further follow-up. You must have the consumer on the phone with you (or in your office) in order to talk to the Customer Service Center.
- PA Health Law Project-Fran Chervenak (412-434-5779) or Erin Guay (412-434-4728)

Getting the Benefit

If MSP is approved, it can take 2-3 months for all the systems to communicate and for the Part B premium to stop coming out of the person's Social Security check (or for premium bills to stop coming if the person pays the premium directly). Once DHS starts to pay the premium, the person will be reimbursed for the premiums already paid retroactive to the MSP start date.

Reimbursements will come in whatever way the person receives their monthly Social Security benefits (either by direct deposit or by a check sent via mail).

If MSP is denied, the consumer can appeal within 30 days of the date of the notice. The denial notice includes instructions for appealing.