



Beneficiaries Dually Eligible for Medicare & Medicaid



What's Changed?

We added information on Qualified Medicare Beneficiary billing prohibitions (page 7).

Substantive content changes are in dark red.

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)
- People of any age with ESRD

Medicare has 4 parts:

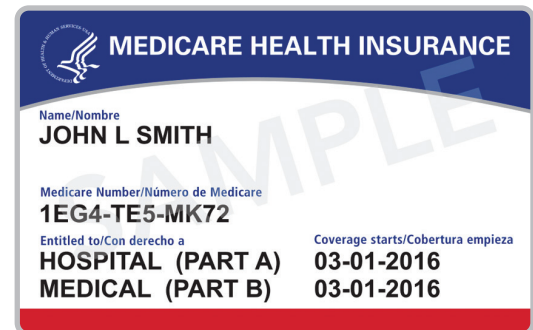
1. **Part A — Hospital Insurance** includes inpatient hospital, inpatient skilled nursing facility (SNF), hospice, and some home health services
2. **Part B — Medical Insurance** includes physician services, outpatient care, DME, lab and X-ray services, home health services, and many preventive services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

Enrollees 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 most plans

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](#)



Medicaid Program

Medicaid is a joint federal and state program that provides health insurance for certain people 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

The Medicare Part D low income subsidy (LIS) program, also referred to as the [Extra Help Program](#), helps pay enrollees' 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.

Dually Eligible Beneficiaries

Dually eligible beneficiaries are eligible for both Medicare and Medicaid. They include patients in Medicare Part A, Part B, or both, and those getting full Medicaid benefits or help with Medicare premiums or cost-sharing through 1 of these [Medicare Savings Program \(MSP\)](#) eligibility groups:

- **Qualified Medicare Beneficiary (QMB):** Covers Part A and Part B premiums, [deductibles, coinsurance, and copayments](#).
- **Specified Low-Income Medicare Beneficiary (SLMB):** Covers only Part B premiums.
- **Qualifying Individual (QI):** Covers only Part B premiums (people enrolled in this program can't have any other Medicaid eligibility).
- **Qualified Disabled Working Individual (QDWI):** Covers only Part A premiums for certain people under age 65 with disabilities who return 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 for care directly through Fee-for-Service (FFS) coverage. Others offer Medicaid through managed care or other integrated care models.

Medicare providers **can't** bill QMB patients for Medicare cost-sharing. This includes [deductibles, coinsurance, and copayments](#). In some cases, a patient 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 mandatory services through their Medicaid programs, which include:

- Physician services
- Inpatient and outpatient hospital services
- Lab and X-ray services
- Nursing facility services
- Medication-assisted treatment

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

- Dental services
- Other diagnostic screening, preventive, and rehabilitative services
- Needed medications
- Physical therapy
- Prosthetic devices
- Vision and eyeglasses
- Children who are dually eligible beneficiaries get 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 raise those limits above the federal floor using disregards (except for QDWIs). We update dually eligible beneficiary standards annually.

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

Table 1. Qualified Medicare Beneficiary (QMB) Only Without Other Medicaid

Benefits & Qualifications	Description
Benefits	<ul style="list-style-type: none"> • Medicaid covers Part A (if any) and Part B premiums. • Medicaid covers 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	<ul style="list-style-type: none"> • Income can be up to 100% of the federal poverty level (FPL). • Resources can be up to 3 times the Supplemental Security Income (SSI) resource limit, increased annually by the consumer price index (CPI). • Enrolled in: <ul style="list-style-type: none"> • Part A • For those without Part A, depending on the state, either: <ul style="list-style-type: none"> ▪ Part B only ▪ Part B and conditional Part A <p>Social Security Administration Program Operations Manual System section HI 00801.140 has more information.</p>

Table 2. Qualified Medicare Beneficiary Plus (QMB+)

Benefits & Qualifications	Description
Benefits	<ul style="list-style-type: none"> • Medicaid covers Part A (if any) and Part B premiums. • Medicaid covers 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-benefit Medicaid coverage (see Table 7) plus Medicare premiums and cost-sharing coverage.
Qualifications	<ul style="list-style-type: none"> • Meet QMB-related eligibility requirements in Table 1. • Enrolled in full Medicaid coverage (beyond Medicare premiums and cost-sharing coverage).

Table 3. Specified Low-Income Medicare Beneficiary (SLMB) Only Without Other Medicaid

Benefits & Qualifications	Description
Benefits	Medicaid pays Part B premium.
Qualifications	<ul style="list-style-type: none"> • Income between 100%–120% of FPL • Resources can be up to 3 times the SSI resource limit, increased annually by the CPI • Enrolled in Part A

Table 4. Specified Low-Income Medicare Beneficiary Plus (SLMB+)

Benefits & Qualifications	Description
Benefits	<ul style="list-style-type: none"> • Medicaid pays Part B premium • Get full-benefit Medicaid coverage (see Table 7) plus Medicare Part B premium coverage
Qualifications	<ul style="list-style-type: none"> • Meet SLMB-related eligibility requirements in Table 3 • Meet full-benefit Medicaid eligibility requirements in Table 7

Table 5. Qualifying Individual (QI)

Benefits & Qualifications	Description
Benefits	Medicaid pays Part B premium.
Qualifications	<ul style="list-style-type: none"> • Income between 120%–135% of FPL • Resources can be up to 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 6. Qualified Disabled Working Individual (QDWI)

Benefits & Qualifications	Description
Benefits	Medicaid pays Part A premium.
Qualifications	<ul style="list-style-type: none"> Income up to 200% of FPL. Resources up to 2 times the SSI resource limit. People 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.

Table 7. Full-Benefit Medicaid

Benefits & Qualifications	Description
Benefits	<ul style="list-style-type: none"> 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. <ul style="list-style-type: none"> States must cover some of these groups (like 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 people. Dually eligible beneficiaries who get only Medicaid are enrolled in Part A or Part B (or both) and qualify for full Medicaid benefits but not for MSP groups. States may pay their Part B premium.
Qualifications	<ul style="list-style-type: none"> 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.

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 if you expect Medicare to 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 charge the beneficiary only in these circumstances:
 - If they have QMB coverage without full Medicaid coverage and Medicare denies the claim, the ABN could allow you to shift financial responsibility to them under Medicare policy.
 - If they have 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 them under Medicare policy, subject to state laws that limit beneficiary responsibility.

[ABN Form and Instructions](#) has more information.

QMB Billing Prohibitions

- All Original Medicare and MA providers and suppliers (not only those that accept Medicaid) **can't** charge QMBs Medicare Part A and Part B cost-sharing for covered services.
- Providers and suppliers may bill state Medicaid programs for these costs, but states can limit Medicare cost-sharing payments under certain circumstances. This applies even if the provider or supplier doesn't participate in Medicaid.
Note: QMBs may have a small Medicaid copayment.
- Providers should use the Medicare 270/271 [HIPAA Eligibility Transaction System \(HETS\)](#) and the [Medicare Remittance Advice and Medicare Summary Notice \(MSN\)](#) messages to identify whether a beneficiary is a QMB and owes no Medicare cost-sharing.
- MA providers and suppliers should contact the MA Plan to learn the best way to identify the QMB status of plan members both before and after claims submission.
- Providers and suppliers may verify beneficiaries' QMB status through automated Medicaid eligibility-verification systems in the state where the person lives or by asking them for other proof, like their Medicaid identification card, MSN, or other QMB status documentation.
- Providers who inappropriately bill people enrolled in QMB are subject to sanctions.
- 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.
- Providers and suppliers can't charge people enrolled in QMB even if their QMB benefit is from a different state than the state where they get care.
- Certain types of providers may seek payment for Medicare deductible and coinsurance amounts as a Medicare bad debt. The [Provider Reimbursement Manual - Part 1](#) has more information about bad debts.

Many beneficiaries are unaware of the billing restrictions (or concerned about damaging relationships with providers) and sometimes pay the cost-sharing amounts. Others may experience undue distress when unpaid bills are referred to collection agencies. [Access to Care Issues Among Qualified Medicare Beneficiaries \(QMB\)](#) 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](#)

View the [Medicare Learning Network® Content Disclaimer and Department of Health & Human Services Disclosure](#).

The Medicare Learning Network®, MLN Connects®, and MLN Matters® are registered trademarks of the U.S. Department of Health & Human Services (HHS).