

# SHIBA Medicare & Medicaid workbook

April 1, 2025

Statewide Health Insurance Benefits Advisors  
(SHIBA)

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# Message from the SHIBA CTC

Dear Counselors,

As the curriculum & training coordinator (CTC), I deeply value your input in shaping effective training materials. Your feedback is crucial as we strive to refine and enhance resources to better support you in your role as Medicare counselors.

This workbook is designed to build your skills and knowledge through case scenarios and activities that encourage reflection and discussion. You are welcome to focus on the sections most relevant to your experience and expertise—there's no need to study all the material. Please take time to engage with the parts that interest you, jot down your insights, and share your thoughts during our sessions.

Your dedication to learning makes a meaningful difference in the lives of beneficiaries. Thank you for your commitment and for being an integral part of our team. I look forward to hearing your feedback and suggestions!

Best regards,

Elena Garrison  
SHIBA Training & Curriculum Coordinator  
Elena.Garrison@oic.wa.gov

# 2025 Rainbow Chart

Program	Income Limit by Household Size		Need to Apply for LIS?	Copay/ coinsurance plan's formulary drugs
	1	2		
<b>Categorically Needy (CN) / Medicaid (S01, S02)</b> CN, QMB+, and SLMB+ are full dual eligible	<b>\$967</b>	<b>\$1,450</b>	NO	Copay: up to \$1.55 generic / \$4.60 brand Catastrophic Copay: \$0
<i>Resource Limit</i>	<i>\$2,000</i>	<i>\$3,000</i>		
<b>Medically Needy (MN) / Spenddown Income basis (S95, S99)</b>	<b>&gt; \$967</b>	<b>&gt; \$967 per individual</b>	NO	Copay: up to \$4.90 generic/ \$12.15 brand Catastrophic Copay: \$0
<i>MN Resource Limit</i>	<i>\$2,000</i>	<i>\$3,000</i>		
<b>MSP- QMB Income Limit 110% FPL (S03)</b> <i>No Resource/Asset Limit as of 1/1/2023</i>	<b>\$1,454</b>	<b>\$1,959</b>	NO	Copay: up to \$4.90 generic/ \$12.15 brand Catastrophic Copay: \$0
<b>MSP- SLMB Income Limit 120% FPL (S05)</b> <i>No Resource/Asset Limit as of 1/1/2023</i>	<b>\$1,585</b>	<b>\$2,136</b>	NO	Copay: up to \$4.90 generic/ \$12.15 brand Catastrophic Copay: \$0
<b>MSP- QI-1 Income Limit 138% FPL (S06)</b> <i>No Resource/Asset Limit as of 1/1/2023</i>	<b>\$1,820</b>	<b>\$2,453</b>	NO	
<b>Extra Help</b> <b>Income Limit 138% FPL</b> <i>Apply for MSP to eliminate Resource/Asset Limit</i>	<b>\$1,820</b>	<b>\$2,453</b>	NO <i>If approved for MSP first</i>	Copay: up to \$4.90 generic/ \$12.15 brand Catastrophic Copay: \$0
<b>Extra Help (effective 1/1/2024)</b> <b>Income Limit based on SSA guidelines</b>	<b>\$1,903</b>	<b>\$2,575</b>	YES	Copay: up to \$4.90 generic/ \$12.15 brand Catastrophic Copay: \$0
<i>Resource Limit</i>	<i>\$17,600</i>	<i>\$35,130</i>		

# Assistance programs overview

Programs like Medicaid, Medicare Savings Programs (MSPs), and Extra Help significantly assist limited-income beneficiaries in managing healthcare costs. Counselors play a crucial role in guiding beneficiaries to these resources and ensuring they access the benefits they are entitled to.

The **Rainbow Chart** is an important tool for SHIBA counselors when it comes to low-income assistance programs. Counselors can rely on the chart to screen beneficiaries and provide accurate guidance.

## Eligibility Criteria

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### Income and Resource Limits

Eligibility for these programs depends on **income** and, in some cases, **resources or assets**. Resources are defined as liquid assets, such as savings accounts and investments, and do not include a home, car, or personal property.

- **Income Limits:** Income limits apply to all three programs (Medicaid, MSP, & Extra Help) and are based on a percentage of the Federal Poverty Level (FPL), which is recalculated and published annually.
  - The new FPL guidelines are typically applied to **Extra Help** starting in February. In 2025 FPL is \$15,650 for 1-person household and \$21,150 for 2-person household.
  - For Washington State's programs, income limits become effective as of April 1.
- **Resource Limits:** Resource limits are relevant for the following programs:
  - Full Medicaid Programs:
    - Categorically Needy (CN) and Medically Needy (MN), as indicated on the rainbow chart.

- Extra Help Program:
  - For individuals with income limit above \$1,820/ \$2,45<sup>1</sup>3 and below \$1,903/ \$2,575

## **Determining Eligibility for State Programs**

The Department of Social and Health Services (DSHS) and the Health Care Authority (HCA) administer Medicaid programs, including MSPs:

- DSHS: Processes applications and renewals and determines eligibility.
- HCA: Manages contracts, benefits (e.g. pays Part B premiums), and provides Beneficiary/community support.

## **Counselor corner**

As SHIBA counselors, it's important to understand that we screen for eligibility but do not determine it. If a Beneficiary seems eligible, we encourage them to apply, and provide assistance with the process.

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<sup>1</sup> 1-person household/ 2-person household



# Rainbow chart help guide

## SSI-Related Medicaid (DSHS) (Also known as Categorically Needy (CN) Medicaid – S01, S02)

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### General Eligibility Information<sup>2</sup>:

To qualify, an applicant must meet the following criteria:

- Be 65 or older OR
- Meet the Social Security Administration (SSA) definition of blindness OR meet the SSA definition of disability AND
- Have income and resources at or below the standards for SSI-Related Medicaid.

Program	Household size	
	1	2
<b>Categorically Needy (CN) / Medicaid (S01, S02)</b> CN, QMB+, and SLMB+ are full dual eligible programs	<b>\$967</b>	<b>\$1,450</b>
<i>SSI Resource Limit</i>	<i>\$2,000</i>	<i>\$3,000</i>

### Counselor Action: Supporting Clients with CN Medicaid Coverage

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Counselors play a crucial role in helping clients understand and use their CN Medicaid benefits. When assisting clients, be sure to:

#### **Explain Coverage & Benefits:**

- Medicare pays first and Medicaid pays last.
- Most individuals receive QMB benefits.
  - Part A and B premiums are covered & late enrollment penalties are waived

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<sup>2</sup> See *Eligibility Overview* at: <https://www.hca.wa.gov/assets/free-or-low-cost/22-315.pdf>

- Medicare providers may not charge QMB beneficiaries Medicare deductibles, coinsurances, or copays (known as **balance billing**)<sup>3</sup>
  - If the client is enrolled in a Medicare Advantage Prescription Drug (MA-PD) plan, they will have **NO** co-pays or deductibles for services covered by Original Medicare (Parts A & B).
- Clients are automatically eligible ("deemed") for Extra Help with Part D prescription drug costs:
  - May have small co-pays.
  - Part D late enrollment penalties are waived.
- CN Medicaid also provides additional benefits that Medicare does not cover, including:
  - Dental benefits
  - Transportation to medical appointments
  - Certain over-the-counter (OTC) medications

***Guide Clients on Next Steps & Responsibilities:***

- Refer clients to SSA if they need to apply for Supplemental Security Income (SSI), as SSI recipients **automatically qualify for CN Medicaid** unless they decline to provide medical insurance details or assign insurance recovery rights.
- If client is not on SSI, help with the benefits application in one of the following ways:
  - Explain the application process:
    - ✓ Clients can apply online at [www.washingtonconnection.org](http://www.washingtonconnection.org) or
    - ✓ Submit a paper application (HCA 18-005).
  - Assist in filling out the application on their behalf.
    - ✓ On *Your Needs* page under Washington Health-- check the following boxes (see the image below)
      - ✓ Health Care Coverage - Everyone applying is 65 or older, blind or disabled

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<sup>3</sup> See February CE Workbook p. 10-12 for more information on improper

✓ Medicare Savings Program

- Refer the client to SHIBA or other community-based organizations, such as Area Agency on Aging for further application assistance.

**Go To**

- ZIP Code
- **Your Needs**

5% Complete

**Your Needs** [Help with this Page](#)

Select all the benefits you need.

Cash Assistance	
<input type="checkbox"/>	Cash

Food Assistance	
<input type="checkbox"/>	Basic Food

Washington Apple Health	
<input checked="" type="checkbox"/>	Health Care Coverage - Everyone applying is 65 or older, blind or disabled
<input checked="" type="checkbox"/>	Medicare Savings Program
<input type="checkbox"/>	Healthcare / Workers with Disabilities (HWD)

Child Care Assistance	
<input type="checkbox"/>	Child Care Subsidy Programs

Long Term Services and Supports	
<input type="checkbox"/>	Care in your home
<input type="checkbox"/>	Care in a residential facility: Assisted Living/Adult Family Home/Other
<input type="checkbox"/>	Care in a nursing home
<input type="checkbox"/>	Tailored Supports For Older Adults (TSOA)

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[Save and Finish Later](#)

**Advise:**

- Advise clients to confirm that their providers accept both Medicare and Medicaid assignments to avoid unexpected costs.
- Encourage them to always show both their Medicare or Medicare Advantage (MA) plan card and ProviderOne (Medicaid) card when visiting providers.
- Remind client to pay attention to any correspondence they receive from DSHS and respond to DSHS Eligibility Reviews (typically required annually) to maintain coverage.
- Advise clients to review their Part D or MAPD plan annually to ensure they have the most cost-effective coverage for their needs.

## QMB Plus (QMB+)

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QMB Plus is a term for Medicare beneficiaries who qualify for both Qualified Medicare Beneficiary (QMB) and full Medicaid benefits. QMB Plus beneficiaries receive benefits from both Medicare & Medicaid programs. Medicaid may cover additional benefits not covered by Medicare.

### Eligibility

- Must be eligible for Medicare.
- Must be eligible for Medicaid
  - Meet the Medically Needy standards, or through spending down excess income to the Medically Needy level.
- To qualify for QMB Plus, a person must meet the **income & resource requirements for full Medicaid coverage**
  - Income \$967 for an individual & \$1450 for 2-person household
  - Resources that do not exceed \$2,000 for an individual, and \$3,000 for 2-person household

## Counselor Action: Supporting Clients with QMB plus

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### ***Explain Coverage & Benefits:***

- QMB Plus beneficiaries receive all benefits available to QMB beneficiaries.
  - Pays Part A and Part B premiums, late enrollment penalties are waived
  - Medicare providers may not charge QMB beneficiaries Medicare deductibles, coinsurances, or copays (known as **balance billing**)<sup>4</sup>
- They also receive all benefits available to fully eligible Medicaid recipients.
  - This can include services not covered by Medicare, such as dental, hearing, and vision care.
- Clients are automatically eligible ("deemed") for Extra Help with Part D prescription drug costs:

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<sup>4</sup> See February CE Workbook p. 10-12 for more information on improper

- May have small co-pays.
- Part D late enrollment penalties are waived.

### ***Guide Clients on Next Steps & Responsibilities:***

Help a client with the application in one of the following ways:

- Explain the application process:
  - Clients can apply online at [www.washingtonconnection.org](http://www.washingtonconnection.org) or submit a paper application (HCA 18-005).
- Assist in filling out the application on their behalf.
  - On *Your Needs* page under Washington Health-- check the following boxes:
    - ✓ Health Care Coverage - Everyone applying is 65 or older, blind or disabled
    - ✓ Medicare Savings Program
- Refer the client to SHIBA or other community-based organizations, such as Area Agency on Aging for further application assistance.

### ***Advise:***

- Advise clients to confirm that their providers accept both Medicare and Medicaid assignments to avoid unexpected costs.
- Encourage them to always show both their Medicare or Medicare Advantage (MA) plan card and ProviderOne (Medicaid) card when visiting providers.
- Remind client to pay attention to any correspondence they receive from DSHS and respond to DSHS Eligibility Reviews (typically required annually) to maintain coverage.
- Advise clients to review their Part D or MAPD plan annually to ensure they have the most cost-effective coverage for their needs.

## **SLMB Plus (SLMB+)**

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SLMB Plus is a program that provides benefits from both the Specified Low-Income Medicare Beneficiary (SLMB) program and Medicaid. Individuals qualify for SLMB

Plus if they meet the income requirements for SLMB and also qualify for full Medicaid benefits.

## **Eligibility**

- Must be eligible for Medicare
- Client is enrolled in Medicaid, for example Long-term Services and Support (LTSS)
  - Have resources that do not exceed the limit for SSI eligibility (\$2,000 for an individual, and \$3,000 for 2-person household)
- Meet the income standards for SLMB eligibility

## **Counselor Action: Supporting Clients with SLMB Plus**

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When assisting clients, be sure to:

### ***Explain Coverage & Benefits:***

- Pays Medicare Part B premiums, Part B late enrollment penalties are waived
- Clients are automatically eligible ("deemed") for Extra Help with Part D prescription drug costs:
  - May have small co-pays.
  - Part D late enrollment penalties are waived.
- Provides all Medicaid benefits available to full dual eligible enrollees.

### ***Guide Clients on Next Steps & Responsibilities:***

Help a client with the application in one of the following ways:

- Explain the application process:
  - Clients can apply online at [www.washingtonconnection.org](http://www.washingtonconnection.org) or submit a paper application (HCA 18-005).
- Assist in filling out the application on their behalf.

- On *Your Needs* page under Washington Health-- check the following boxes:
  - ✓ Health Care Coverage - Everyone applying is 65 or older, blind or disabled
  - ✓ Medicare Savings Program
- Refer the client to SHIBA or other community-based organizations, such as Area Agency on Aging for further application assistance.

***Advise:***

- Advise clients to confirm that their providers accept both Medicare and Medicaid assignments to avoid unexpected costs.
- Encourage them to always show both their Medicare or Medicare Advantage (MA) plan card and ProviderOne (Medicaid) card when visiting providers.
- Remind client to pay attention to any correspondence they receive from DSHS and respond to DSHS Eligibility Reviews (typically required annually) to maintain coverage.
- Advise clients to review their Part D or MAPD plan annually to ensure they have the most cost-effective coverage for their needs.

**Counselor corner: QMB+ & SLMB+**

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- Use the rainbow chart to verify eligibility criteria and reference program details.
- Encourage MSP application for eligible individuals.
  - They will be automatically enrolled in Extra Help.
- Support beneficiaries with application processes through Washington Connection and other resources.

## Medically Needy (MN) / Spenddown (S095, S99)

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### General Eligibility Information<sup>5</sup>:

This program is for individuals whose income exceeds the limits for SSI-Related Medicaid (CN Medicaid) but who have high healthcare costs.

Eligibility for CN is determined first and eligibility for MN or other programs is determined only if the individual is not eligible for CN.

Program	Household size	
	1	2
Medically Needy (MN) /Spenddown Income basis (S95, S99) Medicaid Income Limit	> \$967/per individual	> \$967/per individual
MN Resource Limit	\$2,000	\$3,000

### How Spenddown Works<sup>6</sup>:

- The **spenddown amount** is the difference between the individual's income and the Medicaid income limit.
- Example:
  - A Medicare recipient earns \$1,200/month.
  - Washington's Medicaid income limit is \$967/month.
  - The individual must spend \$237 per month on healthcare-related costs before Medicaid coverage begins.
  - If they spend \$250, Medicaid will cover the additional \$13.
- **Base period:** The individual is given 3 or 6 months to meet their spenddown amount.

<sup>5</sup> See *Eligibility Overview* at: <https://www.hca.wa.gov/assets/free-or-low-cost/22-315.pdf>

<sup>6</sup> See Appendix A for more on Spenddown & Spenddown calculator

<https://www.medicaidplanningassistance.org/medicaid-spend-down-calculator/>



- Once the spenddown is met, they receive MN healthcare coverage for the remainder of the base period.

## **Counselor Action: Supporting Medically Needy Clients**

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### ***Explain Coverage:***

- This program works best for individuals with high medical expenses (see Appendix p. A), such as hospital stays.
- Medicare pays first, and Spenddown Medicaid coverage only applies after the client meets their spenddown amount and lasts only for the remainder of the base period.
- Once the spenddown is met, and only for the remainder of their base period, clients should not be billed for any remaining balance after Medicare pays for Part A & B-covered services
- Coverage is almost the same as Categorically Needy (CN) Medicaid, but only after meeting the spenddown requirement.
- Clients are automatically eligible ("deemed") for Extra Help with Part D prescription drug costs:
  - May have small co-pays.
  - Part D late enrollment penalties are waived.
- Charity Care programs<sup>7</sup> may help cover the spenddown amount in some cases.

### ***Guide Clients on Next Steps & Responsibilities:***

Help a client with the application in one of the following ways:

- Explain the application process:
  - Clients can apply online at [www.washingtonconnection.org](http://www.washingtonconnection.org) or submit a paper application (HCA 18-005).
- Assist in filling out the application on their behalf.

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<sup>7</sup> <https://www.wsha.org/for-patients/financial-assistance/washingtons-charity-care-law/>

- On *Your Needs* page under Washington Health-- check the following boxes:
  - ✓ Health Care Coverage - Everyone applying is 65 or older, blind or disabled
  - ✓ Medicare Savings Program
- Refer the client to SHIBA or other community-based organizations, such as Area Agency on Aging for further application assistance.

***Advise:***

- Advise clients to confirm that their providers accept both Medicare and Medicaid assignments to avoid unexpected costs.
- Encourage them to always show both their Medicare or Medicare Advantage (MA) plan card and ProviderOne (Medicaid) card when visiting providers.
- Remind client to pay attention to any correspondence they receive from DSHS and respond to DSHS Eligibility Reviews (typically required annually) to maintain coverage.
- Advise clients to review their Part D or MAPD plan annually to ensure they have the most cost-effective coverage for their needs.

## **SHIBA counseling on Medicaid programs**

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As SHIBA counselors, we do not provide in-depth counseling on Medicaid-specific programs beyond the strategies outlined above. This includes programs such as Medically Needy and Categorically Needy, as well as Specified Low-Income Medicare Beneficiary Plus (SLMB+) and Qualified Medicare Beneficiary Plus (QMB+), which are full Medicaid-related benefits.

While these programs interact with Medicare, their eligibility, application process, and administration are managed through Medicaid. When clients require complex assistance, we should refer them directly to their local Medicaid office or the appropriate state agency to ensure they receive accurate and comprehensive guidance.

Our role is to assist beneficiaries with Medicare-related questions and benefits, specifically those related to Medicare Savings Programs (MSPs) such as Qualified

Medicare Beneficiary (QMB), Specified Low-Income Medicare Beneficiary (SLMB), and Qualifying Individual (QI-1).

That said, counseling on Medicaid-related topics may be provided at the counselor’s discretion, but only if the counselor is well-versed in these programs and confident in their ability to offer accurate guidance. If there is any uncertainty, it is best to refer the beneficiary to Medicaid experts to ensure they receive the most reliable and up-to-date information.

## **Medicare Savings Program – Qualified Medicare Beneficiary (QMB) (DSHS) (S03)**

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### ***General Eligibility Information:***<sup>8</sup>

To qualify for QMB, an individual must:

- Be entitled to Medicare (any age).
- Have an income below 110% of the Federal Poverty Level (FPL).

Program	Household size	
	1	2
MSP- QMB Income Limit 110% FPL (S03) <i>No Resource/Asset Limit as of 1/1/2023</i>	\$1,454	\$1,959

<sup>8</sup> See *Eligibility Overview* at: <https://www.hca.wa.gov/assets/free-or-low-cost/22-315.pdf>

## **Counselor Action: Assisting Clients with the QMB Program**

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Counselors should ensure clients understand the Qualified Medicare Beneficiary (QMB) program, how it helps with Medicare costs, and what steps they need to take to apply and maintain benefits. When assisting clients, be sure to:

### ***Explain Coverage & Benefits:***

- The QMB program is a cost-sharing program, not full CN Medicaid.
- HCA pays the Medicare Part A & B premiums for QMB enrollees. The late enrollment penalties are waived.
- QMB also covers Medicare Part A & B co-payments and deductibles for services covered under Original Medicare (Parts A & B), but only if the provider accepts both Medicare and Medicaid.
  - CMS guidelines<sup>9</sup> prohibit balance billing for QMB enrollees, thus providers are prohibited from charging QMB enrollees any co-pays or cost-sharing.
- Clients are automatically eligible ("deemed") for Extra Help with Part D prescription drug costs:
  - May have small co-pays.
  - Part D late enrollment penalties are waived.

### ***Guide Clients on Next Steps & Responsibilities:***

Help a client with the application in one of the following ways:

- Explain the application process:
  - Clients can apply online at [www.washingtonconnection.org](http://www.washingtonconnection.org) or submit a paper application (HCA 18-005).
- Assist in filling out the application on their behalf.
  - On *Your Needs* page under Washington Health-- check the following boxes:

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<sup>9</sup> <https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/se1128.pdf>

- ✓ Health Care Coverage - Everyone applying is 65 or older, blind or disabled
- ✓ Medicare Savings Program
- Refer the client to SHIBA or other community-based organizations, such as Area Agency on Aging for further application assistance.

**Advise:**

- Advise clients to confirm that their providers accept both Medicare and Medicaid assignments to avoid unexpected costs.
- Encourage them to always show both their Medicare or Medicare Advantage (MA) plan card and ProviderOne (Medicaid) card when visiting providers.
- Remind client to pay attention to any correspondence they receive from DSHS and respond to DSHS Eligibility Reviews (typically required annually) to maintain coverage.
- Advise clients to review their Part D or MAPD plan annually to ensure they have the most cost-effective coverage for their needs.

**Medicare Savings Program – SLMB or QI-1 Level (DSHS) (S05, S06)**

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**General Eligibility Information<sup>10</sup>:**

To qualify, an individual must:

- Be entitled to Medicare (any age).
- Meet the income limits:
  - SLMB (Specified Low-Income Medicare Beneficiary): Income below 120% of the Federal Poverty Level (FPL).
  - QI-1 (Qualifying Individual): Income below 138% of the FPL.

Program	Household size	
	1	2

<sup>10</sup> See Eligibility Overview at: <https://www.hca.wa.gov/assets/free-or-low-cost/22-315.pdf>

MSP- SLMB Income Limit 120% FPL (S05) <i>No Resource/Asset Limit as of 1/1/2023</i>	\$1,585	\$2,136
MSP- QI-1 Income Limit 138% FPL (S06) <i>No Resource/Asset Limit as of 1/1/2023</i>	\$1,820	\$2,453

## **Counselor Action: Assisting Clients with the SLMB/QI Program**

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Counselors should help clients understand the Specified Low-Income Medicare Beneficiary (SLMB) and Qualified Individual (QI) programs, how they assist with Medicare costs, and what actions clients need to take. When assisting clients, be sure to:

### ***Explain Coverage & Benefits:***

- These programs only cover the Medicare Part B premium. Part B late enrollment penalties are waived. Beneficiaries will still be responsible for Medicare Part A & B deductibles, co-pays, and coinsurance, including any costs under a Medicare Advantage (MA) plan.
- Clients are automatically eligible ("deemed") for Extra Help with Part D prescription drug costs:
  - May have small co-pays: up to \$4.90 generic/\$12.15 brand/  
Catastrophic Copay: \$0
  - Part D late enrollment penalties are waived.

### ***Guide Clients on Next Steps & Responsibilities:***

Help a client with the application in one of the following ways:

- Explain the application process:
  - Clients can apply online at [www.washingtonconnection.org](http://www.washingtonconnection.org) or submit a paper application (HCA 18-005).
- Assist in filling out the application on their behalf.

- Refer the client to SHIBA or other community-based organizations, such as Area Agency on Aging for further application assistance.

**Advise:**

- Advise clients to confirm that their providers accept both Medicare and Medicaid assignments to avoid unexpected costs.
- Encourage them to always show both their Medicare or Medicare Advantage (MA) plan card and ProviderOne (Medicaid) card when visiting providers.
- Remind client to pay attention to any correspondence they receive from DSHS and respond to DSHS Eligibility Reviews (typically required annually) to maintain coverage.
- Advise clients to review their Part D or MAPD plan annually to ensure they have the most cost-effective coverage for their needs.

**Extra Help (Social Security)**

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**General Eligibility Information:<sup>11</sup>**

To qualify, an individual must:

- Be entitled to Medicare (any age).
- For those with income below 138% of the Federal Poverty Level (FPL), resource limit is not considered.
- For those with income above 138% of the Federal Poverty Level (FPL), there is resource limited (see the chart below), based on the income chart.

**Note:** Clients applying for the Medicare Savings Program (MSP) (up to 135% FPL) are NOT subject to the resource/asset limit for Extra Help.

Program	Household size	
	1	2

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<sup>11</sup> For details on costs breakdown, see "2024 Extra Help/LIS Co pay Levels & Costs": <https://www.insurance.wa.gov/media/6514>

<b>Extra Help</b> <b>Income Limit 138% FPL</b> <i>Apply for MSP to eliminate Resource/Asset Limit</i>	\$1,820	\$2,453
<b>Extra Help (effective 1/1/2024)</b> <b>Income Limit based on SSA guidelines</b>	\$1,903	\$2,575
<i>Resource Limit</i>	\$17,600	\$35,130

## **Counselor Action: Assisting Clients with the Extra Help Program**

Counselors should help clients understand the Extra Help program, which provides financial assistance with prescription drug costs, and guide them through the application process if needed. When assisting clients, be sure to:

### ***Explain Extra Help Part D Coverage & Benefits:***

- \$0 or a low-cost Part D premium
- Part D premium late enrollment penalties are waived
- No deductibles
- Out-of-pocket prescription drug costs will be:
  - Up to \$4.90 for generic drugs
  - Up to \$12.15 for brand-name drugs

### ***Guide Clients on Next Steps & Responsibilities:***

- Beneficiaries automatically qualify for Extra Help coverage if:
  - They have both Medicare and full Medicaid
  - They're in a Medicare Savings Program
  - They get Supplemental Security Income (SSI) benefits

These beneficiaries will get a Deemed Status Notice<sup>12</sup> (PURPLE Notice No.11166), informing them of their eligibility.

- If an individual does not automatically qualify for Medicare Extra Help, they must apply through the Social Security Administration (SSA). This can be done

<sup>12</sup> See Appendix B



by calling SSA, visiting a local office, or applying online to determine eligibility.

- Help a client with the SSA Extra Help application in one of the following ways:
  - Explain the application process and provide the website link: <https://www.ssa.gov/medicare/part-d-extra-help>
  - Guide the client through completing the application.
  - Assist in filling out the application on their behalf.
  - Refer the client to SHIBA or other community-based organizations, such as Area Agency on Aging for further application assistance.

***Advise:***

- Remind client to pay attention to any correspondence they receive from:
  - DSHS, for those who automatically qualified due to MSP eligibility, regarding eligibility and respond to DSHS Eligibility Reviews (typically required annually) to maintain coverage.
  - Social Security Administration (SSA), for those who applied through Social Security, to maintain their Extra Help benefits
- Advise clients to review their Part D or MAPD plan annually to ensure they have the most cost-effective coverage for their needs.

# ProviderOne services card

Dual eligible individuals, including those enrolled through MSP, receive a ProviderOne services card, also known as an Apple Health services card, which serves as proof of their eligibility for Apple Health (Medicaid) coverage. This card serves as proof of eligibility for Apple Health coverage and is needed to access healthcare services, make appointments, and obtain prescriptions. To replace the lost card, beneficiaries must call the HCA at 1- 800-562-3022.



Three cards:

- ProviderOne services card
- Medicare card
- Plan ID card (for those who've chosen a Medicare Advantage)

All cards should be kept, as they are required to access healthcare services.

# Medicaid Basics

Medicaid is a network of statewide health care programs cooperatively funded by federal and state governments. Each state administers its own program. In Washington state, the Medicaid program is called Apple Health. Washington follows broad federal guidelines, statutes, regulations, and policies when administering Apple Health (Medicaid).

Apple Health includes:

- **Classic Medicaid:** For individuals age 65 and older, with blindness or a disability, or in need of long-term services and supports.
- **Modified Adjusted Gross Income (MAGI):** For individual adults, children, parents or caretakers applying with children, and pregnant people.

## Medicare - Medicaid differences

Medicare	Medicaid
Health insurance for individuals age 65 and older (or disabled) of any income level.	Health assistance for individuals of any age with very low income and resources.
Federal program: federal administration and funding, contractor implementation.	Cooperative program: federal, state and county funding, state administration, and county implementation.
Medicare program is uniform in all states.	Medicaid programs vary by state.
Participants pay premiums, deductibles, and coinsurance.	Participants may pay small co-payments.
Benefits are limited: hospital, medical, limited preventive and very limited long-term care. Generally, dental care and transportation are not covered.	Benefits are comprehensive: hospital, long-term care, dental care, transportation, additional health care services and supplies.
Eligibility is based on Social Security or Railroad Retirement eligibility and age 65+ or disability.	Eligibility is based on financial need.

# Medicare & Medicaid together

Individuals who have both Medicare and Medicaid coverage are considered "dually eligible." When a person is dually eligible and receives Medicare-covered services, **Medicare is the primary payer**, while **Medicaid serves as the payer of last resort**, covering remaining costs **after Medicare and any other health insurance**.

## **Advantages of having both: Medicare & Medicaid**

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Medicare has coverage gaps that may lead to high out-of-pocket costs. Medicaid helps cover these gaps for low-income individuals.

### **Medicare Coverage Gaps Medicaid Can Fill**

#### ***Cost sharing***

##### **Examples:**

- **Part A Hospital Deductible:** A Medicare beneficiary is hospitalized and faces a \$1,676 deductible (2025 amount) before Medicare pays. Medicaid may cover this cost.
- **Hospital Coinsurance:** After 60 days in the hospital, Medicare charges \$419 per day (2025). Medicaid may cover this expense.
- **Extended Hospital Stay:** If a patient stays beyond Medicare's 150-day limit, they must pay 100% of costs. Medicaid may step in.
- **Long-Term Care (Nursing Home):** A senior needs full-time care in a skilled nursing facility beyond Medicare's 100-day limit. Medicaid may cover ongoing costs.
- **Part B Deductible:** Before Medicare covers outpatient care, the beneficiary must pay the \$257 annual deductible (2025). Medicaid may cover this.
- **20% Coinsurance for Doctor Visits:** A patient seeing a specialist for a \$500 Medicare-approved procedure must pay \$100 (20%). Medicaid may pay this amount.

- **Medicare Part B Premium:** A low-income beneficiary has \$185 (2025) deducted from Social Security for Part B. Medicaid may cover this, increasing their Social Security check.

### ***Services with limited coverage & non-covered services***

#### **Examples:**

- **Home Care:** An individual needs assistance with daily activities but doesn't qualify for Medicare-covered skilled nursing. Medicaid may fund home care services.
- **Behavioral Health:** Medicare covers a range of behavioral health services, including inpatient and outpatient care, but its coverage is not as extensive as Medicaid's, especially for dual-eligible individuals who have both Medicare and Medicaid.
- **Eyeglasses:** A Medicare beneficiary needs new prescription glasses after cataract surgery. Medicare only covers standard lenses post-surgery, but Medicaid may cover additional eyewear.
- **Hearing Aids:** A senior with hearing loss needs hearing aids, which Medicare does not cover. Medicaid may help pay for them.
- **Dental Care:** A beneficiary needs a root canal, which Medicare does not cover. Medicaid may provide coverage if the dentist accepts Medicaid.

### ***Part D Assistance (Extra Help)***

#### **Examples:**

- **Short-Term Medicaid Eligibility Leads to Extra Help:** A beneficiary qualifies for Medicaid in June, even for one month. They automatically get Extra Help for the rest of the year, reducing drug costs.
- **Second-Half Year Eligibility Extends Extra Help:** A person qualifies for Medicaid in November, making them eligible for Extra Help for the entire next calendar year.

## Coordination of Benefits

Medicare pays first, and Medicaid covers remaining costs **if providers accept both programs.**



**Caution:** If the client receives care from a doctor who is not a Medicaid provider, the 20 percent coinsurance of Medicare's approved amount may be their responsibility. A Medicare provider is not required to accept Medicaid.

Also, providers themselves are sometimes confused by the Medicare/Medicaid relationship.

## From Medicaid to Medicare<sup>13</sup>

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### Enrolling in Medicare

- **Automatic Enrollment:** Those receiving Social Security or SSDI are automatically enrolled in Medicare Parts A & B.
- **Manual Enrollment:** If not automatically enrolled, beneficiaries must sign up during their Initial Enrollment Period (IEP) (3 months before to 3 months after their 65th birthday).
- Failure to enroll in Part B on time may result in a late enrollment penalty.

### Next steps for beneficiaries

- Verify Medicare Enrollment
  - ✓ Check if they were automatically enrolled or need to apply.
  - ✓ Enroll in Parts A & B if required to avoid penalties.

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<sup>13</sup> See Appendix D for Medicaid to Medicare &

See <https://www.insurance.wa.gov/sites/default/files/documents/transition-magi-medicare.pdf>

- Determine Medicaid Status<sup>14</sup>
  - ✓ Contact state Medicaid office to see if they still qualify.
  - ✓ If losing Medicaid, explore alternative cost assistance programs.
- Choose Coverage
  - ✓ Compare Original Medicare & Part D vs. Medicare Advantage based on needs.
- Apply for Financial Assistance
  - ✓ Apply for Medicare Savings Programs (MSPs) if eligible.
  - ✓ Apply for Extra Help (Low-Income Subsidy) for Part D.

## **Counselor Corner: Medicaid to Medicare transition**

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Clients move from Medicaid as their primary coverage to Medicare as their primary coverage with Medicaid as secondary (or MSP assistance only).

Many clients are unaware of how the change impacts their benefits and costs. This transition is a major shock, as they go from nearly full coverage to more limited benefits and potential out-of-pocket costs (e.g., 20% of medical expenses under Medicare).

- Confirm whether the client has received a Medicare card and the initial premium notice.
  - Deadlines matter: Clients typically receive a letter requiring proof of Medicare application within 30 days to maintain Medicaid eligibility.
- Check if the client has contacted DSHS for redetermination of Medicaid eligibility.

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<sup>14</sup> See instructions for calling the HCA/Medicaid phone system to check Medicaid and MSP enrollment: [https://www.insurance.wa.gov/sites/default/files/documents/calling-hca-medicaid-phone-system\\_1.pdf](https://www.insurance.wa.gov/sites/default/files/documents/calling-hca-medicaid-phone-system_1.pdf)

- Explain the changes in benefits – Clients must understand the shift from full Medicaid to Medicare as the primary payer.
  - Refer to experienced counselors if needed
- If the client still qualifies for full Medicaid (categorically needy), reassure them that they will experience minimal changes.
- If client no longer qualifies for full Medicaid, assist in understanding MSP & Extra Help benefits – Clients need clarity on which expenses these programs cover covers and what out-of-pocket costs they may incur.
- Guide clients toward suitable Medicare options – Counselors should discuss whether Original Medicare, or Medicare Advantage, including MA D-SNP, is the best choice based on individual medical needs and financial situation.

### **MSP & Medicaid Application Assistance**

- If a client has a caseworker handling their recertification, it may be easier for them to go through DSHS.
- If they need to apply independently, counselors can assist with a Washington Connection application.
  - Explain the application process:
    - Clients can apply online at [www.washingtonconnection.org](http://www.washingtonconnection.org) or submit a paper application (HCA 18-005).
  - Assist in filling out the application on their behalf.
    - On *Your Needs* page under Washington Health-- check the following boxes:
      - Health Care Coverage - Everyone applying is 65 or older, blind or disabled
      - Medicare Savings Program



# Counseling case work

## **Learning objective**

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Understand and effectively explain how Medicare and Medicaid coordinate benefits for individuals who qualify for both programs (dual-eligible beneficiaries), including the types of coverage provided and the financial assistance available.

## **Counseling session preparation: transitioning from MAGI Medicaid to Medicare**

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### **Step 1: Clients receives notice of Magi Medicaid ending**

- Notice will come in the mail and include a telephone number to call for more information.
- Once Medicare entitlement begins, client is not allowed to remain on MAGI Medicaid program:
  - People who are turning age 65; or
  - People under age 65 who are becoming eligible for Medicare due to disability. (On SSDI, in most cases, after 24 months)

### **Step 2: Enroll in Medicare, if needed**

- If not automatically enrolled, clients must sign up for Medicare Parts A & B through Social Security. If eligible for Medicare, they must enroll and cannot drop it to keep MAGI Medicaid.
- Automatically enrolled clients will receive a "Welcome to Medicare" packet, including their Medicare card, about two months before coverage begins. They can contact Social Security if unsure about enrollment.
- Once Medicare begins, it becomes the primary insurance, including for prescription drugs.

### **Step 3: Apply for Classic Medicaid, Medicare Savings Program (MSP), or Extra Help**

- In Washington state, there is no automatic switch from MAGI Medicaid to Classic Medicaid or a Medicare Savings Program—clients must apply.
- Clients can apply for Classic Medicaid or MSP online at [www.washingtonconnection.org](http://www.washingtonconnection.org), at a local CSO (Community Services Office), or with help from local resources like ADRC.
- Some individuals automatically receive full Extra Help, which enrolls them in a Medicare Part D plan. This happens when they were on Medicaid before becoming eligible for Medicare and is called being “deemed” eligible.
- Those automatically enrolled in Extra Help will receive a purple “Deemed Status Notice” (Product #11166) letter from SSA.
- If not automatically enrolled, clients can apply for Extra Help online at SSA's website, by calling Social Security at 1-800-772-1213, or with help from local resources like ADRC.
- Income limits differ from MAGI Medicaid, and assets/resources are now counted. Some applicants may not qualify for these programs.

### **Step 4: Receive decision**

- May receive letter(s) requesting more information.
- Will receive letter(s) notifying clients of outcome of application(s).

### **Step 5: Understand Medicare coverage and make decisions**

- In Washington state, clients will be disenrolled from their Medicaid Managed Care (MAGI) plan, as these plans are not compatible with Medicare.
- Once Medicare begins, it will generally be the primary payer for all health care.
- Part D will be the primary payer for prescription drugs.
- Those deemed eligible for Extra Help will keep it for at least the rest of the calendar year, even if their income or assets change. If deemed eligible

between July and December, they will retain Extra Help through the following year. When this ends, they will receive a grey "Loss of Deemed Status" letter (Product #11198) from SSA and should apply to check continued eligibility.

- People with Extra Help can enroll in or change Part D or Medicare Advantage plans at any time. SHIBA can help compare plans to ensure the best fit.
- Most clients will have some out-of-pocket costs, such as co-pays and co-insurance.

## **Counseling session transcript & activities**

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### **Activities**

- Read and study the transcript in detail.
- Review the breaks and reflect on how you might have approached this session.
- Consider alternative strategies and their potential impact.
- Identify challenges you might encounter and think of solutions.
- Share & discuss your reflections with peers during the CE to gain diverse perspectives.

### **Counseling session transcript**

**Counselor:** Hi! This is Margaret with SHIBA, we help people with Medicare. Is this Jennifer?

**Client:** Yes, this is Jennifer, hey? Thank you so much for calling me back.

**Counselor:** Oh, you're welcome! How can I help you?

**Client:** Well, I'm kind of in a panic. I got a letter from DSHS, and I'm not exactly sure what it means.

**Client:** Currently I have Medicaid but I'm going to be starting Medicare, and now I'm just not sure what to do.

**Counselor:** Okay. Did you get a letter from DSHS saying that you have to apply for Medicare in order to keep your Medicaid benefits?

**Client:** Yes, that's exactly what it says.

**Counselor:** Okay. Your Medicaid benefits are going to change because you can have Medicare. You might not completely lose assistance, but you must have Medicare once you can, to receive any Medicaid related benefits, because Medicare is going to pay first.

Are you going to be turning 65 soon, or have you been on Social Security disability for almost 2 years?

**Client:** I'm gonna be turning 65 in July.

**Counselor:** Okay, have you been collecting Social Security?

**Client:** Yes, I have.

**Counselor:** Okay. Well, since you've been collecting Social Security, you should be automatically enrolled in Medicare.

That means that you don't have to sign up for it. You'll just open your mailbox one day, and there'll be a packet with Medicare card and information for getting started in the mail. Then, if you don't change anything. Your Medicare will start on the date printed on the card.

**Client:** You know. I think I've already got it. It's that red, white, and blue card right? It says my part, A and part B coverage will start on July first.

**Counselor:** That's it. So, there should have also been some information about how it works and things like that. Have you had a chance to look at that?

**Client:** I did look at it. So, what I need to do then is just take this card with me to my doctor's office.

**Counselor:** Well, maybe. You're going to have some options. Medicare will be your primary medical insurance now and you'll have to have Medicare prescription drug coverage, but you still may get some help with costs and additional coverage from Medicaid.

**Client:** What I heard is that I'm going to have to pay for my medications now that I have Medicare, and it can be a lot. Is that true?

**Counselor:** Well, the Medicare prescription drug coverage is called Part D like "drugs", and how you get Part D will depend on how you choose to get your Medicare coverage.

You'll have a couple of different options. But having Medicaid or Medicare Savings Program will make you eligible for a program called Extra Help.

If you didn't have Extra Help you could have to pay a lot for the Part D plan and co-pays at the pharmacy when you pick up your prescriptions, but Extra Help generally covers most or all of the part D costs for the plan the premium, and reduces the co-pays to no more than about \$12 for brand name drugs and under \$5 for generic drugs as long as they're covered by that plan, so it can help a lot and reduce those costs a lot.

**Client:** So maybe it's not going to be so bad. That's terrific. So, what do I need to do to make sure that I have this?

**Counselor:** Well, you're going to get things set up with DSHS first. Then you can make some choices about how you want to get your medical coverage based on what level of help you get from Medicaid.

Since you've got your card, did you also get a letter from Social Security saying that you might have to pay \$185 for Part B.

**Client:** Yes, and I'm not sure how I'm gonna be able to do that.

**Counselor:** Yeah, that's understandable. The good news is because you've been eligible for Apple Health. You're likely to be eligible for assistance that pays that Part B premium for you.

**Client:** Okay. What do I need to do to get that?

**Counselor:** Well, since you have Medicaid and your Medicare number, now, you can contact DSHS and they can tell you if you're eligible for programs that are available for people with Medicare, which could be Medicaid and the Medicare Savings Programs. The Medicare Savings Programs will pay the Part B premium of \$185 per month at the very least.

Do you mind if I ask you a few questions about your income and household size, to see if we can make a good guess at what you might be eligible for?

**Client:** No, I don't mind. That's okay.

**Counselor:** Thank you. So first, Are you single, or are you married?

**Client:** I'm single.

**Counselor:** Okay, and do you have any dependents.

**Client:** No, not unless you count my dog.

**Counselor:** Well, don't we wish we could count our dogs? Is your income above or below \$967 a month?

**Client:** My income. It's about \$1,500 a month.

**Counselor:** Okay. So based on that, it seems like you will be eligible for Medicare Savings Program, but not full Medicaid. The Medicare Savings Program will pay the part B premium for you, and you'll be automatically enrolled in the Extra Help for prescription drug coverage as well.

**Client:** Oh, good! My friend told me I would lose Medicaid once I got Medicare, and that I would have to pay for all my medications, all my dental, my glasses, and everything else, all by myself. I was really worried.

**Counselor:** Well, your friend is partly right, just not sharing the whole picture. Once you're on Medicare, you won't have some of the extra benefits that Medicaid has covered like dental care or vision or transportation. But you'll have an option to get a Medicare Advantage plan that could include those benefits.

You'll be able to get the same Medicare Advantage plans anyone can buy, and the assistance that you get like the Extra Help would be applied to the costs, or you can get some special plans for people who are eligible for Medicare Savings Programs that have extra benefits.

So you'll probably have some expenses, but much less than it would have been without the assistance.

**Client:** Okay, I think I understand. So, what is it I need to do?

**Counselor:** Well, since you have your Medicare number, the best thing to do at this point is to find out what you're going to be eligible for. DSHS can tell you what you need to do to complete your new eligibility and the timing for that.

**Client:** Okay. And then what do I do?

**Counselor:** Well, after that you're going after you've completed your new certification. We can help you understand your options for the level of Medicaid or Medicare Savings Program assistance that you have.

So once you have your eligibility, call us back in like late May for an appointment in early June. You have, until the end of June to get your Medicare set up for July first, so we have some time, but early in the month also gives us a cushion to think about options and ask questions. It usually takes about an hour to figure out what will work or what you want to look into. Does that sound? Okay?

**Client:** Yeah, it does. I? I'm okay with that. Now that I have my card, I need to call DSHS, and they're gonna get me set up for the Medicare Savings Program.

**Counselor:** Yes, and they're going to do a certification appointment for you as a person with Medicare. They'll probably screen you for both Medicaid and the Medicare Savings Program. You're probably only going to get the Medicare Savings Program.

That means you might get letters like the one that you got saying that you need to do the certification, and one saying you are declined Medicaid, as well as the letter, saying, you're approved for a Medicare Savings Program with the level.

So, it gets a little confusing. Don't worry about the decline for Medicaid. It's the Medicare Savings Program eligibility and start date that we are really looking for.

**Client:** Okay, you know. I think they told me about this when I renewed my Medicaid last fall.

So, I guess in May I should call you back, and you'll help me get set up for the part with the Medicare.

**Counselor:** Yes, and we'll explain your options for Medicare coverage and try to give you the information you need to make the best choice for you based on your needs and your preferences.



**Client:** Okay.

You know, I was really hoping I could get this done soon. But, you're sure June isn't too late?

**Counselor:** It's not, and it's really best to have your assistance settled so we can look to the options available for you specifically with as accurate of a picture of your needs as possible - but also with time to ask plans and medical providers questions if that's necessary.

**Counselor:** If you'd like to prepare ahead of it. You can ask your medical providers which Medicare Advantage and Apple Health Medicare Connect plans they accept. Knowing that can help make it easier to identify your best options. When you have that appointment to choose your Medicare coverage.

**Client:** All right. So, I'm going to call DSHS.

Then call SHIBA in May for an appointment in early June, and when I get my letter for the Medicare Savings Program that's going to help with the choices I have for Medicare.

**Counselor:** That's right. You've got this. So, you might also get a letter saying that you have Extra Help with a start date and a plan named. Don't worry about it, either, but keep it with your information in case we want to look at it as an option. Do you have any other questions?

**Client:** I don't think so. No, I think I'm good.

**Counselor:** Okay. And you can call back if you have more questions in the meantime, right?

**Client:** I do. Yep, I know I know I can call back. I really appreciate it. Thank you so much.

**Counselor:** You're so welcome. Have a good day.

**Client:** All right. Bye-bye.

**Counselor:** Bye.

## **Counseling session notes & reflections**

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Notes:

*What strategies would you use to keep the conversation focused and efficient while still addressing the beneficiary's needs thoroughly?*

*What resources or tools would you use during the call to provide specific details about the beneficiary's options, Medicare Advantage plan, or medication costs?*

# Final reflections

## **Learning outcome**

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Do you feel more confident guiding beneficiaries transitioning from Medicaid to Medicare?

How will you apply what you've learned in your future counseling sessions?

## **Share with us!**

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Share an idea for how the SHIBA team and sponsors can help support the counselor advisors even more/better via email at: [Elena.Garrison@oic.wa.gov](mailto:Elena.Garrison@oic.wa.gov)

Thank you for your participation!

# Appendix A

## Spenddown

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Medically Needy program is a Medicaid insurance program for certain groups of people, including people who have disabilities, or are 65 or older and **don't get financial assistance, such as supplemental security income (SSI).**

### Spenddown<sup>15</sup>

A "spenddown" amount refers to the portion of medical expenses an individual must cover before the Department of Social and Health Services (DSHS) begins providing coverage.

DSHS uses this equation to calculate the "spenddown" amount:

Countable Income - Income Allowance = Excess Income x Base Period = Spenddown We'll explain more below and provide examples.

- Countable Income
- Income Allowance \$967/month (2025)

It is important to note that medical expenses only need to be "incurred" to count toward the spenddown. For example, if a doctor's visit results in a \$100 bill, the expense is considered "incurred" even if it has not yet been paid.

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<sup>15</sup> See Spenddown calculator: <https://www.medicaidplanningassistance.org/medicaid-spend-down-calculator/>

## **Allowable expenses – expenses that can be applied toward meeting this spenddown amount <sup>16</sup>**

Health Care Authority publishes a list of allowable medical or remedial services and expenses that are allowed in MN spenddown. Below are some of the examples:

- Medicare premiums
- Hospital, emergency room, clinics and nursing facility
- Prescribed in-home nursing care
- Durable medical equipment rental or purchase
- Hearing aids and related supplies
- Medical supplies (syringes, adult diapers, and so on) and drugs, including OTC drugs prescribed
- Medical transportation by other means (bus, taxi, rideshare, personal vehicle, and so on)

## **Tips for beneficiaries on how to reach a spenddown amount**

- Review the list of allowable expenses<sup>17</sup> to determine if any existing medical costs qualify.
- Meeting the spenddown amount as early as possible within the base period allows for the longest coverage duration.

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<sup>16</sup> <https://www.hca.wa.gov/free-or-low-cost-health-care/i-help-others-apply-and-access-apple-health/allowable-expenses-chart>  
<https://www.hca.wa.gov/free-or-low-cost-health-care/i-help-others-apply-and-access-apple-health/allowable-medical-expenses>

<sup>17</sup> <https://www.hca.wa.gov/free-or-low-cost-health-care/i-help-others-apply-and-access-apple-health/allowable-expenses-chart>  
<https://www.hca.wa.gov/free-or-low-cost-health-care/i-help-others-apply-and-access-apple-health/allowable-medical-expenses>

- Prioritize medical services that are not covered by the Medically Needy program and save covered services until after the spenddown amount has been reached.
- Unpaid medical bills incurred up to three months before applying for the Medically Needy program (during the retroactive period) may be used to meet the spenddown.
- Maintain copies of all documentation related to medical expenses and insurance reimbursements, including bills for doctor visits, prescription medications, hospital care, nursing care, and transportation to present to DSHS.

### **Spenddown calculation example**

Example: Mark is single, he receives \$1250/month in Social Security Benefits. He has no earned income. He has less than \$2000 in assets.

\$1250 income

-\$967 minus the state income limit MN one person

\$283 per month "excess income"

### **Spenddown-base periods**

The person applying for Medicaid in Washington can choose either a 3-month or 6-month base period<sup>18</sup>, depending on their medical needs and financial situation.

- An individual may also request retroactive coverage for any or all the 3 months prior to the month of application

### **Spenddown calculation example (continued)**

The client has \$283 per month in excess income.

- Spenddown liability would be calculated as:
  - For a 3-month base period: \$849 (\$283 x 3)

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<sup>18</sup> The base period is the number of months used to calculate the spenddown liability amount

- For a 6-month base period: \$1698 (\$283 x 6)

## **Counselor Corner: spenddown<sup>19</sup>**

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Advise clients to call 1-877-501-2233 and ask for the Spenddown Unit. They will get a call back within 24-48 hours in the order that we receive.

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<sup>19</sup> <https://www.insurance.wa.gov/sites/default/files/2019-01/whats-a-medicaid-spenddown.pdf>

# Appendix B: Deemed Status Notice example



DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

7500 Security Boulevard  
Baltimore, MD 21244-1850

<BENEFICIARY FULL NAME>  
<ADDRESS>  
<CITY STATE ZIP>

<file creation date>

You're getting this notice because you automatically qualify for Extra Help paying Medicare Part D drug coverage costs. **Please keep this notice for your records.**

### **What does it mean to automatically qualify for Extra Help?**

Getting Extra Help means you'll pay no more than <gen\_amt> for a generic drug and no more than <brd\_amt> for a brand-name drug in a Medicare Part D drug plan in 2024. **You automatically qualify for this help starting <effective date> at least until December 31, <year>.**

**Note:** You can only get Extra Help if you live in one of the 50 states or Washington D.C.

### **Medicare will enroll you in a Part D drug plan**

Medicare will enroll you in a plan to make sure you get help paying for drug coverage. You'll get a yellow or green notice from Medicare telling you what plan you'll be enrolled in.

If you need drug coverage after <effective date> but before your new Medicare drug plan starts, your pharmacist can bill Medicare's Limited Income Newly Eligible Transition (NET) Program.

Also, if you paid for any prescriptions before you got this notice, and you were eligible for Medicare and Medicaid, you may be able to get back part of what you paid. Call Medicare's Limited Income NET Program for more information at 1-800-783-1307. TTY users can call 711.

### **What if I don't want a Medicare Part D drug plan?**

If you don't want to be in any Medicare drug plan, you can opt out of this drug coverage. Call 1-800-MEDICARE (1-800-633-4227) and tell them you want to "opt out." TTY users can call 1-877-486-2048. Caution: If you opt out, you won't get Medicare drug coverage or Extra Help paying your drug costs.

### **What if I'm already in a Medicare Part D drug plan?**

If you've had any prescriptions filled since <effective date>, you may be able to get back part of what those prescriptions cost. Call your plan for more information.

### **Get help & more information**

For help understanding this notice, call your State Health Insurance Assistance Program at <SHIP Phone Number> for free, personalized health insurance counseling. Or, call 1-800-MEDICARE (1-800-633-4227) for help. TTY users can call 1-877-486-2048.



CMS Product No. 11166 –  
PURPLE December 2023



# Appendix C: Categorically Needy

Seq: 00000001 Page: 01 of 08

PO BOX 11699  
TACOMA WA 98411-6699



Phone #  
TTY/TDD # 800-833-6384  
Toll Free # 877-501-2233

02/29/24

Client ID #

Dear [Client's name here]

This is to let you know that we have finished reviewing your case. Based on the information we have, you will keep getting the benefits shown below unless your circumstances change.

	Begin Date	End Date
Categorically Needy (CN) [Client's name here]	04/01/24	03/31/25

What changes do you have to report to us for Washington Apple Health coverage?

- \* Residential address
- \* Mailing address
- \* Income
- \* Marital status
- \* When family members or dependents move in or out of the residence
- \* Pregnancy
- \* Incarceration
- \* Institutional status
- \* Health insurance coverage including Medicare eligibility
- \* Immigration or citizenship status
- \* Resources including sale or transfer of property.

How do you report changes?

- \* Report changes by calling 877-501-2233.

When do you need to report changes?

- \* For Washington Apple Health coverage, you must report changes within 30 days after the change.

What happens if you don't report changes on time?

- \* Your benefits could stop.
- \* Your benefits could be late.
- \* You could receive the wrong amount.
- \* If you receive more benefits than you should, you must pay them back.

0027-01 Cash/Medical/Food Recertification

Client ID#

We will send you an eligibility review form before your benefits stop. You must return the completed form to see if you can keep getting benefits.

### **What are your rights to receive information about mental health benefits?**

You can request the following information by contacting the Regional Support Network (RSN) or the Community Mental Health Agency (CMHA) in your area.

- \* Available crisis services, emergency services, and aftercare.
- \* A list of each of the RSNs, the counties they serve, and their contact information.
- \* A list of the mental health professionals in your area including their contact information, specialty, and the non-English languages available.
- \* A copy of your mental health care rights.
- \* An explanation of the mental health benefits available to you.
- \* How to obtain an authorization when needed.
- \* How to request care not offered in your RSN area.
- \* How to receive help with transportation to your appointments.
- \* How to file a grievance, appeal, or administrative hearing.
- \* How to receive help completing Mental or Medical Health Advance Directive forms.
- \* How to file a complaint if you feel your directive wasn't followed.

An enrollment booklet is available at <http://www.dshs.wa.gov/pdf/publications/22-661.pdf>. You may also call your RSN, CMHA, or the Division of Behavioral Health and Recovery (DBHR). The number to DBHR is 1-800-446-0259 or TTY 1-800-446-0259.

### **What benefits and services are covered by Washington Apple Health?**

- \* Benefits and services are based on the type of Apple Health coverage received.
- \* Most individuals receive their coverage through a Managed Care Plan. If you are new to Apple Health, you will soon receive more information about coverage and available plans.
- \* Coverage may be limited to inpatient hospital services when institutionalization or incarceration.
- \* To learn more about benefits and services visit the Health Care Authority at [www.hca.wa.gov](http://www.hca.wa.gov) or contact your Apple Health managed care plan.

You can:

- \* Apply for benefits, submit a review, or report changes at [www.washingtonconnection.org](http://www.washingtonconnection.org).
- \* Fax information to us at 888-338-7410.

Write your client ID on all copies you send us. Your client ID is

Call 877-501-2233 to process an application or review, report changes, or ask questions.

If you disagree with any of our decisions, you may ask to have the case reviewed. You can also ask for an administrative hearing. Administrative hearing rights are included in this letter.

Where can you receive automated information about your case?

- \* You can call The Customer Connect line in the Call Center at 1-877-501-2233.

\* When you call, be prepared to enter your Social Security number and/or client ID number, which can be found in the bottom right hand corner of this letter.

If you have any questions, please let me know.

Language assistance services, including interpreters and translation of printed materials are available free of charge. Call 1-877-501-2233.

Attachment(s): 14-113 Client Rights and Responsibilities  
65-006 Non-Discrimination Notice Classic Medicaid

# Appendix D: Medicare Buy-In-Unit

Medicare Buy-In Unit  
PO Box 45570  
Olympia, WA 98504-5570



Toll Free # (800) 562-3022  
Select Option 1 then Option 6

May 20, 2021



Dear Medicaid Client:

We need the following information from you to see if you can continue to receive Washington Apple Health (Medicaid) coverage:

- Proof you have applied for Medicare with the Social Security Administration (SSA)

**We need this information within 30 days of the date of this letter. We may stop your Apple Health coverage if you do not provide proof you applied for Medicare with SSA.**

Medicare is a federal program that provides health coverage to people age 65 and older. If SSA approves you for Medicare and you continue to receive Medicaid, the Health Care Authority (HCA) can pay for the cost of your Medicare premiums.

To apply for Medicare, start your application with SSA:

- By phone at 1-800-772-1213 7AM to 7PM Monday through Friday (1-800-325-0778 TTY).

After you apply, ask for proof you applied. Send the information to HCA by:

- Mail using the enclosed postage paid envelope;
- Fax to 360-725-0808; or
- Submitting it to your local DSHS community services office.

SSA will need to know whether you have worked in the United States. This determines what type of Medicare application SSA will take and process for you. SSA may also need:

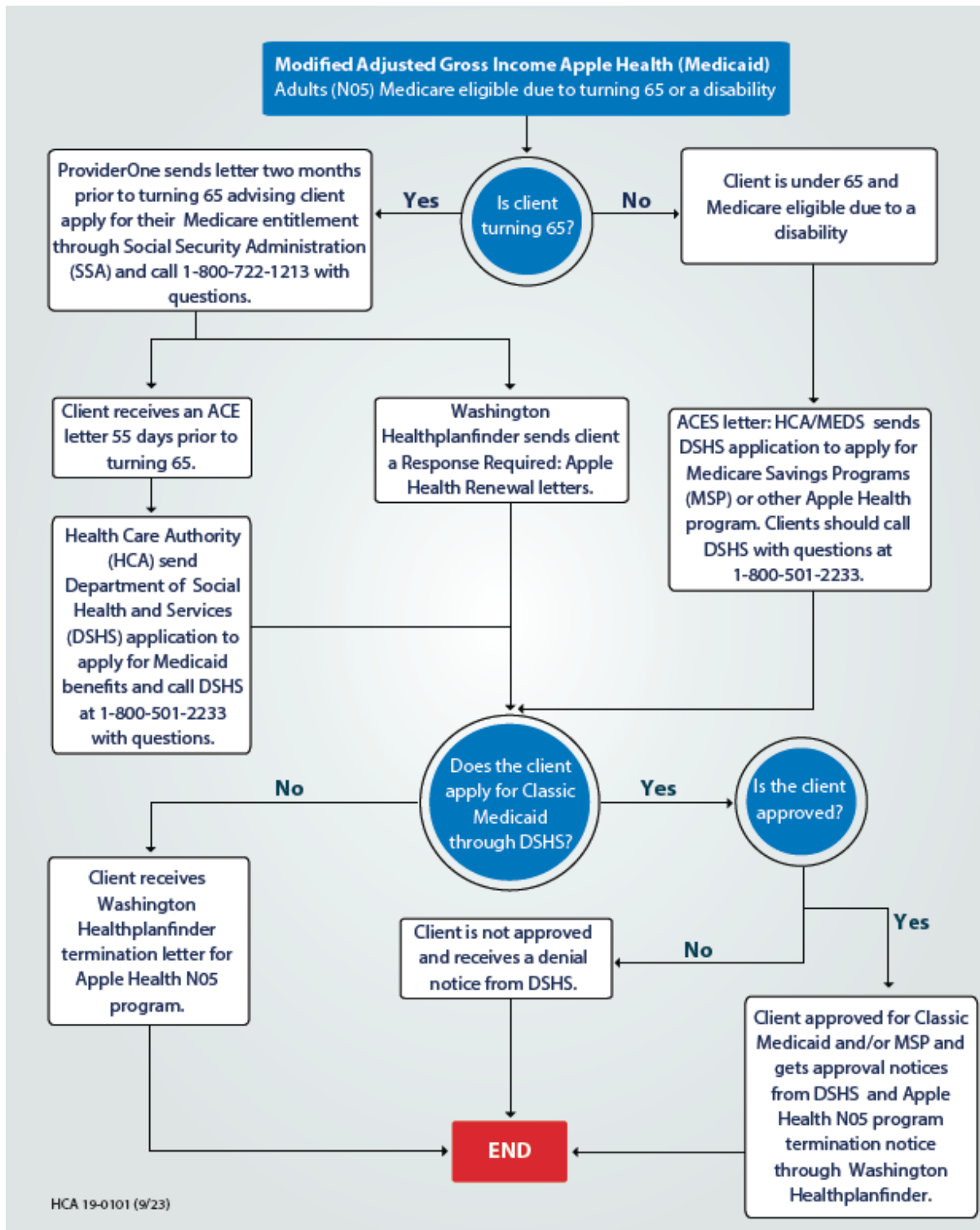
- A copy of this letter
- Birth Certificate
- Proof of immigration status (if applicable)
- Passport
- Other documents as requested by SSA

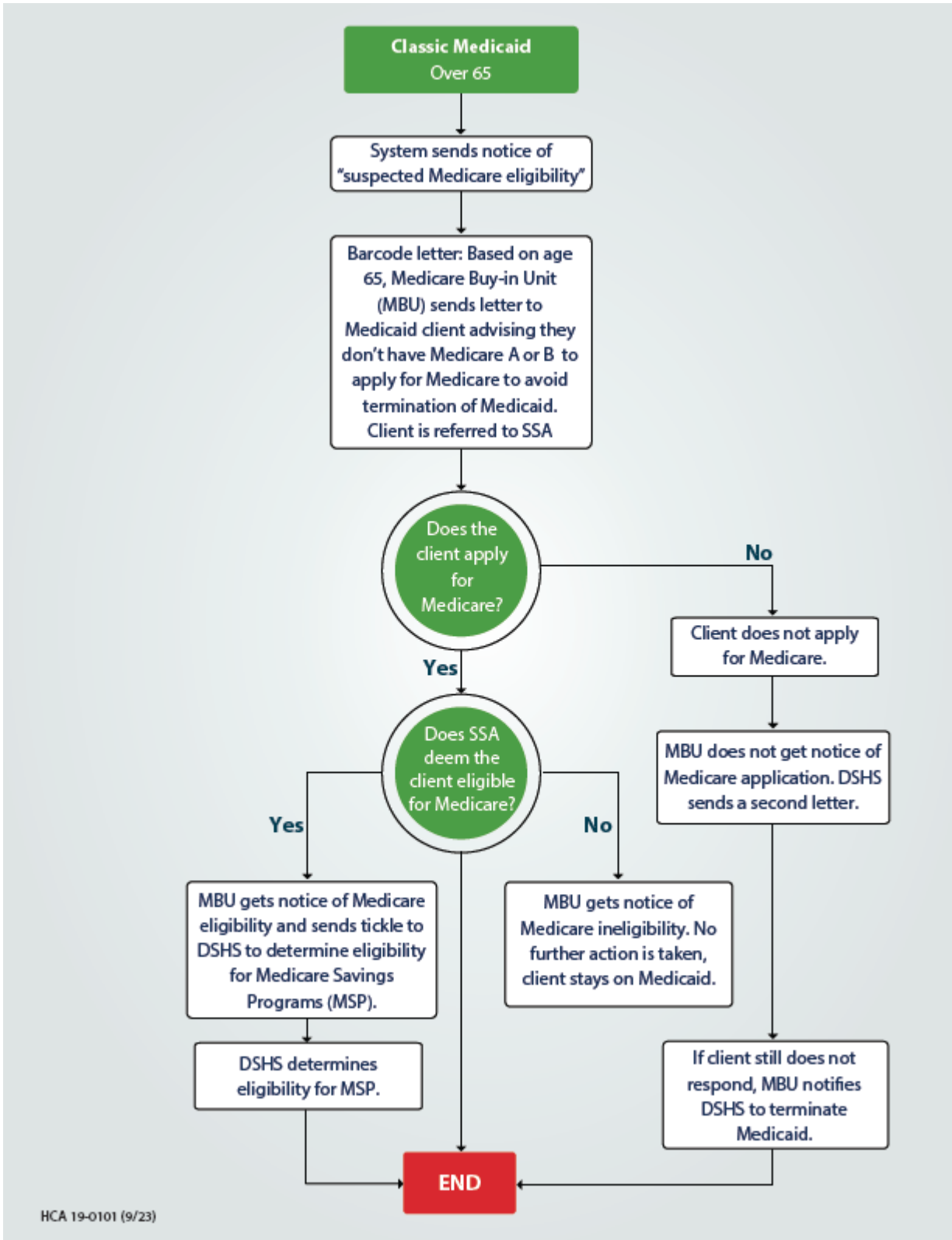
If you have questions about this letter or already have Medicare, call the HCA Medicare Buy-In Unit at 1-800-562-3022 extension 16120.

Sincerely,

Medicare Buy-In Unit Representative

# Appendix F: Medicaid to Medicare





**Classic Medicaid**  
Under 65 and Medicare  
eligible due to disability

Medicare BuyIn Unit (MBU) gets  
notice of Medicare eligibility and  
sends alert to the Department of  
Social Health and Services (DSHS)  
to screen for Medicare Savings  
screen for Medicare Savings  
Programs (MSP).

Is the client  
eligible for client  
apply for OMB,  
SLMB, or Q11  
MSP?

**Yes**

The Health Care Authority  
(HCA) pays Part A copays  
and deductibles. HCA pays  
Part B regardless of  
eligibility.

**No**

HCA does not pay Part A  
copays and deductibles.  
HCA pays Part B regardless  
of eligibility.

**END**

# Resources

## **DSHS**

Spenddown

<https://www.dshs.wa.gov/esa/community-services-offices/spenddown>

## **HCA**

Understanding Medicaid and Medicare

<https://www.hca.wa.gov/assets/free-or-low-cost/understanding-medicaid-and-medicare.pdf>

Apple Health Eligibility Overview

<https://www.hca.wa.gov/assets/free-or-low-cost/22-315.pdf>

## **Medicare Rights Center**

Medicare Savings Program financial eligibility guidelines

<https://www.medicareinteractive.org/pdf/MSPFinancialEligibilityGuidelines.pdf>

## **Medicare.gov**

Forms, Publications, & Mailings → Help with costs

<https://www.medicare.gov/basics/forms-publications-mailings/mailings/help>

Help with drug costs

<https://www.medicare.gov/basics/costs/help/drug-costs>

## **SHIBA**

Calling the Health Care Authority Medicaid Phone System



[https://www.insurance.wa.gov/sites/default/files/documents/calling-hca-medicaid-phone-system\\_1.pdf](https://www.insurance.wa.gov/sites/default/files/documents/calling-hca-medicaid-phone-system_1.pdf)

Rainbow chart

[https://www.insurance.wa.gov/sites/default/files/documents/2024-rainbow-chart-extra-help\\_0.pdf](https://www.insurance.wa.gov/sites/default/files/documents/2024-rainbow-chart-extra-help_0.pdf)

Transition from MAGI Medicaid to Medicare

<https://www.insurance.wa.gov/sites/default/files/documents/transition-magi-medicare.pdf>

Medicare Savings Programs application desk aid

<https://www.insurance.wa.gov/sites/default/files/documents/medicare-savings-programs-application-desk-aid.pdf>

## **SSA.gov**

Understanding the Extra Help with Your Medicare Prescription Drug Plan

<https://www.ssa.gov/pubs/EN-05-10508.pdf>