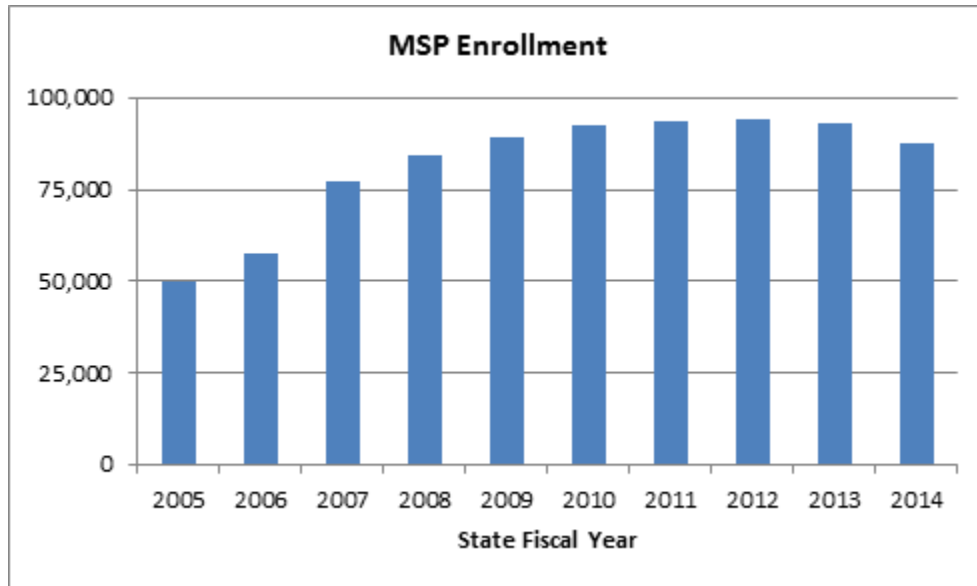


DHHS FY 16/17 Budget Initiative: Medicare Savings Plan & Crossover Payments

The Medicare Savings Plan (MSP) helps the elderly and persons with disabilities pay their Medicare Part B premiums as well as Medicare co-insurance and deductibles. **Currently, Maine is one of only two states in the country that provide coverage above the federal minimums.** Enrollment in the program has nearly doubled over the past ten years.

Medicare Savings Plan Historical Enrollment



Benefit Description

Qualified Medicare Beneficiary (OMB): Recipients in this eligibility category receive payments for their Medicare Part B premiums and Part A premiums, when applicable. Also, recipients receive payments for their Part A and Part B deductibles and co-insurances.

Specified Low Income Medicare Beneficiary (SLMB): Recipients in this eligibility category receive payments for their Medicare Part B premiums.

Qualifying Individuals (QI): Recipients in this eligibility category receive payments for their Medicare Part B premiums; however, they are ineligible to receive simultaneous Medicaid coverage.

Initiatives

Aligning MSP eligibility in Maine with Federal Levels and 48 other States

- This initiative achieves savings by aligning MSP eligibility in Maine with federal levels and by no longer paying Part B premiums. Currently, Maine is one of two states that offer eligibility at a level greater than the federal government's minimum requirement.

Aligning the Medicare Savings Plan (MSP) with Federal Levels

Maine and Connecticut are the only two states that provide MSP coverage above the federal minimums. This proposal would bring Maine in line with the national norms by making the following changes:

Covered Population	Current FPL	Current Pop	Proposed FPL	Proposed Pop
Qualified Medicare Beneficiary (QMB)	140%	24,372	100%	3,347
SSI MSP (QMB)*	---	10,390	---	10,390
MSP Duals (QMB)*	---	29,555	---	29,555
Specified Low Income Medicare Beneficiary (SLMB)	160%	7,689	120%	11,088
Qualifying Individuals (QI)	175%	4,646	135%	7,786
TOTAL		76,652		62,166

*There would be no changes to these eligibility categories with this initiative.

LIS – Approximately 6,392 of the members who lose all MSP coverage would still be eligible for the Low Income Subsidy (LIS) provided by the Social Security Administration. The LIS provides financial assistance with the monthly Medicare Part D premium and helps reduce out-of-pocket-costs for prescription drugs.

Crossover Payments Associated with MSP at Federal Levels

MaineCare reimburses co-insurance and deductibles for individuals who receive MSP (QMB) benefits. These payments, known as crossover payments, are not direct payments to individuals, but are reimbursements to hospitals and physicians.

Savings

Year	MSP Savings - State	MSP Savings - Federal	Crossover Savings - State	Crossover Savings - Federal	Total - State	Total - Federal
SFY 16	(\$8,074,257)	(\$8,375,780)	(\$12,160,297)	(\$20,241,240)	(\$20,234,554)	(\$28,617,019)
SFY 17	(\$9,641,168)	(\$10,098,876)	(\$14,514,592)	(\$24,367,252)	(\$24,155,760)	(\$34,466,128)