

Medicare Part D and Subsidy

Training Packet

Fall 2005

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While You Work

Computers are talking !!



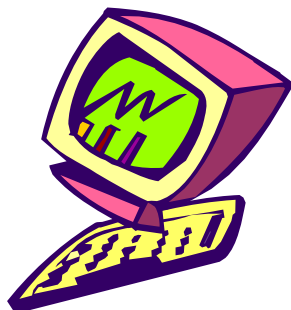
Sends Part D Subsidy eligibility record overnight.



MMIS



Receives Part D Subsidy record and sends MMA file on the 15th of the month.



CMS

CMS stores Subsidy information & informs the PDP/MAPDP (if selected) of consumer's eligibility for Subsidy.
CMS stores full & partial dual eligibility information to facilitate auto-enrollment in a plan if one is not selected.

CMS returns Part D Prescription Drug Plan enrollment information it has for every Kansas full/partial dual & Subsidy eligible beneficiary to MMIS.

MEDICARE D SUBSIDY SYSTEM CHANGES

MERE	MEDI CAL RESOURCES	020106 09: 23 KIM B															
CASE NAME: ELDERLY, FRANK E.		CASE NUMBER: 09999999 MONTH: 0206															
POS ON APP NAME REL	MEDI CAL SUBTYPE CLAIM NUMBER	SSA INSU I AR DATE CODE COMPLETED															
01 FRANK E PI	AD 599999999A	Y															
		<table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">MEDI CARE</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">A B D</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">Y Y Y</td> <td></td> <td></td> <td></td> <td></td> </tr> </table>	MEDI CARE					A B D					Y Y Y				
MEDI CARE																	
A B D																	
Y Y Y																	
		SUBD N															

Two new fields have been added to the **MERE** screen (**'MEDICARE D'** and **'SUBD'**).

'MEDICARE D': This field indicates *entitlement* to Medicare Part D. The system does not populate this field. Enter **Y** if **'MEDICARE A'** and/or **'MEDICARE B'** field are coded **Y**. Code **N** if **'MEDICARE A'** and **'MEDICARE B'** fields are both coded **N**.

Note: If someone is *entitled* to Part D, it does not mean they have enrolled in a Medicare prescription drug plan.

'SUBD' (Subsidy D): This field defaults to **N**. Change to **Y** when Part D subsidy is requested

PICK	PICKLE	020106 10: 05 KIM B
CASE NAME: ELDERLY, FRANK		CASE NUMBER: 09999999
<p>1. HAS THIS PERSON RECEIVED SSI BENEFITS IN ANY MONTH SINCE APRIL 1977? 2. DOES THIS PERSON CURRENTLY RECEIVE OASDI BENEFITS? 3. DID THIS PERSON HAVE CONCURRENT ELIGIBILITY FOR BOTH OASDI AND SSI BENEFITS AT LEAST ONE TIME FOR THE SAME MONTH SINCE APRIL 1977?</p>		
NAME	QUESTION 1 (Y, N)	QUESTION 2 (Y, N)
01 Frank E	N	Y
VR PEND	QUESTION 3 (Y, N)	PICKLE ELIG CODE
IN	N	IP
		SPECIAL MEDI CAL IND MD

'SPECIAL MEDICAL INDICATOR': Enter **MD** for subsidy only cases. This code has two functions. **1)** Indicates subsidy only case. If **MD** is not entered, the system will set up a MN case and the consumer will receive a medical card in error. **2)** Allows a worker to authorize a subsidy case if resources exceed the MS limits.

```

MSI D                               MS I NCOME DETERMI NATION                               020106 06: 31
                                                                    KIM B
CASE NAME: ELDERLY, FRANK          CASE NUMBER: 000999999 MONTH: 0206
INCOME MONTH: 0206
# I N MEDICAL UNIT: 01

EMPLOYMENT I NCOME      :      0.00      EDUCATI ON I NCOME      :      0.00
SELF EMPLOY/I NT I NCOME:      0.00      OTHER UNEARNED I NCOME :      820.00
TOTAL EARNED           :      0.00      TOTAL UNEARNED         :      820.00

WORK EXPENSE           :      0.00      TOTAL NET I NCOME:     :      800.00
AABD DI SREGARDS      :      0.00      QMB NET I NCOME:       :      800.00
ALLOCATED I NCOME     :      0.00      WH PREMI UM:          :      0.00
TOTAL DEDUCTI ONS:     :      0.00

BENEFIT I SSUANCE     :      DA
AUTHORIZE FOR QMB     :

GO TO SUBSI DY D?: Y

CASE HAS PASSED QMB RESOURCE AND NON-FI NANCIAL ELI GIBILI TY
CASE HAS PASSED MS RESOURCE AND NON-FI NANCIAL ELI GIBILI TY
NEXT-->

```

'GO TO SUBSIDY D?': This field will allow a worker to access the new **SUDD** screen where Part D subsidy is authorized. This field defaults to **N**. In order to access the new **SUDD** screen, change **N** to **Y** and hit enter.

```

SUDD                               SUBSI DY D DETERMI NATION                               020106 09: 51
                                                                    KIM B
CASE NAME: ELDERLY, FRANK E        CASE NUMBER: 099999999 MONTH: 0206
# I N MEDICAL UNIT: 01
# I N HH: 01 ←
* COUNTABLE RESOURCES: 5000.00      FPL PERCENT: 145
* COUNTABLE I NCOME: 1230.00

*****
*
POA: ..                             POA: ..

ACTI ON      : ..                    ACTI ON      : ..
SUBSI DY TYPE: ..                    SUBSI DY TYPE: ..
DENI AL REASON: ..                  DENI AL REASON: ..

CLOSURE REASON: ..                  CLOSURE REASON: ..
AUTHORI ZATI ON: .....              AUTHORI ZATI ON: .....

CLOSURE/DENI AL DATE: mmddccyy      CLOSURE/DENI AL DATE: mmddccyy

NEXT--> .....

```

SUDD (Subsidy D Determination) is a new screen to capture subsidy information. It is month specific and is set up as a two part screen. The only enterable field on the top part of the screen is '**# in HH**'. The bottom part of the screen will allow subsidy information for up to 2 persons to be entered.

IN HH: This field will default to the number in Medical unit. If the default number is not correct, change to correct number and hit enter. The system will recalculate the **'FPL%'** field.

POA: Enter the individual's position number on the application.

ACTION: Enter the appropriate action code. (Located in code cards)

- **AP** - Approve
- **DE** - Deny
- **CL** - Close
- **DL** - Delete

SUBSIDY TYPE: There are four types or levels of Part D Subsidy. (Located in code cards)
Enter correct type based on the consumer's FPL% located in the top half of the SUDD screen.

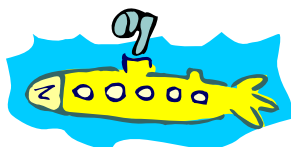
- **D0** =Income at or below 135% FPL & resources less than \$6,000 (1)/ \$9,000 (2)
- **D1** =Income at or below 135% FPL & resources less than \$10,000 (1)/ \$20,000 (2)
- **D2** =Income greater than 135% & at or below 140% FPL & resources less than \$10,000(1)/\$20,000(2)
- **D3** =Income greater than 140% & at or below 145% FPL & resources less than \$10,000(1)/\$20,000(2)
- **D4** =Income greater than 145% & below 150% FPL & resources less than \$10,000(1)/\$20,000(2)

NOTE: Resource limits as of 1/1/06, subject to change

DENIAL REASON/CLOSURE REASON: (Located in code cards)

- **NM** = Not enrolled in Medicare A or B
- **US** = Not residing in USA, incarcerated, or death
- **CO** = Fail to Cooperate
- **XR** = Excess Resources
- **XI** = Excess Income
- **FR** = Failed Review
- **DM** = Deemed Eligible

CLOSURE/DENIAL DATE: KAECSSES will populate this field. To view the closure date, reenter the SUDD screen after authorizing. **This information will not automatically populate on notices. The worker will need to verify the date on SUDD and enter the information on the notice.**



It is important to use the correct reason code as reports are generated and CMS is tracking this information!

MEBH		MEDICAL BENEFIT HISTORY							060106 06:38 KIM B			
CASE NAME: SMITH, DAN											CASE NUMBER: 00008085	
MTH	PGM	POA	NAME	MED SUB	MEI	OMB IND	SUD IND	BASE BEGIN	BASE END	SPEN AMT	BEN TYPE	ISS TYPE
0506	MS	01	DAN	S OA	MD	N	D3	0506	0506	520.00	RE	MO
0506	MS	01	DAN	S OA	SD	N	D4	0206	0706	2090.00	RE	PM
		02	ANN	S OA	SD	N	D4					
0406	MS	01	DAN	S OA	SD	N	D4	0206	0706	2090.00	RE	PM
		02	ANN	S OA	SD	N	D4					

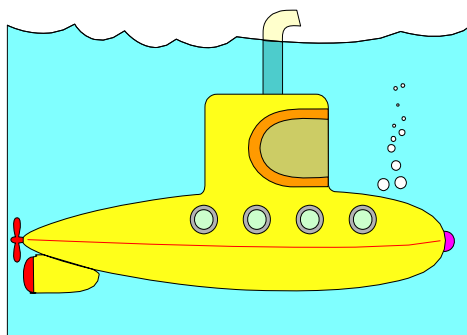
'MEI' (MEDICAL ELIGIBILITY INDICATOR): When the MD code is entered on the PICK screen it will display under this field.

'SUD IND' (SUBSIDY INDICATOR): Displays level of subsidy (D0 through D4).

CAP2		CASE PROFILE - PAGE 2				030905 10:39 KIM B				
CASE NAME: ELDERLY, FRANK E				CASE NUMBER: 09999999						
LAST ACTION: CHANGE MEEX 030905				MR RECEIVED:			INTERIM DUE DATE:			
GA MOS: 000 ID:				PARENTS-IN-HH:			TAF MOS: 000 ID:			
PROG	ALERTS	BEN PRO	APP RECD	HH SIZE	HH TYPE	PROG STATUS	STATUS DATE	REV DUE	CURRENT BENEFIT	CURRENT MONTH
FS		021904	122704	01	SP	OPEN	012205	0106	10.00	0405
MS		021904	122704	01		OPEN	012205	0106		0405
PROGRAM :		MS								
BASE PERIOD :		0205 - 0705								
PRESM DIS :		Subsidy D:								
PERSON				PARTICIPATION				ME		
CLIENT NAME	CLIENT NO	DOB	RES	SSN	FS	MS	SU		ALERTS	
ELDERLY, FRANK E	0000258827	999998	PI	M 555 55 5555	IN	IN	AD			

'PRESM DIS': Disregard this field, it will be used at a later date for a different program.

'SUBSIDY D': This field will populate when you have an active subsidy case.



MMIS Medicare Part D System Changes

Beneficiary Part D Eligibility

Beneficiary Search

File Edit Applications Options Addtl Options

BID No.:

Medicare ID:

SSN:

Sex:

Last Name:

Case Number:

Birth Date:

County:

First Name:

Beneficiaries Found:

BID No.	Name	SSN	Sex	County	Case Number	Worker #
00000000001	ELDI	28 555-55-5555	M	WY	55555555	001163

Base
 CSHCN
 Eligibility
 EPSDT
 ID Cards
 Lockin
 LOC
Medicare
 Patient Liability
 Previous
 PMP Assignment
 Search
 Spenddown
 Link History
 Case
 NEMT Transport Level
 Chrono Notes

Buy-In A Mismatches
 Buy-In B Mismatches
 Buyin Coverage
 Medicare Coverage
 Buy-In A Actions From
 Buy-In B Actions From
 Buy-In B Actions To
 Buy-In A Actions To
Part D
 PART D Eligibility
 PDP Maintenance
 Part D PDP Assignments
 MMA File Transmission History

Beneficiary Part D Eligibility

Beneficiary Part D Eligibility
 File Edit Applications Options Addl Options

BID No.: Name:

Part D Dual Eligibility History Filtered

Effective Date	End Date	Status	Last Update	Create Date
2005/10/01	2005/10/31	Active	2005/10/10	2005/10/10

Part D Entitlement

Effective Date	End Date	Last Updated	Source
2005/10/02	2299/12/31	2005/10/10	Batch

Low Income Subsidy Eligibility

Action	Action Date	Effective Date	End Date	Subsidy Type	Subsidy FPL %	Number In Household	Denial/ Closure	Last Updated	Date Added
D	2005/10/05	0000/00/00	0000/00/00		78	4	XI	2005/10/07	2005/10/07
A	2005/09/12	2005/08/01	2005/08/31	D1	78	4	SC	2005/10/07	2005/10/07

Next BID No.

Beneficiary Part D Eligibility

File Edit Applications Options Addl Options

BID No.: Name:

Part D Dual Eligibility History **Filtered**

Effective Date	End Date	Status	Last Update	Create Date
2005/10/01	2005/10/31	Active	2005/10/10	2005/10/10

Part D Entitlement

Effective Date	End Date	Last Updated	Source
2005/10/02	2299/12/31	2005/10/10	Batch

Low Income Subsidy Eligibility

Action	Action Date	Effective Date	End Date	Subsidy Type	Subsidy FPL %	Number In Household	Denial/Closure	Last Updated	Date Added
D	2005/10/05	0000/00/00	0000/00/00		78	4	XI	2005/10/07	2005/10/07
A	2005/09/12	2005/08/01	2005/08/31	D1	78	4	SC	2005/10/07	2005/10/07

Next BID No:

Beneficiary Base Window

Beneficiary Base
 File Edit Applications Options Addtl Options

BID No.: 00000000001 **Active:** **Age:** 048
Medicare ID: 55555555A **Citizen:** US
Name: BLACKBEARD, CAPTAIN **Race:** W
Address 1: 555 PIRATE AVE. **Ethnicity:** N
Address 2: **Responsible Person:** .
City: LAWRENCE **State:** KS **Zip:** 66044 **TPI:** N
Phone: **Sex:** MALE **MCARE Part A/B/D:**
Birth Date: 1956/11/26 **SSN:** 515-62-3924 **Lockin:** N **Hospice:** N **CPS:** N
Death Date: 0000/00/00 **Written Language Preference:** ENGLISH **Mng Care:** N **Exc Rsn:**
County: DG **Spoken Language Preference:** ENGLISH **CSHCN:** N 0000/00/00
T21 Due Date: 0000/00/00 **Other Media:** NONE **Notes:** N

Case			
Name	Worker	Number	Location
BLACKBEARD, CAPTAIN	111111	55555555	DG

Next BID No.

Beneficiary Part D PDP Assignment Window

Beneficiary Part D PDP Assignment

File Edit Applications Options Addtl Options

BID No.: Name:

History Date Specific Inquiry

Auto Enroll Decline	PDP Number Name	Effective Date	End Date	Status	Enroll Type	Last Updated
<input type="text" value="Yes"/>	<input type="text" value="0000000008"/> MEMBER HEALTH, INC	<input type="text" value="2005/10/10"/>	<input type="text" value="2299/12/31"/>	<input type="text" value="Active"/>	<input type="text" value="Beneficiary"/>	<input type="text" value="0000/00/00"/>
<input type="text" value="Yes"/>	<input type="text" value="0000000007"/> MEDCO CONTAINMENT LIFE INSURANCE COMPANY	<input type="text" value="2005/01/01"/>	<input type="text" value="2299/12/31"/>	<input type="text" value="Active"/>	<input type="text" value="Beneficiary"/>	<input type="text" value="0000/00/00"/>

Next BID No

Part D PDP Search and Maintenance window

Part D PDP Search
File Edit Applications Options

PDP Number:
PDP Name:
Billing City: State:

PDP Number	PDP Name	Billing City, State	Zip Code
00000003	AETNA LIFE INSURANCE COMPANY	LEXINGTON, KY	40512-4586
00000004	CONNECTICUT GENERAL LIFE INSURANCE C	CHATTANOOGA, TN	37422
00000005	COVENTRY HEALTH AND LIFE INSURANCE CO	LONDON, KY	40742
00000006	HUMANA INSURANCE COMPANY	NEW ORLEANS, LA	70161
00000007	MEDCO CONTAINMENT LIFE INSURANCE COMPANY	LEE'S SUMMIT, MO	64063-0000
00000008	MEMBER HEALTH, INC	CLEVELAND, OH	44139
00000009	PACIFICARE LIFE AND HEALTH INSURANCE COMPAN	CYPRESS, CA	90630-0072

Beneficiary Temporary ID Card

Beneficiary Temporary ID Card

File Edit Applications Options Adjust Options

STATE OF KANSAS
HEALTH INSURANCE CARD

EFFECTIVE 08-01-2003 — 09-30-2003

PERSON COVERED JACK, CAPTAIN
ID# 0000000000 DOB/BENDER 10-31-30 M

BENEFIT PLAN HWISM,TDX
LTDNG HRP COPY N

HEH EXM: LAST 00-00-0000 NEXT 00-00-0000
EYE EXM: 08-00-0000 EYE GLASSES 00-00-0000

PRIMARY PROVIDER SWAN, CAPTAIN
555-555-5555

LOCK-IN PROVIDER(S)

CFF CONTRACTOR

DATA CONTAINED ON THIS CARD MAY HAVE CHANGED SINCE 09/16/03
REMAINING SPENDDOWN = \$ 1200.00

TPL/INO

CDV **MEDICARE A & B & D**

POLICY# 123456789100

CDV 0001025/MED

POLICY# 311740121

AETNA US HEALTHCARE
HOME OFFICE PO BOX 150409
HARTFORD, CT 06115

CDV MED

POLICY# 3ED122

AETNA US HEALTHCARE
HOME OFFICE PO BOX 150409
HARTFORD, CT 06115

PC 30,04,06,01,00
LX/BENDER

Print Exit

Part D Subsidy Eligibility & Cost Sharing Chart

Eligibility for Part D subsidy		Part D Cost - Sharing				
Full Dual- Eligibles: Entitled to Medicare and Full Medicaid Benefits						
Monthly Income	Maximum Resources	Annual Deductible	Basic Monthly Premium	Co-Payments Until Total Drug Costs Reach \$5,100	Catastrophic Benefit After Total Drug Costs Reach \$5,100	
Less than 100% FPL	Medicaid Program Limits	\$0	\$0	\$1 per generic or preferred brand name drug or \$3 per prescription for all other drugs until total drug costs reach \$5100 *NF residents have no-pays	Free Prescriptions	
More than 100 % FPL	Medicaid Program Limits	\$0	\$0	\$2 per generic or preferred brand drug or \$5 per prescription for all other drugs until total drug costs reach \$5,100 *NF residents have no-pays	Free Prescriptions	
Partial Dual Eligibles: Medicare Savings Program Only (QMB/LMB)						
Monthly Income	Maximum Resources					
At or below 135% FPL	Single - \$4,000 Married - \$6,000	\$0	\$0	\$2 per generic or preferred brand drug or \$5 per prescription for all other drugs until total drug costs reach \$5,100	Free Prescriptions	
Medicare Part D Subsidy (Not Full or Partial Dual Eligible)						
Subsidy Type	Monthly Income	Maximum Resources				
D0	At or below 135% FPL	Single - \$6,000 Married - \$9,000	\$0	\$0	\$2 per generic or preferred brand drug or \$5 per prescription for all other drugs until total drug costs reach \$5,100	Free Prescriptions
D1	At or below 135% FPL	Single - \$10,000 Married - \$20,000	\$50	\$0	15% co-insurance for each prescription drug until total drug costs reach \$5,100	\$2 per generic or preferred multi-brand prescription drug or \$5 per prescription for all other drugs
D2	Greater than 135% & at or below 140% FPL	Single - \$10,000 Married - \$20,000	\$50	75% of premium amount	15% co-insurance for each prescription drug until total drug costs reach \$5,100	\$2 per generic or preferred multi-brand prescription drug or \$5 per prescription for all other drugs
D3	Greater than 140% & at or below 145% FPL	Single - \$10,000 Married - \$20,000	\$50	50% of premium amount	15% co-insurance for each prescription drug until total drug costs reach \$5,100	\$2 per generic or preferred multi-brand prescription drug or \$5 per prescription for all other drugs
D4	Greater than 145% & below 150% FPL	Single - \$10,000 Married - \$20,000	\$50	25% of premium amount	15% co-insurance for each prescription drug until total drug costs reach \$5,100	\$2 per generic or preferred multi-brand prescription drug or \$5 per prescription for all other drugs

MEDICARE PART D DESK AID

	Part D Subsidy	Medicare Part D Prescription Drug Coverage
Cases Prior to January 1, 2006		
FULL DUAL ELIGIBLES TITLE XIX (NF, HCBS, WH, SI, MN WITH MET SD)	Deemed eligible for Part D Subsidy. At approval send KAECSES notice V-800.	*Consumer can select & enroll in a Part D PDP. If the consumer has not by 12/31/05, they will be auto-enrolled in a Part D PDP by CMS on 1/1/06. (You received report listing the plans consumers have been auto-enrolled in)
PARTIAL DUAL ELIGIBLES MN WITH UNMET SD & QMB/LMB OR QMB/LMB ONLY	Deemed eligible for Part D Subsidy. At approval send KAECSES notice V-800.	*Consumer can select & enroll in a Part D PDP. If the consumer has not enrolled by 5/15/06, they will be auto-enrolled in a Part D PDP by CMS on 6/1/06
MN WITH UNMET SD ONLY WITHOUT QMB/LMB	Consumer needs to apply for Part D Subsidy. Send form ES-3108 with SSA Part D Subsidy application in addition to approval notices.	*Consumer is responsible for selecting & enrolling in a Part D PDP. If they do not have creditable coverage & are not enrolled in a Part D PDP, advise them to enroll.
MEDICAID DENIED AND RESOURCES AT OR BELOW \$10,000 (SINGLE) AT OR BELOW \$20,000 (COUPLE)	Consumer needs to apply for Part D Subsidy. Send form ES-3108 with SSA Part D Subsidy application in addition to denial notices.	*Consumer is responsible for selecting & enrolling in a Part D PDP. If they do not have creditable coverage & are not enrolled in a Part D PDP, advise them to enroll.
Cases after January 1, 2006 (applications processed after 1/1/06 or consumers who become Medicare eligible)		
FULL DUAL ELIGIBLES TITLE XIX (NF, HCBS, WH, SI, MN WITH MET SD)	Deemed eligible for Part D Subsidy the 1 st month of Medicare & Medicaid eligibility.	*If consumer does not have creditable coverage & is not enrolled in a Part D PDP, advise them to enroll. Part D PDP coverage will begin the month after the month of enrollment. If the consumer does not enroll, they will be auto-enrolled in a Part D PDP. The auto-enrollment process will take 3-4 months from the date application is approved.
PARTIAL DUAL ELIGIBLES MN WITH UNMET SD & QMB/LMB OR QMB/LMB ONLY	Deemed eligible for Part D Subsidy effective the first month of QMB/LMB eligibility. *Determine eligibility for Part D Subsidy in months prior to QMB eligibility.	*If consumer does not have creditable coverage & is not enrolled in a Part D PDP, advise them to enroll. Part D PDP coverage will begin the month after the month of enrollment. If the consumer does not enroll, they will be auto-enrolled in a Part D PDP. The auto-enrollment process will take 3-4 months from the date application is approved.
MN WITH UNMET SD ONLY WITHOUT QMB/LMB	Determine eligibility for Part D Subsidy.	*If consumer does not have creditable coverage & is not enrolled in a Part D PDP, advise them to contact Medicare to find out when their designated enrollment period begins.
MEDICAID DENIED AND RESOURCES AT OR BELOW \$10,000 (SINGLE) AT OR BELOW \$20,000 (COUPLE)	Determine eligibility for Part D Subsidy.	*If consumer does not have creditable coverage & is not enrolled in a Part D PDP, advise them to contact Medicare to find out when their designated enrollment period begins.

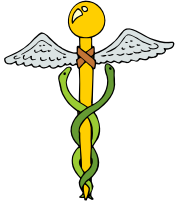
***THOSE WITH CREDITABLE COVERAGE WILL BE AUTO-ENROLLED INTO A MEDICARE PDP. PLEASE SEE BACK OF CHART FOR MORE INFORMATION.**

***Creditable Coverage**

Beneficiaries who have other sources of drug coverage - through a current or former employer or union, for example - may stay in that plan and choose not to enroll in the Medicare drug plan. If their other coverage is at least as good as the new Medicare drug benefit (and therefore considered "creditable coverage"), then the beneficiary can continue with their current coverage and avoid higher payments if they sign up later for the Medicare drug benefit.

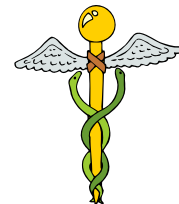
All dual eligibles, including those with creditable coverage, will be auto-enrolled into a Part D PDP if one is not chosen. A dual eligible with creditable coverage can refuse auto-enrollment into a Part D PDP by contacting Medicare or the PDP into which auto-enrollment was assigned. The consumer will not realize any benefits through Medicare Part D Subsidy if they elect the private health plan over Part D.

Medicare Part D and Food Stamps Medical Deductions



There are no policy changes for FS Medical Deductions.

- Medical deductions are allowed for those who are age 60 or over, or disabled as defined in the KEESM Appendix X-6, Definition of Common Terms. Monthly medical expenses must be in excess of \$35 to impact the FS benefit amount.
- If a consumer pays a Medicare Part D premium, it is an allowable FS expense just like other health insurance premiums.
- Prescription costs that the consumer is responsible to pay are allowable for FS. Check if consumer is covered by a prescription drug plan, or if other third party liability exists and is resolved on each expense.
- Consumer can report medical expenses at certification, any time during the certification period, or at review. Expenses reasonably anticipated to continue, can be prospectively budgeted as a FS deduction during the certification period.
- One-time medical expenses can be budgeted as a one-time deduction, or averaged over the remainder of the FS review period. Select the option that is most advantageous to the consumer.
- Spenddown expenses used on **MEEX**, or expenses Beneficiary billed, are considered reported and allowable expenses can be applied as FS deduction.
- Spenddown expenses that are Provider Billed can be allowed after spenddown has been met, or at the end of the 6 month base period. The expenses must be the consumer's responsibility to pay in order to be allowed.
- All Medical expenses must be verified.
- When allowable FS medical expenses are reported, you must act on the change.
- Document, document, document.



Subsidy Only Case - Individual

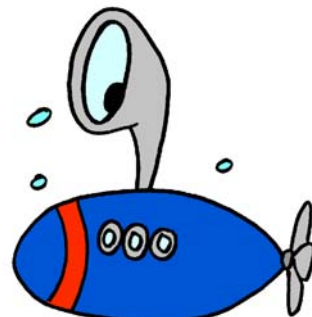
An ES-3100.8 application for Medicare Savings Plan programs is received on January 10, 2006 from Captain Blackbeard. He has Medicare A/B and his Medicare prescription drug coverage is through Unicare. Captain Blackbeard's income and resources exceed the QMB/LMB standards but he is eligible for Part D Subsidy. Verification was requested and received. On January 25, you process an application for Part D Subsidy only.

Note: Subsidy only applications are registered as 'MS'.
There is no prior eligibility for a Subsidy determination.

1. Begin processing a Subsidy only case.
2. **MERE** - Add **Y** to '**MEDICARE D**' field as he receives Medicare A &/or B.
- Change **N** to **Y** in '**SUBD**' field as requesting subsidy determination.
3. **PICK** - Enter **MD** in the '**SPECIAL MEDICAL INDICATOR** field.
4. **MSID** - Enter **Y** on the '**GO TO SUBSIDY D?**' field.
- Hit enter to go to the **SUDD** screen.
5. **SUDD** - The '**# in HH**' field will display **1**. The system automatically defaults to the number in medical unit. Since he reported that he lives alone, we do not have to change this number. (If Captain Blackbeard reported that his mother lived with him and relied on him for one half of her support, you would change number in household to 2.)
- The system will calculate the federal poverty level percentage and populate the '**FPL%**' field. (Blackbeard's FPL is 138%)
- Enter **01** in the '**POA**' (position on application) field.
- Hit enter to open up the '**ACTION**' field for coding.
- Look at '**FPL%**' field to determine subsidy type. Mr. Blackbeard's income is 138% FPL and resources are below \$10,000. He qualifies for Subsidy type D2.
- Code '**ACTION**' field **AP** as approving for subsidy.
- Hit enter to open up '**SUBSIDY TYPE**' and '**AUTHORIZATION**' fields.
- Code **D2** in '**SUBSIDY TYPE**' field, authorize, and press enter.
6. **SPEN** - Set 12 month review (12/06) and authorize case. This transmits the eligibility record to MMIS.
7. **MEBH** - Check this screen. It should reflect **MD** under '**MEI (MEDICAL ELIGIBILITY INDICATOR)**' field and **D2** under '**SUD IND (Subsidy INDICATOR)**' field.
8. **NORE** - Send N-139 (Approval - Subsidy D Only) and other appropriate notices.
9. Document in case file.

Under the Radar

- KAECSES sends the Subsidy record overnight to MMIS.
- MMIS sends this information to CMS on 2-15.
- CMS will notify his Medicare Part D PDP (Unicare) of his eligibility for Part D Subsidy.
- Captain Blackbeard will likely receive a refund from Unicare for Medicare drug coverage costs.
- Since Captain Blackbeard is eligible for Subsidy type D2, he is responsible for the following Medicare prescription drug costs:
 - ▶ 25% of premium
 - ▶ \$50 deductible
 - ▶ 15% per prescription
 - ▶ \$2-5 co-pays when prescription drug expenses exceed \$5,100
- CMS will confirm Medicare prescription drug coverage entitlement dates, enrollment information and Medicare Part D PDP assignment to MMIS.
- MMIS will display Medicare Part D PDP information on the Beneficiary Part D PDP Assignment Window based on the CMS file.



Subsidy Only Case- Couple

The agency receives an application (ES- 3100.8) from Mr. and Mrs. Robinson on March 3. They have marked they would like to apply for QMB/LMB/Subsidy. They are both Medicare recipients. Mr. Robinson has Medicare prescription drug coverage through Humana and Mrs. Robinson's is through Aetna. They report on the application the following:

- Checking account at Swiss Bank & Trust (\$6400)
- CD at Swiss Bank & Trust (\$5000)
- Savings account at Swiss Bank & Trust (\$5000)
- Island Term Life Insurance (FV \$10,000 / CV \$0)
- Funeral arrangement for Mr. Robinson. The arrangement is set up as irrevocable. Services total \$3500 & merchandise total \$2000.
- Mr. Robinson's SSA income is \$800
- Mrs. Robinson's SSA income is \$644

The couple's resources are over the limits for QMB/LMB/ELMB. Their income is under 135% FPL. They are eligible for Part D Subsidy.

Note: Subsidy only applications are registered as "MS".
There is no prior eligibility for a Subsidy determination.

1. Begin processing a Subsidy only case March 25.
2. **MERE** - Add **Y** to '**MEDICARE D**' field as receives Medicare A &/or B.
- Change **N** to **Y** in '**SUBD**' field as requesting a Subsidy determination.
3. **PICK** - Enter **MD** in the '**SPECIAL MEDICAL INDICATOR**' field.
4. **MSID** - Enter **Y** on the '**Go To Subsidy D?**' field.
- Hit enter to go to the **SUDD** screen.
5. **SUDD** - The '**# in HH**' field will display **2**. The system automatically defaults to the number in medical unit.
- The system will calculate the federal poverty level percentage and populate the '**FPL%**' field. (The Robinson's FPL is 135%)
- Enter **01** in the first '**POA**' field and **02** in the second '**POA**' field.
- Hit enter to open up the '**ACTION**' field for coding.
- Look at '**FPL%**' field to determine Subsidy type. The Robinson's income is 135% FPL. Their resources are \$16,400. They qualify for Subsidy type D1.
- Code '**ACTION**' field for each person **AP** as approving for Subsidy.
- Hit enter to open up '**Subsidy TYPE**' and '**AUTHORIZATION**' fields.
- Code **D1** in '**Subsidy TYPE**' field for both, authorize, and press enter.
6. **SPEN** - Set 12 month review (2/07) and authorize case. This transmits the eligibility record to MMIS.

7. **MEBH** - Check this screen. It should reflect **MD** under '**MEI**' (**MEDICAL ELIGIBILITY INDICATOR**) field and **D1** under '**SUD IND**' (**Subsidy INDICATOR**) field.
8. **NORE** - Send N139 (Approval - Subsidy D Only) and other appropriate notices.
9. Document in case file.

Under the Radar

- KAECSES sends the Subsidy record overnight to MMIS.
- MMIS sends this information to CMS on 4/15.
- CMS will notify Mr. Robinson's Medicare Part D PDP (Humana) and Mrs. Robinson's Medicare Part D PDP (AETNA) that they are eligible for Subsidy.
- The Robinsons will likely receive a refund from Humana and Aetna for Medicare drug coverage costs.
- Since the Robinsons are eligible for Subsidy type D1, they are responsible for the following Medicare prescription drug costs;
 - ▶ \$0 premium
 - ▶ \$50 deductible
 - ▶ 15% per prescription
 - ▶ \$2-5 co-pays when prescription drug expenses exceed \$5,100
- CMS will confirm Medicare prescription drug coverage entitlement dates, enrollment information and Medicare Part D PDP assignment to MMIS.
- MMIS will display Medicare Part D PDP information on the Beneficiary Part D PDP Assignment Window based on the CMS file.

NOTE: Each spouse has their own Medicare prescription drug plan.



QMB Only Application - Enrolled in Medicare PDP

Jack Dawson applies for QMB only coverage on February 28, 2006. He has Medicare prescription drug coverage through Coventry AdvantraRx company. Based on his income and resources he is QMB eligible. The application is processed on April 1, 2006. He is QMB eligible in May, therefore, he is deemed eligible for Part D Subsidy to help him with his Medicare prescription drug costs. Since QMB eligibility doesn't begin until the month after the month the application is processed, we need to plug in the gaps with Part D Subsidy for 2/06, 3/06, and 4/06. Set QMB Review for 1/07.

2/06	3/06	4/06	5/06	6/06	7/06
-Application rec'd -Determined Subsidy Eligible	Determined Subsidy Eligible	-Determined Subsidy Eligible -Application processed	- QMB - Deemed Subsidy - Close SUDD Record Eff 4/30/06 -Part B buy-in	- QMB - Deemed Subsidy	- QMB - Deemed Subsidy

1. Begin processing a Subsidy only case in February.
2. **MERE** - Add **Y** to '**MEDICARE D**' field as he receives Medicare A &/or B
- Change **N** to **Y** in the '**SUBD**' field as requesting Subsidy
3. **PICK** - Enter **MD** in the '**SPECIAL MEDICAL INDICATOR**' field.
4. **MSID** - Enter **Y** on the '**GO TO Subsidy D?**' field.
- Hit enter to go to the **SUDD** screen.
5. **SUDD** - The '**# IN HH**' field will display **1**. The system automatically defaults to the number in medical unit.
- The system will calculate the federal poverty level percentage and populate the '**FPL%**' field. (Jack's income is 100% FPL)
- Enter **01** in the '**POA**' (position on application) field.
- Hit enter to open up the '**ACTION**' field for coding.
- Look at '**FPL%**' field to determine Subsidy type. Jack's income is at or below 100% FPL. His resources are below \$3,000. He is eligible for Subsidy type **D0**.
- Code '**ACTION**' field **AP** as approving for Subsidy.
- Hit enter to open up '**Subsidy TYPE**' and '**AUTHORIZATION**' fields.
- Code **D0** in '**Subsidy TYPE**' field, authorize, and press enter.
6. **SPEN** - Set 12 month review (1/07), and authorize case. This transmits the eligibility record to MMIS.
7. **MEBH** - Check this screen. It should reflect **MD** under '**MEI (MEDICAL ELIGIBILITY INDICATOR)**' field and **D0** under '**SUD IND (Subsidy INDICATOR)**' field.

8. **NORE** - Wait until you have processed the case for QMB to send appropriate notices.
9. Document in case file.
10. Copy case into 3/06 and 4/06 to authorize Subsidy. (You will need to authorize **SUDD** & **SPEN** for each month.)
11. Jack is QMB eligible in May. Begin processing a QMB only case.
12. **SEPA** - Code **QO** for program subtype.
13. **PICK** - Remove **MD** code as consumer is QMB eligible. (Remember you only use **MD** when it is a Subsidy only case.)
14. **MSID** - Enter **Y** for QMB eligibility.
- Enter **Y** on the '**GO TO Subsidy D?**' field.
15. **SUDD** - Close Subsidy only record as consumer is QMB and deemed eligible for Part D Subsidy.
- Code '**ACTION**' field **CL**.
- Hit enter to open up '**CLOSURE REASON**' and '**AUTHORIZATION**' fields.
- Enter **DM** in the '**CLOSURE REASON**' field and authorize.
- KAECSES will populate the '**CLOSURE/DENIAL DATE**' field. To view the date, reenter the SUDD screen after authorizing.
16. **SPEN** - Authorize case.
17. **NORE** - Send N-197 (Approval for QMB and Subsidy Benefits) and other appropriate notices. **DO NOT** send a Subsidy closure notice as consumer is deemed eligible for Subsidy.

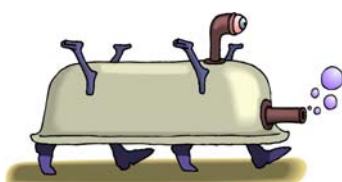
Under the Radar

- KAECSES sends the eligibility record overnight to MMIS. Mr. Dawson is **determined eligible** for Subsidy effective 2/06 to 4/06. Effective 5/06, he is QMB and **deemed eligible** for Part D Subsidy.
- MMIS sends this information on 4/15 to CMS.
- CMS will notify Mr. Dawson's Medicare PDP, Coventry AdvantraRX, of his eligibility for Medicare Part D Subsidy.
- Mr. Dawson will likely receive a refund from his Medicare prescription drug plan for Medicare drug coverage costs.

- Since Mr. Dawson is eligible for Subsidy type D0, he will be responsible for the following Medicare prescription drug costs:
 - ▶ \$0 premium
 - ▶ \$0 deductible
 - ▶ \$2-5 co-pays per prescription
 - ▶ Free prescriptions when drug expenses exceed \$5,100
- CMS will confirm Medicare prescription drug coverage entitlement dates, enrollment information and Medicare Part D PDP assignment to MMIS.
- MMIS will display Medicare Part D PDP information on the Beneficiary Part D PDP Assignment Window based on the CMS file.

What if Jack Dawson did not have drug coverage?

We would inform Mr. Dawson that he needs to enroll in a Medicare prescription drug plan. When he enrolls, his coverage will be effective the 1st day of the following month. If he does not enroll, it will take 3-4 months from the date he becomes QMB eligible for him to be auto-enrolled in a plan. (Even though he may not have Medicare prescription coverage, you will still determine Subsidy eligibility in months prior to QMB.) He will be deemed eligible for Part D Subsidy effective the month of QMB eligibility. Mr. Dawson can find out about the plans offered in Kansas by contacting SHICK, his pharmacy of choice, and his Medicare and You 2006 handbook. He will have to contact the Medicare prescription drug plan directly to enroll.



**What lies at the bottom
of the ocean and
twitches?**

A NERVOUS WRECK!!!!

Medically Needy Application - QMB Eligible

Dirk Chivers submits a Medically Needy application on June 30, 2006. He is a Medicare recipient and has Medicare prescription drug coverage through Humana. He wants a spenddown as he has hospital expenses and will be going back to the hospital on July 3 for surgery. Based on his income and resources, Dirk is eligible for MN and QMB benefit. On July 10, you process the application. Since QMB eligibility does not begin until August, a Part D Subsidy determination will be completed for June and July.

6/06	7/06	8/06	9/06	10/06	11/06
-Application rec'd -Determined Subsidy Eligible -MN eligible	-Application processed -Determined Subsidy Eligible -MN eligible	-MN & QMB -Deemed Subsidy -Part B buy-in	-MN & QMB -Deemed Subsidy	-MN & QMB -Deemed Subsidy	-MN & QMB -Deemed Subsidy

1. Begin processing a Medically Needy case with a Subsidy determination.
2. **MERE** - Add **Y** to '**MEDICARE D**' field as he receives Medicare A &/or B.
- Change **N** to **Y** in the '**SUBD**' field as requesting Subsidy.
3. Complete **PICK** screen for pickle eligibility. You will not put any coding in the '**SPECIAL MEDICAL INDICATOR**' field. Remember, you only use **MD** when it is a Subsidy only case. If you were to enter **MD**, the MMIS system would read this as a Subsidy only case instead of Medically Needy.
4. **MSID** - Enter **Y** on the '**GO TO Subsidy D?**' field.
- Hit enter to go to the **SUDD** screen.
5. **SUDD** - The '**# IN HH**' field will display **1**. The system automatically defaults to the number in medical unit.
- The system will calculate the federal poverty level percentage and populate the '**FPL%**' field. (Dirk's income is below 100%FPL.)
- Enter **01** in the '**POA**' (position on application) field.
- Hit enter to open up the '**ACTION**' field for coding.
- Look at '**FPL%**' field to determine Subsidy type. He is eligible for Subsidy type **D0** as his income is at or below 100% FPL and resources are below Medicaid limits.
- Code '**ACTION**' field **AP** as approving for Subsidy.
- Hit enter to open up '**Subsidy TYPE**' and '**AUTHORIZATION**' fields.
- Code **D0** in '**Subsidy TYPE**' field, authorize, and press enter.
6. **SPEN** - Set 12 month review (05/07) and authorize case. This transmits the eligibility record to MMIS.
7. **MEBH** - Check this screen. It should reflect **SD** under '**MEI**' (**MEDICAL ELIGIBILITY INDICATOR**) field and **D0** under '**SUD IND**' (**Subsidy INDICATOR**) field.

8. **NORE** - Wait until you have processed the case for MN and QMB to send appropriate notices.
9. Copy case into 7/06. Authorize Subsidy and MN eligibility. (You will need to authorize **SUDD & SPEN**) Dirk is QMB eligible effective August.
10. Copy case into 8/06.
11. **MSID** - Enter **Y** for QMB eligibility.
 - Enter **Y** on the '**GO TO Subsidy D?**' field.
 - Hit enter to go to the **SUDD** screen.
12. **SUDD** - Close Subsidy only record as Dirk is QMB and deemed eligible for Part D Subsidy.
 - Code '**ACTION**' field **CL**.
 - Hit enter to open up '**CLOSURE REASON**' and '**AUTHORIZATION**' fields.
 - Enter **DM** in the '**CLOSURE REASON**' field and authorize.
 - KAECSES will populate the '**CLOSURE/DENIAL DATE**' field. To view the date, reenter the SUDD screen after authorizing.
13. **SPEN** - Authorize case.
14. **NORE** - Send N-197 (Approval for QMB and Subsidy Benefits) and other appropriate approval notice(s). **DO NOT** send a Subsidy closure notice as Dirk is deemed eligible for Subsidy.
15. Document in case file.

Under the Radar

- KAECSES sends the eligibility record overnight to MMIS. (Determined eligible for Subsidy 6/06 & 7/06. Effective 8/06, Dirk is QMB and deemed Part D Subsidy eligible.
- MMIS sends this information on 7/15 to CMS.
- CMS will notify Mr. Chiver's Medicare PDP, Humana, of his eligibility for Medicare Part D Subsidy.
- Mr. Chivers will likely receive a refund from Humana for Medicare drug coverage costs.
- Since Mr. Chivers is eligible for Subsidy type D0, he is responsible for the following Medicare prescription drug costs;
 - ▶ \$0 premium
 - ▶ \$0 deductible
 - ▶ \$2-5 co-pays for each prescription
 - ▶ Free prescriptions when drug expenses exceed \$5,100
- CMS will confirm Medicare prescription drug coverage entitlement dates, enrollment information and Medicare Part D PDP assignment to MMIS.
- MMIS will display Medicare Part D PDP information on the Beneficiary Part D PDP Assignment Window based on the CMS file.

Medically Needy Application - No QMB/LMB

Anne Bonny submits a Medically Needy application on June 5, 2006. She has Medicare A & B. She has not enrolled in a Medicare Part D PDP. She wants a spenddown as she has drug and hospital expenses. The worker informs Anne to contact Medicare to find out when she can enroll in a Medicare prescription drug program as Medicaid will not cover her prescriptions (even if her spenddown is met). Based on her income and resources, she is eligible for Part D Subsidy. This Subsidy would cover a portion of the costs associated with Medicare prescription drug coverage. On July 1, you determine eligibility for MN and Part D Subsidy.

6/06	7/06	8/06	9/06	10/06	11/06
- Application rec'd -MN eligible -Determined Subsidy Eligible	-Application processed -MN eligible -Determined Subsidy Eligible	-MN eligible application -Determined Subsidy Eligible	-MN eligible application -Determined Subsidy Eligible	-MN eligible application -Determined Subsidy Eligible	-MN eligible application -Determined Subsidy Eligible

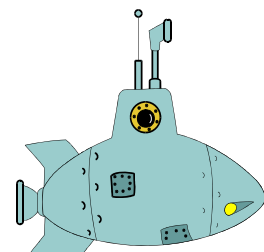
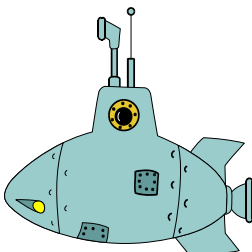
1. Begin processing a Medically Needy case with a Subsidy determination.
2. **MERE** - Add **Y** to '**MEDICARE D**' field as she receives Medicare A &/or B.
 - Change **N** to **Y** in the '**SUBD**' field as requesting Subsidy.
3. Complete **PICK** screen for pickle eligibility. No coding is entered in the '**SPECIAL MEDICAL INDICATOR**' field. Remember, you only use **MD** when it is a Subsidy only case. If you were to enter **MD**, the MMIS system would read this as a Subsidy only case instead of Medically Needy.
4. **MSID** - Enter **Y** on the '**GO TO Subsidy D?**' field.
 - Hit enter to go to the **SUDD** screen.
5. **SUDD** - The '**# IN HH**' field will display **1**. The system automatically defaults to the number in medical unit.
 - The system will calculate the federal poverty level percentage and populate the '**FPL%**' field. (Anne's income is 136% FPL.)
 - Enter **01** in the '**POA**' (position on application) field.
 - Hit enter to open up the '**ACTION**' field for coding.
 - Look at '**FPL%**' field to determine Subsidy type. Ms. Bonny's income is 136% FPL and her resources are below Medicaid limits. She is eligible for Subsidy type D2.
 - Code '**ACTION**' field **AP** as approving for Subsidy.
 - Hit enter to open up '**Subsidy TYPE**' and '**AUTHORIZATION**' fields.
 - Code **D2** in '**Subsidy TYPE**' field, authorize, and press enter.

6. **SPEN** - Set 12 month review (05/07) and authorize case. This transmits the eligibility record to MMIS.
7. **MEBH** - Check this screen. It should reflect **SD** under '**MEI** (**MEDICAL ELIGIBILITY INDICATOR**)' field and **D2** under '**SUD IND**' (**Subsidy INDICATOR**) field.
8. **NORE** - Send N-139 (Approval - Subsidy D Only) and other appropriate notices.
9. Document in case file.

Under the Radar

- KAECSES sends the eligibility record overnight to MMIS. Determined eligible for Subsidy effective 6/06.
- MMIS sends this information on 7/15 to CMS.
- Anne can enroll in a Medicare prescription drug plan during the next open enrollment period.
- When Anne enrolls in a Medicare prescription plan, CMS will notify the plan that she is eligible for Part D Subsidy.

NOTE: Only Full and Partial dual eligibles can enroll in a Medicare Part D plan at anytime. If they do not enroll on their own, CMS will auto-enroll them into a plan. Anne does not qualify for full medicaid or QMB/LMB, therefore she is not auto-enrolled and will have to wait until her next open enrollment period to enroll and have Part D coverage.



MS-NF Application - Enrolled in Medicare PDP - No Prior Medical Requested

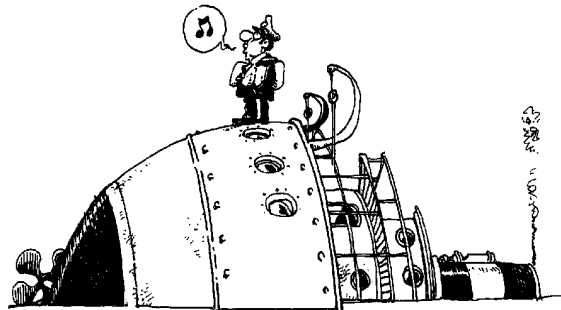
Molly Brown enters Titanic Nursing Facility on May 10, 2006. An MS-NF application is received May 20. Molly has Medicare Part D coverage through Humana. You process the application on June 6. Based on verification received, Ms. Brown is approved for Medicaid and therefore, deemed eligible for Part D Subsidy effective May 2006. Since she is not eligible for QMB/LMB, Molly is Part B buy-in eligible beginning July 2006.

5/06	6/06	7/06	8/06	9/06	10/06
-Application rec'd -Medicaid eligible -Deemed Subsidy	-Application processed 6-6 -Medicaid eligible -Deemed Subsidy -MMIS sends Subsidy record 6/15 to CMS	-Medicaid eligible -Deemed Subsidy -Part B buy-in	-Medicaid eligible -Deemed Subsidy	-Medicaid eligible -Deemed Subsidy	-Medicaid eligible -Deemed Subsidy

Under the Radar

- KAECSES sends the eligibility record overnight to MMIS.
- Deemed eligible for Part D Subsidy effective May, same month as Medicaid eligibility.
- MMIS sends this information on 6/15 to CMS
- CMS will notify Ms. Brown's Medicare PDP, Humana Insurance, of her Medicaid eligibility and deemed status for Medicare Part D Subsidy.
- Ms. Brown will likely receive a refund from Humana for Medicare drug costs.
- She does not have Part D co-pays as she is residing in an institution.

*Ms. Brown may need to switch to a different Medicare PDP, if the nursing facility's preferred pharmacy does not participate with her Medicare PDP, Humana Insurance Company.



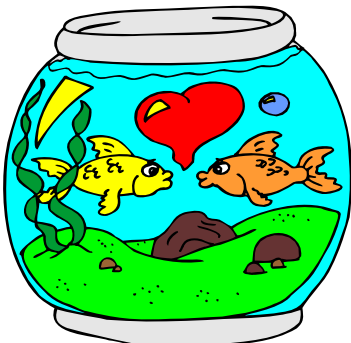
MS-NF Application - Enrolled in Medicare PDP - Prior Medical Requested

On May 5, 2006 you receive an MS-NF application for Captain Merrill Stubing. Captain Stubing has been a resident of Love Boat Adult Care Home since April 2005. Merrill has Medicare Part D coverage through United Healthcare. The application is processed on June 10. Captain Stubing is approved for Medicaid and therefore, deemed Part D Subsidy eligible effective 2/06. Medicare Part B Buy-in is effective third month of eligibility (4/06) as he is not eligible for QMB/LMB.

2/06	3/06	4/06	5/06	6/06	7/06
-Prior month -Medicaid eligible -Deemed Subsidy	-Prior month -Medicaid eligible -Deemed Subsidy	-Prior month -Medicaid eligible -Deemed Subsidy -Part B buy-in	-Application rec'd -Medicaid eligible -Deemed Subsidy	-Application processed 6/10 -Medicaid eligible -Deemed Subsidy -MMIS sends Subsidy record 6/15 to CMS	-Medicaid eligible -Deemed Subsidy

Under the Radar

- KAECSSES sends the eligibility record overnight to MMIS
- Deemed eligible for Part D Subsidy effective February, same month as Medicaid eligibility.
- MMIS sends this information on 6/15 to CMS.
- CMS will notify Captain Stubing's Medicare PDP, United Healthcare, of his Medicaid eligibility and deemed status for Medicare Part D Subsidy.
- Mr. Stubing will likely receive a refund from United Healthcare for Medicare drug costs.
- He does not have Part D co-pays as he is residing in an institution.



MS/NF Application - Not Enrolled in Medicare PDP

Thurston Howell entered Deserted Isle nursing home May 2, 2006. An application is received on May 9. You talk with his guardian, Gilligan. He tells you that Mr. Howell is not enrolled in Medicare Part D and does not have creditable drug coverage.

At this point you inform Mr. Howell and Gilligan of the following:

- You recommend Mr. Howell enroll in a Medicare Prescription Drug plan.
- Mr. Howell needs to discuss with the facility which Medicare Prescription Drug plans participate with their preferred pharmacy.
- Medicare Prescription Drug coverage will become effective the month after he enrolls.
- He is deemed eligible for Subsidy if Medicaid eligible. (No premiums, co-pays, or deductibles since living in a nursing facility)

Gilligan spoke with the nursing facility and found out that Unicare, Member Health Inc, and Wellcare Health Plans participate with the facility's preferred pharmacy. Mr. Howell enrolled with Unicare on May 23. His Medicare prescription drug coverage will become effective until June 1.

You process the application on June 20 and Mr. Howell is eligible for Medicaid and therefore, deemed eligible for Part D Subsidy effective May. Part B Buy-in is effective the month after the month of processing (7/06) as he is QMB eligible.

5/06	6/06	7/06	8/06	9/06	10/06
-Application rec'd -Enrolled in a Medicare PDP -Medicaid eligible -Deemed Subsidy	-Application processed 6-20 -Part D coverage begins -Medicaid eligible -Deemed Subsidy	-Medicaid eligible -Deemed Subsidy -QMB eligible -Part B buy-in -MMIS sends Subsidy record 7/15 to CMS	-Medicaid eligible -Deemed Subsidy -QMB eligible	-Medicaid eligible -Deemed Subsidy -QMB eligible	-Medicaid eligible -Deemed Subsidy -QMB eligible

Under the Radar

- KAECSES sends the eligibility record overnight to MMIS.
- Deemed eligible for Part D Subsidy effective May even though Medicare drug coverage not effective until June.

- MMIS sends this information on 7/15 to CMS.
- CMS will notify Thurston Howell's Medicare PDP, Unicare, of his Medicaid eligibility and deemed status for Medicare Part D Subsidy.
- He does not have Part D co-pays as he is residing in an institution.

What if Mr. Howell did not follow through and enroll in a Medicare prescription drug plan?

5/06	6/06	7/06	8/06	9/06	10/06
-Application rec'd -Medicaid eligible -Deemed Subsidy	-Medicaid eligible -Deemed Subsidy	-Medicaid eligible -Deemed Subsidy -QMB eligible -Part B buy-in -MMIS sends Subsidy record 7/15 to CMS	-Medicaid eligible -Deemed Subsidy -QMB eligible -Waiting period for auto-enrollment	-Medicaid eligible -Deemed Subsidy -QMB eligible -Waiting period for auto-enrollment	-Medicaid eligible -Deemed Subsidy -QMB eligible -CMS auto-enrolls

For dual eligibles, CMS will auto-enroll this population into a Medicare drug plan if they fail to enroll. In Mr. Howell's situation, his MS/NF application is processed on June 20. MMIS will send information to CMS on 7/15. CMS will allow 2 months for Mr. Howell to select a plan and enroll. If they have not enrolled after this time period, CMS will auto-enroll him into a randomly selected plan. In this situation, Mr. Howell would not be enrolled and have Medicare prescription drug coverage until October.



**MS-NF Application - Not Enrolled in Medicare PDP
Creditable Coverage through General Motors**

Gopher Smith is a General Motors retiree. He has medical and creditable prescription drug coverage through GM. Mr. Smith enters the Love Boat Nursing Facility on April 5, 2006. He applies for Medicaid on April 15. You process the application on May 12. His income is too high for QMB/LMB. He is approved for Medicaid and deemed eligible for Part D Subsidy effective April 2006.

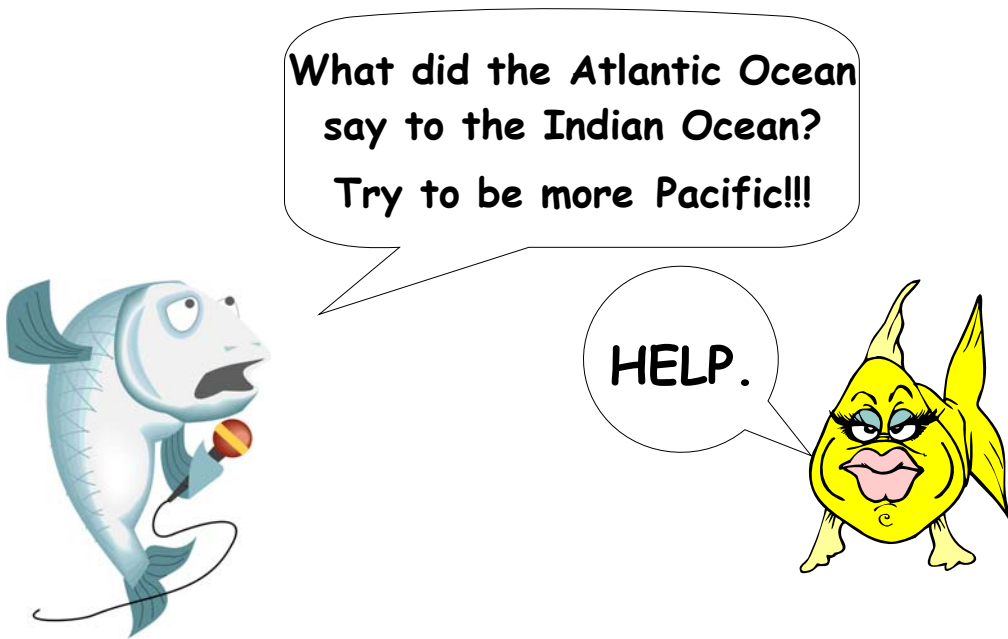
4/06	5/06	6/06	7/06	8/06	9/06
-Application rec'd -Medicaid eligible -Deemed Subsidy	-Application processed 5-12 -Medicaid eligible -Deemed Subsidy -MMIS sends Subsidy record 5/15 to CMS	-Medicaid eligible -Deemed Subsidy -Part B buy-in	-Medicaid eligible -Deemed Subsidy	-Medicaid eligible -Deemed Subsidy	-Medicaid eligible -Deemed Subsidy

Under the Radar

- Mr. Smith has prescription drug coverage through the General Motors. His coverage has been determined by CMS to be 'as good as or better' than Medicare's prescription drug plan.
- KAECSES sends the eligibility record overnight to MMIS.
- Deemed eligible for Part D Subsidy effective April. There are no benefits as he has elected to keep his private health plan over Part D.
- MMIS sends this information on 5/15 to CMS.
- CMS will auto-enroll Mr. Smith into a Medicare prescription drug plan.
- Mr. Smith will need to contact Medicare if he does not want to be auto-enrolled in a Medicare PDP. He will need to determine what is best for him.
- If Mr. Smith enrolls in a Medicare PDP he will not have co-pays.

Mr. Smith receives an auto-enrollment letter from CMS. He has been auto-enrolled into a Medicare PDP with Humana Insurance company. Mr. Smith contacts Humana to decline auto-enrollment. He wants to keep his coverage through General Motors. Even though he has declined enrollment into a Medicare PDP, he will not have to pay a penalty if he enrolls at a later date since he has creditable coverage.

Note: All dual eligibles, including those with creditable coverage, will be auto-enrolled into a Part D PDP if one is not chosen. A dual eligible with creditable coverage can refuse auto-enrollment into a Part D PDP by contacting Medicare or the PDP into which auto-enrollment was assigned. The consumer will not realize any benefits through Medicare Part D Subsidy if they elect the private health plan over Part D. They will need to contact their insurance company to find out how enrolling in a Medicare PDP will affect their current coverage.



MS/HC Application - Enrolled in Medicare PDP- No Prior Medical Requested

The agency receives an MS/HC application for Captain Jack Sparrow on February 14, 2006. According to the ES-3160, he has been approved for HCBS/FE services effective February 1. He has Medicare Part D coverage through Aetna. The application is processed on March 10. Captain Sparrow is eligible for Medicaid and LMB effective February 2006.

2/06	3/06	4/06	5/06	6/06	7/06
-Application rec'd -Medicaid eligible -LMB eligible -Part B buy-in -Deemed Subsidy	-Application processed 3-10 -Medicaid eligible -LMB eligible -Deemed Subsidy -MMIS sends Subsidy record to CMS on 3/15	-Medicaid eligible -LMB eligible -Deemed Subsidy	-Medicaid eligible -LMB eligible -Deemed Subsidy	-Medicaid eligible -LMB eligible -Deemed Subsidy	-Medicaid eligible -LMB eligible -Deemed Subsidy

Under the Radar

- KAECSES sends the eligibility record overnight to MMIS.
- Deemed eligible for Part D Subsidy effective 2/06)
- MMIS sends this information on 3/15 to CMS.
- CMS will notify Captain Sparrow's Medicare Part D PDP, Aetna Life Insurance, of his Medicaid eligibility and deemed status for Medicare Part D Subsidy.
- Captain Sparrow will likely receive a refund from Aetna for Medicare drug costs.
- Since Captain Sparrow's income is over 100% FPL, his co-pays for each prescription will be \$2 to \$5. Co-pays can be allowed to reduce Jack's obligation for HCBS services.

What if Captain Jack Sparrow wanted prior eligibility (11/05, 12/05, 1/06)?

11/05	12/05	1/06	2/06	3/06	4/06
-Prior month -LMB eligible -Part B buy-in	-Prior month -LMB eligible	-Prior month -LMB eligible -Deemed Subsidy (Medicare Part D does not begin until 1/1/06)	-Application rec'd -Medicaid eligible -LMB eligible -Deemed Subsidy	-Application processed 3-10 -Medicaid eligible -LMB eligible -Deemed Subsidy -MMIS send Subsidy record to CMS on 3/15	-Medicaid eligible -LMB eligible -Deemed Subsidy

Since Captain Sparrow's income is within the LMB limits and he requested prior, he is LMB eligible effective 11/05 and full Medicaid eligible effective 2/06 (month of HCBS/FE assessment). Buy-in of his Part B premium begins 11/05.

Under the Radar

- Medicare Prescription Drug coverage through Aetna Life Insurance.
- KAECSES sends the eligibility record overnight to MMIS.
- Deemed eligible for Part D Subsidy effective 1/06
- MMIS sends this information on 3/15 to CMS.
- CMS will notify Captain Sparrow 's Medicare PDP, Aetna Life Insurance, of his Medicaid eligibility and deemed status for Medicare Part D Subsidy.
- Captain Sparrow will likely receive a refund from Aetna for Medicare drug costs.
- Since Captain Sparrow's income is over 100% FPL, his co-pays for each prescription will be \$2 to \$5.

**MS-HC Application - Not Enrolled in Medicare PDP
Does Not Have Creditable Coverage - Prior Medical Requested**

Will Turner submits an MS-HC application on March 15, 2006. The 3160 reflects an HCBS start date of 3/1/06. You verify that Mr. Turner does not have Medicare prescription drug coverage.

At this point you inform Mr. Turner of the following:

- Recommend enrolling in a Medicare Prescription Drug plan.
- Mr. Turner may need assistance in selecting and enrolling in a plan. Refer him to SHICK, Medicare or his preferred pharmacy.
- When he enrolls into a Medicare Part D PDP his drug coverage will become effective the first day of the following month.

Mr. Turner contacts Legends Pharmacy and SHICK. Mr. Turner has used Legends Pharmacy in the past and asks them which Part D PDP they accept. There are five Medicare drug plans that participate with Legend Pharmacy. Mr. Turner contacts SHICK to help him research each of the five plans his pharmacy accepts. Mr. Turner enrolls with Wellcare Health Plans on April 2. His Medicare prescription drug coverage is effective in May. (month after month enrolled)

The application is processed on April 10. He is eligible for LMB effective 12/05 and Medicaid 3/06. Buy-in is effective 12/05.

12/05	1/06	2/06	3/06	4/06	5/06
-Prior month -LMB eligible -Part B buy-in	-Prior month -LMB eligible -Deemed Subsidy (Medicare Part D program for Medicare beneficiaries begins 1-1-06)	-Prior month -LMB eligible -Deemed Subsidy	-Application rec'd -Medicaid eligible -LMB eligible -Deemed Subsidy	-Application processed 4-10 -Medicaid eligible -LMB eligible -Deemed Subsidy -Enrolls in Part D PDP -MMIS sends Subsidy record to CMS on 4/15	-Medicaid eligible -LMB eligible -Part D coverage begins -Deemed Subsidy

Under the Radar

- KAECSES sends the eligibility record overnight to MMIS.
- Deemed eligible for Part D Subsidy effective month Medicare prescription drug coverage begins (5/06)).
- MMIS sends this information on 4/15 to CMS.
- CMS will notify Mr. Turner’s Medicare PDP, Wellcare, of his Medicaid eligibility and deemed status for Medicare Part D Subsidy.
- Since Mr. Turner’s income is over 100% FPL, he will pay \$2 to \$5 co-pays for each prescription.

What if Mr. Turner did not enroll in a Medicare prescription drug plan?

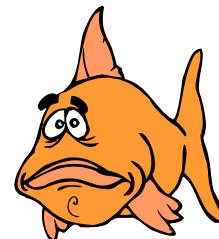
3/06	4/06	5/06	6/06	7/06
-Application rec'd -Medicaid eligible -LMB eligible -Deemed Subsidy	-Medicaid approved 4/10 -LMB eligible -Deemed Subsidy -MMIS sends Subsidy record to CMS on 4/15	-Waiting period for auto-enrollment -Medicaid eligible -LMB eligible -Deemed Subsidy	-Waiting period for auto-enrollment -Medicaid eligible -LMB eligible -Deemed Subsidy	-Auto-enrolled by CMS into a Part D PDP -Medicaid eligible -LMB eligible -Deemed Subsidy

For dual eligibles, CMS will auto-enroll this population into a Medicare drug plan if they fail to enroll. In Mr. Turner’s situation, his MS/HC application is processed on April 10. MMIS will send information to CMS on the next MMA file (4/15). CMS will allow 2 months for the consumer to select a plan and enroll. If they have not enrolled after this time period, CMS will auto-enroll him into a randomly selected plan. In this situation, Mr. Turner is enrolled and has Medicare prescription drug coverage effective July.



How do you know the ocean is friendly?

It waves!!!



MS/WH Application - Enrolled in Medicare PDP - No Prior Medical Requested

Captain Hook submits a Working Healthy application on June 3, 2006. You send the ES-3160 to the Benefit Specialist. On this form, you indicate that the applicant has Medicare Prescription drug coverage and appears to be LMB eligible. The Benefit Specialist needs to be aware of this information as it will help them provide assistance and planning to the consumer. After requested verification and the ES-3165 form is received, you process the application on July 2. The consumer has decided to request prior medical eligibility as he is eligible for Medicaid, deemed eligible for Part D Subsidy, and will have his Medicare Part B premium paid. Captain Hook is eligible for Medicaid, Part D Subsidy and LMB effective March.

Note: Captain Hook will be responsible for WH premiums in prior months. If he did not want Working Healthy in prior, he can request an LMB only prior determination.

3/06	4/06	5/06
-Prior month -Medicaid eligible -LMB eligible -Part B buy-in -Deemed Subsidy	-Prior month -Medicaid eligible -LMB eligible -Part B buy-in -Deemed Subsidy	-Prior month -Medicaid eligible -LMB eligible -Part B buy-in -Deemed Subsidy

6/06	7/06	8/06	9/06	10/06	11/06
-Application rec'd -Medicaid eligible -LMB eligible -Deemed Subsidy	-Application processed 7-2 -Medicaid eligible -LMB eligible -Deemed Subsidy -MMIS send Subsidy record to CMS on 7/15	-Medicaid eligible LMB eligible -Deemed Subsidy	-Medicaid eligible -LMB eligible -Deemed Subsidy	-Medicaid eligible -LMB eligible -Deemed Subsidy	-Medicaid eligible -LMB eligible -Deemed Subsidy

Under the Radar

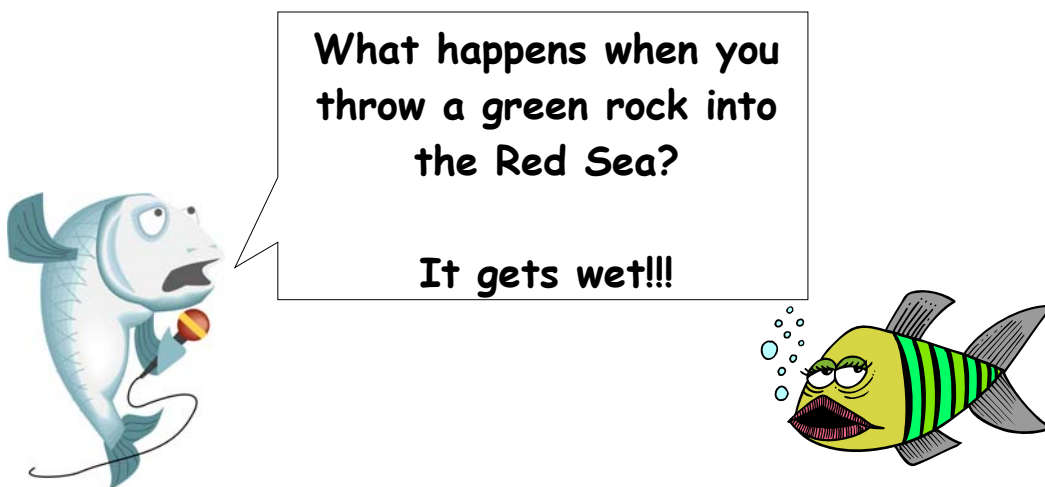
- KAECSES sends the eligibility record overnight to MMIS.
- Deemed eligible for Part D Subsidy effective 3/06.
- MMIS sends this information on 7/15 to CMS.
- CMS will notify Captain Hook's Medicare PDP, Silverscript, of his Medicaid eligibility and deemed status for Medicare Part D Subsidy.
- Captain Hook will likely receive a refund from Silverscript for Medicare drug costs.
- Since Captain Hook's income is over 100% FPL, his co-pays for each prescription will be \$2 to \$5.

What if Captain Hook was not enrolled in a Medicare PDP and did not have creditable coverage?

At this point you need to inform the consumer of the following:

- Recommend enrolling in a Medicare Prescription Drug plan.
- Captain Hook may need assistance in selecting and enrolling in a plan. Refer him to the WH Benefit Specialist, SHICK, Medicare, or his preferred pharmacy.
- If he enrolls in a Medicare PDP his coverage will be effective the first day of the following month.
- If he does not enroll in a Medicare PDP, he will be auto-enrolled 3-4 months from the month the application is processed.

The consumer, with assistance from the WH Benefit Specialist, enrolls into a Medicare PDP on June 29. His coverage will become effective in July 1.



**MN Application - Not Enrolled in Medicare PDP
Does Not Have Creditable Coverage - No Prior Medical Requested**

Calico Jack submits an application applying for Medically Needy on July 10, 2006. He was in the hospital from July 1 to July 6. In addition, he has prescription drug expenses. Mr. Jack is a Medicare recipient and is entitled to Medicare Prescription Drug Coverage. He states that he did not sign up for Medicare prescription drug coverage as it was too complicated. According to his income, he is LMB eligible. Since he has medical expenses, a Medically Needy program is processed.

At this point you need to inform Mr. Jack of the following:

- Recommend he enroll in a Medicare Prescription Drug plan as Medicaid will not cover his prescriptions since he is entitled to Medicare Part D.
- Calico Jack may need assistance in selecting and enrolling in a plan. Refer him to SHICK, Medicare or his preferred pharmacy.
- If he enrolls, Medicare prescription drug coverage will become effective the first day of the following month.
- If he does not enroll into a Medicare PDP, since he is LMB eligible, he will be auto-enrolled 3-4 months from the date the application is processed.
- Even though Mr. Jack did not request prior medical, he is LMB eligible in the month of application and the prior eligibility period. You inform him that the State can begin paying his Part B premium effective April. He requests prior medical eligibility.

The consumer enrolls into a Medicare PDP on August 5. His coverage will become effective in September. You process the Medically Needy application on July 27. Since he is LMB eligible, three 1 month base periods are established. The consumer will be deemed eligible for Part D Subsidy when LMB eligibility begins in April. A six month base is set up for 7/06 to 12/06. You inform Mr. Jack that he will need to take his MN medical card to the hospital and pharmacy so they can bill expenses to his spenddown.

4/06	5/06	6/06			
-Prior month -LMB only case -LMB eligible -Deemed Subsidy -Part B buy-in	-Prior month -LMB only case -LMB eligible -Deemed Subsidy	-Prior month -LMB only case -LMB eligible -Deemed Subsidy			
7/06	8/06	9/06	10/06	11/06	12/06
-Application rec'd 7-10 & processed 7-27 -MN with S/D -LMB eligible -Deemed Subsidy	-MN with S/D -LMB eligible -Deemed Subsidy -MMIS sends Subsidy info to CMS on 8/15 -Enrolls in a Part D PDP	-MN with S/D -LMB eligible -Deemed Subsidy -Part D PDP coverage begins	-MN with S/D -LMB eligible -Deemed Subsidy	-MN with S/D -LMB eligible -Deemed Subsidy	-MN with S/D -LMB eligible -Deemed Subsidy

Under the Radar

- KAECSSES sends the eligibility record overnight to MMIS reflecting a Medically Needy benefit with unmet spenddown and LMB.
- MMIS sends this information on 8/15 to CMS.
- CMS will notify Mr. Jack’s Medicare PDP of his Medicaid eligibility and deemed status for Medicare Part D Subsidy.
- Since Calico Jack does not reside in an institution, he will pay \$2 to \$5 co-pays for each prescription.

What if Mr. Jack did not enroll in a Medicare PDP on his own?

7/06	8/06	9/06	10/06	11/06	12/06
-Application rec'd 7-10 & processed on 7-27 -MN with S/D -LMB eligible -Deemed Subsidy	-MN with S/D -LMB eligible -Deemed Subsidy -MMIS sends Subsidy info to CMS on 8/15	-MN with S/D -LMB eligible -Deemed Subsidy -Waiting period for auto-enrollment	-MN with S/D -LMB eligible -Deemed Subsidy -Waiting period for auto-enrollment	-MN with S/D -LMB eligible -Deemed Subsidy -CMS auto-enrolls	-MN with S/D -LMB eligible -Deemed Subsidy

If Mr. Jack did not enroll, he would be auto-enrolled in November. From 7/06 to 10/06, he would not have prescription drug coverage. Any prescriptions filled during this time frame can be used to meet his spenddown (provider or beneficiary billed). He is responsible for paying those expenses.

Mr. Jack applied on July 10 for Medically Needy. He has Medicare Part D coverage.

When Mr. Jack applies and you see that he is eligible for LMB, set up prior base periods. His Part B premium will be paid and he is deemed eligible for Subsidy effective 4/06. Remember, Subsidy will cover his Part D basic premium, deductible, and partial copayments.

SSI Application (SSI & Medicare eligibility retroactive)- Prior Medical Requested

Elizabeth Swan submits an SSI application on June 30. She received a letter from Social Security on June 10, notifying her that she is eligible for Medicare A & B effective March. She requested prior medical eligibility. Since she is eligible for Medicare A & B, she is entitled to Medicare prescription drug coverage.

When will entitlement begin?

There is no retro entitlement to Medicare Part D prescription drug coverage. In the above example, Ms. Swan was notified in June of her Medicare A & B eligibility. Even though she is eligible for Medicare A & B effective March, her Medicare Part D entitlement will not begin until June (the month she received notification from Social Security).

At this point you need to inform Ms. Swan of the following:

- Ms. Swan needs to enroll in a Medicare prescription drug plan.
- Ms. Swan may need assistance in selecting and enrolling in a plan. Refer her to SHICK, Medicare or preferred pharmacy.
- Medicare prescription drug coverage will become effective the month of Medicare Part D entitlement.
- Any prescription drug expenses prior to June 2006 will be covered by Medicaid. Medicaid will cover prescriptions until the effective date of Part D entitlement.

Ms. Swan has started researching Part D plans. On July 20, she enrolls into a Medicare prescription drug plan with Medco. Her coverage will become effective the first month of entitlement which is June. You process the application on July 25.

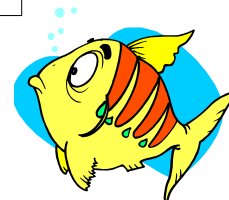
3/06	4/06	5/06	6/06	7/06	8/06
-Prior medical eligible -Medicaid eligible -Deemed Subsidy *Medicaid will cover prescriptions	-Prior medical eligible -Medicaid eligible -Deemed Subsidy *Medicaid will cover prescriptions	-Prior medical eligible -Medicaid eligible -Deemed Subsidy *Medicaid will cover prescriptions	-Application rec'd 6-30 -Medicaid eligible -Deemed Subsidy *Entitled to Medicare Part D *Part D coverage begins	-Application processed 7-25 -Medicaid eligible -Deemed Subsidy -Enrolls in Part D PDP -Part D coverage	-Medicaid eligible -QMB eligible -Part B buy-in -Deemed Subsidy -MMIS sends Subsidy record to CMS on 8/15 -Part D coverage

Under the Radar

- KAECSSES sends the eligibility record overnight to MMIS.
- Deemed eligible for Part D Subsidy effective month Medicare prescription drug coverage begins.
- MMIS sends this information on 8/15 to CMS.
- CMS will notify Ms. Swan's Medicare PDP, Medco, of her Medicaid eligibility and deemed status for Medicare Part D Subsidy.
- Since Ms. Swan does not reside in an institution, she will have \$1-\$3 co-pays for each covered prescription.



What do you call a
fish with no eyes?
FSH!!!



Subsidy Only Consumer Enters NF for Long Term Stay

You receive the MS-2126 from Lost Treasure Nursing Home. Your consumer, Captain Blackbeard, has entered the facility on August 2 for a long term stay. Captain Blackbeard has a current Subsidy only case. In order to determine eligibility for the NF program, a Medicaid application will need to be completed. The application is received on August 20, and the case is processed on August 25.

1. **RERE** - Register a review to establish a new review period.
2. **SEPA** - Code the 'Medical Subtype' field **AC**.
Enter **8/06** in the 'LTC Start Month' field.
3. **PICK** - Remove **MD** from the 'SPECIAL MEDICAL INDICATOR' field.
4. **MSRD** -Verify his resources to make sure within Medicaid resource limits.
5. **MSID** - Enter **Y** in the 'Go To Subsidy D?' field.
- Hit enter to go to the **SUDD** screen.
6. **SUDD** - Enter **01** in the first 'POA' field.
- Hit enter to open up the 'ACTION' field and code **CL** as closing Subsidy record since Captain Blackbeard will be eligible for full Medicaid and deemed eligible for Subsidy.
- Hit enter to open up 'DENIAL REASON / CLOSURE REASON' and 'AUTHORIZATION' fields.
- Enter **DM** in the 'CLOSURE REASON' field and authorize.
- The 'CLOSURE/DENIAL DATE' field will be populated by KAECSES.
To view the closure date, enter SUDD screen after authorizing.
7. Continue to process the MS/NF case.
8. **SPEN** - Set 12 month review and authorize. This transmits the eligibility record to MMIS.
9. **LOTG** - Enter appropriate coding.
10. **MEBH** - Check this screen. It should reflect **CC** under 'MEI' (MEDICAL ELIGIBILITY INDICATOR) field and there should be no coding under the 'SUD IND' (SUBSIDY INDICATOR) field.

11. **NORE** - Send appropriate notices. **DO NOT** send a Subsidy closure notice as consumer continues to receive Subsidy as deemed eligible.
12. Document in case file.

Under the Radar

- KAECSES sends the Subsidy record reflecting deemed eligibility overnight to MMIS.
- MMIS sends this information on 9/15 to CMS.
- CMS will notify Captain Blackbeard's Medicare PDP of his deemed Subsidy eligibility.
- Since Captain Blackbeard transitioned from Subsidy only to NF, his share of Medicare drug costs may change.
- Captain Blackbeard will not have Medicare Part D co-pays as he is residing in a nursing facility.

Note: Captain Blackbeard may need to switch to a different Medicare PDP, if the nursing facility's preferred pharmacy does not participate with his current Medicare PDP.



**What is a pirate's
favorite cookie?**

Ship's Ahoy

Subsidy Only Consumer Reports Change in Income

On June 5, Long John Silver reports that his pension of \$790 is increasing to \$835 effective July 1. You process the change on June 14 for the month of July.

1. **UNIN** - Change income amount.
2. **MSID** - Enter **Y** in the 'Go To Subsidy D?' field.
- Hit enter to go to the **SUDD** screen.
3. **SUDD** -The system has recalculated the federal poverty level percentage.
- Enter **01** in the 'POA' field.
- Hit enter to open up the 'ACTION' field for coding.
- Code 'ACTION' field **AP** as approving Subsidy change.
- Hit enter to open up 'Subsidy TYPE' and 'AUTHORIZATION' fields.
- Look at 'FPL%' field to determine Subsidy type.
- Enter the appropriate code in the 'Subsidy TYPE' field, authorize, and press enter.
5. **SPEN** - Authorize case. This transmits the eligibility record to MMIS.
6. **MEBH** - Check this screen. It should reflect **MD** under 'MEI' (**MEDICAL ELIGIBILITY INDICATOR**) field and the Subsidy type code under 'SUD IND' (**Subsidy INDICATOR**) field.
7. **NORE** - Send notice N-728 (Subsidy D Change).
8. Document in case file.

Under the Radar

- KAECSES sends the Subsidy record reflecting any change in Subsidy type or level to MMIS.
- MMIS sends this information on 7/15 to CMS.
- CMS will notify the consumer's Medicare PDP of changes in Subsidy eligibility.

Four Steps to Get Medicare Prescription Drug Coverage

To help people with Medicare take advantage of the new Medicare prescription drug coverage, there are four steps for people with Medicare to think about while making a decision:

1. Getting Started

The decision to get Medicare prescription drug coverage depends on how someone with Medicare pays for their drugs now and how they get their Medicare coverage. Most people with Medicare pay for drugs and get their Medicare in one of five ways:

- Original Medicare only, or Original Medicare and a Medigap ('Supplement') Policy without drug coverage. The new Medicare drug coverage will cover half of the costs for someone with this type of coverage now. Enhanced options are available that provide more coverage.
- Original Medicare and a Medigap ('Supplement') Policy with drug coverage. The new Medicare drug coverage will generally provide much more comprehensive coverage at a lower cost.
- Retiree or union coverage. In most cases, people with good retiree or union coverage can continue to get it, with new financial support from Medicare.
- Medicare Advantage Plan (like an HMO or PPO) or other Medicare Health Plan, which already include drug coverage and other extra benefits.
- Dual coverage from Medicare with Medicaid drug coverage. These people will automatically get comprehensive prescription drug coverage from Medicare, starting on January 1.

NOTE: People with limited income and resources who don't have Medicaid, may qualify for extra help that may pay for about 95% of their drug costs. Visit www.medicare.gov/medicarerereform/help.asp for more information.

Because the way that Medicare drug coverage works depends on a person's current coverage, Medicare has specific information available to help everyone, regardless of their coverage. These resources include the CMS brochure *What Medicare Prescription Drug Coverage Means to You: A Guide to Getting Started* and the *Medicare & You 2006 Handbook* mailed to all people with Medicare this fall. The brochure and other free Medicare publications are available by visiting www.medicare.gov or calling 1-800-MEDICARE. People with Medicare should also look for and review information from their current insurer about how their current coverage will work with the Medicare prescription drug coverage.

To find out how much someone with Medicare can save with Medicare prescription drug coverage, visit the Medicare Prescription Drug Plan Cost Estimator at www.medicare.gov/medicarerreform/MPDP_Cost_Estimator.asp. This information is also available by calling 1-800-MEDICARE.

2. Determining what matters most and reviewing plan options

Once someone decides that they want prescription drug coverage, they should think about what matters most to them. There are a range of plan options available, so they can focus on the kind of coverage they prefer. There are two ways to get Medicare drug coverage. They can add drug coverage to the traditional Medicare plan through a 'stand alone' prescription drug plan. Or they can get drug coverage and the rest of their Medicare coverage through a Medicare Advantage plan, like an HMO or PPO, which typically provides more benefits at a significantly lower cost through a network of doctors and hospitals. No matter what type of plan they choose, they can choose a plan that reflects what they want in terms of cost, coverage and convenience.

Cost: What a person with Medicare pays for the coverage, including premiums, deductible, and payments for drugs.

Coverage: What benefits are provided (like coverage in the 'coverage gap' and other coverage enhancements), which drugs are covered and the rules (like prior authorization) for getting those drugs.

Convenience: Which pharmacies are part of the plan and whether the plan has a mail-order option.

The Centers for Medicare & Medicaid Services has created an online resource, Landscape of Local Plans at www.medicare.gov/medicarerreform/map.asp, that helps people with Medicare find Medicare prescription drug plans by state or Medicare Advantage plans with prescription drug coverage by county that meet their needs based on cost, coverage, and convenience.

3. Choosing a plan

Beginning on November 15, people with Medicare can choose a prescription drug plan. There are many ways to choose a plan. Some may rely on advice from people they know or trust, or choose a plan they are already familiar with, or use the Landscape of Local Plans located at www.medicare.gov/medicarerreform/map/asp to find a plan that meets their needs. All of the plan options must meet or exceed Medicare's standards for coverage, including coverage for medically necessary drugs.

If people want to make more specific plan comparisons based on what matters to them, they can get personalized information from the Medicare Prescription Drug Plan Finder . The Medicare Prescription Drug Plan Finder can be accessed at www.medicare.gov or through a customer service representative at 1-800-MEDICARE, or through the many organizations working with Medicare to help people take advantage of the new drug coverage.

Cost: The Medicare Prescription Drug Plan Finder will show a list of drug plans in their area, sorted by the plan with the lowest total cost for the drugs they take now. It can also help someone with Medicare narrow down the choices based on deductibles or premiums.

Coverage: The Medicare Prescription Drug Plan Finder makes it easy for people with Medicare to see what kind of coverage each plan offers and it gives personalized information on plans that might meet their needs based on the coverage they offer and their other features.

Convenience: The Medicare Prescription Drug Plan Finder can identify plans that are accepted by their preferred pharmacy and other nearby pharmacies, and plans that provide mail-order prescriptions.

The Medicare Prescription Drug Plan Finder will also help people with Medicare if they aren't sure whether:

- They qualify for extra help paying for a Medicare drug plan,
- Their employer/union is continuing their current coverage with a Medicare subsidy, or
- They are already enrolled in a Medicare Advantage Health Plan or in a Medicare drug plan.

4. Enroll

People with Medicare can enroll in a plan starting November 15. Medicare will have an online Enrollment Center available on that date at www.medicare.gov . They can also enroll by calling the plan's toll free number, by mailing in an application to the plan, or by visiting the plan's website. Coverage begins January 1, 2006 if they join a plan by December 31, 2005. The deadline to enroll to get coverage next year is May 15, 2006.

Other important information: If you work on behalf of a group of people with specific drug needs (like people with Lupus), Medicare has another tool that can help you. The Formulary Finder lets you enter a typical combination of drugs used by people with a certain condition to find out which plans in an area have formularies that cover these drugs.

Summary of Web-Based Tools at www.medicare.gov

1. Medicare Prescription Drug Plan Finder

- This tool will ask questions based on the coverage beneficiaries have now to provide them with tailored plan comparison information based on what is most important to them, including cost, coverage and convenience. Beneficiaries can also get personalized information on particular plans that they think may be a good fit for them. Medicare beneficiaries who don't use the Internet will be able to get the same information by calling 1-800-MEDICARE (800-633-4227)

2. Medicare Formulary Finder

- Allows a user to enter a typical combination of drugs used by people with a certain condition to find out which plans in an area have formularies that cover these drugs.

3. Medicare Prescription Drug Plan Cost Estimator

- Provides beneficiaries with an example of potential savings they can anticipate with Medicare Prescription Drug coverage.

Who do I call for help?

Medicare

1-800-MEDICARE (1-800-633-4227)

SHICK

1-800-860-5260

- Senior Health Insurance Counseling for Kansas
- SHICK counseling is free, confidential, and available to anyone with questions about Medicare. Trained counselors are available statewide that can work with you over the phone or in person to help you understand your options and choose a plan that is right for you.

*Above information from CMS website