H-1300   SPECIFIED LOW-INCOME MEDICARE BENEFICIARY (SLMB)

H-1310   GENERAL INFORMATION

Effective January 1, 1993, the Omnibus Reconciliation Act (OBRA) of 1990 required payment of Medicare Part B premiums for a mandatory eligibility group of low income Medicare beneficiaries called Specified Low Income Medicare Beneficiaries (SLMB).

The applicant/<u>beneficiary</u> must meet all of the following SLMB requirements.

A SLMB must:

- Be enrolled in hospital insurance benefits under Medicare Part A**,** but does not have to be currently enrolled in Medicare Part B;

- Have income that is greater than 100 percent but less than 120 percent of the Federal Poverty Income Guidelines (FPIG). Refer to Z-200 Federal Poverty Income Guidelines; and

  NOTE:
  In January of each year, disregard the Social Security Administration (SSA) cost of living adjustment (COLA) through the month following the release of the annual FPIG update.   Thereafter, determine eligibility using all income including the COLA for the current year.

- Meet all non-financial eligibility requirements for Medicaid.

H-1310.1   COVERAGE

SLMB Only

- Eligible for Medicaid payment for the Medicare Part B premium only.

SLMB Plus

- Eligible for Medicaid payment for the Medicare Part B premium; and

- Eligible for the full range of Medicaid services under any other category of assistance.

Individuals who qualify for one of the Medicare Savings Programs (QMB, SLMB, or QI) are automatically enrolled in SSA low-income subsidy (LIS program, also called Extra Help). This subsidy helps pay for the Medicare Part D prescription drug plan. For more information on the LIS/Extra Help, please visit the Social Security Administration Extra Help website.

> **Note:**
> Although the BHSF Form 1-MB, Application for Medicare Savings Program is commonly used to apply for SLMB, it is acceptable to use BHSF Form 1-A, Application for Health Care Coverage.

The eligibility determination is the same for both the SLMB Only and SLMB Plus.

A SLMB Plus beneficiary may continue to be eligible as a SLMB Only, when the full Medicaid case closes.

H-1321   ELIGIBILITY DETERMINATION PROCESS

Determine eligibility by applying the following criteria. The elements have been listed in the most logical order, but work on all steps simultaneously.

H-1321.1   DETERMINE ASSISTANCE UNIT

The assistance unit includes the applicant(s)/beneficiary(s).

H-1321.2   ESTABLISH CATEGORICAL REQUIREMENT

Verify enrollment in Medicare Part A for the applicant/beneficiary. Medicare Part A eligibility, the start date for Medicare Part A, and the Medicare claim number may be verified through the interfaces available in LaMEDS.

H-1321.3   ESTABLISH NON-FINANCIAL ELIGIBILITY

Verify eligibility for each member of the assistance unit with regard to

the following factors:

- Assignment of Third Party Rights   I-200

- Citizenship/Identity and Qualified Non-Citizen Status   I-300

- Enumeration   I-600

- Residence   I-1900

H-1321.4   ESTABLISH NEED

A. Determine Composition of the Income Unit

The income unit includes the:

- Applicant/<u>beneficiary</u>,

- Applicant/<u>beneficiary</u> and ineligible spouse living in the Home, or

- Applicant/<u>beneficiary</u> and eligible spouse who are living in the same home (eligible couple).

    Note:
    If the SSA considers the applicant/<u>beneficiary</u> and their spouse as a couple for SSI purposes, they are considered as an eligible couple for purposes of budgeting in the Medicare Savings Programs (QMB, SLMB, or QI). An eligible spouse is one who is aged, blind, or disabled and lives in the same household as the applicant/<u>beneficiary</u>. The eligible spouse does not have to be entitled to Medicare for the couple to be considered an eligible couple.

B. Determine Need/Countable Income Individual

If the applicant/<u>beneficiary</u> is an individual with no spouse or with an ineligible spouse with no income, complete the following budget steps:

Step 1.   Determine total gross unearned income.

Step 2.   Subtract the $20 SSI general income disregard from unearned income.

Step 3.   The remainder is the countable unearned income.

Step 4.   Determine the total gross earned income.

Step 5.   Subtract any remainder of $20 SSI disregard from gross earnings.

Step 6.   Subtract earned income deduction from remaining gross earnings. Earned income deduction is $65 and one half of remainder of earnings.

Step 7.   The remainder is the countable earned income.

Step 8.   Combine the remainders from Step 3 and Step 7.

Step 9.   Compare the total to 120 percent FPL for one person. Refer to Z-200 Federal Poverty Income Guidelines.

If the remaining income is equal to or greater than the SLMB income limit for one person, the applicant/beneficiary is ineligible.

If the remaining income is less than the SLMB income limit for one person, the applicant/beneficiary is income eligible for SLMB.

Ineligible Spouse Deeming

If there is an ineligible spouse with income, complete budget Steps 1 through 9 above using only the applicant/beneficiary income. If the income is equal to or greater than the SLMB limit for one person, the applicant/beneficiary is ineligible and there is no deeming. Consider for the Medically Needy Program (MNP).

If the income of the applicant/beneficiary is less than the SLMB limit for one person, apply deeming policy. Refer to I-1420 Need - Deeming. Go to Step 1 of the couple budget.

Couple

For an eligible couple, or if there is income remaining in the deeming process, complete the following steps:

Step 1.   Determine the total gross unearned income by combining the couple's unearned income.

Note:
When deeming income from an ineligible spouse, the income of the ineligible spouse remaining after allocation for ineligible children is combined with the income of the eligible spouse. The couple is then treated the same as an eligible couple for budgeting purposes.

Step 2.   Subtract the $20 SSI general income disregard.

Step 3.   The remainder is the couple's countable unearned income.

Step 4.   Determine the total gross earned income by combining the couple's gross earned income.

Step 5.   Subtract any remainder of $20 SSI disregard from gross earnings.

Step 6.   Subtract one earned income deduction from the remaining gross earnings of the income unit. The earned income deduction is $65 and one half of the remainder of the earnings.

Step 7.   The remainder is the couple's countable earned income.

Step 8.   Combine the remainders in Step 3 and Step 7.

Step 9.   Compare the total to 120 percent FPL for one person. Refer to Z-200 Federal Poverty Income Guidelines.

If the income is equal to or greater than the SLMB standard for two persons, the applicant/beneficiary is not eligible.

If the income is less than the SLMB limit for two persons, the applicant/beneficiary is income eligible. Refer to Z-200 Federal Poverty Income Guidelines.

Exception:
Couples in a nursing facility or receiving waiver services who are being considered as individuals, are considered individuals for SLMB need/countable income determinations. Refer to MEM 831.4
If one spouse is in a nursing facility or receiving waiver services and the community spouse is not receiving waiver services, determine eligibility for each spouse as an individual. Consider income of each

individual for separate SLMB decisions.

> **Note:**
> Count as unearned income to the community spouse any income allocated from an institutionalized spouse.

H-1321.5   ELIGIBILITY DECISION

Evaluate all eligibility requirements and verification received to make the eligibility decision*.*

H-1321.6   CERTIFICATION PERIOD

The certification period may be effective no earlier than three (3) months prior to the application date provided the individual is otherwise eligible and is enrolled in Medicare Part A.

The months of retroactive coverage are not included in the twelve (12) month certification period. The certification period begins with the month of application.

H-1321.7   NOTICE OF DECISION

Send the appropriate Notice of Decision to the applicant(s)/beneficiary(s).

> **Note:**
> Medicare beneficiaries are not referred to the Federally Facilitated Marketplace (FFM).