



<b>Policy Memo</b>	
<b>KDHE-DHCF POLICY NO: 2023-09-01</b>	<b>From: Erin Kelley, Senior Manager</b>
<b>Date: September 15, 2023</b>	<b>MKEESM Reference(s): 2671, 2672, 2675, 2911</b>
<b>RE: Medicare Savings Program Eligibility for Medicare Part B-ID Recipients</b>	<b>Program(s): Elderly &amp; Disabled Medical</b>

This memo sets forth instructions for the implementation of policy changes that were effective January 1, 2023, relating to the creation of a new Medicare Part B Immunosuppressive Drug (Part B-ID) program. This memo also clarifies the eligibility policies for Medicare Part B-ID beneficiary’s eligibility for Medicare Savings Programs (MSP). Additional information related to the implementation of these changes are available through training material released to eligibility staff and the KEES User Manual. The MKEESM policy manual will be updated with the next scheduled revision.

**I. MEDICARE PART B-ID BACKGROUND**

Currently, Medicare beneficiaries who are eligible for Medicare only due to end-stage renal disease (ESRD) lose Medicare coverage 36 months after a kidney transplant. Beneficiaries who meet certain criteria are now able to qualify for continuous Medicare-covered immunosuppressive drugs through a new Medicare Part B Immunosuppressive Drug (Part B-ID) benefit. This new Medicare Part B-ID benefit covers only immunosuppressive drugs and no other items or services. It does not provide full health coverage. Medicare Part B-ID coverage for eligible beneficiaries began on January 1, 2023, and enrollment in this benefit is ongoing. Due to the program requirements (as noted below), CMS does not expect a high number of enrollees to be eligible for this group, with an estimated 250 individuals expected to qualify nationwide however as of the publishing of this memo none reside in Kansas.

Medicare will not allow coverage under Part B-ID for individuals who have active comprehensive health insurance coverage, including coverage through Medicaid or the Marketplace, that includes

coverage for immunosuppressive drugs. Additionally, there is no open enrollment period for Medicare Part B-ID. Individuals may enroll and disenroll at any time.

## **II. MEDICARE SAVINGS PROGRAM (MSP) ENROLLMENT**

Medicare Part B-ID beneficiaries with low incomes may be eligible for the MSP program to pay some or all of their Part B-ID costs. Medicare Part B-ID eligible beneficiaries can enroll in the following MSP programs if all financial and non-financial program requirements are met, except as noted in section II(A) below:

- Qualified Medicare Beneficiaries (QMB)
- Low Income Medicare Beneficiaries (LMB)
- Expanded Low Income Medicare Beneficiaries (ELMB)

Medicare Part B-ID has the following costs:

- Monthly premium
- Deductible
- Coinsurance

Premium amounts for Medicare Part B-ID are less than that of regular Part B. For 2023, the Medicare Part B-ID premium is \$97.10. This premium amount, and any annual updates, will be noted in the annual COLA Memo, along with the standard Medicare premium amount.

### **A. MEDICARE PART A ENTITLEMENT**

Individuals who are eligible for Medicare Part B-ID are not entitled to Medicare Part A. Per MKEESM 2671 and 2672, Part A entitlement is required for persons to obtain eligibility under an MSP. Effective with the implementation of this memo, MSP eligibility shall be extended to those qualifying for MSP for Medicare Part B-ID even though they are not entitled to Medicare Part A, so long as all other financial and non-financial program requirements are met. KEES will be updated to allow for this exception. Specialized instructions will be provided to eligibility staff for any MSP for Medicare Part B-ID until KEES is updated to support this program.

Additionally, as these individuals are not entitled to receive Medicare Part A, they are also not eligible to receive Medicare Part D coverage. Therefore, eligibility for the Medicare Part D subsidy is not required for MSP Part B-ID recipients. See MKEESM 2675.

## **B. OTHER PROGRAM ASSISTANCE**

As stated above, Medicare Part B-ID is only available to individuals who aren't eligible to enroll in (or already receive) group or individual health plans, TRICARE, Medicaid (or CHIP) coverage, Department of Veterans Affairs (VA) coverage, or any coverage plan that includes immunosuppressive drug coverage.

Medicare Part B-ID beneficiaries that apply for medical coverage should first have eligibility determined for MAGI or Non-MAGI coverage (i.e., Medically Needy, Working Healthy, etc.) as those programs provide more comprehensive coverage than the limited MSP for Medicare Part B-ID program does. If the individual is otherwise eligible for Medically Needy coverage with a spenddown, that coverage shall be approved unless (or until) the beneficiary requests MSP for Medicare Part B-ID only. There may be situations where the beneficiary contacts the agency to change from Medically Needy to MSP for Part B-ID, as there is no comprehensive coverage until the spenddown is met. This change is allowable and Medically Needy coverage may be discontinued allowing timely and adequate notice.

**NOTE:** Requests for MSP for Medicare Part B-ID recipients that are received from the LIS/MIPAD or 3100.8 MSP Only Application are not required to have full MAGI or Non-MAGI determinations completed, and MSP only may be determined.

## **C. DUAL COVERAGE**

As stated above, to be eligible for Medicare Part B-ID, the individual must attest to SSA that they are not currently receiving any other comprehensive coverage. When the agency receives an application or change in circumstance for an individual appearing through interfaces to be receiving Medicare Part B-ID, eligibility staff shall complete the eligibility determination according to standard policy (MAGI and non-MAGI determination on all bases). Once the individual is approved for any other MAGI or non-MAGI (not including MSP for Medicare Part B-ID), eligibility staff are not required to send notification to the Social Security Administration (SSA). Once enrolled in KanCare, it is the beneficiary's responsibility to disenroll from Medicare Part B-ID by contacting the SSA.

## **D. EXAMPLES**

### **Example 1:**

An application is received for a 41-year-old who is enrolled in the new Medicare Part B-ID program in April 2023. During the processing of this application, the worker identifies in EATSS that the individual does in fact receive Medicare Part B-ID and is within the MSP/LMB income limit. However, this individual is otherwise eligible for Medically Needy coverage with a spenddown. The eligibility worker approves the Medically Needy coverage and sends the approval notices.

In June 2023, the individual contacts the Clearinghouse to attest that they do not have enough out of pocket expenses (other than the immunosuppressive drugs) to meet the spenddown and is needing help with the Medicare Part B-ID premiums. This change is processed and MSP for Medicare Part B-ID LMB is approved effective June 2023 and the Medically Needy coverage is discontinued allowing timely and adequate notice.

**Example 2:**

A MIPPA application is received for a 51-year-old who is enrolled in the new Medicare Part B-ID program in July 2023. The worker confirms in EATSS that the individual does receive Medicare Part B-ID and became entitled in May 2023. The application is processed following standard MIPPA policies and procedures, and it is determined that this individual's income is within the ELMB limit. The eligibility worker approves MSP for Medicare Part B-ID ELMB coverage effective 05/2023 and sends appropriate notices.

**QUESTIONS**

For questions or concerns related to this document, please contact the KDHE Medical Policy Staff at [KDHE.MedicaidEligibilityPolicy@ks.gov](mailto:KDHE.MedicaidEligibilityPolicy@ks.gov).

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Questions regarding any KEES issues are directed to the KEES Help Desk at [KEES.HelpDesk@ks.gov](mailto:KEES.HelpDesk@ks.gov).