



# Medicare Savings Program

February 12, 2026

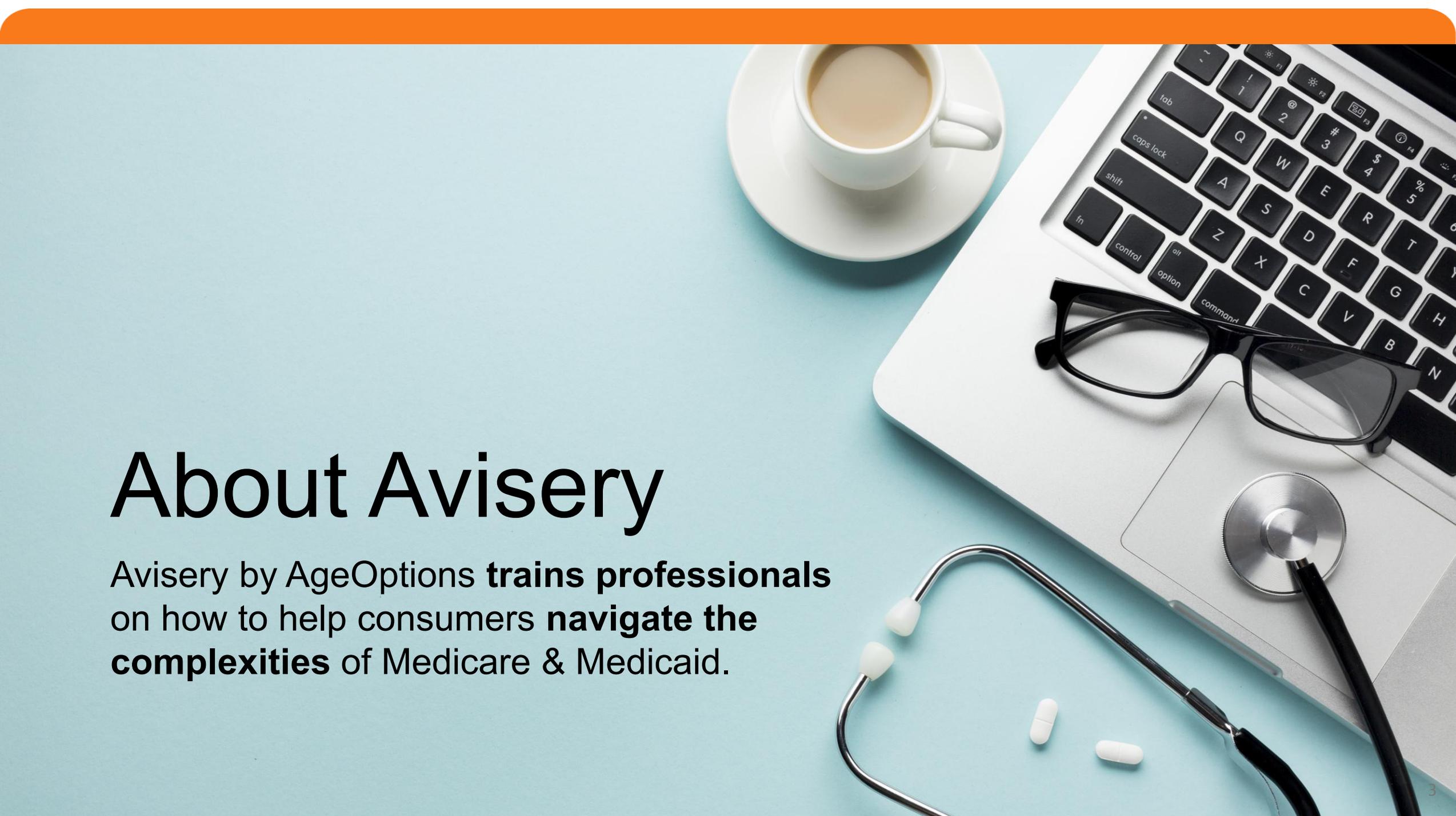
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- Pre and Post test
- Can still request CEUs
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# About Avisery

Avisery by AgeOptions **trains professionals** on how to help consumers **navigate the complexities** of Medicare & Medicaid.

# What Avisery Does



Offer **TRAININGS, WEBINARS,** and **EDUCATIONAL MATERIALS** to professionals who counsel consumers on health care access and coverage



Provide **FREE ADVICE** to guide professionals in their work with consumers



**ADVOCATE** for administrative rule and legislative changes to enhance access and affordability



# Avisery Team



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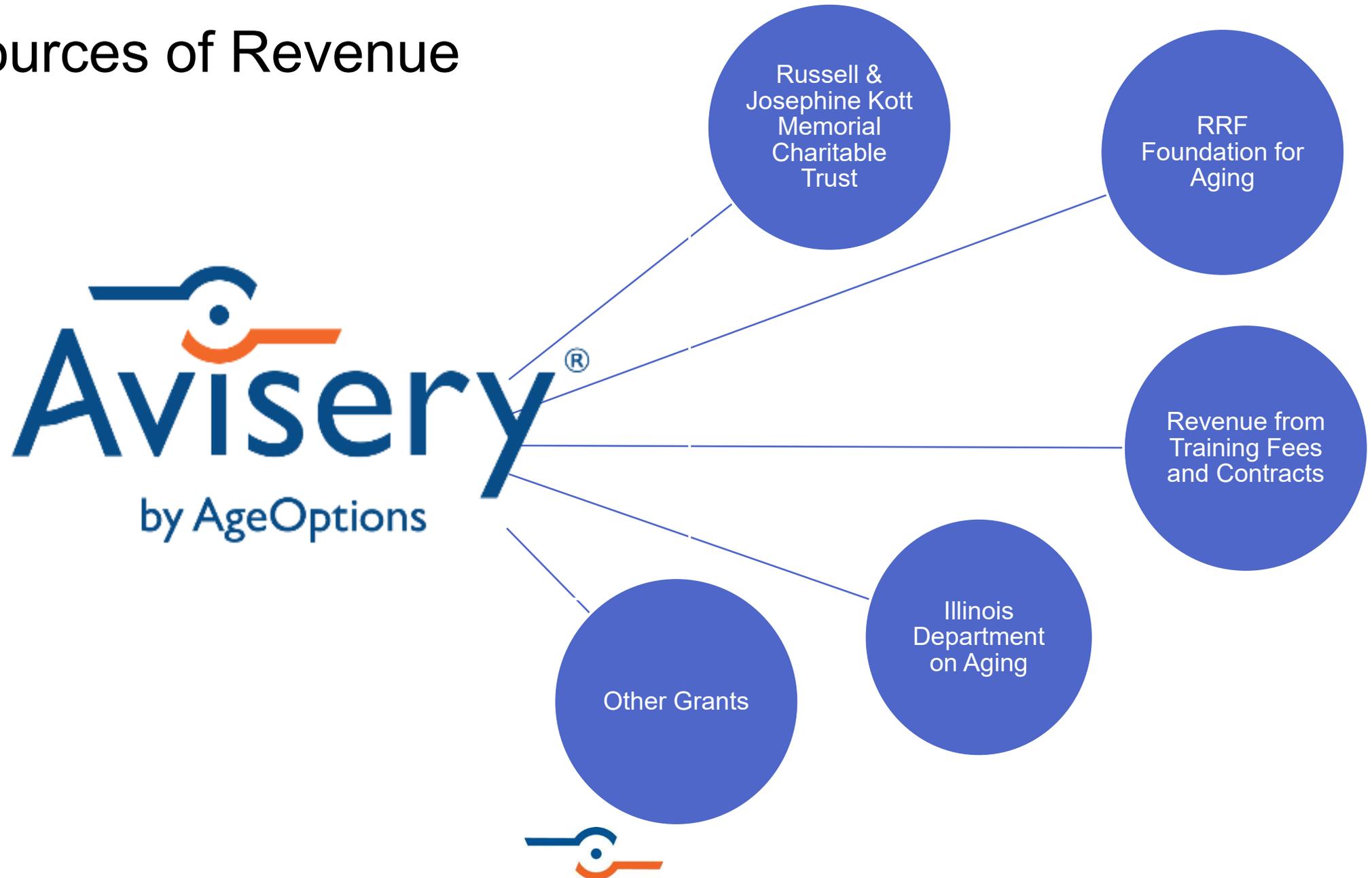
**Ally Cassity**  
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Training Specialist



# 2026 Sources of Revenue



# Pre-Test



# Today's agenda: What We'll Cover



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What are MSPs?

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Applying for MSP

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MSP and Extra Help

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Benefits Unique to QMB

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Conditional Part A Enrollment

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Avisery's MSP Legal Referral Pathway



# What are Medicare Savings Programs?

# Medicare Costs Can Really Add Up: 2026 Part A Costs

- Part A Premium
  - \$0 for most beneficiaries with 40 Social Security work credits
  - Eligible beneficiaries have option to buy Part A: \$311 - \$565/per month
- Inpatient Hospital
  - Deductible (first day): \$1,736 each benefit period (may be more than once per year)
  - Days 2 – 60: \$0
  - Days 61-90: \$434 per day
  - Days 91-150: \$868 per day
- Skilled Nursing Facility
  - Days 1-20: \$0
  - Days 21-100: \$217 per day
  - Over 100 days: beneficiary responsible for entire cost
- Home Health: \$0 for home health services (20% for any durable medical equipment)
- Hospice
  - \$0 for hospice services
  - 5% for inpatient respite care
  - \$5 for each outpatient prescription drug



# Medicare Costs Can Really Add Up: 2026 Part B Costs



- Premium - \$202.90 each month
- Annual deductible - \$283.00
- Medicare usually pays 80% of the Medicare approved amount for doctor and medical services
  - Beneficiary pays 20% coinsurance
- Outpatient emergency room, hospital and surgery services are a fixed amount, depending on the service



# What are Medicare Savings Programs? (MSPs)

- An umbrella term for three different programs that help with Medicare costs.
- Available to beneficiaries with limited income and assets

MSP Programs	Benefit
Qualified Medicare Beneficiary (QMB)	<ul style="list-style-type: none"><li>• Pays Part B Premiums</li><li>• Pays Part A Premiums</li><li>• Pays Medicare Cost Sharing</li><li>• Waives Part A&amp;B late enrollment penalties</li></ul>
Specified Low-Income Medicare Beneficiary (SLMB)	<ul style="list-style-type: none"><li>• Pays Part B Premiums</li><li>• May be backdated by up to three months</li><li>• Waives Part B late enrollment penalties</li></ul>
Qualified Individuals (QI)	<ul style="list-style-type: none"><li>• Pays Part B Premiums</li><li>• May be backdated by up to three months</li><li>• Waives Part B late enrollment penalties</li></ul>



# How are MSPs Administered?

- Administered by State Medicaid agencies
  - Considered Medicaid Programs
  - Eligibility requirements and enrollment processes vary by state
- In Illinois:
  - Illinois Department of Human Services (DHS) processes applications and determines which MSP a beneficiary qualifies
  - Illinois Healthcare Family Services (HFS) administers MSP benefits



# MSP Not Subject to Medicaid Estate Recovery

- MSP benefits are NOT subject to Medicaid estate recovery
  - The Medicare Improvement for Patients and Providers Act (MIPPA) **eliminated estate recovery for MSP claims**
  - Includes Medicare Part A and Part B premiums, deductibles, coinsurance, and co-payments
  - Applies to all MSP groups

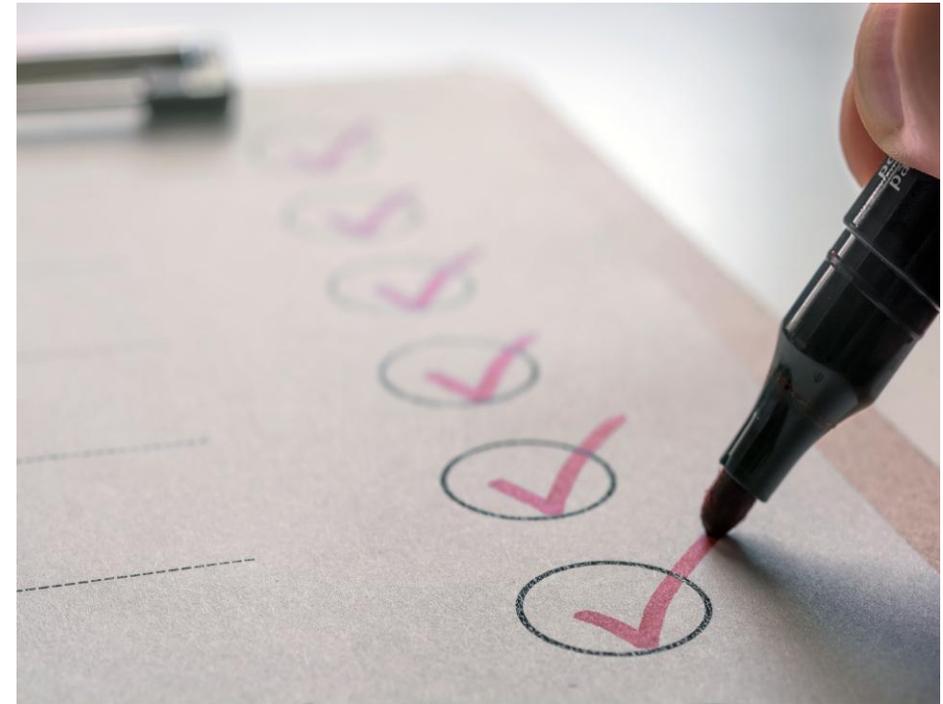
BUT NOTE: Medicaid medical claims paid on behalf of any QMB beneficiaries also enrolled in full Medicaid medical ARE subject to estate recovery

DHS policy memo: <https://www.dhs.state.il.us/page.aspx?item=60004>



# Illinois MSP Eligibility Criteria

- To qualify for a MSP, a beneficiary must:
  - be enrolled in Part A
  - meet income guidelines and asset guidelines
  - meet citizenship requirements
  - be an Illinois resident
  - disclose any other health insurance they may have
- The maximum household size for a MSP case is two
  - Other family members in the home are not considered in the application process



# February 2026 MSP Income and Asset Limits

2025 MSP Income and Asset Limits*			
MSP	Federal Poverty Level (FPL)	Gross Monthly Income Limit **	Resources/Assets Less Than***:
QMB	100% FPL	\$1,329/month – (single)	\$9,660 (single)
		\$1,787/month - (couple)	\$14,470 (couple)
SLMB	100% - 120% FPL	\$1,329-\$1,589/month - (single)	\$9,660 (single)
		\$1,787-\$2,139/month - (couple)	\$14,470 (couple)
QI	120% - 135% FPL	\$1,589-\$1,784/month -(single)	\$9,660 (single)
		\$2,139-\$2,403/month - (couple)	\$14,470 (couple)

\*Income guidelines are typically updated to meet annual FPL guidelines every April. \*\*The \$25 income disregard is reflected in the amount listed \*\*\*Prepaid burial funds and expenses in a designated account up to \$1,500 per person are exempt assets and are NOT reflected in the amounts listed. Life Insurance policies with a cash value of \$1,500 or less are exempt



# Comparing AABD Medicaid and QMB Income Guidelines

2025 MSP Income and Asset Limits			
MSP	Federal Poverty Level (FPL)	Gross Monthly Income Limit*	Resources/Assets Less Than**:
QMB	100% FPL	\$1,329/month – (single) \$1,787/month - (couple)	\$9,660 (single) \$14,470 (couple)
<b>Full AABD Medicaid (No Spenddown)</b>	<b>100% FPL</b>	<b>\$1,329/month – (single) \$1,787/month - (couple)</b>	<b>\$17,500</b>

A 2023 policy change increased the asset limit for Medicaid. Some Illinois AABD Medicaid beneficiaries on the higher end of the asset limit no longer qualify for the QMB.

\*The \$25 income disregard is reflected in the amount listed \*\*Prepaid burial funds and expenses in a designated account up to \$1,500 per person are exempt assets and are NOT reflected in the amounts listed. Life Insurance policies with a cash value of \$1,500 or less are exempt



# Income and Assets: What Counts?

Income	
Countable Income Sources:	Social Security Retirement, SSDI, Pensions, Employment,
Exempt Income Sources:	<ul style="list-style-type: none"><li>• \$25.00 income disregard</li><li>• SSI income disregarded for people outside of long term care facilities</li></ul>

Assets	
Countable Assets:	Bank accounts, retirement accounts, investment accounts
Exempt Assets:	Primary residence, one car, personal possessions Prepaid burial + funeral plans up to \$1,500 per person Life insurance policies with a cash value under \$1,500 SSI lump payments

Please note that this is not an exhaustive list. Refer to the [Workers Action Guide](#) for further details.



# Applying for MSP

# Applying for MSP Online

- Some beneficiaries may be automatically enrolled in MSP
- If not auto-enrolled, apply using Manage My Case
  - ILogin account with Multi-Factor Authentication is required
- Further guidance for ILogin available on [DHS's website](#)
- May apply for MSP-only, without applying for any other benefits (e.g., Medicaid medical, SNAP, etc.)



# Paper Applications for MSP



- [Form 2878 M](#): “Mail-In Application for Payment of Medicare Premiums, Deductibles and Coinsurance”
- Form can be submitted in person, faxed, or mailed
- Use [DHS Office Locator](#) for contact information
- Central Scanning Office Fax: 1-844-736-3563

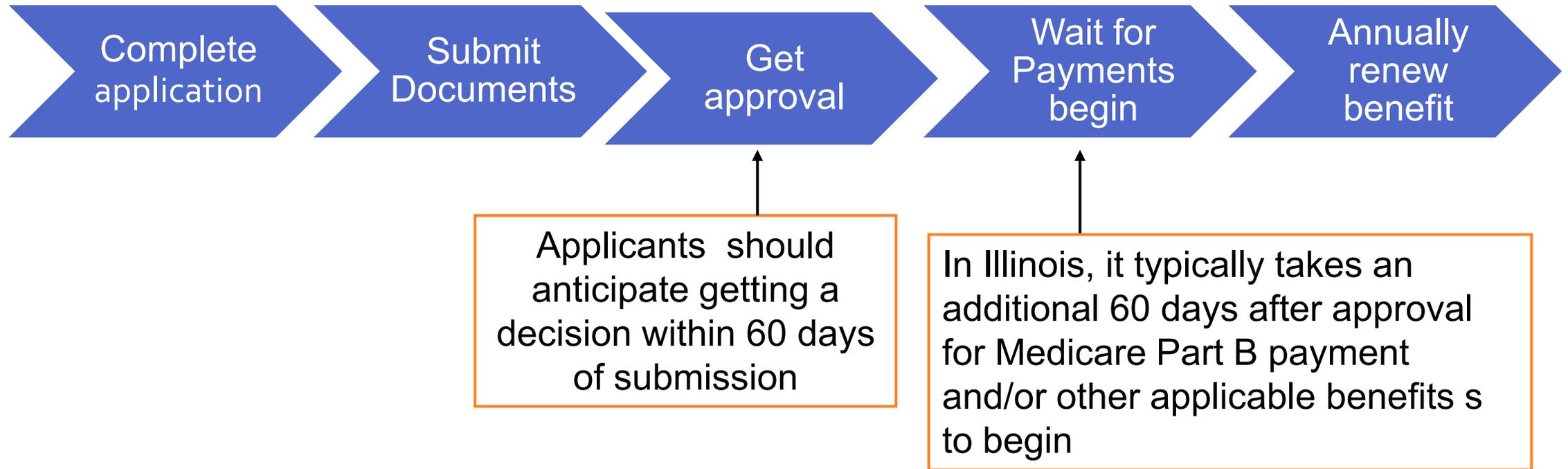


# MSPs and Self Attestation

- Case managers must accept an applicant's self attestation of information for MSP-only applications
  - Cannot self attest enrollment into Part A
- Document submission is not required if the application is for an MSP only. Documents are required for all other benefit applications offered on ABE.
  - Email [Avisery@ageoptions.org](mailto:Avisery@ageoptions.org) if you have a MSP-only case where documents are getting requested.
- Policy Manual links:
  - QMB:PM 06-12-02-a: <https://www.dhs.state.il.us/page.aspx?Item=14183>
  - SLIB: PM 06-13-02-a: <https://www.dhs.state.il.us/page.aspx?item=14222>
  - QI-1: PM 06-14-02-a: <https://www.dhs.state.il.us/page.aspx?Item=14255>



# MSP Enrollment Process



- Applications may get processed faster if paired with SNAP applications
- Avisery's Legal Referral Pathway available for cases where DHS does not meet either of these deadlines



# Maintaining MSP Benefits

- Annual Redetermination period
  - Often paired with Medicaid redeterminations
- May submit online via Manage My Case or return via mail. Some beneficiaries may be renewed Ex-Parte (automatically renewed)
- An individual's coverage will be canceled if a redetermination notice is not submitted by the deadline.
  - 90-day reinstatement period available after cancelation



# Losing MSP Coverage

Beneficiaries may get disenrolled from their MSP, often due to either a missed redetermination or increase in income and/or countable assets.

There can sometimes be delays for this change to process within the Social Security Administration.

- If Part B is canceled due to missed payments, can only re-enroll during GEP.
- Payment plans are available with the Social Security Administration (SSA POMS HI 00830.060)
- 90 day Loss of Medicaid SEP can be used to enroll in Medicare Advantage plan
- Utilize legal referral pathway if MSP was erroneously canceled.



# Using MSP to Enroll in Part B in Illinois

- Eligible beneficiaries enrolled in Part A but not part B should apply for MSP
  - Late enrollment penalties will be waived if approved
  - Must specifically request Part B enrollment on in the comments of the MSP application.
  - Can happen anytime of year outside the General Enrollment Period

MSP applications be used to enroll in Part B because Illinois is a *Part B Buy In* state.



**Match the Term**

# Match the Term

- 1. Part A and/or Part B Late Enrollment penalties
  - 2. SLMB/QI
  - 3. Part A premium
  - 4. QMB
- A. A benefit of MSP is waiving this type of payment
  - B. This MSP category covers Part A and Part B premiums, deductibles, and copays
  - C. An individual may have to pay up to \$565 a month depending on how many Social Security work credits they have
  - D. These MSP categories can backdate coverage up to 3 months
- 1)A, 2) D, 3)C, 4)B



# Match the Term

1. Redetermination

2. MSP Income Limits

3. MSP Asset Limits

4. Medicare Savings Program

A. A Medicaid program that helps pay for Medicare costs

B. This limit is different across all MSP programs

C. This limit is the same across all MSP programs

D. Individuals enrolled in MSP must go through this process annually to maintain MSP coverage

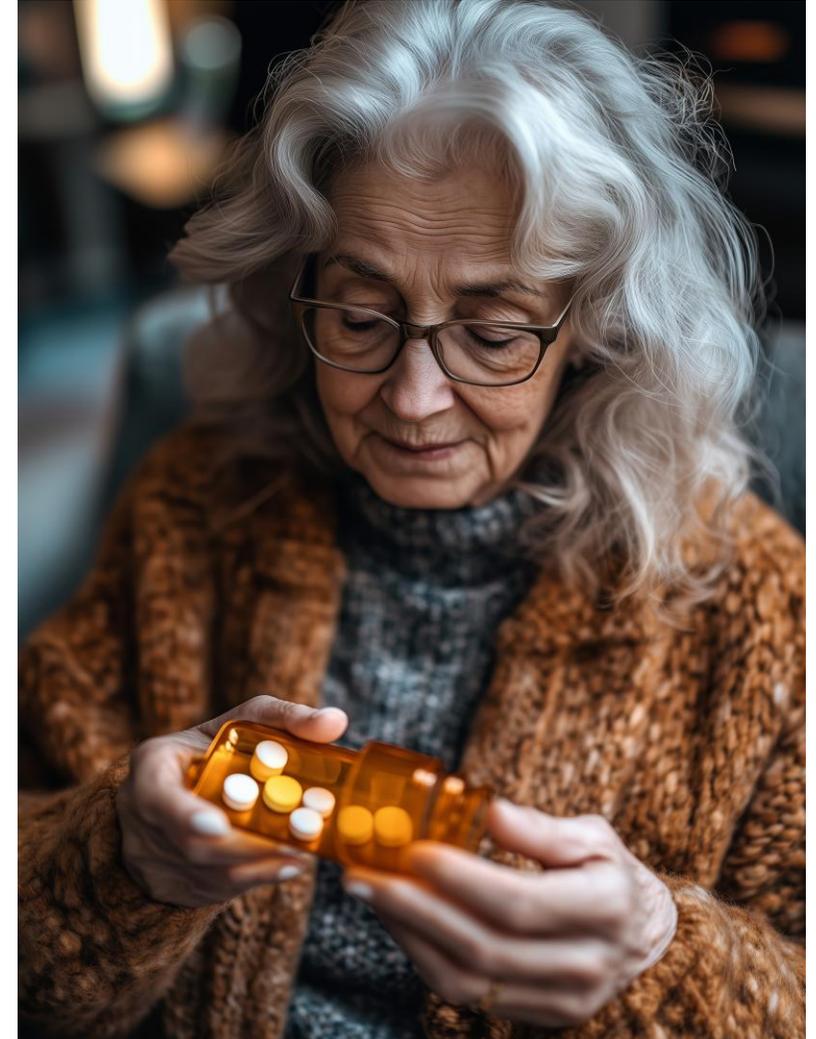
1)D, 2)B, 3)C, 4)A



# MSPs and Extra Help

# Part D Costs

- Annual drug deductible: \$0.00-\$615.00
- Copays based on drug tier, amount varies based on plan and pharmacy
  - Certain brand drugs can cost hundreds, if not thousands of dollars to fill the prescription
- True-Out-Of Pocket (TROOP): \$2,100.00



# Extra Help/LIS Helps with Part D Costs

- Extra Help will help the beneficiaries pay for their Medicare Part D plan costs
- Also referred to as the Low-Income Subsidy or LIS
- Extra Help benefits include:

2025 Part D Costs with Extra Help/ LIS
Premiums: \$0.00 benchmark plan or discounted premium
Deductible: \$0.00 Deductible
Copays: Up to \$5.10 for generics Up to \$12.65 for brand
Part D late enrolment penalties waived



# MSP Beneficiaries Automatically Qualify for Extra Help

- Extra Help has much higher income and asset guidelines than any of the Medicare Savings Programs.
- All MSP recipients are **'deemed eligible'** for the Part D Low Income Subsidy (LIS) program, also known as Extra Help.
  - Means that approved MSP beneficiaries get automatically enrolled.

	Income Guidelines	2026 Asset Guidelines
Extra Help	150% FPL	\$17,600 \$35,130
MSP QI (QI has highest income limit)	135%FPL	\$9,660 Individual \$14,470 Couple



# Extra Help Program Special Enrollment Period (SEP)



- A Special Enrollment Period that allows people to switch their stand-alone Part D plan once per month.
  - Cannot switch to a Medicare Advantage plan
  - Available to anyone enrolled in Extra Help, and therefore, anyone enrolled in an MSP.
- MSP enrollees can use this SEP to change Part D plans



# Extra Help Applications and MSP

SSA will not share this information with the state if this button is selected on the Extra Help application .



**15. Information about Medicare Savings Programs:** You may be able to get help from your State with your Medicare costs under the Medicare Savings Programs. To start your application process for the Medicare Savings Programs, Social Security will send information from this form to your State unless you tell us not to. **If you want to get help from the Medicare Savings Programs, do not complete this question. Just sign and date the application and your State will contact you.**

If you are **not** interested in filing for the Medicare Savings Programs, place an  in the box below.

**No, do not send the information to the State.**

Form SSA-1020B-0CR-SM-INST (01-2014) Page 5

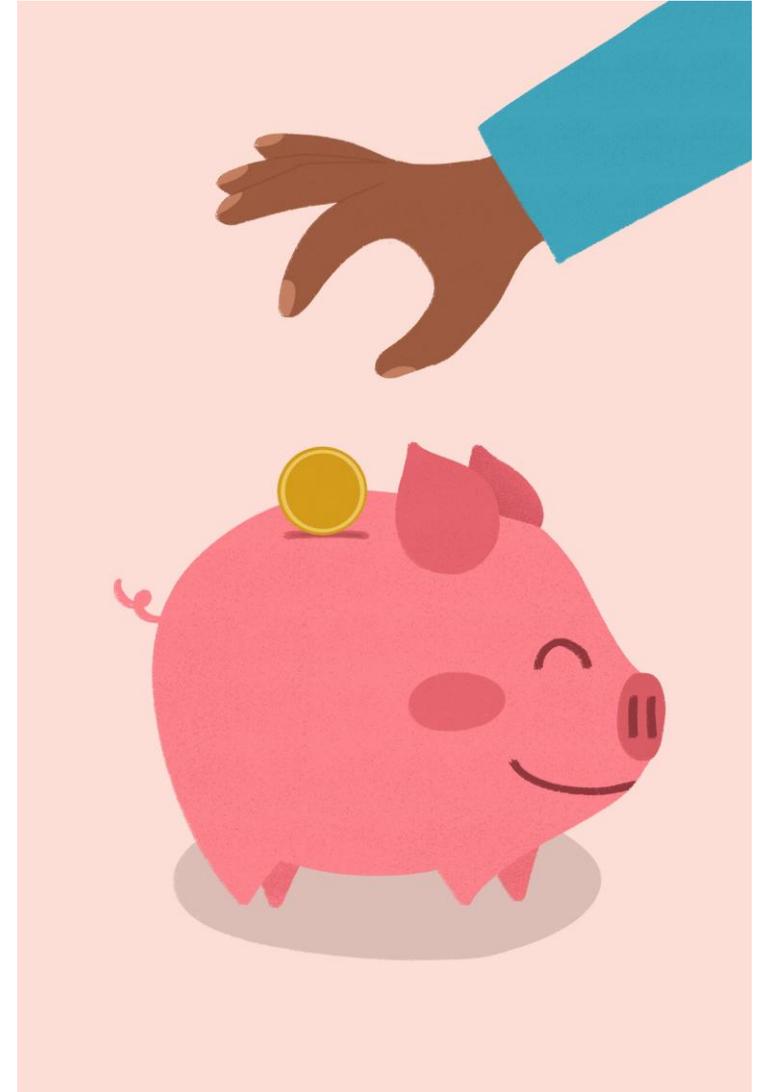
- A person can also apply for Extra Help separately through the SSA
- SSA will send data from the Extra Help application to the state to screen for potential MSP enrollment
  - But note, someone can be eligible for Extra Help and not MSP



# Benefits Unique to QMB

# Review: Collective Benefits of All Three MSPs

- Pays Part B premiums
- Enroll someone into Part B
- Lower Prescription Drug Costs
  - Automatic Enrollment into Extra help
- Waive Late Enrollment Penalties
  - MSP waives late enrollment penalties for Part B
  - Extra Help waives Part D late enrollment penalties
- Special Enrollment Period to choose a new Part D plan



# QMB Benefits

- The Qualified Medicare Beneficiary Program comes with additional benefits:
- **Pays all Medicare Part A and B cost sharing**
  - No medical bills for Medicare part A or B services from providers who accept Original Medicare or, if in an Medicare Advantage HMO, any *in network* providers
  - Billing protections if improperly billed by providers
- **Pays Part A premiums for people billed for Part A**
  - Waivers Part A Late Enrollment Penalty



# Billing Protections for QMB Beneficiaries

- Billing protections for QMBs are in place by Federal Law.
  - QMB beneficiaries in Original Medicare cannot be balanced billed by any Medicare provider
  - Provider does not need to accept Medicaid
  - **But beneficiaries in D-SNP or HMO plans must stay in network**
- Providers who balance bill a QMB beneficiary may be subject to sanction for improper billing.



# If a QMB Beneficiary is Improperly Billed

1. Educate provider on QMB rules

[This provider notice](#) details federal regulations and guidance for billing

2. File a complaint with 1-800-MEDICARE

3. If unable to resolve, contact a local legal services provider or [CMS Regional office for Illinois](#)

4. If the bill has gone to collections, file a complaint with the Consumer Financial Protection Bureau



# Let's Check In



# Medicare Conditional Part A Enrollment

# Premium Part A is Costly

- Medicare Part A is premium-free for most beneficiaries
  - Must have 40+ SSA work credits
- Without required work credits, can choose to buy “Premium Part A”
  - 2026 partial premium – \$311 for those with 30-39 work credits
  - 2026 full premium - \$565 for those with <30 work credits
- Individuals who choose to enroll in premium Part A must also enroll in Part B (if not already enrolled)
  - 2026 Part B monthly premium: \$202.90



# Premium Part A Costs are a Barrier to Needed QMB Benefit

## Costs of Medicare coverage for an individual with no work history:

	Without QMB (2026)	With QMB
Part A Monthly Premiums	\$565	\$0.00
Part B Monthly Premiums	\$202.90	\$0.00
Cost Sharing	All Part A and B cost sharing for Medicare providers	\$0.00 for all Medicare providers
Total	<b>\$767.90 + Cost Sharing</b>	<b>\$0.00</b>

Problem 1: Must have Part A to qualify for QMB, but many cannot afford even one month of Part A premium.

Problem 2: Delays processing QMB enrollment could result in costly Part A premium bills.



# A Solution: Conditional Part A Enrollment

- Allows individuals with limited incomes to apply for premium Part A , but **only on the condition** that they are **approved for QMB**
  - QMB is the only MSP that pays for Part A premiums
- Prevents someone from enrolling in Part A and paying premiums before QMB is effective, or if they're found ineligible for QMB
- To apply for conditional Part A, an individual must be:
  - Age 65+ and
  - A U.S. citizen or lawful permanent resident that has been in the U.S. for 5 continuous years



# How Conditional Part A Enrollment Works

- The Process
  - Individual applies for Part A and Part B with Social Security and is only enrolled in Part A **on the condition** that the individual is approved for QMB
  - Once approved for conditional Part A, apply for QMB. QMB will then start paying Part A and Part B premiums and cost sharing
- If applying for conditional Part A enrollment, must also apply for Part B if not already enrolled
  - Verify eligibility for QMB before applying. If determined ineligible, Part A enrollment will not take place **but the individual will still be enrolled in Part B and liable for premiums**
  - Beneficiary must maintain QMB coverage to continue to have premiums paid



# Why Apply for Conditional Part A Enrollment?

- Individuals with limited incomes eligible for Conditional Part A enrollment are often already on Medicaid
  - May question the advantage of applying – decision depends on the individual's circumstances
- Advantages include:
  - Access to a wider range of providers, not limited to Medicaid-only providers
  - QMB beneficiaries are protected from cost sharing liability, even from non-Medicaid providers
  - Benefits paid by QMB are not subject to estate recovery
  - Enrollment into Medicaid managed care for dual-eligibles is optional



# When Can an Individual Enroll in Premium Part A?

Illinois is a “Group Payer” state - individuals can only enroll in premium Part A during specific enrollment periods

## Initial Enrollment Period

- 7-month period to enroll when eligible individual turns 65 (3-1-3 rule)

## Medicare General Enrollment Period

- January 1– March 31 of every year
- Late enrollment penalties may apply, but waived if QMB-eligible

## Special Enrollment Periods (SEPs)

- Special Enrollment Period (SEP) for Part A and Part B for [Exceptional Conditions](#)



# How to Apply for Conditional Part A Enrollment & QMB

1. Plan to apply during one of the established enrollment periods (IEP, GEP, or SEP). Prepare to keep a thorough paper trail during the application process.
2. Complete a paper application for Part A ([Form CMS-18F5](#)) and submit to Social Security Administration.

- Make sure the client states in the comments section that they are applying for Conditional Part A enrollment.

Sample language: “I am applying for conditional Part A enrollment and only want Part A coverage if my State Medicaid agency approves my application for the Qualified Medicare Beneficiary (QMB) program. I do not want Part A coverage to begin before Medicaid starts paying my monthly premiums.”

3. Application can be faxed, mailed, or dropped off in person at a [local](#) SSA office
  - Keep a copy of the application and proof it was received for your records
  - Online applications are not available
  - Telephonic applications do not provide a paper trail



# How to Apply for Conditional Part A & QMB (continued)

4. Follow up with SSA regularly.
  - Application must get conditionally approved and coded with “Z99”
5. Once the Z99 code appears in SSA’s system, the individual can apply for MSP/QMB through Illinois Medicaid
  - Apply online using Illinois ABE if possible. Specify in the comments section that the client was approved by SSA conditionally for Part A. Attach/upload any proof if available
6. Allow for 60-day processing time
  - If the Conditional Part A application with SSA or the QMB application through ABE is taking longer than 60 days to process, reach out to Avisery for assistance through the Legal Referral Pathway



# Conditional Part A Enrollment: Behind the Scenes

- Once conditional Part A is approved and QMB applications has been submitted, DHS “communicates” with SSA to verify the person is QMB-eligible
  - SSA will subsequently enroll them in Part A (and Part B if not already enrolled)
- QMB will then pay Part A and Part B monthly premiums, cost sharing, and any late enrollment penalties



# Let's Check In



# Avisery MSP Referral Pathway

# Avisery MSP Referral Pathway

- Assists beneficiaries who are experiencing issues with their MSP application or benefits
- Avisery has partnered with legal aid organizations in Illinois to provide legal assistance to beneficiaries experiencing MSP issues
  - Accepting referrals for beneficiaries living in the state of Illinois
  - Referrals made to Chicago Legal Aid, Land of Lincoln Legal Aid, and Prairie State Legal depending on client's geographic area



# MSP Referrals Currently Accepted

Referrals are being accepted for the following MSP issues:

1. Beneficiaries approved for MSP who have been paying Part B premiums more than 60 days after receiving a DHS approval notice
2. MSP applications pending more than 60 days after all necessary information has been submitted
3. Beneficiaries who applied for Extra Help through Social Security, do not have MSP, and did not receive MSP screening or information from DHS
4. Conditional Part A applications that have encountered processing issues

Email [Avisery@ageoptions.org](mailto:Avisery@ageoptions.org)



# How to Submit a Referral for MSP Assistance

- Email [avisery@ageoptions.org](mailto:avisery@ageoptions.org) . We will follow up with additional questions and a referral form
  - Do not email client sensitive information directly to us unless it is in a secure or encrypted email. Avisery can open a secure thread for you, if needed.
  - Include any DHS notices client has received
- Once a referral form is submitted to Avisery, it will be forwarded to the appropriate legal assistance provider
- Legal assistance provider will then contact client to receive consent to advocate to DHS on their behalf and/or file an administrative appeal if necessary
- The client will NOT be charged a fee for assistance

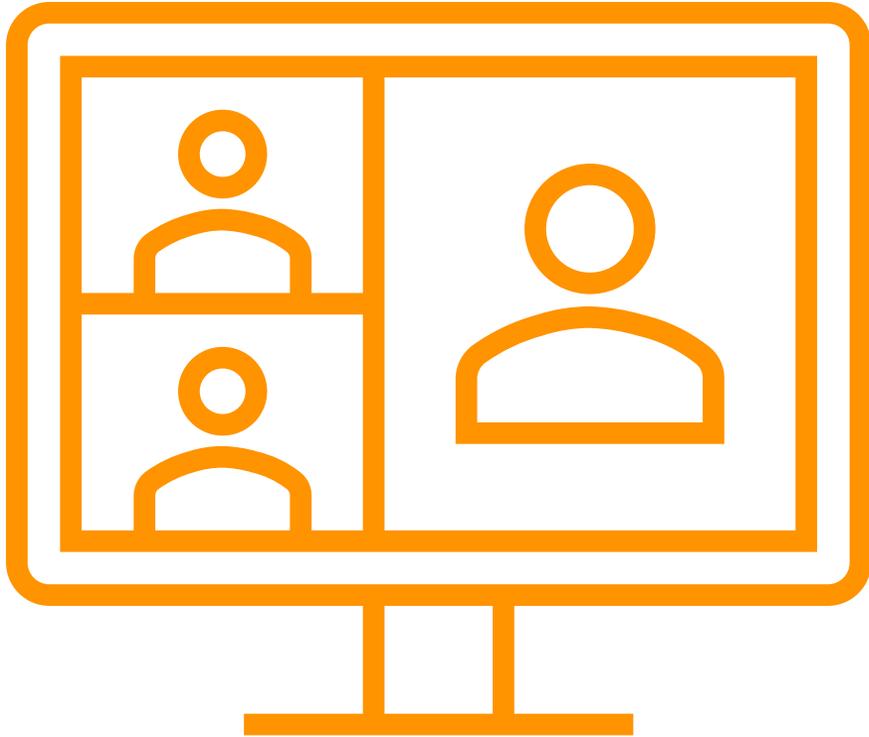


# MSP Referral Pathway Highlights

- Legal representation from these Avisery partners has resulted in clients being approved for MSP benefits in a timelier manner
- Legal Aid attorneys have been successful in stopping Part B premium deductions and obtaining reimbursements
  - To-date, Avisery and Legal Aid partners have been able to assist beneficiaries receive approximately \$15,000 in Part A and Part B premium reimbursements!
- Our continuing goal is to identify trends in systemic issues and opportunities for improvement that can be then shared with state and legislative partners
- We need your help identifying clients who may benefit from the Referral Pathway!



## Interested in Joining the Avisery MSP Enrollment Corps?



- Group of professionals working to increasing MSP enrollment Illinois and identifying cases for legal or other advocacy
- Meets quarterly via Zoom to share outreach and enrollment strategies
- Provides training, technical assistance, outreach, and peer learning support
- Share MSP outreach materials for consumers and trainings for staff (templates, slides, flyers, etc.)
- Contact [Avisery@ageoption.org](mailto:Avisery@ageoption.org) to learn more





# Avisery MSP Resources for Professionals and Beneficiaries

Available [on the Avisery website](#):

Resources include:

- Guide to Completing Conditional Part A applications
- MSP Quick Overview for professionals provides an MSP overview, eligibility criteria, and how to utilize the MSP Referral Pathway
- MSP referral pathway instructions
- A Beginner's Guide to ABE and MSPs: A step-by-step guide to completing an online ABE Medicare Savings Program application in Illinois
- MSP Outreach Word Search





## Additional Resources: Premium Part A and Conditional Enrollment

Justice in Aging:

<https://www.justiceinaging.org/wp-content/uploads/2018/08/SSA-Clarifies-Handling-of-Medicare-Part-A-Conditional-Applications.pdf>

SSA - Premium Part A Enrollments for QMBs:

<https://secure.ssa.gov/poms.nsf/lnx/0600801140>

DHS hospital insurance benefits:

<https://www.dhs.state.il.us/page.aspx?item=18681>

DHS memo: Payment of Hospital Insurance Benefits

<https://www.dhs.state.il.us/page.aspx?item=146575>



# Post-Test



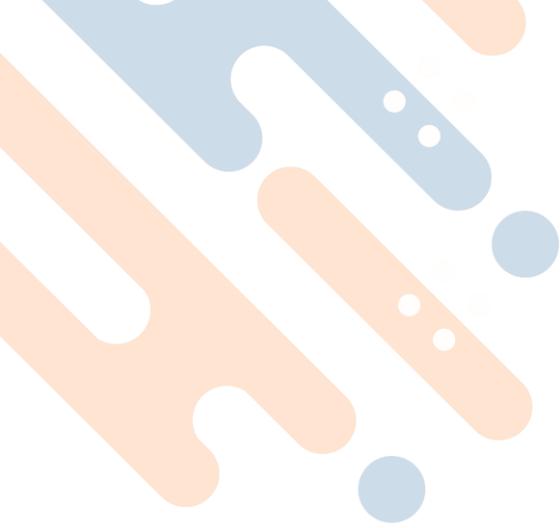
# Questions





Please take a few moments to complete the evaluation





# Thank you!

To contact Avisery by AgeOptions:

Email: [avisery@ageoptions.org](mailto:avisery@ageoptions.org)

Phone: 708.628.3440

*Since 1974, **AgeOptions** has established a national reputation for meeting the needs, wants and expectations of older adults in suburban Cook County. We are recognized as a leader in developing and helping to deliver innovative community-based resources and options to the evolving, diverse communities we serve.*



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