

# Low Income Subsidy and Medicare Savings Program

## WHAT YOU NEED TO KNOW ABOUT LOW INCOME SUBSIDY (LIS) AND MEDICARE SAVINGS PROGRAM (MSP)

LIS, also known as Extra Help, and MSP have helped many Medicare beneficiaries comfortably afford their medications and follow their treatment plans. Your knowledge of these programs can enable you to better help low-income customers and build your business through your expertise.

### Basics of Limited Income Programs

Income and assets are some of the factors the government considers when determining who is eligible for assistance programs such as LIS and MSP. See the LIS and MSP sections in this reference guide to see specifics on these programs.

#### Income

Money **earned** within a year is counted. An example of countable income is earnings from a job.

Some types of income aren't counted. A few examples include:

- › Food assistance
- › Housing assistance
- › Medical treatment and drugs



#### Married and Living with a Spouse

If an enrollee is married and living with a spouse, both incomes, assets, and dependent relatives in the household (e.g. grandchild) will count.

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## Assets / Resources

The value of things the applicant owns. A few examples include:

- › Vehicle
- › Money in bank accounts
- › Stocks, bonds, etc.
- › Cash

## How to Ask about Assistance Needs

Discussing financial needs may be a sensitive topic. To have a productive and respectful conversation, use Consultative Selling skills to ask questions during the needs assessment phase. Keep in mind marketing guidelines when asking questions about healthcare specifics (i.e. medications, medical treatment, etc.).

## Where to Prospect

You can find seniors who might qualify for LIS or MSP when you do events at places such as these:

- › Urban areas
- › Food banks
- › Food pantries
- › Community events
- › Churches or other faith-based organizations
- › Senior Centers
- › Low-income senior apartments

Be sure you follow CMS marketing guidelines when you market Cigna Medicare plans and hold events.

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## BenefitsCheckup®



BenefitsCheckup®, a confidential and free benefits screening tool, can be a helpful resource to use during your conversation with seniors with limited income and resources. It provides information about benefits that help with housing, food, and more.



1. Go to [cigna.com/medicare/](https://cigna.com/medicare/)
2. Click BenefitsCheckUp®
3. Once on BenefitsCheckUp®, click **Get Started** to use the screening tool

## Low Income Subsidy (LIS)

LIS, or Extra Help, is administered by the Social Security Administration to help lower the cost of Medicare prescription drug coverage. It is estimated to be worth up to \$4,900 per year (SSA.gov).

### LIS Eligibility Requirements

Those who receive Medicare might qualify for LIS automatically if they meet the following factors:

- › Eligible for Medicaid
- › Receive help from their state Medicaid program for their Part B premiums (a Medicare Savings Program)
- › Receive Supplemental Security Income (SSI)



#### Be a Valued Medicare Expert

Leverage the LIS Special Enrollment Period (SEP) to gain business year round while assisting seniors find a plan that matches their needs and get help paying for medication they otherwise couldn't afford.

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Some seniors might not automatically receive LIS, although they are eligible. It could be they are unaware of it, but you can listen and ask questions to determine if your prospect can benefit from this program and help them apply.

## LIS Benefits

Some LIS benefits to your eligible prospect include:

- › No Part D late enrollment penalty
- › One SEP per quarter
- › No gap in prescription coverage, also known as the Donut Hole
- › 85% to 100% of drug cost are covered
- › No/low premium of deductible



### Always Verify LIS

Contact CARL to check your enrollee's LIS status, including if they've used their LIS SEP within a quarter.

Email: [carl@cigna.com](mailto:carl@cigna.com)  
Help Center: 866-442-7516

Depending on the LIS level, plan premium costs vary. Refer to the [LIS Plan Premium Chart](#) in the Resource Library to see specific information for Cigna Medicare plans and levels.

## How to Apply for LIS

There are 3 ways to help your prospect apply – online is preferred:



Online at  
<https://secure.ssa.gov/i1020/start>



Call the Social  
Security  
Administration  
800-772-1213



Request a paper  
application from the  
Social Security  
Administration at  
800-772-1213

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## Convert LIS into an Enrollment



## Medicare Savings Program (MSP)

MSP helps pay for low-income Medicare beneficiaries Part A and/or Part B costs. These are partly funded by each state and the federal government. Each state administers MSPs through the same agency that administers Medicaid.

### MSP Eligibility Requirements

- › Eligible for Medicare Part A
- › Income at or below the Federal Poverty Limits
- › Resources at or below the Federal Poverty Limits

### Types of MSPs

Type	Income Limit	Resource Limit	Benefit
Qualified Medicare Beneficiary (QMB)	Individual - \$1,084 Married couple - \$1,457	Individual - \$7,860 Married couple - \$11,800	Part A premiums Part B premiums Deductibles Coinsurance/copayments
Specified Low-Income Medicare Beneficiary (SLMB)	Individual - \$1,296 Married couple - \$1,744	Individual - \$7,860 Married couple - \$11,800	Part B premiums only
Qualifying Individual (QI)	Individual - \$1,456 Married couple - \$1,960	Individual - \$7,860 Married couple - \$11,800	Part B premiums only
Qualified Disabled and Working Individuals (QDWI) Program	Individual - \$4,339 Married couple - \$5,833	Individual - \$4,000 Married couple - \$6,000	Part A premium only

2020 income and resource limits from [medicare.gov](https://www.medicare.gov)

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