

Department of Public Health and Human Services	Section: MEDICARE SAVINGS PROGRAMS
MEDICAL ASSISTANCE	Subject: Qualifying Individuals (QI)

**Supersedes:** MA 803-1 (07/01/08)

**References:** Balance Budget Act of 1997; ARM 37.82.101

GENERAL RULE -- Certain applicants may be eligible for benefits as Qualifying Individuals (QI).

**Although QI was scheduled to end, the program has been continued. If the program ends, OPA staff will immediately be notified.**

QI applicants must:

1. be entitled to Medicare Hospital Insurance (Part A) – see MA 800;
2. meet all medical assistance non-financial criteria:
  - a. categorical eligibility (aged, blind or disabled);
  - b. citizenship or alien status;
  - c. state residency; and
  - d. social security number;
3. not be eligible for any other medical assistance (e.g., medically needy coverage);

**NOTE:** Individuals who are medically needy eligible but have not met their incurment obligation may receive QI. If a QI recipient becomes eligible for medically needy coverage for only one month, continue QI benefits.



4. have countable resources (MA 400 Section) which do not exceed the resource limit for the Qualifying Individual (MA 012).

The resource limit may be met on any day during the month as per MA 400 “Date of Resource Eligibility.”

5. have countable income which does not exceed 135% of the federal poverty level for the appropriate household size as listed in MA 012.

**NOTE:** A household may consist of a married couple including an ineligible spouse. If no income is

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deemed from the ineligible spouse to the eligible spouse, the income standard for an individual (single person) is used to determine income eligibility. If income is deemed from the ineligible spouse, the income standard for a couple is used to determine income eligibility. (See Income Eligibility Computation later in this section.)

Disregard the yearly cost of living adjustment (COLA) increase to Social Security benefits for those QI recipients who would lose eligibility due to the COLA increase. These recipients are entitled to receive continuous QI benefits until the new QI income limits are published.



**NOTE:** CHIMES is programmed to disregard the COLA automatically.

**▶ APPLICATION  
FORMS  
ACCEPTED**

Applicants may use any valid paper or electronic Montana Medicaid application form to apply for QI. Applications for SSI and Social Security Extra Help (LIS) are among the valid Montana Medicaid applications.

**APPLICATION  
BY MAIL**

Upon request, applications can be mailed to QI applicants. The completed application may be returned to the county office by mail. Individuals applying for QI benefits are not required to participate in an office interview. Eligibility case managers can make a QI eligibility determination based on verified information from the application and related documentation.

**NOTE:** An interview is required if the recipient requests one or if the recipient is applying for other programs (e.g., SNAP).

**INCOME  
ELIGIBILITY  
COMPUTATION**

Income eligibility for individuals and couples is determined as follows:

If both spouses are applying for QI coverage and meet all non-financial and resource criteria, determine their income eligibility using STEP III.

**STEP I**

**COMPUTATION FOR ELIGIBLE INDIVIDUAL/SPOUSE**

1. Unearned income
2. - Legally obligated child support/alimony
3. - General income disregard (\$20 max.)
4. = Countable unearned income

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5. Earned income
6. - Legally obligated child support/alimony balance
7. - General income disregard balance
8. - Blind/disabled work expenses
9. - Work expense disregard (\$65)
10. = Remainder
11. - ½ Remainder
12. = Countable earned income
  
13. Total countable income (Line 4 + 12)
14. - QI income standard for one
15. = If line 15 is \$0 or less and the applicant is a single individual (or is a married individual whose ineligible spouse's income does not deem in Step II), the applicant is eligible for QI benefits.

If line 15 is more than \$0 and the applicant is a single individual (or is a married individual whose ineligible spouse's income does not deem in Step II), applicant is ineligible for QI benefits.

If the applicant is **married to an ineligible spouse**, continue to Step II and determine whether the ineligible spouse's income must be deemed to the applicant.

**STEP II****DEEMED INCOME FROM INELIGIBLE SPOUSE**

16. Gross unearned income of ineligible spouse
17. - Ineligible child(ren) allocation
18. = Countable unearned income of spouse

**NOTE:** The allocation for each ineligible child is equal to the difference between the SPA for 1 and 2 people minus the child's own gross income.

19. Gross earned income of ineligible spouse
20. - Remaining ineligible child(ren) allocation not offset  
by unearned income
21. = Countable earned income of spouse
  
22. Total countable income of spouse (line 18 + 21)
23. - The difference between the SPA for a couple and the SPA for an individual
24. = If line 24 is **\$0 or less**, STOP. Use STEP I to determine applicant's income eligibility. Deeming does not apply.

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If line 24 is **more than \$0**, continue to STEP III.

**STEP III****COMPUTATION FOR A COUPLE (after ineligible child allocation)**

25. Combined unearned income (line 1 +18)  
 26. - Legally obligated child support/alimony  
 27. - General income disregard (\$20 max.)  
 28. = Countable unearned income
29. Earned income (line 5 + 21)  
 30. - Legally obligated child support/alimony balance  
 31. - General income disregard balance  
 32. - Blind/disabled work expenses  
 33. - Work expense disregard (\$65)  
 34. = Remainder  
 35. - ½ remainder  
 36. = Countable earned income  
 37. + Countable unearned income (line 28)  
 38. = TOTAL COUNTABLE INCOME  
 39. - QI income limit for a couple  
 40. = If **\$0 or less**, recipient(s) is eligible for QI benefits.

If **more than \$0**, recipient(s) is ineligible for QI benefits.

**QI BENEFITS**

Medicaid benefits available to QI eligible recipients include payment of Medicare Part B premiums only.

Because QI benefits are limited to payment of the Medicare Part B premium, no Medicaid ID Card is issued for this coverage.

QI benefits may be determined for up to three months of retroactive coverage prior to the month of application/coverage request.

**PROCEDURE:****Responsibility****ACTION**Applicant/  
Representative:

1. Complete acceptable application form and provide required documentation/verification.
2. Provide proof of Medicare Part A entitlement.

Eligibility Case  
Manager

3. Determine whether the amount of countable resources is within Medicare Savings Program standard.

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4. Determine whether countable income is within the QI standard.
5. Notify the applicant of the determination.
6. Inform recipient, if eligible, of his/her responsibility to timely report future changes in resources, income or circumstances.
7. Certify eligible applicants/recipients through November only. QI eligibility MUST be redetermined each November per federal regulation.

TPL Unit

8. Buy into Medicare Part B for the recipient, if eligible for QI.

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