

## 3041.00.00 MEDICARE PART D BENCHMARK (MED 1)

The Medicare Part D Benchmark effective 01-01-25 is \$49.58 (01-01-2024 was \$42.34). Medicare members with income of less than 150% of the FPL receive a full subsidy for purchasing Part D prescription coverage, regardless of Medicaid status. The amount of the subsidy is what is referred to as the “benchmark;” this amount may periodically change.

The members may choose a more expensive policy and pay the difference. This additional expense is all that should be credited to their budget.

Medicare members who are over 150% of the FPL will only qualify for the subsidy after they are approved for full coverage Medicaid if they are in an institution, **PACE members** or on an HCBS approved waiver.

Months before Medicaid eligibility is established may be credited with the entire amount the applicant is paying for Part D coverage, if acceptably verified. The Part D Benchmark should be deducted for all months after Medicaid is approved. This means only the amount over the benchmark should be credited as an ongoing medical expense.

After the LIS (Low-Income Subsidy) has started, if the member receives bills from the Medicare part D plan, they chose with their health insurance company, the full amount should be entered on the medical expense screen, as this is what the member is responsible for.

### Example 1:

Logan is an applicant and is a Medicare member applying for full coverage Medicaid with income under 150% FPL. Logan chooses a Medicare Part D plan that costs \$65.00 per month. Due to Logan choosing a plan that is over the benchmark amount, he would only get credit for the difference on the medical expense screen. Logan would get credit for \$65.00- \$49.58 (benchmark) = \$15.42 as a monthly expense on the medical expense screen.

### Example 2:

Eric is over 150% FPL and is applying for Medicaid; he is a Medicare member and has Part D coverage. The Medicare Part D plan that Eric chose costs \$75.00 per month.

For retroactive and application months, enter the full amount of the Medicare Part D premium as a medical expense. If Medicaid passes for all months, before authorizing eligibility, the

worker should return to the medical expense screen and update the most recent month reflect the deduction of the current benchmark amount.

Eric's application was approved in July. The Medical Expenses screen should budget the Part D premiums as:

- April: \$75.00
- May: \$75.00
- June: \$75.00
- July: \$75.00
- August: \$25.42 (\$75.00 – 49.58 benchmark)