

2025 -- H 5529

=====
LC000885
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

—————
A N A C T

RELATING TO HUMAN SERVICES -- MEDICARE SAVINGS PROGRAMS

Introduced By: Representatives Alzate, Shanley, Morales, Ajello, Spears, Carson, Felix,
Cortvriend, Fogarty, and Edwards

Date Introduced: February 13, 2025

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. The general assembly makes the following findings of fact:

2 (1) The Medicare Savings Programs ("MSP") pay the monthly Medicare premium
3 (\$185/month in 2025) for eligible seniors and people with disabilities, increasing economic security
4 for those enrolled.

5 (2) The Medicare Savings Programs also pay Medicare cost-sharing (deductibles,
6 coinsurance and co-payments) for the lowest-income enrollees, increasing access to care.

7 (3) The federal government sets minimum income and resource eligibility for the Medicare
8 Savings Program.

9 (4) States are permitted to increase the income and resource standards but the percentage
10 increase in eligibility for higher-income MSP enrollees must not be higher than the percentage
11 increase for lower-income enrollees.

12 (5) The federal government pays the full cost for higher-income (MSP) enrollees and over
13 half the cost for lower-income MSP enrollees.

14 (6) Individuals enrolled in MSP are automatically enrolled in the federally funded Part D
15 Low-Income Subsidy (Extra Help) program which helps pay prescription drug costs with average
16 savings for enrollees of \$5,300 per year.

17 SECTION 2. Title 40 of the General Laws entitled "HUMAN SERVICES" is hereby
18 amended by adding thereto the following chapter:

19 [CHAPTER 8.16](#)

1 MEDICARE SAVINGS PROGRAMS

2 **40-8.16-1. Short title.**

3 This chapter shall be known and may be cited as the “Medicare Savings Programs”.

4 **40-8.16-2. Purpose.**

5 The Medicare savings programs, established in the Social Security Act [42 U.S.C. 1396a]
6 §§ 1902(a)(10), 1905(p) and 1933, pay the monthly Medicare Part B premium for enrollees and
7 provide certain enrollees with help paying for out-of-pocket costs. For individuals who are disabled
8 and working, the program pays the Part A premium only. The programs are designed to improve
9 access to necessary medical services and to address financial insecurity of low-income Medicare
10 enrollees: people age sixty-five (65) years and older and people with severe disabilities. States are
11 allowed to set income and asset limits for the Medicare savings programs that exceed the federally
12 mandated minimum levels. The federal government pays all or some of the costs for those enrolled
13 in the Medicare savings programs. The federally-mandated minimum eligibility is too low to
14 adequately address the needs of thousands of needy Rhode Islanders age sixty-five (65) years and
15 older and people with severe disabilities. It is the intent of the general assembly to increase
16 eligibility for the Medicare savings programs consistent with federal law and so long as federal
17 cost-sharing is provided.

18 **40-8.16-3. Definitions.**

19 As used in this chapter:

20 (1) "Income" means the income of the family unit of an individual as determined by the
21 income-counting rules used for determining eligibility for federal Supplemental Security Income
22 benefits under title XVI of the Social Security Act, 42 U.S.C. 1396a.

23 (2) “Medicare Part A” means the program established under Part A of title XVIII of the
24 Social Security Act.

25 (3) “Medicare Part B” means the program established under Part B of title XVIII of the
26 Social Security Act.

27 (4) “Medicare savings programs” and “Medicare premium payment programs” mean,
28 collectively, the state-administered programs described in § 40-8.16-4.

29 (5) “Qualified disabled and working individual” means an individual who is not otherwise
30 eligible for medical assistance; who is entitled to enroll in hospital insurance benefits under section
31 1818A of Title VIII of the Social Security Act; whose income does not exceed two hundred percent
32 (200%) of the federal poverty line applicable to the person’s family size; and whose resources do
33 not exceed twice the maximum amount that an individual (or a couple, in the case of a married
34 individual) may have and obtain federal supplemental security income benefits under title XVI of

1 the Social Security Act.

2 (6) “Qualified individual” means an individual who is not otherwise enrolled in medical
3 assistance and who is entitled to hospital insurance benefits under part A of title XVIII of the Social
4 Security Act whose income is greater than one hundred thirty-eight percent (138%) but less than
5 or equal to one hundred eighty-six percent (186%) of the federal poverty line applicable to the
6 person’s family size. Insofar as federal financial participation is available, an individual’s resources
7 shall not be considered in determining whether an individual is a qualified individual.

8 (7) “Qualified Medicare beneficiary” means an individual who is entitled to hospital
9 insurance benefits under part A of title XVIII of the Social Security Act whose income does not
10 exceed one hundred thirty-eight percent (138%) of the federal poverty line applicable to the
11 person’s family size. Insofar as federal financial participation is available, an individual’s resources
12 shall not be considered in determining whether an individual is a qualified Medicare beneficiary.

13 (8) “Resources” means the resources of the family unit of an individual as determined by
14 the resource-counting rules used for determining eligibility for federal Supplemental Security
15 Income benefits under title XVI of the Social Security Act. Insofar as federal financial participation
16 is available, resources shall not be considered in determining an individual’s status as a qualified
17 Medicare beneficiary or qualified individual.

18 (9) “Secretary” means the secretary of the executive office of health and human services.

19 **40-8.16-4. Payments.**

20 (a) The state shall provide for enrollment in Medicare Part B, and shall make payments for
21 the Medicare Part B premium and any Medicare Part A premium, as well as for other Medicare
22 cost-sharing including co-insurance and deductibles, for any individual who is a qualified Medicare
23 beneficiary.

24 (b)(1) To the extent that federal financial participation is available at a one hundred percent
25 (100%) federal medical assistance percentage and subject to §§ 1933 and 1902(a)(10)(E)(iv) of the
26 Social Security Act, the state shall provide for enrollment in Medicare Part B, and shall make
27 payments for the Medicare Part B premium, for any individual who is a qualified individual.

28 (2) Premium payments for qualified individuals will be one hundred percent (100%)
29 federally funded up to the amount of the federal allotment. The secretary of health and human
30 services shall discontinue enrollment into the program when the Part B premium payments made
31 pursuant to subsection (b)(1) of this section meet the yearly federal allotment.

32 (c) The state shall make payment for the Medicare Part A premium for any individual who
33 is a qualified disabled and working individual.

34 **40-8.16-5. Application process and outreach.**

1 The secretary shall ensure that an individual's data in an application for the Low-Income
2 Subsidy (LIS) program that is transmitted by the Social Security Administration to the executive
3 office of health and human services is used to begin the process of application for said individual's
4 eligibility as a qualified Medicare beneficiary or qualified individual. The secretary shall maintain
5 a simplified application form, consistent with federal law for enrollment into these programs, for
6 application by individuals whose application is not started by transmission of LIS information from
7 the Social Security Administration. The secretary shall publicize the availability of the Medicare
8 savings programs.

9 **40-8.16-6. Federal approval and implementation.**

10 The secretary shall submit any necessary amendments to the Medicaid state plan or the
11 1115 waiver to implement the provisions of this section.

12 **40-8.16-7. Rules and regulations.**

13 The secretary shall make and promulgate rules and regulations not inconsistent with state
14 law, pursuant to chapter 35 of title 42 ("administrative procedures") as the secretary deems
15 necessary for the proper administration of this chapter and to carry out the policy and purposes
16 thereof, and to ensure conformance to the provisions of the Social Security Act, 42 U.S.C. § 1396
17 et seq., and to any rules or regulations promulgated pursuant thereto.

18 SECTION 3. This act shall take effect upon passage.

=====
LC000885
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO HUMAN SERVICES -- MEDICARE SAVINGS PROGRAMS

1 This act would expand eligibility for the qualified Medicare beneficiary program by
2 increasing the income limit from 100% to 138% of the federal poverty line and expand eligibility
3 for the qualified individual program by establishing an income limit of 138% to 186% of the federal
4 poverty line. There would be no asset limit applied to eligibility for these programs.

5 This act would take effect upon passage.

=====
LC000885
=====