



STATE OF WASHINGTON  
**HEALTH CARE AUTHORITY**  
626 8th Avenue, SE • Olympia, Washington 98501

October 11, 2022

**NOTICE**

**Title or Subject: Medicaid State Plan Amendment (SPA) 22-0034 Medicare Savings Program**

**Effective Date:** January 1, 2023

**Description:** The Health Care Authority (HCA) intends to submit Medicaid State Plan Amendment (SPA) 22-0034 in order to remove the asset test for all Medicaid Savings Programs (MSPs). MSPs help with Medicare co-pays, deductibles, and monthly premiums for qualified recipients. In SPA 22-0034, HCA will eliminate the requirement to verify a recipient's resources/assets effective January 1, 2023. Eliminating the asset test for Medicare Savings Programs will allow more low-income Medicare recipients to qualify and brings more federal resources, such as the Low-Income Subsidy (LIS) drug benefit, to more needy individuals. The result allows individuals to keep more of their income for other necessary things, reduces administrative burden, and puts more federal money into our local economy. Additionally, this means more people will have their Medicare premiums paid, providing greater access to medical care.

SPA 22-0034 is expected to save enrollees in MSP programs approximately \$2,000 in annual Part B premiums and, through Extra Help (also known as Limited Income Subsidy [LIS]), an estimated \$3,300 in drug costs—income that program recipients use toward food, housing, and other basic living expenses. This is good public policy. Without the MSPs, many of these individuals may be forced to choose between these necessities and the cost of drugs or medical care. Rather than exclude low-income individuals with modest savings from the program, Washington should protect its most vulnerable population from an increasingly complex, costly healthcare system and eliminate the asset test for MSPs.

This change will cost approximately \$10 million per year. This is relatively low for an estimated annual increase of over 4,000 newly eligible individuals, predominately in the Qualified Medicare Beneficiary (QMB) program, who will be able to access medical care through the Medicare program.

Additional context: health law advocates are also interested as there is a national effort to address the "Medicare cliff." Eliminating the asset test is one of the areas within that effort.

SPA 22-0034 is in the development process; therefore, a copy is not yet available for review. HCA would appreciate any input or concerns regarding this SPA. To request a copy when it becomes available or submit comments, please contact the person named below (please note that all comments are subject to public review and disclosure, as are the names of those who comment).

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