



# Alabama Benefit Checklist

Assembled by Jan Neal Law Firm, LLC

Effective 02-2025

“This publication has been created or produced by the South Central Alabama Area Aging on Aging, Aging Disability Resource Center (ADRC) with financial assistance, in whole or in part, through a grant from The Administration for Community Living.”

## Table of Contents

SSI and Community Medicaid.....	3
Institutional Medicaid and Community Medicaid Waiver.....	3
Medicare Savings Programs (MSP): QMB, SLMB, QI1.....	4
Medicare Standard A & B Cost Sharing... ..	5
Medicare Higher Income B Cost Sharing.....	6
Medicare B Late Enrollment Penalties.....	6
Medicare Higher Income D Cost Sharing .....	7
Medicare D Late Enrollment Penalties... ..	7
Medicare Part B. Immunosuppressive Drug Coverage .....	8
Low Income Subsidy.....	9
Social Security Retirement Age... ..	10
Social Security Early Retirement Benefit Reductions.....	11
Social Security Early Retirement Earned Income Offset.....	11
Social Security Disability Substantial Gainful Activity.....	12
Alabama Elderly Simplified Application Project... ..	13
Gift and Estate Tax.....	13

SSI and Community Medicaid			
Benefit	Eligibility Standard		Effective Date  January 1, 2025
SSI Retirement and Disability	Single Monthly Income/Resources \$987/\$2000	Married Monthly Income/Resources \$1470/\$3000	
Medicaid at Home	SSI eligibility	SSI eligibility	
Medicare Buy-In for Medicare A, B & D	SSI eligibility	SSI eligibility	
Institutional Medicaid/Community Medicaid Waiver			
Benefit/Penalty	Eligibility Standard		Effective Date
Nursing Home Medicaid	Single Person Income/Resources \$2901 (with income over \$2901 MQIT needed)/ \$2000	Married Couple Income/Resource Set Aside \$2901 (only income of spouse being institutionalized counts)/ First \$31,584.00 set aside for community spouse, resources over \$50,000, ½ set aside for spouse up to cap of \$157,920	Single Standard January 1, 2025
			Married Spousal Resource Set Aside Standard January 1, 2025

			Effective Date
Monthly Spousal Allotment	\$2,555.00		July 1, 2024 (changes in July of each year)
Transfer Penalty	1 month for every \$7,300.00 transferred		January 1, 2024
Home exclusion	Equity at or below \$1,097,000.00		January 1, 2025
Medicare Savings Programs (MSP)			
Benefit	Eligibility Standard		Effective Date February 1, 2025
MSP Program	Single Income/Resources (includes \$20 disregarded)	Married Income/Resources (Includes \$20 disregarded)	
QMB Pays for: ~uncovered Medicare expenses to replace purchase of Medicare supplemental policy; ~Medicare Part B premium ~Medicare Part D premium up to State Standard*	\$1,325.00	\$1,783.00	
SLMB Pays for: ~Medicare Part B premium	\$1,585.00	\$2,135.00	

QI-1 Pays for: ~Medicare Part B premium	\$1,781.00	\$2,400.00		
Medicare				
Medicare Part	Premium	Deductible	Copayment	Effective Date
A	0 if eligible for SS (Retirement benefits; 24 months of disability) or RR or paid Medicare Tax with Civil Service; \$518 per month with fewer than 30 qtrs.; \$285 per month with 30 – 39 quarters	\$1,676 each benefit period	\$419 per day for days 61 – 90; \$838 per day for days 91 – 150 lifetime reserve  Skilled nursing facility \$209.50 per day for days 21 – 100, day 101 forward you pay all cost	January 1, 2025
B	\$185.00 per month standard premium  Premium for higher income beneficiaries below	\$257.00	20% For most Part B services	

## Medicare Part B Premium 2025 for Higher Income Beneficiaries Based on Two Year's Prior (2023) Yearly Reported Income

Individual Tax Return Filed	Joint Tax Return Filed	Married with Separate Tax Return	Part B Premium Amount	Effective Date January 2025
\$106,000 or less	\$212,000 or less	\$106,000 or less	Standard \$185.00	
Over \$106,000 up to \$133,000	Over \$212,000 up to \$266,000	N/A	\$259.00	
Over \$133,000 up to \$167,000	Over \$266,000 up to \$334,000	N/A	\$370.00	
Over \$167,000 up to \$200,000	Over \$334,000 up to \$400,000	N/A	\$480.90	
Over \$200,000 up to \$500,000	Over \$400,000 up to \$750,000	\$106,000 - \$394,000	\$591.90	
\$500,000 and above	\$750,000 and above	\$394,000 or above	\$628.90	
Part B Late Enrollment Penalty	10% per each full 12 – month period eligible without overage X cost of Medicare Part B premium at time of sign up = amount added to Monthly cost of Part B premium			Permanent

## Medicare Part D Premium 2025 for Higher Income Beneficiaries Based on Two Year's Prior (2023) Yearly Reported Income

Individual Tax Return Filed	Joint Tax Return Filed	Married with Separate Tax Return	Part D Premium Amount	Effective Date January 2025
\$106,000 or less	\$212,000 or less	\$106,000 or less	Your plan premium	
Over \$106,000 up to \$133,000	Over \$212,000 up to \$266,000	N/A	\$13.70 + your plan premium	
Over \$133,000 up to \$167,000	Over \$266,000 up to \$334,000	N/A	\$35.30 + your plan premium	
Over \$167,000 up to \$200,000	Over \$334,000 up to \$400,000	N/A	\$57.00 + your plan premium	
Over \$200,000 up to \$500,000	Over \$400,000 up to \$750,000	Above \$106,000 Less than \$394,000	\$78.60 + your plan premium	
\$500,000 or above	\$750,000 and above	\$394,000 and above	\$85.80 + your plan premium	

Part D Late Enrollment Penalty	1% of the “national base beneficiary premium” (\$36.78 in 2025 x the number of full, uncovered months eligible without coverage or creditable coverage = amount added to monthly cost of Part D	Permanent
--------------------------------	---	-----------

**\*Medicare Part B Immunosuppressive Drug Coverage Only  
Premium 2025 for Higher Income Beneficiaries  
Based on Two Year's Prior (2023) Yearly Reported Income**

<b>Individual Tax Return Filed</b>	<b>Joint Tax Return Filed</b>	<b>Married with Separate Tax Return</b>	<b>Monthly Part B Premium Amount</b>	<b>Effective Date January 2025</b>
\$106,000 or less	\$212,000 or less	\$106,000 or less	\$ 110.40	
Over 106,000 up to \$133,000	Over \$212,000 up to \$266,000	N/A	\$184.00	
Over \$133,000 up to \$167,000	Over \$266,000 up to \$334,000	N/A	\$294.50	
Over \$167,000 up to \$200,000	Over \$334,000 up to \$400,000	N/A	\$404.90	
Over \$200,000 up to \$500,000	Over \$400,000 up to \$750,000	Over 106,000 and less than \$394,000	\$515.30	
Greater than or equal to \$500,000	Greater than or equal to \$750,000	Greater than or equal to \$394,000	\$552.10	



## 2025 LOW INCOME SUBSIDY (EXTRA HELP)

ALLOWABLE RESOURCES			
SUBSIDY (150%)		If intend to use some of resources for burial	
Single	\$16,100	Single	\$17,600
Married	\$32,130	Married	\$35,130

ALLOWABLE INCOME					
FAMILY SIZE	PERCENTAGE OF POVERTY GUIDELINE				
	100%	135%	140%	145%	150%
1	N/A	N/A	N/A	N/A	1986.25
2					2673.74
3					3361.23
4					4048.72
5					4736.21
6					5423.70
7					6111.19
8					6798.68
Each Additional Person					+687.49

Social Security Normal Retirement Age (NRA)		
Born	NRA	Effective Date/Change Date
		Permanent
1937 and prior	65	Note: Persons born on January 1 of any year should refer to the normal retirement age of the previous year.
1938	65 and 2 months	
1939	65 and 4 months	
1940	65 and 6 months	
1941	65 and 8 months	
1942	65 and 10 months	
1943 – 1954	66	
1955	66 and 2 months	
1956	66 and 4 months	
1957	66 and 6 months	
1958	66 and 8 months	
1959	66 and 10 months	
1960 and later	67	

SS Early Retirement Benefit Reduction					
Category based on NRA	Reduction of benefits when retire at 62	Reduction of benefits when retire at 63	Reduction of benefits when retire at 64	Reduction of benefits when retire at 65	Effective Date/Change Date
NRA 67 (born 1960 or later)	30%	25%	20%	13.3%	January 1, 2025
Early Retirement Earned Income Offset					
Category Based on NRA	Exempt Amount	SS Offset Penalty		Effective Date	
Exempt Earnings for early retirees/workers whose NRA <b>IS NOT</b> in 2025	\$23,400 or \$1,950 month	Withholding of \$1.00 in benefits for every \$2.00 earned over \$23,400		January 1, 2025	
Exempt Earnings for early retirees/workers whose NRA <b>IS</b> in 2025 and earnings predated reaching NRA	\$62,160 or \$5,180 month	Withholding of \$1.00 in benefits for every \$3.00 earned over \$62,160			

SSD Substantial Gainful Activity (SGA)		
Category Based on Disability	Allowable Monthly Earnings	Effective Date
Non-blind	\$1,620.00	January 1, 2025
Blind	\$2,700.00	

## Alabama Elderly Simplified Application Project (AESAP) Food Assistance for 60+

Household Size	Gross Income Limit	Net Income Limit	Effective Date
1	\$1632	\$1255	October 1, 2024  through  September 30, 2025
2	\$2215	\$1704	
3	\$2798	\$2152	
4	\$3380	\$2600	
5	\$3963	\$3049	
6	\$4546	\$3497	
7	\$5129	\$3945	
8	\$5712	\$4394	
Each Additional Member	\$583	\$449	
Gift and Estate Tax			
Federal Estate Tax Exemption and Lifetime exclusion for gifts	\$27.98 million per couple \$13.99 million per individual		January 1, 2025
Annual Gift Exclusion	\$19,000		January 1, 2025