

Medicare/Medicaid: An Overview



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Medicare

- ◆ A health insurance program for
 - People 65 years of age and older
 - Some people with disabilities
 - People with ESRD
- ◆ Administered by CMS
- ◆ Enrollment handled by SSA or RRB
- ◆ Prescription drug coverage

Medicare

Medicare Has
Three Parts

Part A
Hospital Insurance

Part B
Medical Insurance

Part D
Prescription Drug
Coverage

Medicare Part A Helps Pay for

- ◆ Hospital stays
- ◆ Skilled nursing facility (SNF) care
- ◆ Home health care
- ◆ Hospice care
- ◆ Blood
- ◆ For information, call 1-800-MEDICARE

Part B Helps Pay for

- ◆ Doctors' services
- ◆ Outpatient medical and surgical services and supplies
- ◆ Diagnostic tests
- ◆ Outpatient therapy
- ◆ Outpatient mental health services
- ◆ Some preventive health care services
- ◆ Other medical services



Medicare Part D helps pay for

- ◆ Prescription drugs provided by Medicare Approved Prescription Drug Plans (PDP) or Medicare Advantage Plans (MA-PD)

These plans offer negotiated discount prices based on a formulary with cost sharing



Paying for Medicare Part A

- ◆ Most people receive Part A premium free
- ◆ People with < 10 years of Medicare-covered employment will pay a Part A premium
- ◆ For information, call SSA
 - 1-800-772-1213
 - 1-800-325-0778 for TTY users



Paying for Medicare Part B

- ◆ You pay
 - Monthly Medicare Part B premium
 - \$88.50 in 2006
 - \$124 per year deductible
 - 20% coinsurance for most services
- ◆ Some programs may help cover these costs



Paying for the Medicare Part D Standard Benefit

- ◆ Monthly premium – MN range \$1.87 - \$99.90
- ◆ \$250 deductible
- ◆ 25% cost sharing for Rx costs between \$251-\$2250
- ◆ 100% cost sharing for Rx costs between \$2251-\$5100
- ◆ 5% cost sharing for Rx costs over \$5100



Paying for Medicare Part D

\$0 or reduced premium, deductible and co-insurance if one qualifies for the Low Income Subsidy (LIS)

- Must meet income and asset criteria
- Eligibility determined by SSA



Enrolling in Medicare Part B

- ◆ Initial Enrollment Period
 - 7 months beginning 3 months before age 65
- ◆ General Enrollment Period
 - January 1 through March 31 each year
 - Coverage effective July 1
 - Premium increases 10% for each 12-month period you were eligible but did not enroll
 - You carry this increase for the rest of your life
 - Limited exceptions



Enrolling in Medicare Part B

- ◆ Special Enrollment Period
 - Sign up within 8 months of the end of employer or union group health plan coverage
 - No increased premium
- ◆ For questions, or to enroll, call SSA or RRB



Enrolling in Medicare Part D

- ◆ Initial Enrollment Period (IEP)
For the implementation of Medicare Part D, all beneficiaries eligible for Medicare before Feb 2006 had an IEP from Nov. 15, 2005 – May 15, 2006. Beneficiaries who qualify for Medicare on or after Feb 2006 have an IEP when they first become eligible for Medicare...3 months before their month of eligibility, the month of eligibility and 3 months after month of eligibility



Part D Late Enrollment Penalty

- ◆ Beneficiaries who do not enroll in a Medicare prescription drug plan during their IEP **and** do not have creditable drug coverage risk having to pay a higher Part D plan premium later
The premium penalty will be an additional 1% of the national base premium for each month the beneficiary delays enrollment



Enrolling in Part D

- ◆ Annual Coordinated Election Period (AEP)
During the AEP, beneficiaries can join or switch, to or from any Part D plan or type of plan. Each year the AEP will be Nov 15 through Dec 31



Enrolling in Part D

- ◆ Special Enrollment Period (SEP)
Medicare can grant a SEP under exceptional circumstances.
Examples include:
 - Beneficiaries who change residence during the year
 - Beneficiaries who lose creditable coverage involuntarily
 - Full benefit dual eligibles who lose Medical Assistance



Medical Assistance in MN

- ◆ Federal – State health insurance that provides Health Care Coverage for low income seniors and persons with disabilities
- ◆ Provides Home Care and Nursing Home Care
- ◆ Eligibility is determined by the State



Medical Assistance In the Community

- ◆ **Eligibility:**
 - 65 or older OR disabled
 - Income at or below \$817/month for single, \$1100/month for couple
 - Includes Social Security, pension, employment income
 - Assets limits: \$3000 for single, \$6000 for couple
 - Includes cash, checking or savings, investments, retirement funds, non-homesteaded property



Medical Assistance Services Covered

- ◆ Doctor visits, hospitalization, eye exams and glasses, dental. etc.
 - at no cost for those who meet income limits
 - co-pays may apply



Medical Assistance Services

- ◆ MHCP are prohibited by State and Federal law from paying for drugs that Medicare Part D would cover for anyone eligible for Part D
- ◆ MHCP continues to cover a few categories of drugs that are not covered by Part D
 - Benzodiazepines
 - Barbiturates
 - Drugs for Anorexia, weight loss or weight gain
 - Fertility drugs
 - Drugs for symptomatic relief of coughs/colds
 - Prescription vitamin and mineral products



Medical Assistance Coverage For Long-Term Care

In Nursing homes:

- Includes room-&-board, physician's services, & other services not covered by Medicare or private insurance

On Elderly Waiver:

- Includes adult day care, respite care, home-delivered meals, companion services, adult foster care



MA for Employed Persons With Disabilities (MA-EPD)

- ◆ Allows working persons with disabilities to qualify for MA with higher income, asset limits
- ◆ Encourages competitive employment & increased self-sufficiency
- ◆ Eligibility:
 - Certified as disabled
 - Between ages of 16-65
 - Employed
 - Asset limit of \$20,000
- ◆ Coverage: same as regular MA



Programs to Help Pay Expenses

- ◆ Qualified Medicare Beneficiaries (QMBs)
- ◆ Specified Low-Income Medicare Beneficiaries (SLMBs)
- ◆ Qualifying Individuals (QIs)



Qualified Medicare Beneficiaries (QMB)

- ◆ Income limit: 100% of Federal Poverty Guidelines
 - \$837 single
 - \$1120 couple
- ◆ Asset limit:
 - \$10,000 single
 - \$18,000 couple
- ◆ Coverage:
 - Part A premium (if any)
 - Part B premium
 - All Parts A & B deductibles & coinsurance



Service Limited Medicare Beneficiaries (SLMB)

- ◆ Income limit: 120% of Federal Poverty Guidelines
 - \$1002 single
 - \$1340 couple
- ◆ Coverage: Medicare Part B premium
- ◆ Asset limit:
 - \$10,000 single
 - \$18,000 couple



Qualified Individual 1 (QI-1)

- ◆ Income limit: 135% of Federal Poverty Guidelines
 - \$1123 single
 - \$1506 couple
- ◆ Coverage: Medicare Part B premium
- ◆ Asset limit:
 - \$10,000 single
 - \$18,000 couple



How to Apply

- ◆ If you think you might qualify
 - Review guidelines
 - Collect your personal documents
 - Get more information
 - Call Linkage Line, 1-800-333-2433
 - Complete required application
 - MN Health Care Programs



For Information, Answers and Help

- ◆ Linkage Line
1-800-333-2433
- ◆ Disability Linkage Line
1-866-333-2466
- ◆ www.cms.hhs.gov
- ◆ www.Medicare.gov
1-800-Medicare
- ◆ www.socialsecurity.gov
1-800-772-1213

