Planning for Medicare for Your Adult Child with a Disability

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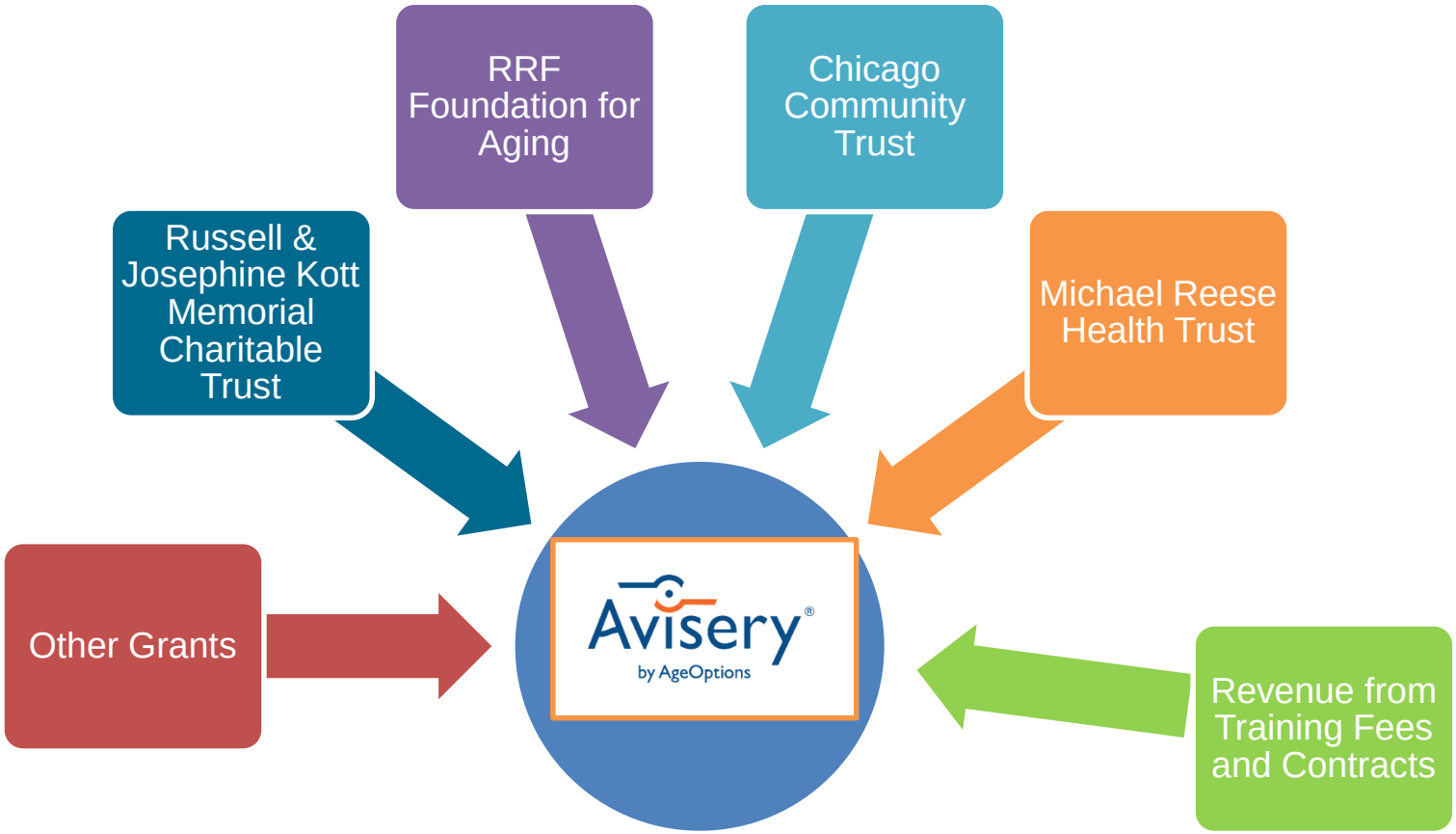
AgeOptions:
Who We Are and What We Do

- AgeOptions is the non-profit Area Agency on Aging for suburban Cook County
- Receive funding from state, federal and private foundations
- We are responsible for
  - coordinating the services local agencies provide to older adults

Avisery's
2023 Sources of Revenue



Thank You!!

What We Will Cover Today

- What is Medicare
- What is Medicaid
- How Medicare and Medicaid work together for adults
- How Medicare and employer-based coverage work together
- Where to go for help

New to Medicare?
What You Need to Know

- Medicare does not cover 100% of medical costs
- Out-of-pocket costs apply
  - Medicare deductibles, co-pays and coinsurance
- Different coverage options are available to help pay for these costs - you have options!
- Some services are not covered by Medicare, but are covered under Medicaid

What is Medicare?

What is Medicare?

- A federal health insurance program for older adults age 65+ and people with disabilities
- Run by the Centers for Medicare and Medicaid Services (CMS)
- Benefit decisions controlled by the U.S. Congress
- Social Security Administration (SSA) handles eligibility and enrollment

Who is Eligible for Medicare?

- People age 65 and older with enough work history covered under Social Security (40+ credits)
- People with disabilities under age 65
  - Eligible after receiving Social Security Disability Insurance (SSDI) benefits for 24 months (Medicare waiting period)
  - Automatically enrolled in Medicare Part A and Part B
- At any age
  - End-Stage Renal Disease
  - Amyotrophic Lateral Sclerosis (ALS) – Lou Gehrig's Disease
- Citizenship status requirement
  - A US citizen OR a lawfully admitted non-citizen

SSI and SSDI

Social Security has two disability payment programs: SSI and SSDI

- **Supplemental Security Income (SSI)**
  - Needs based program that provides monthly payments to people 65+, or individuals of any age who are blind or disabled
  - Must meet income and resource limits to qualify
  - Are U.S. citizens, nationals of the U.S., and some noncitizens
  - No work history required
  - Usually also qualify for Medicaid
- **Social Security Disability Insurance (SSDI)**
  - Employment-based benefit based on Social Security FICA taxes paid through your work history or certain family members
  - Have a Social Security disability determination
  - Do not have to demonstrate financial need
  - Employment income can impact eligibility; no asset requirement
  - 24-month waiting period for Medicare coverage

SSDI and Medicare

- To qualify for SSDI benefits (and eventually Medicare) a person must
  - have paid Social Security taxes while working, AND
  - have a qualifying disability under Social Security disability requirements

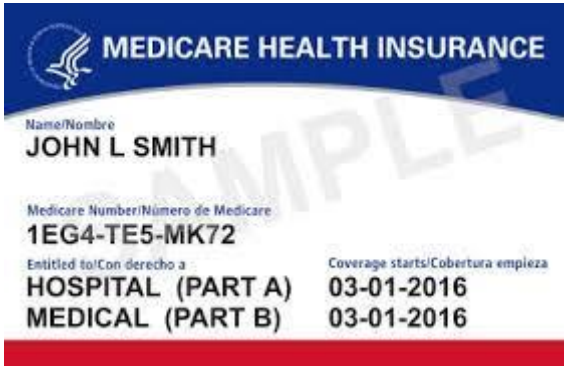
- Disabled Adult Child - adult children with disabilities may qualify for SSDI benefits off their parent's work record. Must:
  - Be 18+ and have a disability that began before age 22, and
  - Not married, and
  - Have one parent who is receiving Social Security retirement or disability benefits, or deceased parent that earned enough Social Security work credits

- Medicare automatically begins after a 24-month period of receiving SSDI benefits (called the Medicare waiting period)
  - Automatically enrolled in Medicare Part A and Part B on the 25th month
  - Receive Medicare card in the mail with Part A and Part B effective date

Original Medicare

- Original Medicare includes Part A and Part B
- Red, white and blue card
- Pay-per service system (also called fee-for-service)
- Accepted by almost any doctor, anywhere in U.S.
- Limits on doctor and hospital fees
- Covers most medical needs, but cost sharing usually applies
- Does not cover everything

The Parts of Medicare:



- Original Medicare consists of:
  - Part A: Hospital Insurance
  - Part B: Medical Insurance

- Some part of Medicare are provided through private insurance companies that contract with Medicare
  - Part C: Medicare Advantage health plans
    - alternative way to receive your Original Medicare benefits
  - Part D: Prescription Drug plans

Part A Benefits and Costs in 2023

- Inpatient Hospital: Semi-private room, meals, nursing, supplies, medications
  - First day (deductible) = $1,600 for each benefit period (may be more than once per year)
  - Days 2-60 = $0 per day
  - Days 61 – 90 = $400 per day
  - Days 91 – 150 = $800 (lifetime reserve days)
- Skilled Nursing Facility (per benefit period): Up to 100 days with 3-day inpatient hospital stay. Skilled level care only
  - Days 1 – 20 = $0
  - Days 21- 100 = $200 per day
  - Over 100 days = you pay all
- Home Health: Part-time skilled nursing care, therapies, aide services, supplies
  - Medicare pays in full for home health services for eligible beneficiaries
- Hospice: Pain and symptom relief and supportive services for terminally ill and their families. Can be inpatient or at home
  - Medicare pays in full for hospice care
  - 5% of the Medicare approved amount for inpatient respite care and no more than $5 for each outpatient prescription drug used for pain and symptom management

Medicare Part B Benefits

- Doctors' services – inpatient and outpatient, medical and surgical
- Preventive care
- Physical, occupational, and speech therapy
- Lab services, diagnostic tests
- Ambulance
- Durable medical equipment
- Outpatient hospital services
- Some home health care

Medicare Part B Costs in 2023

- Medicare Part B has a monthly premium
  - $164.90 each month for most people on Medicare in 2023
  - Beneficiaries with higher incomes may pay more
- Annual deductible = $226
  - Amount you pay for Part B services before Medicare begins to pay their share
- Medicare usually pays 80% of the Medicare approved amount for doctor services; you pay the difference (20% coinsurance)
- Outpatient emergency room, hospital and surgery services are a fixed amount, depending on the service

Let's Check in!

Which medical services does Original Medicare NOT cover?

What Does Original Medicare NOT Cover?

- Most dental, routine vision care, or hearing aids
- Non-emergency transportation
- Long-term care (long-term stays in nursing homes)
- Custodial or personal care (unless homebound and receiving Medicare-covered skilled care)
- Homemaker services (unless on hospice)
- Alternative medicine or cosmetic surgery
- Care received outside of the U.S.

What is Medicare Part D?

- Prescription drug insurance offered by private companies contracting with Medicare
- Two different ways you can receive Part D coverage:
  - An insurance plan that covers only drugs called a **stand-alone prescription drug plan (PDP)** that's works with Original Medicare

    OR

  - A **Medicare Advantage Plan** that covers drugs and your other health benefits
- Most beneficiaries must select and actively enroll in Part D coverage
- Part D costs and coverage vary by plan – it's important to compare plans each year!
  - Look at monthly premium, co-pays, and coverage
  - Use the annual Medicare Open Enrollment Period from October 15 - December 7 to make any changes for the upcoming calendar year

Medicare Out-of-Pocket Costs

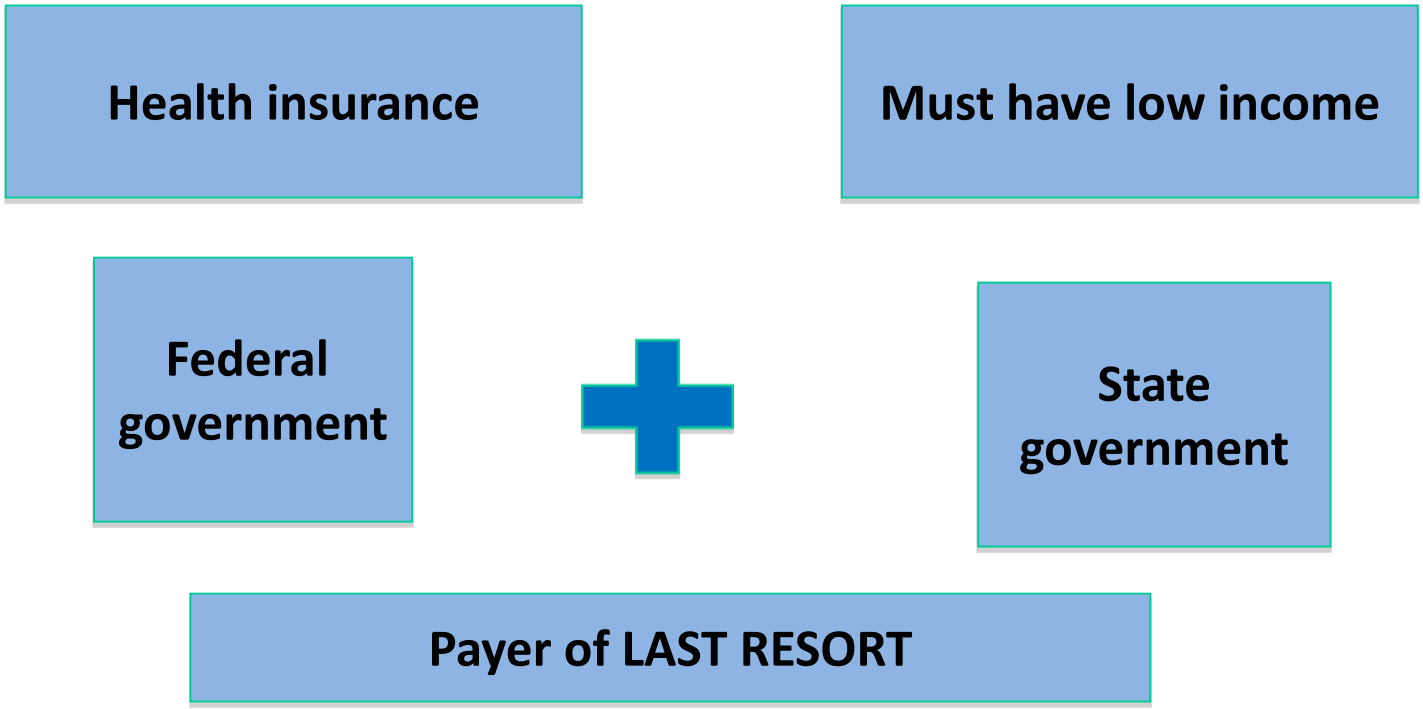
- Medicare does not cover all medical services at 100%
- Out-of-Pocket (OOP) cost sharing amounts may apply, depending on the service;
  - deductibles, co-pays and co-insurance
- What can help pay for Medicare's out-of-pocket costs?

Medicare & Managing Costs: A Quick Look

Medicare Supplement policy (Medigap)	• Supplements Part A and Part B • Must may an additional monthly premium • Can usually use anywhere Medicare is accepted • Specific time of when you can buy a policy or companies can refuse to sell you a policy or charge you more
Medicare Advantage plans	• a Medicare health plan (such as an HMO or PPO) that usually requires you to use a network of providers to receive coverage or pay less • May cost an additional monthly premium and usually have a co-pay for each service you use • May provide extra benefits not covered by Medicare such as dental, vision and hearing
Employer-based coverage	• Coverage through your own, spouse's or family member's current employment • May coordinate with Medicare. Who pays first will depend on your plan • Confirm any Medicare enrollment decisions with the plan's benefits administrator and Social Security
Medicaid	• Must meet the eligibility and income guidelines • Can be eligible for Medicare and Medicaid (dual-eligible) • Low or no out-of-pocket costs • Pays after Medicare pays

Medicaid

What is Medicaid?



- Medicaid can help pay for most of the costs not covered by Medicare
- Medicare and Medicaid can work together to ensure beneficiaries have low or no cost sharing

Who is Eligible for Medicaid?

- For individuals with limited incomes
  - Based on federal poverty levels (FPLs)

- To qualify for most Medicaid programs, a person must be a U.S. citizen or qualified non-citizen
  - Exceptions: AllKids, Moms and Babies, Health Benefits for Immigrant Adults, and Health Benefits for Immigrant Seniors

- Qualified non-citizens must either be a lawful permanent resident (LPR) in U.S. legally for 5 years or more, or a member of a special immigrant group such as:
  - Refugee or Asylee, U.S. military or veteran and their dependents, Cuban or Haitian, admitted under the Violence Against Women Act, and more…

Categories of Medicaid

- ALLKIDS
- Moms & Babies
- Family Care
- 1619 Medicaid
- Medicaid for Former Foster Children
- Health Benefits for Workers with Disabilities (HBWD)
- NEW! Health Benefits for Immigrant Seniors (65+)
- NEW! Health Benefits for Immigrant Adults ages 42 – 64
- ACA Adult Medicaid
- AABD Medicaid (Aid to the Aged Blind and Disabled) for older adults age 65+ and adults with disabilities

Medicaid Covered Services

Note: To receive program benefits, individuals must use providers that participate in the Medicaid Program

Medicaid Covered Services

- Outpatient physician and clinic visits
- Well-child care and immunizations
- Family planning services
- Physician and hospital inpatient services
- Hospital emergency room visits
- Hospital ambulatory (outpatient) services
- Prescription drugs *(Note: if person has Medicare & Medicaid, Part D plan covers prescriptions)*
- Laboratory services/x-ray services
- Mental health services, including alcohol and substance abuse treatment
- Hospice and home health agency visits
- Physical, occupational and speech therapy services
- Podiatric services
- Renal Dialysis services
- Respiratory equipment and supplies
- Medical supplies, equipment, prostheses
- **Optometrist/optical services and supplies (payment for eyeglasses for adults is limited to one pair every two years)**
- **Audiology services**
- **Dental services**
- **Transportation to secure medical services**
- **Long-term care services and supports**

Services Not Covered by Medicaid

- Experimental procedures
- Research oriented procedures
- Routine examinations
- Medical or surgical procedures performed for cosmetic purposes
- Acupuncture
- Chiropractic Care
- Items or services for which medical necessity is not clearly established

Medicaid and Long Term Services and Supports (LTSS)

- LTSS = care that helps individuals perform activities of daily living
  - (eating, cooking, bathing, getting dressed, cleaning, etc.)
- Two ways to receive LTSS paid for by Medicaid:
  - Reside in a long term care (LTC) facility (i.e., a nursing home)
  - Receive services through a **Home and Community-Based (HCBS) Medicaid Waiver Program** – services that allow individuals to remain in their own home or a community instead of an institution

Medicaid HCBS Waiver Programs

- HCBS = Home and Community-Based Services

- Illinois has 9 different HCBS Waiver Programs:
  - Children and Young Adults with Developmental Disabilities – Support Waiver
  - Children and Young Adults with Developmental Disabilities – Residential Waiver
  - Children that are Technologically Dependent/Medically Fragile
  - Persons with Brain Injuries
  - Persons with HIV or AIDS
  - Supportive Living Facilities
  - **Persons who are Elderly**
  - **Adults with Developmental Disabilities**
  - **Persons with Disabilities**

Medicare and Medicaid: What You Need to Know

People with both Medicare and Medicaid: Healthcare Coverage

- If you have Medicare and Medicaid you are a “dual-eligible”
- Your coverage may change once you are eligible for Medicare and Medicaid
- Medicare pays first, Medicaid pays second
  - Very low or no co-pays
- Need to make sure providers accept BOTH Medicare and Medicaid
- If you have Medicaid and:
  - **Original Medicare** - You may go to any doctor that accepts Medicare and Medicaid
  - **A Medicare Advantage Plan** - Must visit doctors and hospitals that are in that plan’s network **and** accept Medicaid, you will pay low co-pays or coinsurance for covered services.

People with both Medicare & Medicaid: Drug Coverage

- If you qualify for Medicare, Medicaid will no longer cover your prescription drugs
  - You will need select and enroll in a Part D plan for drug coverage
  - Select and join a Part D plan that covers your drugs or Medicare will randomly enroll you into a plan
- Most drugs covered by a Medicare Part D plan
- You will also automatically qualify for Medicare Extra Help program (federal program that helps with Part D plan drug costs) – do not need to apply
  - Provides helps paying for the Part D plan's premium, annual drug deductible, and drug co-pays

People with both Medicare & Medicaid: Medicare Savings Program

- If you qualify for Medicare and Medicaid, you also qualify and should be enrolled in the **Medicare Savings Program (MSP)**
- The Medicare Savings Program can save you a minimum of $1,900 a year and helps pay for:
  - Medicare cost sharing amounts and/or
  - The monthly Medicare Part B premium
- If you receive Medicare and Medicaid and pay a monthly Part B premium, ask your DHS Medicaid office to screen and enroll you into MSP
- If you don't have Medicare and Medicaid, you may still qualify
  - If your monthly income in 2023 for a single person is $1,665 or less and assets less than $9,090
  - certain assets including prepaid burial plans and cash value of life insurance up to $1,500 may be exempt
- Can apply online at https://abe.illinois.gov/abe

Medicare and Medicaid: Your Coverage Options

Medicare & Medicaid: Coverage Options

How you receive your benefits will depend on which HCBS waiver services program you are enrolled in:

- Division of Developmental Disability (DDD) or waiver services OR
- Division of Rehabilitation Services (DRS) Home Services

Your options will be either through:

- Fee-for-service (FFS)
  - Medicare and/or Medicaid will directly pay a provider for each covered service you receive

OR

- Managed Care
  - Medicare and/or Medicaid contracts with managed care companies to provide you with all your Medicare and/or Medicaid services
  - Must use a network of providers
  - Access to a care coordinator to help you navigate your health care
  - Still in the Medicaid program and have all of the rights and protections of the Medicaid program

Illinois Medicaid Managed Care Programs

Illinois Medicaid has contracted with private health insurance companies called **managed care organizations** to provide health care benefits for individuals through the following programs:

- Medicare-Medicaid Alignment Initiative (MMAI) plans
- HealthChoice Illinois plans
- Managed Long-Term Care Services and Supports (MLTSS) plans

Medicaid Managed Care: MMAI

- MMAI = Medicare-Medicaid Alignment Initiative
- Managed care program in Illinois for seniors and adults 21+ with disabilities **and** enrolled in Medicare and Medicaid
- Provided by private companies contracted with Medicaid and Medicaid
- Covers all hospital, medical, prescription, and long-term care services and supports
- Different managed care companies you can choose from to receive your MMAI benefits – must use a list of providers that works with the plan to receive care
- Not mandatory - can choose not to participate (called opt-out)
- Not eligible for MMAI if
  - enrolled in the Adults with Developmental Disabilities Waiver - receive your Medicare and Medicaid through FFS
  - you have private health insurance
  - on Medicaid Spenddown
  - enrolled in HealthChoice Illinois

Medicaid Managed Care: HealthChoice Illinois

- A mandatory managed care program for people with Medicaid only

  OR

- For adults with Medicare and Medicaid who receive LTSS and chose to opt-out of MMAI
  - HealthChoice Illinois will only cover LTSS through a managed long-term care services and supports (MLTSS) plan
  - All medical services will be provided through FFS Medicare and Medicaid

- Can choose a HealthChoice Illinois managed care plan to provide your benefits
  - Must use a network of providers that work with your plan for services to be covered

If You Are Enrolled in the Adults with Developmental Disabilities Waiver

- **If you are enrolled in the Adults with Developmental Disabilities (DD) Waiver, you are exempt from managed care for your waiver services**
  - Your waiver services will be covered through fee-for-service Medicaid

- If you have Medicaid only:
  - Receive all your medical services through a HealthChoice Illinois managed care plan and
  - Receive your Adult Developmental Disabilities waiver services through fee-for-service Medicaid

- If you have Medicare and Medicaid:
  - Exempt from managed care for your medical and Adult Developmental Disabilities waiver services
  - Fee-for-service Medicare and Medicaid will cover your medical services. You must choose a Part D plan to cover your prescription drugs
  - Fee-for-service Medicaid will cover your DD waiver services

If You are Enrolled in the Persons with Disabilities Waiver (Home Services)

- Adults with Person with Disabilities Waiver from DRS
  - also referred to as “Home Services Program”
- NOT excluded from Medicaid managed care
- If you have Medicaid only
  - You must choose a HealthChoice Illinois plan to receive care for your medical and long-term care services and supports

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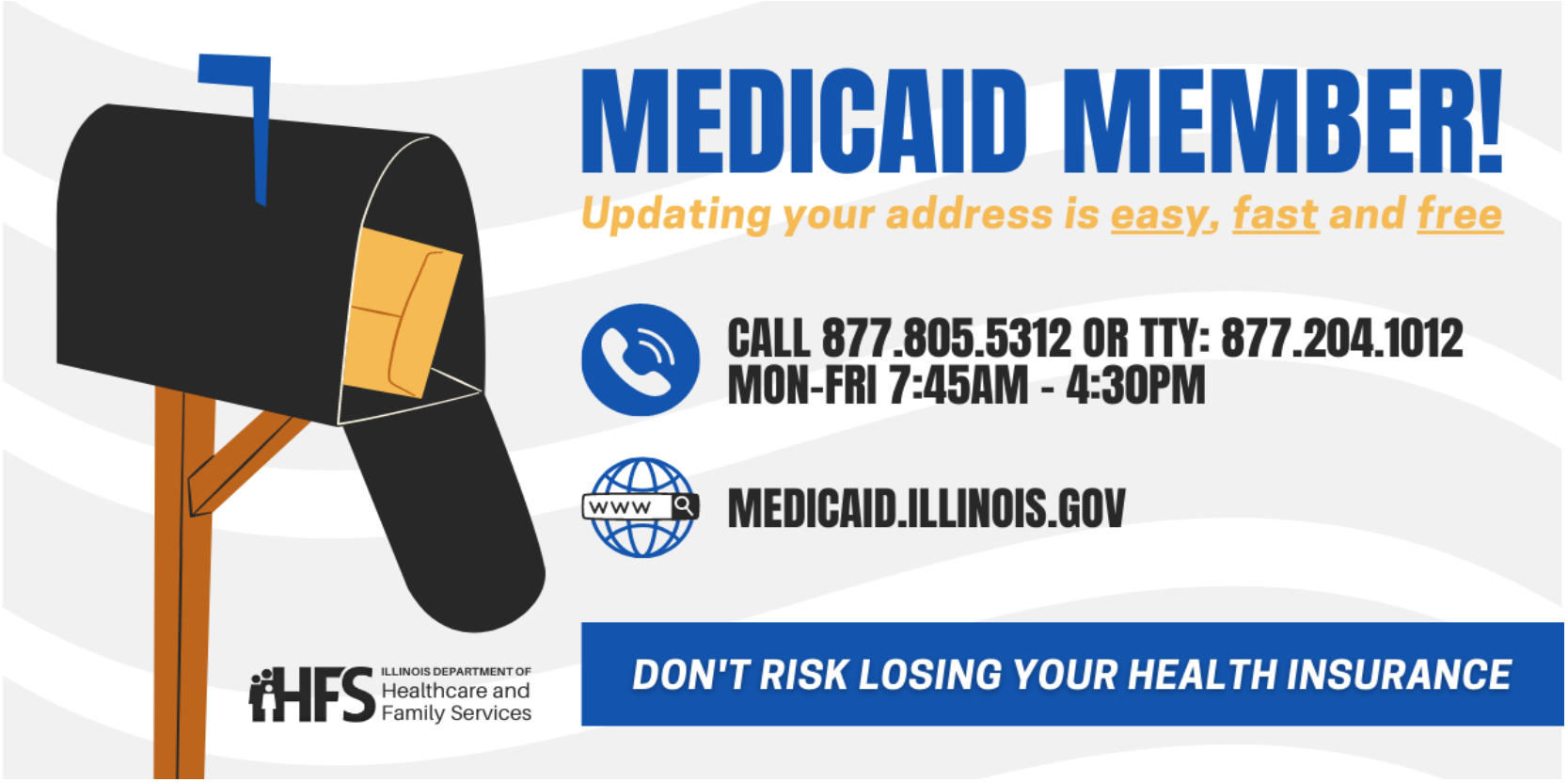
- If you have Medicare and Medicaid, you can choose:
  - a MMAI plan that will cover your all your medical and DRS Home Services through one managed care plan **OR**
  - a MTLSS plan through HealthChoice Illinois that will cover only your DRS Home Services (if you choose to opt-out of MMAI)
  - Fee-for-service Medicare and Medicaid will cover your medical care BUT you must select a MLTSS managed care plan to cover your DRS Home Services
- Your coverage options may change if you later transition to the DD Waiver

Medicaid Redeterminations

- Medicaid will send redetermination/renewal forms every year to find out if you continue to qualify for Medicaid
- This was temporarily paused during COVID, but will resume beginning in the Spring 2023
- Must complete and return the redetermination form or you can lose your Medicaid coverage even if your income has not changed!
- Make sure to:
  - Update your address with Illinois Medicaid by calling 877-805-5312
  - Open your mail!
  - Fill out and mail back, or submit your form online by the deadline listed on the form

Update Your Address with Medicaid Now!



Medicare and Employer-Based Coverage

Medicare and Current Employer Coverage

- An Employer Group Health Plan (EGHP) is coverage based on your own, a spouse's, or family member's **current** employment status
- If you enrolled in an EGHP and then become eligible for Medicare, you will need to determine which insurance will be the primary payer
  - This will determine if you need to enroll in Medicare or can delay enrolling
- **Always contact your employer plan's HR or benefits administrator and ask if you need to enroll in Medicare Part A and/or Part B**
  - Take detailed notes of communications and in writing if possible!

Medicare and Current Employer Coverage

- Remember that each employer group health plan works differently!
- Whether your employer plan or Medicare should be primary depends on:
  - **your age *and***
  - **how many employees work at your, spouse's or family member's company**
- If you also qualify for Medicaid, Medicaid will be the payer of last resort
  - Your employer plan and/or Medicare will always pay before Medicaid
  - Always contact your plan's benefit administrator before making any enrollment decisions and to find out how your plan will work with Medicare!!
  - Then contact Social Security and confirm the information. Take notes of whom at SSA you spoke, date, time, and what they said.

Help is Available

Programs that Help Pay for Medicare Costs

- **Extra Help program** – helps with Part D premiums, deductibles, copays
- **Medicaid and Medicare Savings Program**s – help with Medicare Part A and B premiums, deductibles, copays
- **Veteran's Benefits** – can be used to supplement Medicare
- **Patient Assistance Progr**ams – programs offered by drug manufacturers to help pay for expensive brand-name drugs
- **$4 generic programs** – pharmacy programs that offer low cost generic drugs

Help Is Available for Medicare Beneficiaries

- Illinois Senior Health Insurance Program (SHIP)
  - Free and unbiased statewide health insurance counseling service for Medicare beneficiaries and their caregivers
  - Call the SHIP hotline at (800)252-8966 or visit https://www2.illinois.gov/aging/ship

- Local Area Agency on Aging
  - Can provide information and assistance to older adults, caregivers and people with disabilities
  - https://ilaging.illinois.gov/forprofessionals/areaagenciesonaging.html; (800) 252-8966

- 1-800-Medicare; www.Medicare.gov
  - Compare and enroll in Medicare Part D and Medicare Advantage plans
  - Information about Medicare benefits
  - Find and compare Medicare approved providers

Medicaid Resources

- HFS Health Benefits Hotline
  - Find a Medicaid fee-for-service provider and information about covered services
  - (800) 226-0768

- Illinois Department of Human Services (DHS) Hotline
  - Apply for Medicaid and manage your benefits, ask for a Medicaid replacement card, and check the status of an applications
  - (833) 234-6343 or online at https://abe.illinois.gov/abe

- Illinois Client Enrollment Services
  - Assistance in enrolling in a Medicaid managed care plan, comparing provider networks, and choosing a PCP
  - (877) 912-8880 or online at https://enrollhfs.illinois.gov

Medicaid Resources

- Illinois Client Enrollment Services:
  - Assistance in enrolling in a Medicaid managed care health plan, checking provider networks, and selecting a PCP
  - https://enrollhfs.illinois.gov or call **1-877-912-8880**

- Illinois Department of Human Services Hotline
  - Apply for Medicaid and manage your benefits, ask for a Medicaid replacement card, or check the status of an application
  - (1-833-234-6343) or online at https://abe.illinois.gov

- HFS Health Benefits Hotline
  - Find a Medicaid fee-for-service provider and information about covered services
  - (800) 226-0768

Q&A

Thank you for your time!

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Since 1974, **AgeOptions** has established a national reputation for meeting the needs, wants and expectations of older adults in suburban Cook County. We are recognized as a leader in developing and helping to deliver innovative community-based resources and options to the evolving, diverse communities we serve.