

# ***INSURANCE***

Insurance can often be difficult to understand. This section provides brief descriptions about Medicare, Medicaid, and insurance that can be purchased for health and long term care needs. Also, the Illinois Department of Insurance provides assistance and counseling through the Senior Health Insurance Program (SHIP) See page 82 for more details.

## **MEDICARE**

Medicare is a federal health insurance program that pays many hospitals, medical and pharmaceutical expenses for people who are 65 and older, people with kidney failure and some people with disabilities under 65.

- ◆ **Part A** helps pay for care in a hospital, a skilled nursing facility, and for home health and hospice care. Part A costs nothing for most Medicare participants.
- ◆ **Part B** helps pay doctor bills, outpatient hospital care and various other medical services. Everyone must pay a monthly premium to receive Part B. Some individuals are enrolled automatically when they reach age 65. Other individuals should contact the Social Security Administration about enrollment periods. Delaying your enrollment may cause a delay in Part B Coverage and higher future premiums.
- ◆ **Part C** (Medicare Advantage) provides alternatives to traditional fee-for-service care such as Managed Care plans (HMOs), Private Fee-For-Service plans or Preferred Provider Organizations (PPOs). While cost of care may be more affordable with these, your choice of physicians and hospitals may be limited.
- ◆ **Part D** provides assistance with prescription drug costs. To get Medicare prescription drug coverage you must choose and join a Medicare drug plan. (See page 110)

If you have any questions about your eligibility or the information above, or to apply for Medicare, visit your local **Social Security Administration** office, (page 34), call the toll-free number: **1-800-772-1213**, or go on-line to **[www.medicare.gov](http://www.medicare.gov)**.

**Medicare Supplemental Policies**, or “**Medigap**”, is private health insurance designed to fill the gaps that Original Medicare does not cover. Medigap policies help pay co-payments, co-insurance fees and deductibles. There are 12 basic policies that are standardized by Medicare, but other benefits may be included at additional cost. These policies are only available with the Original Medicare plan. **Never buy more than one policy.** It is against the law for an insurance agent to sell you another Medicare Supplemental Policy if they know you already have one.

In Illinois, the **Illinois Foundation for Quality Health Care (IFQHC)** is designated as the **Peer Review Organization (PRO)** for Medicare. Comprised of doctors and other health care professionals, this agency collaborates with providers, beneficiaries, government agencies and other health care organizations to improve the quality of health care throughout Illinois. IFQHC promotes “best practice” strategies in all health care environments, educates beneficiaries about preventive care benefits and their health care rights and responsibilities and responds to Medicare beneficiaries concerns about the care they receive. **Call 1-800-647-8089** for representatives on the Consumer HelpLine who will answer questions about the quality of care received by Medicare beneficiaries in hospitals, nursing homes, physician offices and from home health care providers.

## MEDICAID

**Medicaid**, the nation’s health care program for the low-income of all ages, is administered by state governments and partially funded by the federal government under the Social Security Act. (Also see Federal, State and Local Benefits for more details)

There are three Medicaid programs designed to help Medicare beneficiaries with very low income and few assets. One is called “**Qualified Medicare Beneficiary (QMB)**” and pays Medicare premiums, deductibles and co-insurance. The other two programs, “**Specified Low-Income Medicare Beneficiary (SLMB)**” and **Qualifying Individuals (QI)** pay only your Medicare Part B premium. The monthly income limits are slightly higher for **SLMB** and **QI** than for **QMB**. Individuals who are determined eligible for any of these programs will also qualify for Extra Help with Medicare Part D prescription drug coverage.

Medicaid may also pay for long term care in a nursing home. Individuals must meet financial eligibility requirements as well as demonstrate impairment in performing activities of daily living (for details see page 95). When one spouse needs nursing home care while the other spouse wishes to remain in the community, the

**Prevention of Spousal Impoverishment** may apply. This benefit allows specified assets and income to be transferred to the community spouse while Medicaid pays for care of the spouse in the nursing home. For additional information, contact the **Illinois Department of Human Services**, (formerly known as the Illinois Department of Public Aid), **(630) 530-1120** or **DuPage County Senior Citizen Services**, **(630) 407-6500, 1-800-942-9412**, or go to **www.cms.hhs.gov**.

**Health Benefits for Workers with Disabilities (HBWD)**  
**Illinois Department of Human Services**  
**1-800-226-0768**  
**1-866-675-8440 (TTY)**  
**www.hbwdillinois.com**



An Illinois Medicaid buy-in program that allows working individuals, age 16-64, living with a disability to become insured. Those with income between 100% and 200% of poverty pay a premium based on the amount of their income.

**Senior Medicare Patrol** is a federal and state partnership effort to educate the public and reduce **Medicare** and **Medicaid** fraud and abuse. Public participation is crucial in uncovering fraud. The U.S. Department of Health and Human Services has established a confidential tip line, **1-800-HHS-TIPS (1-800-447-8477)**, to call if you believe healthcare fraud has been committed. The number can be reached Monday through Friday 7 A.M. to 4:30 P.M. (Central time). Speakers are available to talk with groups and organizations. For further information and assistance, please call **Age Options**, at **(708) 383-0258**.

**Long Term Care Insurance (LTC)** may cover care in a nursing facility, as well as care in the community. Contrary to what many individuals think, Medicare will only pay limited benefits for a skilled nursing facility and in-home care. The cost of nursing facilities varies widely throughout the state. In this area, a 12-month stay ranges from \$40,000 to more than \$70,000. If you have limited assets and are likely to become eligible for Medicaid after a short nursing facility stay, you probably don't need long-term care insurance. If your assets are considerable, in addition to your home, you may want to consider this coverage to secure these assets and to protect your retirement income. Make sure that coverage is not duplicated by Medicare, Medigap or any type of insurance you already have.

## ADDITIONAL INSURANCE RESOURCES

### **Illinois Comprehensive Health Insurance Plan (CHIP)**

320 W. Washington Street, Suite 700, Springfield, IL 62701-1150

**1-800-367-6410**

**1-800-545-2455 (TDD)**

**[www.chip.state.il.us](http://www.chip.state.il.us)**

The Illinois General Assembly has created the Comprehensive Health Insurance Plan (CHIP) to provide health insurance coverage for eligible Illinois residents who have been denied individual major medical coverage because of their health condition and to serve as an acceptable alternative mechanism for complying with the individual portability requirements of the federal Health Insurance Portability and Accountability Act (HIPAA).

### **Illinois Department of Insurance Senior Health Insurance Program (SHIP)**

320 W. Washington Street, Springfield, IL 62786

**1-800-548-9034**

**(217) 524-4872 (TDD)**

**[www.ildfpr.com](http://www.ildfpr.com)**

Trained volunteers offer personal counseling about Medicare, Medicaid, private supplemental insurance (Medigap) and long-term care insurance. Services include, helping select a Medigap policy or Part D pharmaceutical plan, filing claims, helping with Medicare appeals and providing long-term care insurance policy comparisons. For a referral to a volunteer near you, call **DuPage County Senior Citizen Services, (630) 407-6500** or **1-800-942-9412**.

**The Senior Health Insurance Program (SHIP)** recommends that you shop around, evaluate carefully anything that “seems too good to be true”, and ask your local library how to check the ratings of the insurance company you are considering. It is also advisable to call the **State of Illinois Department of Insurance** at **(217) 782-4515** to verify that the company you are considering is permitted to do business in Illinois and to determine if there have been an extraordinary number of consumer complaints against the company.

**Service in the Neighborhood for Seniors**

300 E. Randolph Street, Chicago, IL 60601

**(312) 653-8100**

**1-800-653-5779**

**www.bcbsil.com**

Blue Cross / Blue Shield of Illinois provides a free educational program offering senior citizens information and assistance on Medicare and supplemental insurance benefits. This is accomplished through free presentations on “Understanding Medicare”, “Prescription Drug Review”, “Seniorcise”, “Making Sense of Medicare Part D”, and regularly scheduled Medicare Courtesy desks for free one-on-one assistance with Medicare, insurance claims and questions.



See “Prescription Discounts” on page 109 for additional information.