

# ***INSURANCE (MEDICAL)***

Health insurance, especially Medicare with all its “Parts”, can often be difficult to understand. The enactment of the Affordable Care Act adds more complexity. This section provides only a brief overview of Medicare, Medicaid, the Marketplace and other insurance that can be purchased for health and long term care needs.

## **MEDICARE**

Medicare is a federal health insurance program that pays many hospital, medical and pharmaceutical expenses for people who are 65 and older, people with kidney failure and some people with disabilities under age 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, mechanical equipment and supplies 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. (See “Medicare with Medicaid” for assistance with premium and co-pays page 88).
- ◆ **Part C** (Medicare Advantage) provides several alternatives to traditional fee-for-service care. These include Managed Care plans (HMO), Private Fee-For-Service plans (PFFS), Preferred Provider Organizations (PPO), Medicare Savings Accounts (MSA) and Special Needs Plans (SNP). Costs for care can vary widely and 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 108) Delaying your enrollment may cause higher future premiums.

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 33), call the toll-free number: **1-800-772-1213**, or go online to **www.medicare.gov**.

**SHIP, the Senior Health Insurance Program trains volunteers who provide education, and counsel individuals with Medicare and other health insurance questions. See page 90 for more information.**

**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 10 basic policies that are standardized by Medicare, but additional benefits may be included for a higher premium. 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 a second Medicare Supplemental Policy if they know you already have one.

## **MEDICAID**

### **Illinois Department of Human Services – Family Community Resource Center**

146 W. Roosevelt Road, Suite 2, Villa Park, IL 60181

**(630) 530-1120**

**(630) 530-1135 (TDD)**

**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. Medicaid covers physician services, prescriptions and hospital costs for the indigent. Under the benefits provided by the Affordable Care Act eligibility in Illinois has been expanded.

**Medicaid for Long Term Care** may also pay for 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 Choices for Care page 74).

When one spouse needs nursing home care or in-home services and the other spouse does not, 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 receiving help. To explore eligibility and benefits or submit an online application, visit [abe.illinois.gov](http://abe.illinois.gov), or call the **Illinois Department of Human Services at (630) 530-1120.**

### **MEDICARE WITH MEDICAID**

Medicaid offers three, Medicare Savings Programs (MSP), designed to help Medicare beneficiaries who have very low income and few assets

- **Qualified Medicare Beneficiary (QMB)** pays Medicare premiums, deductibles and co-insurance.
- **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. See page 108 for more information about Extra Help.

## **MMAI – Medicare-Medicaid Alignment Initiative**

This demonstration project and joint effort between Illinois and the federal Centers for Medicare and Medicaid (CMS) was implemented in suburban Cook County and five collar counties in May, 2011. The goal of this alignment is to provide a medical home for patients who have both Medicare and Medicaid (referred to as “dual eligible”), prevent duplication of services, provide better coordination and subsequently reduce medical costs for the state. Patients can choose between multiple managed care organizations that will provide integrated care that is patient centered, focuses on improved health outcomes via evidence based treatments and enhances patient access and safety. Dual eligible patients have the option to remain with regular Medicare and Medicaid if they so choose. For questions, visit [www.enrollhfs.illinois.gov](http://www.enrollhfs.illinois.gov), or call the enrollment specialists at **1-877-912-8880**, TTY **1-866-565-8576**.

**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. Trained volunteers give presentations to Medicare and Medicaid recipients on how to protect against, detect and report 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 7:00 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 **1-800-699-9043**.

## **AFFORDABLE CARE ACT (ACA)**

Commonly referred to as “Obamacare”, this legislation seeks to ensure access to health insurance for all citizens and legal residents. A “Health Insurance Marketplace” opened in October 2013 to provide coverage beginning in January 2014. This law requires most individuals to maintain health coverage through an employer or from an insurance company through the Marketplace. For those with very limited income, the law expanded Medicaid eligibility in Illinois. Individuals with low income can purchase private insurance and be eligible for a subsidy to help pay the premiums and copays. Also, the law requires certain employers to provide a minimum level of coverage for their employees. For a comprehensive look at what is available to you or to locate a professional who can help you with this search, visit [www.getcoveredillinois.gov](http://www.getcoveredillinois.gov).

## **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 (TTY)**

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

The Illinois General Assembly 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). Premiums, which are costly, are established by law. This coverage does not constitute minimal essential coverage under the Affordable Care Act.

### **Senior Health Insurance Program (SHIP)**

#### **Illinois Department on Aging**

One Natural Resources Way, Suite 100, Springfield, IL 62702-1271

**1-800-252-8966**

**[www.illinois.gov/aging](http://www.illinois.gov/aging)**

Trained staff and 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, and helping with Medicare appeals. For a referral to a volunteer near you, call **DuPage County Senior Services, (630) 407-6500** or **1-800-942-9412**.

**The Senior Health Insurance Program (SHIP)** recommends that you shop around, evaluate carefully 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 **(877) 527-9431 toll-free** 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.

**Veterans Care** is comprehensive and affordable health care coverage for income eligible Illinois veterans under 65 years of age who have been uninsured for 6 months and who do not qualify for health care through the U.S. Department of Veterans Affairs. For more information check out their website at **[www.illinoisveteranscare.com](http://www.illinoisveteranscare.com)**, or call **1-877-483-8779, 1-877-204-1012 (TTY)**.



**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 DuPage County, a 12-month stay may cost 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.

When seeking long term care insurance, SHIP advises that you not submit to a high pressure sales agent. Information must be provided in writing and you should read it all, including the fine print. Check and compare several insurance companies and policies.

