

# *Medicare and Other Insurance for People with Disabilities*

February 2012

## ***Becoming Eligible for Medicare:***

When you are entitled to Social Security disability benefits for 24 months, you are eligible for Medicare beginning the 25<sup>th</sup> month. An exception applies if you have been diagnosed with Amyotrophic Lateral Sclerosis (ALS) also known as Lou Gehrig's disease. If you have ALS, Medicare begins the first month you are entitled to Social Security disability benefits.

If you have questions about your Medicare eligibility and enrollment, you should contact your local Social Security Office.

### **Provide them with this information:**

- When your disability benefits began.
- Whether you or a family member is working for an employer with 100 or more employees, and whether you are covered by the employer group health plan.

### **Ask these questions:**

- Will Medicare pay first or will other insurance I have pay first?
- Should I sign up for Medicare Part B?
- If I do not sign up for Medicare Part B, will I have to pay a penalty later?

**If you are told you don't need to sign up for Medicare Part B,  
ask Social Security to send that decision to you in writing.**

If you have questions about information in this factsheet, call  
the Senior Health Insurance Information Program or SHIIP:

**1-800-351-4664**

## *Enrolling in Medicare*

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### **Automatic for Most People:**

Generally, enrollment in Medicare Part A and Part B is automatic. If you are receiving disability benefits, you will receive a Medicare card showing the date your Medicare benefits begin.

You receive **Medicare Part A premium-free**. The premium for Medicare Part B is \$99.90 per month (2012). You need both Medicare Part A and Part B for the best coverage. If you don't enroll in Part B when you should, you may pay a higher premium later. If you are covered under an employer group health plan, you may be able to delay enrollment in Medicare Part B (see below).

**If you are paying a higher premium because you enrolled late in Medicare Part B, the penalty will end when you turn 65.**

### **Enrollment When Covered by an Employer Plan:**

Employers with **100** or more employees are required to continue your health insurance coverage. **You must be currently employed** or covered under an employer group health plan of a **family member who is currently employed**.

As long as employment continues and the employer has 100 or more employees, the employer group plan will pay first for your health care. Medicare will be a second payer. You can wait to enroll in Part B until you or your working family member is no longer actively employed. You have up to eight months to enroll in Part B after you or your family member quits working.

## *Benefit Options When You Have Medicare*

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### **Original Medicare with Supplemental Insurance:**

With Original Medicare you share in the cost of your health care. Most people like to have supplemental insurance to pay some deductible and coinsurance amounts.

#### **• Medicare Supplement Policies:**

A small number of insurance companies sell Medicare supplement policies to those under age 65 who have Medicare. These companies are listed in the current *Iowa Medicare Supplement Premium Comparison Guide* available from SHIP at **1-800-351-4664**. A few of the plans available are guarantee issue. That means they won't turn you down; however, these plans may be expensive.

You don't have an open enrollment for Medicare supplement policies when you are under age 65. However, **at age 65 you will have a six-month open enrollment period.** Then, you can't be turned down for any plan being sold. You can't be charged a higher premium because of any health conditions.

If you become covered by an employer group health plan, you can suspend your Medicare supplement policy indefinitely.

- **Employer Insurance:**

If you continue to be covered under an employer group health plan after you or your family member quits working, the employer plan can supplement Medicare. It will pay after Medicare pays. These plans may have drug coverage and other benefits not available in Medicare supplement policies. (Also see COBRA, page 7.)

### **Other Medicare Choices:**

You may choose to receive your Medicare Part A and Part B benefits including Medicare prescription drug coverage through a Medicare Advantage plan instead of Original Medicare. The plan has a contract with Medicare to handle your Medicare benefits for you. **You do not need a Medicare supplement with these plans.**

Any of these other Medicare Advantage plans cover **all the same services as Original Medicare.** Plans often cover additional services such as routine physicals, hearing and vision services.

Some plans require you to pay a premium to the plan; others have no premium. Benefits begin from the first day the plan is effective for you.

Plans operate in different ways, and your costs with each plan will differ. You may pay a deductible, a set copayment amount or a percentage of the cost for services. You do not need to pay for a Medicare supplement when enrolled in one of these Medicare health plans.

**A Medicare Advantage plan has to take you if you are on Medicare because of disability and have both Medicare Part A and Part B.**

- **Medicare Advantage HMOs in Iowa:**
  - ✓ AARP Medicare Complete is available in 53 Iowa counties.
  - ✓ Coventry Advantra is available in 42 Iowa counties.
  - ✓ Senior Preferred is available in 5 counties in northeast Iowa

The HMO has a restricted network of doctors, hospitals and other providers of health care services. You are required to go to HMO's network providers.

The HMO will not pay for care received outside the HMO except when they refer you, or you need emergency or urgent care.

- **Medicare Advantage Private Fee-For-Service Plans in Iowa:**
  - ✓ Humana Gold Choice is available in 23 Iowa counties.
  - ✓ UnitedHealthcare MedicareDirect is available in 19 Iowa counties.
  - ✓ Today's Option is available in 26 counties.

Some of these plans have a “network” of providers and costs will be higher if you receive care out-of-network. For plans without networks you can go to any Medicare provider or hospital as long as the provider agrees to bill the PFFS plan instead of Medicare.

- **Medicare Advantage Point of Service Option in Iowa:**
  - ✓ Medicare Complete Choice is available in 56 Iowa counties.
- **Medicare Advantage Preferred Provider Organization in Iowa:**
  - ✓ Care Improvement Plus PPO is available in 5 counties in Iowa.
  - ✓ Coventry Advantra is available in 48 Iowa counties.
  - ✓ Humana Choice PPO is available in 79 Iowa counties.
  - ✓ MedicareBlue PPO is available in all 99 counties in Iowa.
  - ✓ Today's Option PPO is available in Pottawattamie county.

These plans have a preferred network provider list. You can use any doctor in the network or go to doctors outside of the network. You will have less out of pocket costs if you use providers in the network.

- **Special Needs Plans:**
  - ✓ Care Improvement Plus is available in 5 counties in Iowa.
  - ✓ UnitedHealthcare is available in Dallas, Polk, and Warren counties.

Special Needs plans are designed to meet the needs of people with certain chronic health conditions, those who live in nursing homes or receive Medicare and Medicaid. These plans have a provider network and include Medicare prescription drug coverage

- **Other Medicare Health Plans in Iowa:**
  - ✓ Medical Associates is available in Allamakee, Clayton, Delaware, Dubuque, Jackson and Jones counties.

To receive full benefits under this plan you must use the doctors and other providers in the plan's network. However, you can receive care outside the network if you choose, and Medicare will pay its share for covered services.

You will pay Medicare deductibles and coinsurance amounts outside the network.

Call SHIP at **1-800-351-4664** to request a copy of the *Medicare Advantage Plans in Iowa Guide*. This guide includes basic information to help you understand the Medicare Advantage choices in Iowa.

**Medicare Prescription Drug Benefit:**

You can join a Medicare prescription drug plan when you first become eligible for Medicare or from October 15 to December 7 each year. If you currently have drug coverage you **may not** need to enroll. If you delay enrollment and do not have coverage as good as Medicare’s coverage, you will have to pay a higher premium if you join later. Call SHIP if you have questions about the Medicare Drug Benefit.

***Assistance if You Have Limited Income and Resources***

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Income limits change for most programs each year. Adjustments are made for some types of income. If you think you might be eligible, you can apply at your local Department of Human Services office.

**Medicare Savings Programs:**

To be eligible for these programs in 2012, your resources must be less than \$6,940 for an individual or \$10,410 for a couple. An additional \$1,500 can be exempt if it is designated for funeral expenses. Resources do not include your home, car or household belongings.

<b>If your monthly income is: (Amounts effective April 1, 2012)</b>	<b>Medicare Savings Programs May Pay</b>
\$951 or less (individual)      \$1,281 or less (couple)	Your Medicare premiums, deductibles and coinsurance. You must use doctors who participate with Medicaid.
Over \$951 but less than \$1,277 (individual)      Over \$1,281 but less than \$1,723 (couple)	Your Medicare Part B premium.

**SSI Medicaid:**

This program covers all your medically necessary health care including, prescription drugs and vision, hearing and dental care. The income limit for 2012 is \$698 for one and \$1,048 for a couple. Your resources must be less than \$2,000 for one and \$3,000 for a couple.

### Medically Needy Program:

You may qualify for this program if you have high medical expenses not covered by insurance. Medical expenses are subtracted from your income to see if you meet the limit of \$483 income per month. Your resources must be less than \$10,000 per household.

## *Other Insurance Options*

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### **COBRA**

If your employer group health coverage ends because you or a family member quits working, you may be able to continue coverage for up to 29 months by paying the premium yourself. When you become eligible for Medicare Part A, your COBRA coverage will end. You will need to enroll in Medicare Part B. If you don't enroll in Part B at this time, you may pay a higher premium later.

If you already have Medicare on or before the date you become eligible for COBRA, you may continue Medicare along with COBRA coverage.

Request the *COBRA* brochure from SHIIP, **1-800-351-4664**, for more information.

### **Veterans**

Some veterans who meet certain income guidelines may qualify for health benefits including prescription drugs. For more information contact your nearest VA facility or call toll-free 1-877-222-8387.

### **HIPIOWA**

A Health Insurance Plan of Iowa policy is available to individuals unable to buy health insurance due to health reasons. These policies can be used as a supplement to Medicare for individuals under 65. For more information call the State of Iowa Insurance Division at 1-877-955-1212.

## *If You Go Back to Work*

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### **Continued Eligibility for Medicare Part A:**

You may remain eligible for Medicare Part A if you go back to work, as long as you are considered disabled. Part A will be **premium-free for up to 8 ½ years**; after 8 ½ years you can continue Medicare Part A by paying the premium. It is \$451 per month in 2012. Medicaid may pay that premium if your income is below 200% of the federal poverty level.

You can continue to be enrolled and pay the premium for Medicare Part B as long as you are enrolled in Part A. If you have employer health benefits and don't need Part B, you may be able to drop it and enroll later if necessary. Call your local Social Security Office with questions.

### **Medicaid for Employed Persons with Disabilities:**

This program allows those under age 65 with disabilities to work and to have access to Medicaid assistance. You must have earned income from employment.

Eligibility is based on net family income and must be less than 250% of the federal poverty level. Resource limits are \$12,000 for an individual and \$13,000 for a couple. Call your local Department of Human Services office to see if you are eligible.

## ***SHIIP Can Help:***

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The Senior Health Insurance Information Program or SHIIP is an objective source of information. SHIIP doesn't sell insurance or make recommendations, but SHIIP does have factsheets on all the Medicare choices available to you. We will help you understand your options and refer you to other sources for additional assistance when needed.

You can meet with a SHIIP insurance counselor for confidential individual assistance. All information and counseling services are free.

Contact SHIIP through the following:

- **Website:** [www.TheRightCallIowa.gov](http://www.TheRightCallIowa.gov)
- **E-mail:** [shiip@iid.iowa.gov](mailto:shiip@iid.iowa.gov)
- **Toll free:** 1-800-351-4664  
(TTY 1-800-735-2942)



This publication has been created or produced by the Iowa Senior Health Insurance Information Program with financial assistance, in whole or in part, through a grant from CMS, the federal Medicare agency.