Medicare Annual Open Enrollment

Medicaid Basics and Medicare-Medicaid Dual Eligibility

Illinois Department on Aging
Senior Health Insurance Program (SHIP)
800-252-8966
Aging.SHIP@illinois.gov
Introduce you to:

- What is Medicaid & how it differs from Medicare
- What is AABD Medicaid & how is the case identified
- What is a Dual Eligible and what are the benefits
- What is the Medicare Savings Programs (MSP)
- What is Spenddown
- How can MSP and Spenddown assist in getting Extra Help/LIS assistance with Part D
Medicaid Overview

- Medicare and Medicaid are completely separate programs.
- Medicare is federally funded and administered.
- Medicaid is jointly funded by the Federal and State government, but is administered by the State of Illinois.
- Medicaid is an income based entitlement program for those with low-income and limited resources.
- There are stringent financial requirements to qualify.
- The Illinois Department of Human Services (DHS) is the local Medicaid office that is responsible for assisting beneficiaries.
- Medicaid is the “Payer of last resort.”
# Medicaid vs. Medicare Overview

<table>
<thead>
<tr>
<th>Funded by</th>
<th>MEDICARE</th>
<th>MEDICAID</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal</td>
<td>Federal &amp; State</td>
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<tr>
<th>Eligibility determination</th>
<th>MEDICARE</th>
<th>MEDICAID</th>
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<tr>
<td>Social Security Administration</td>
<td>State</td>
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<tr>
<td>Federal CMS Centers for Medicare &amp; Medicaid Services</td>
<td>State Medicaid (HFS &amp; DHS)</td>
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<tr>
<th>For whom</th>
<th>MEDICARE</th>
<th>MEDICAID</th>
</tr>
</thead>
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<tr>
<td>Age 65 and above &amp; certain disabled</td>
<td>Lower income individuals</td>
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</tr>
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# Medicare & Medicaid Case Scenarios
(full or partial Medicaid benefit)

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<td>Illinois Medicaid helps pay for Medicare</td>
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- Must apply for Extra Help with Part D drug costs
- Automatically “deemed” eligible for Extra Help with Part D drug costs
- Automatically “deemed” eligible for Extra Help with Part D drug costs
- Automatically “deemed” eligible for Extra Help with Part D drug costs
Have Both Medicare and Medicaid Medical

- If you see a medical provider that accepts both Medicare & Medicaid
- Medicare pays first and Medicaid pays secondary

“Medicaid is the “payer of last resort”

Medicaid will never pay until every other insurance has paid.
Aged, Blind & Disabled (AABD) Medicaid Medical

- Assistance to Aged, Blind & Disabled (AABD) Medicaid
  - Up to 100% of Federal Poverty Level (FPL)
    - Income less than $990 / month (+$25 disregard)
  - Resources less than $2,000/month

- Apply in person at local DHS office or online via Application Benefits Eligibility (ABE) system (ABE): https://abe.illinois.gov/abe/access/
Medicaid Case Number & RIN

- Letters received
  - Medicaid case number - First 2 digits
    - 91 = Senior (age 65)
    - 92 = Blind
    - 93 = Disabled

- Medical Card
  - All beneficiaries also identified by a Recipient Identification Number (RIN)
The Affordable Care Act (ACA) gave Illinois the option of expanding Medicaid coverage to individuals age 19 – 64

- Income up to 138% of Federal Poverty Level (FPL)
  - Less than $1366 / month (+$25 disregard)

- No resource limit

- Not eligible once become Medicare eligible
Letters received
• Medicaid case number - First 2 digits
  o 94 = ACA Adult (age 19 – 64)

Medical Card
• All beneficiaries also identified by a Recipient Identification Number (RIN)
ACA Adult vs. AABD Medicaid

- ACA Adult Medicaid and then become Medicare eligible
  - No longer eligible for ACA Adult Medicaid case
    - “Should” be sent a Medicaid Redetermination of Eligibility form (Rede) prior to Medicare eligibility
    - The Rede form serves as an application for an AABD Medicaid case
    - Many times will go into Spenddown with this transition (Spenddown discussed later)

  Note: Apply for the Medicare Savings Program (MSP). It is currently not automatically determined by the DHS caseworker.
## ACA Adult vs. AABD Medicaid

### Monthly Income and Resource Standards (2016)

<table>
<thead>
<tr>
<th>Program</th>
<th>Single Person</th>
<th>Couple</th>
<th>Resource/Asset Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ACA Adult</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Age 19-64, not yet Medicare eligible)</td>
<td>$1366</td>
<td>$1842</td>
<td>No Resource Limit</td>
</tr>
<tr>
<td>138% FPL</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>AABD</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aged, Blind or Disabled</td>
<td>$990</td>
<td>$1335</td>
<td>$2,000 single $3,000 couple</td>
</tr>
<tr>
<td>100% FPL</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

SHIP counselors may see beneficiaries who turn age 65, become Medicare eligible and transition from ACA Adult Medicaid to AABD.

- Many times, the beneficiary may become a Spenddown* case due to the lower income standard (100% FPL versus 138%) and the AABD resource limit.

*Spenddown discussed later.
**Dual Eligible**

**Dual eligible** refers to an individual who is entitled to Medicare Parts A and/or Part B and is eligible for “some form” of Medicaid benefit.

If you counsel an individual who has just Medicare and a Medicaid medical card, determine if they also qualify for one of the Medicare Savings Programs.
Dual Eligible = Extra help

- Dual eligible beneficiaries are automatically “deemed” eligible for the Extra Help
  - Extra Help is a program from Social Security that helps pay Medicare Part D costs
  - May pay for all, or some, of the monthly premiums, annual deductibles, and prescription co-payments
  - For 2017, the maximum drug copay for someone with extra help will be $8.25
**Medicaid and Medicare**

- Go to any doctor that accepts BOTH Medicare and Medicaid
  - Medicare pays first
  - Medicaid pays secondary

- Per Illinois regulations, doctors must be registered with Illinois Medicaid

- Medicaid may or may not pay secondary with a Medicare Advantage plan
Using Spenddown to become Medicaid eligible

- Spenddown works similar to an insurance deductible for eligibility
- To “meet Spenddown”, client must show bills or receipts (for medical care, drugs or supplies) that are equal to your monthly spenddown amount
- Once Spenddown is met for that month, you are full Medicaid eligible for the rest of that month.
- If have Medicare and meet Medicaid Spenddown, just one time, they are considered “Full Dual Eligible” for that month and eligible for Extra Help with Part D
  - Until end of current year or current year & following year
Spenddown

- Two Types of Medicaid Spenddown Programs
  - Resource (Asset) Spenddown
    - A person must meet the entire amount before they are eligible for a medical card. This type of spenddown only needs to be met once and a redetermination of eligibility is done annually.
  - Income Spenddown
    - A person can meet a set amount on a monthly basis to receive a medical coverage each applicable month. The spenddown amount is based on how much surplus income the person has that is over the allowable Medicaid income limit.
### Resource (Asset) Spenddown example

- Mr. Benny Fishery has resources that total $6,000.
- Medicaid’s resource limit for a single person at $2,000.
- Therefore Mr. Fishery is required to spenddown $4,000 in resources (medical services) to qualify for a medical card.

<table>
<thead>
<tr>
<th>Resource Spenddown Example</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets Available</td>
<td>$6000</td>
</tr>
<tr>
<td>Resource Limit</td>
<td>- $2000</td>
</tr>
<tr>
<td>Resource Spenddown</td>
<td>$4000</td>
</tr>
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</table>
Income Spenddown

- The amount of their monthly income that exceeds the Medicaid income limit is their monthly Spenddown amount.

  - Example: $1,250 monthly income, minus Medicaid $25 income disregard = $1225 countable income, minus $990 income limit = $235 monthly Spenddown

<table>
<thead>
<tr>
<th>Spenddown Example:</th>
<th></th>
</tr>
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<tbody>
<tr>
<td>Beneficiary’s gross monthly income</td>
<td>$1250</td>
</tr>
<tr>
<td>Minus $25 Medicaid income disregard</td>
<td>- 25</td>
</tr>
<tr>
<td>Countable income</td>
<td>$1225</td>
</tr>
<tr>
<td>Minus the AABD income standard (single)</td>
<td>- 990</td>
</tr>
<tr>
<td>Monthly Spenddown Amount</td>
<td>$235</td>
</tr>
</tbody>
</table>
Income Spenddown

Ways to meet income Spenddown

- **Paid** Receipts for medical expenses within the last 6 months, such as:
  - medical treatment
  - uncovered services
  - copays
  - transportation
  - Other insurance – Medicare premiums, supplements, other insurance
  - DRS/DDD/DoA home services

- **Unpaid** Bills for medical expenses

- **Pay-In** spenddown
  - Springfield Pay-In Spenddown Unit (800) 226-0768
Medicare Savings Programs (MSPs)

- The Medicare Savings Program (MSP) is a state Medicaid program that can help to pay Medicare premiums, and possibly deductibles, and coinsurance for Medicare beneficiaries. MSPs are categorized into groups:
  - **Qualified Medicare Beneficiary (QMB)**
    - Pays Part A & B premiums, deductibles & coinsurance
  - **Specified Low-Income Medicare Beneficiary (SLMB)**
    - Pays Medicare Part B premiums
  - **Qualified Individuals (QI)**
    - Pays Medicare Part B premiums
  - Eligibility for each program is determined by income and resources

Eligibility for these programs automatically qualify for Extra Help for Medicare Part D
Medicare Savings Program (MSP)

- Eligibility for each program is determined by income and resources

<table>
<thead>
<tr>
<th>Program</th>
<th>Monthly Income Limit</th>
<th>State Pays For</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Single</td>
<td>Couple</td>
</tr>
<tr>
<td>QMB</td>
<td>$990</td>
<td>$1,335</td>
</tr>
<tr>
<td></td>
<td>Part A &amp; B premiums, deductibles &amp; coinsurance</td>
<td></td>
</tr>
<tr>
<td>SLMB</td>
<td>$1,187</td>
<td>$1,601</td>
</tr>
<tr>
<td></td>
<td>Medicare Part B premiums</td>
<td></td>
</tr>
<tr>
<td>QI</td>
<td>$1,336</td>
<td>$1,801</td>
</tr>
<tr>
<td></td>
<td>Medicare Part B premiums</td>
<td></td>
</tr>
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</table>
Balance Billing is the practice where Medicare providers seek to bill a beneficiary for Medicare cost-sharing.

- Medicare cost-sharing can include deductibles, coinsurance, and copayments.

- The beneficiary is not responsible to pay the balance of Part B covered services after both Medicare and the QMB program pay their share.

### Example:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. Rich charges</td>
<td>$1000.00</td>
</tr>
<tr>
<td>Medicare pays</td>
<td>- $800.00</td>
</tr>
<tr>
<td>Medicaid (QMB) pays</td>
<td>- $100.00</td>
</tr>
<tr>
<td>Balance</td>
<td>- $100.00</td>
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</table>

Per Medicare law, the beneficiary is not responsible for any charges after both Medicare and QMB pay.
MMAI is a joint initiative of the Federal and State governments to improve quality of care for individuals eligible for both Medicare and Medicaid.

- Instead of receiving healthcare through two separate fee-for-service programs through Medicare and Medicaid:
  - They receive ALL of their benefits under one MMAI health plan,
  - Only one health plan card is used for the doctor, hospital, or pharmacy,
  - Can change plans at any time.
  - All enrollments must go through Illinois Client Enrollment Services at 1-877-912-8880 (TTY: 1-866-565-8576)
Medicare-Medicaid Alignment initiative (MMAI)
Medicare-Medicaid Alignment initiative (MMAI)

- MMAI is only being piloted in 21 counties within Illinois
  - **Greater Chicago:** Cook, Lake, Kane, DuPage, Will, Kankakee
  - **Central Illinois (N):** Knox, Peoria, Tazewell
  - **Central Illinois (S):** Champaign, Christian, DeWitt, Ford, Logan, Macon, McLean, Menard, Piatt, Sangamon, Stark, Vermilion
NEW - Managed Long Term Services and Supports (MLTSS)

- **MLTSS** provides care to Dual eligible individuals who:
  - Live in a Long Term care facility or.
  - Receive waiver services
    - Elderly (Community Care Program participants)
    - Traumatic Brain Injury
    - HIV/AIDS
    - Physically Disabled
    - Supportive living Facility

- MLTSS is separate benefit from Medicare, Medicaid, & is included in MMAI
MLTSS - Mandatory

**Medicare Medicaid Alignment Initiative (MMAI)**

- Medicare
- Medicaid

**Medicaid Long Term Supports & Services (MLTSS)**

- Medicare
- Medicaid
- LTSS or Waiver programs

**MMAI (optional)**

**MLTSS (mandatory)**

10/19/2016
Managed Long Term Services and Supports (MLTSS)

- For dual eligibles it is mandatory to enroll in a MLTSS plan if long term care or waiver services are needed.
- Individuals who do NOT receive LTSS are not affected by this change.
- It is possible to have MLTSS through a MCO and still have traditional Medicare, Medicaid & Part D.
- MLTSS is only implemented in Greater Chicago Area at this time.
  - Central Illinois does not have enough MLTSS health plans available at this time.
Only MLTSS is Mandatory

Medicare Medicaid Alignment Initiative (MMAI)

Medicare  Medicaid

MMAI (optional)

Medicaid Long Term Supports & Services (MLTSS)

Medicare  Medicaid

LTSS or Waiver programs

MLTSS (mandatory)
MLTSS Services

Under MLTSS, Medicaid Recipients Will Receive

• Care coordination from their MLTSS plan.
• LTSS (homemakers, personal aid, emergency home response, etc.)
• Non-emergency transportation,
• Behavioral health services Medicaid covers that Medicare does not
MLTSS Scenarios

Scenario 1:
Current MMAI beneficiaries will receive their MLTSS services from their current MCO plan. (no letter involved)

Scenario 2:
Individuals who have opted out of MMAI and receive LTSS services will get a packet that includes a letter, MMAI brochure, tip sheet and comparison charts.
   There will be 90 day transitional period for newly eligibles.

Scenario 3:
Individuals who are new to MMAI will get an enrollment packet that includes a letter, a MMAI brochure, a tip sheet and plan comparison charts.
   There will be 180 day transitional period for newly eligibles.
MLTSS

- MLTSS beneficiaries are “locked in” to their plan for one year.
- Dual eligibles are allowed to enroll into MMAI plans at any time.
  - So if have MLTSS and Medicare/Medicaid separately (opted-out), can always opt-in to full MMAI
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Phone 1-877-912-8880
http://enrollhfs.illinois.gov/choose/compare-plans

MMAI Ombudsman, Illinois Dept. on Aging
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http://www.illinois.gov/aging/pages/default.aspx
Any Questions?

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