Medicaid with Medicare: Coordinating Benefits for HIV+ Dual Eligibles

Presented by:
Empire Justice Center
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Today’s Webinar

- Introduction
  - How do ADAP, Medicaid and Medicare compare?
- Overview of Medicare
- Medicaid – MAGI vs non-MAGI
- Supplementing Medicare
  - Using Part D Extra Help, ADAP, Medicaid and Medicare Savings Programs (MSPs) to help fill gaps
- Where to go for help
Frequently Used Acronyms

- **ACA** – Affordable Care Act
- **ADAP** – AIDS Drug Assistance Program
- **CAC** – Certified Application Counselor
- **CHA** – Community Health Advocates
- **DSS** – Department of Social Services
- **EPIC** – Elderly Pharmaceutical Insurance Coverage
- **ESRD** – End Stage Renal Disease
- **FEHB** – Federal Health Employee Benefits
- **FFS** – Fee for Service
- **HIICAP** – Health Insurance Information, Counseling and Assistance Program
- **HRA** – Human Resources Administration
- **ICAN** – Independent Consumer Advocacy Network
- **LDSS** – Local Department of Social Services
- **LPR** – Lawful (Legal) Permanent Resident
- **MAGI** – Modified Adjusted Gross Income
- **MLTC** – Managed Long-Term Care
- **MMC** – Medicaid Managed Care
- **MSP** – Medicare Savings Program
- **NYS DOH** – New York State Department of Health
- **QI** – Qualified Individual
- **QMB** – Qualified Medicare Beneficiary
- **SLMB** – Specified Low-Income Medicare Beneficiary
- **SSA** – Social Security Administration
- **SSD** – Social Security Disability
- **TrOOP** – True Out-of-Pocket
ADAP vs Medicare vs Medicaid
AIDS Drug Assistance Program (ADAP)

- Federal grant administered through NYS DOH
- Intended as transition coverage for people with HIV who don’t yet qualify for Medicaid
- New York has four separate programs
  - ADAP (prescription drugs)
  - ADAP plus (primary care)
  - HIV home care
  - ADAP plus insurance continuation (APIC)
- Income limit: 435% FPL; $25,000 asset limit
- Must be NYS resident – no citizenship requirement
- Covers people with HIV
AIDS Drug Assistance Program (ADAP)

- NYS DOH has comprehensive webpage on ADAP at http://www.health.ny.gov/diseases/aids/resources/adap/
- Includes link to eligibility criteria, covered services, application forms, fact sheets and toll-free helpline number:

1-800-542-2437 (M-F 8-5); TTY 518-459-0121
Medicare

- National health insurance program, 100% federally funded
- Serves older adults, certain disabled individuals and people with severe kidney disease
- No income or resource test
- Individual must be “insured” through earnings
  - Exceptions for certain people age 65+
- Provides more comprehensive coverage than ADAP, but less comprehensive than Medicaid
- Has cost sharing component
  - Deductibles, premiums, co-pays/coinsurance
Medicaid

- Joint federal / state program
- Two basic types – MAGI (through marketplace), non-MAGI (through county DSS)
- Serves people of all ages
- Is means-tested
- More comprehensive benefit package than Medicare or ADAP
- Minimal or no cost sharing once you meet income/resource limit
- Dual eligibles = people with Medicare and Medicaid
Overview of Medicare
Who’s eligible for Medicare

- Disabled and insured through work history
  - Social Security Disability recipients
  - 24 month waiting period, except for ALS patients

- Elderly (age 65 and older)
  - If not insured for Social Security purposes, can still get Medicare, as long as either
    - a U.S. citizen or
    - LPR with 5 years continuous residence
    - These enrollees must purchase Part A coverage

- End Stage Renal Disease (ESRD) patients
  - Must be insured for Social Security retirement purposes OR the spouse or dependent child of the insured person
What services does Medicare cover?

- **Part A – Hospital Insurance**
  - Includes inpatient hospital care, skilled nursing facilities [short term], home health care, hospice

- **Part B – Supplemental Medical Insurance**
  - Includes doctors’ services, durable medical equipment, ambulance services, outpatient therapy, some preventive care

- **Part C – Medicare Advantage**
  - Alternate way of receiving A & B services, through private health plan (with or without Part D)

- **Part D – Prescription Drug Benefit**
  - Provided solely through private plans
What services DOESN’T Medicare cover?

- **Original** Medicare generally does NOT cover
  - Dental
  - Routine eye exams and corrective lenses
  - Hearing aids
  - Non-emergency medical transportation
  - Long-term care

- **Medicare Advantage Plans** may include some or all of the above services in order to make their plans look more attractive
  - BUT – beware of premiums in addition to Part B/Part D
Transitioning to Medicare

- Most people on ADAP and Medicaid eventually transition into Medicare
  - Either aging into Medicare at age 65, or
  - Qualifying before age 65 due to disability or ESRD status
- ADAP and Medicaid require enrollment into Medicare as soon as you are eligible
- Medicare become primary coverage; Medicaid / ADAP become secondary
  - ADAP can be used to pay for HIV meds not covered by Medicare Part D, copays, deductibles and donut hole (without active full Medicaid)
  - ADAP also helps with spenddown
Where do you apply for Medicare?

- **Parts A & B (“Original Medicare”)**
  - Through the Social Security Administration (SSA)
  - Enrollment is automatic if you have Social Security benefits when first eligible for Medicare

- **Parts C & D**
  - Through private plans
  - Must already be enrolled in Part A and/or Part B
  - Need both A & B for Medicare Advantage (C)

- **Part D Low Income Subsidy (“Extra Help”)**
  - Through SSA (unless deemed into Extra Help, then no application required)
How much does it cost?

Part A
- Premium: Free if fully insured
- Deductible: $1,364 per benefit period
- Co-insurance may apply

Part B
- Premium: $135.50 per month is standard
  - May be higher if
    - You delay enrollment and / or
    - You have higher income
  - Deductible: $185 annually
  - Co-insurance: 20% for most services

*2019 amounts listed*
How much does it cost? (cont’d)

- Parts C and D – vary from plan to plan
  - Part C
    - Premiums, deductibles, co-pays
    - Have maximum out-of-pocket limit
  - Part D
    - Premiums, deductibles, co-pays
    - Co-pays differ in three phases of coverage
      - Initial coverage
      - Coverage gap (“donut hole”)
      - Catastrophic coverage
More about Part D

- Individual plans have formularies that must cover certain classes of drugs
  - No requirement that SPECIFIC drugs be covered
- Plans can impose utilization management tools (UMs) on covered drugs
  - Prior authorization
  - Step therapy
  - Quantity limits
- Appeals process available to get coverage of prescription denials
- Navigating the Part D process can be challenging
Part D Extra Help

- Also known as the Part D Low-income Subsidy
- Covers most costs associated with Part D
  - Monthly premium
  - Deductible
  - Reduces co-pays to very low amounts
  - Eliminates donut hole
- Administered through SSA
  - Medicaid / MSP recipients are “deemed”
- Once established, Extra Help eligibility lasts (at least) through rest of calendar year
- Extra Help recipients can switch plans at any time
What happens if you choose not to enroll in Medicare?

- Enrolling into Part B and Part D is voluntary
- But... if you delay enrolling, there may be serious consequences later, including:
  - Higher premiums (late enrollment penalty)
  - Waiting period to enroll (unless eligible for a special enrollment period...)
- If you or your spouse work and you have employer health insurance, you might be able to safely decline Part B coverage, as long as you or your spouse are currently working
- If you have “creditable drug coverage” (drug coverage comparable to Part D or better), you can safely decline Part D
- Veterans receiving VA benefits have creditable coverage for Part D, but not for Part B
Supplementing Medicare
Several Programs Can Help

- Medicaid
  - Can cover services Medicare does not cover (long-term care, transportation, dental)

- Medicare Savings Program (MSP)
  - Refers to three special Medicaid programs which help with Medicare cost-sharing and “deem” clients eligible for Part D Extra Help

- Part D Extra Help
  - Helps with Part D premiums and cost-sharing
Medicaid with Medicare

- Medicaid has two basic categories of coverage
  - MAGI (marketplace, also known as “ACA”)
  - Non-MAGI – includes MSP
    - Most Medicare recipients are non-MAGI
- Medicaid can help with all types of Medicare cost sharing
  - Deductible, premiums, and co-pays
- Medicaid also pays for services not covered by Medicare
- Non-MAGI Medicaid has “spenddown” component
MAGI (Marketplace) Medicaid

- Available to:
  - Childless adults age 19-64 without Medicare
  - Children
  - Parents and caretaker relatives of children
    - Can be age 65+ and / or on Medicare
  - Pregnant women
    - Can have Medicare

- Apply via NY State of Health
  - Online, by phone or through in-person assistor (navigator, CAC, broker)

[Link to Nystateofhealth.ny.gov] or 1-855-355-5777
More on MAGI Medicaid

- Gross income threshold = 138% for most adults
  - Higher limits for pregnant women, children
  - Disregarded income includes:
    - Workers compensation
    - Child support received
    - Veterans benefits
    - Most SSA dependent income
      - only include this income if dependent has other income AND has tax filing requirement

- No asset test

- No spenddown available
MAGI Medicaid (cont’d)

- 12 months of continuous coverage provided
  - Even if income changes or person enrolls in Medicare during 12 month period (*unless they are aging into Medicare*)
  - If no longer MAGI at the 12 month renewal period, should be referred to LDSS / HRA for non-MAGI determination
    - 3-4 months of transitional coverage are provided while LDSS / HRA re-determines eligibility
      - [https://www.health.ny.gov/health_care/medicaid/publications/gis/18ma001.htm](https://www.health.ny.gov/health_care/medicaid/publications/gis/18ma001.htm)
  - Parents / caretaker relatives are MAGI even if they have Medicare
MAGI Medicaid - example

- June, age 42 and HIV positive, is on MAGI Medicaid with her 12 year old daughter Tiffany
- Their only income is $600 per month in child support
- June gets approved for Social Security Disability (SSD)
- She starts receiving $1800 per month in SSD for herself and Tiffany gets $900 per month
- How does this affect June’s eligibility for Medicaid?
Answer!

- June continues to be MAGI eligible
  - She is guaranteed 12 months of continuous coverage
  - More importantly, she continues to be eligible even after 12 months, even when the SSD is factored in
    - Don’t count Tiffany’s dependents benefits (or the child support) as income
    - June’s MAGI Medicaid household size = 2
    - June’s countable income = $1800
    - $1800 is less than $1893 (138% FPL for household of 2)
MAGIs transitioning to Medicare

- If June starts getting Medicare, she should:
  - Remain in Marketplace MAGI Medicaid for the rest of her continuous coverage period
  - Enroll in Part B
  - Enroll or be auto-enrolled into Part D, get deemed into Extra Help
  - Expect to be disenrolled from her MMC plan
  - Be reimbursed for Part B premiums
  - Use FFS Medicaid for Medicare cost sharing
Non-MAGI Programs

- Available through LDSS / HRA
- Paper application process
- Programs include
  - Medicaid for disabled, blind, aged (65+)
    - Also known as “SSI-related Medicaid” or “DAB Medicaid”
  - Medicare Savings Program
  - Medicaid Buy-in for Working People with Disabilities
SSI-related Medicaid*

- Has income and resource limits
  - Monthly income limit:
    - $859/single; $1,267/couple
  - Resource limit
    - $15,450/single; $22,800/couple
    - $20 general income disregard
    - Earned income disregard: first $65, plus half of remainder
    - Health insurance premiums are a deduction
  - Spenddown available if you have excess income / resources

*2019 amounts listed
Medicare Savings Program

- Three different programs
  - QMB / SLIMB / QI
- All pay for Part B monthly premium
- QMB also covers Part A premiums, deductibles and co-pays
- QMB and SLIMB recipients can also receive Medicaid
- Apply through local Medicaid office or via SSA Extra Help application
- MSP removes Part B late enrollment penalty / waiting period to enroll!
Medicaid Buy-In for Working People with Disabilities

- Must be certified disabled, under age 65, working (no minimum number of hours)
- Income threshold: 250% FPL after income disregards have been applied
- More generous resource disregards
  - Retirement accounts excluded
  - $20,000 asset limit / singles; $30,000 asset limit / couples
- Can reimburse cost of Part B premiums, if not eligible for MSP enrollment
Medicaid as entrée to Extra Help

- Extra Help provides significant help with Part D costs
- MSP recipients are deemed into Extra Help
  - They do not have to apply through SSA
- Medicaid recipients are also deemed into Extra Help
  - Those over income for MSP can use spenddown to access Medicaid
  - Even one month of Medicaid spenddown coverage deems you into Extra Help
- Extra Help removes Part D late enrollment penalty and waiting period to enroll
Handy Charts

- MAGI and non-MAGI income / resource charts
  - Attached to GIS 18 MA/15 available at https://www.health.ny.gov/health_care/medicaid/publications/docs/gis/18ma015.pdf (effective 1/1/19)
  - Also see HRA chart available at http://www.wnylc.com/health/afile/15/314/ (updated 1/3/19)

- Extra Help

- Medicare + HIV fact sheet, Kaiser Family Foundation
How Medicare, Medicaid and ADAP Can Work Together (for non-MAGIs)
Medicaid spenddown may be key

- To qualify for spenddown you must either
  - Have (incur) medical bills which meet or exceed your spenddown obligation or
  - Pre-pay ("pay-in") the amount of your monthly spenddown
- Spenddown amount must be met each month to activate Medicaid coverage
- Clients need six months’ worth of spenddown to activate inpatient hospital coverage
More on Medicaid spenddown

- Medicaid applicants can use bills from prior months to meet future spenddown
  - PAID bill from past 3 months, plus month of application
  - UNPAID bills (no time limit) if still viable
- Remember that you can get deemed into Extra Help by meeting spenddown for just one month
- Also – pooled supplemental needs trust can be used to meet spenddown
How does ADAP work with Medicaid Spenddown?

- Expenses paid by ADAP “count” toward Medicaid spenddown
  - Have pharmacist bill ADAP as primary payer. ADAP will mail you proof of ADAP payment
  - Use ADAP expense to activate Medicaid spenddown coverage

- For ADAP recipients on Medicare, meeting spenddown means
  - Enrollment into Extra Help
  - You have coverage for dental, eyeglasses, transportation and long-term care
How ADAP coordinates with Medicare

- For Part D recipients not on Medicaid

- Drug costs paid by ADAP during donut hole “count” toward TrOOP, as well as copays + deductibles
  - ADAP can also pay for drugs not covered by your Part D plan, as long as they are on the ADAP formulary
  - Using APIC to pay for premiums for Medicare Advantage and Medicare Part D plans
Dual eligibles and long-term care services

- Most Medicare / Medicaid recipients who need long-term care services must enroll in a Managed Long Term Care (MLTC) plan.

- People not on Medicare yet, getting home care through their MMC plan, will transition over to an MLTC once they’re in Medicare.

- ICAN (Independent Consumer Advocacy Network) provides consumer assistance and education on managed care issues for people needing long-term care.

- ICAN helpline number 1-844-614-8800.
Other Programs to Help with Medicare Cost Sharing
Elderly Pharmaceutical Insurance Coverage (EPIC)

- Administered through NYS DOH
- Supplement: helps with Part D cost sharing
- Must be age 65 or older
- Income limit: $75,000 yr/single; $100,000 yr/couple
- No asset test
- EPIC drug payments count toward
  - Donut hole expenses (TROOP)
  - Medicaid spenddown
- EPIC can reduce Part D co-pays for drugs not on ADAP formulary
Medicare Supplemental Insurance (Medigap)

- **Medigap**
  - Private health insurance policies which “fill the gaps” in original Medicare
  - Strictly regulated
  - Benefits are standardized
  - Remember: Medigap premium is an income deduction for MSP
  - Cannot have Medigap + Medicaid, Medigap+QMB, Medigap+EPIC, Medigap can’t work w/ Medicare Adv
Other forms of insurance that coordinate with Medicare include...

- Employer coverage
- Retiree coverage
- VA coverage (including TRICARE) - creditable for Part D, not creditable for Part B
- Federal Health Employee Benefits (FEHB)
- EPIC – not insurance, but will lower costs if over 65
Where to go for help
Help is out there!

- ADAP helpline 1-800-542-2437 or 1-844-682-4058
- HIICAP (Health Insurance Information, Counseling and Assistance) helpline 1-800-701-0501
  - Provides one-on-one assistance to Medicare beneficiaries and their families
- Community Health Advocates (CHA) helpline 1-888-614-5400
  - Provides one-on-one assistance on health access / health insurance issues
- Empire Justice Center health intake line (outside NYC) 1-800-724-0490 ext. 5822 or health@empirejustice.org
Questions?
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