

Medical Benefits 101



Medicaid, Quest, Medicare, and
other health programs in a
nutshell

Overview of Presentation: What's it all about?

- Goals- Differentiate between programs
- Eligibility Rules
- Coverage
- Basic Rights and Responsibilities
 - Keeping Eligibility
 - Appealing Adverse Decisions
- Other Available Resources

Hawaii's Big Three

- ❑ QUEST EXPANDED ACCESS: Q-ExA
(formerly MEDICAID)
- ❑ QUEST
- ❑ MEDICARE

Q-ExA: What is it?

- 1965
- Federal matching dollars for state dollars
- Entitlement Program- You're eligible, you apply, you're on.
- States have authority to administer, increase eligibility to additional groups, rates of payments, etc.
- Health Maintenance Organizations
 - Evercare
 - Ohana Health Plan

Quest-ExA: What is it?

□ Timeline

- September 2008: packets mailed regarding changes
- October 1, 2008: chose plan
- February 1, 2009: services received through plans

Q-ExA: What is it? (cont.)

In Hawai'i Medicaid is only for the verifiably:

AGED (65 years and older),

BLIND (<20/200),

And/or DISABLED (Physical or Mental, NO substantial gainful activity, 12 mo. duration or fatal).

QUEST: What is it?

- ❑ 1994 State Waiver Program from Medicaid
- ❑ Limit to number of Enrollees (125,000)
- ❑ Managed Care Plan
 - Pick a plan and a Primary Care Physician
 - Currently: Kaiser, HMSA, Aloha Care, Summerlin
- ❑ Same Income and Asset Eligibility as Medicaid
- ❑ Covers those who are not aged, blind, disabled

QUEST: Basic Health Hawaii

- ❑ In August of 2009, the State announced that QUEST would no longer be available for non-pregnant adults from Compact of Free Association (COFA) countries.
- ❑ This includes the Republic of Palau, Republic of the Marshall Islands, and Federated States of Micronesia. COFA citizens had been eligible since August of 1996.

QUEST: Basic Health Hawaii

- ❑ Lawyers for Equal Justice (www.lejhawaii.org) filed a temporary injunction to stop the implementation of BHH. The matter is currently pending.
- ❑ At the time of this writing, COFA citizens eligible for QUEST have been returned to their applicable QUEST program pending the outcome of the litigation.
- ❑ A hearing on new BHH rules will be held on January 25 at 1:30 PM at 1390 Miller St.

QUEST: Basic Health Hawaii

- ❑ COFA citizens are to be eligible only for emergency medical coverage and a new health plan called Better Health Hawaii (BHH).
- ❑ COFA adults already in long term care services under QExA or part of the State Hawaii Organ and Tissue Transplant program (SHOTTT) are to remain in their current plan.

QUEST: Basic Health Hawaii

- Non-financial
 - 19 years and older
 - Non-pregnant
- Financial (same as QUEST)
 - Income: Less than 100% Federal Poverty Line (\$1039 for single adult)
 - Assets
 - \$2000: Single adult
 - \$3000: Couple
 - +\$250: Additional household member
- Maximum enrollment of 7000 people

QUEST: Basic Health Hawaii

- ❑ 10 days of medically necessary inpatient hospital stays
- ❑ 12 outpatient visits
- ❑ 6 mental health visits
- ❑ 3 medically necessary ambulatory surgical procedures
- ❑ Bonafide emergency room procedures
- ❑ Coverage of 4 generic prescriptions per month

QUEST: Basic Health Hawaii

- ❑ Diabetic supplies
- ❑ Family planning services to include drugs and supplies as approved by the FDA.
- ❑ Maternal care (1 routine visit to confirm pregnancy and additional visits for certain conditions)
- ❑ Interpreter services
- ❑ Emergency dental
 - Relief of pain
 - Eliminate infection
 - Treatment of injuries

MEDICARE: What is it?

- ❑ Federal program, tax taken out of income
- ❑ Not Financially Need Based
 - More Costs Associated with It
- ❑ Different Parts (A, B, C, D, etc.)
- ❑ Eligibility:
 - ❑ AGE: 65 yrs old and older
 - ❑ Disability: After receiving Social Security Disability Insurance (SSDI) for 24 months
 - ❑ End Stage Renal disease

What are the differences?

- Can you think of some of the differences between Quest-ExA, Quest, and Medicare?
 - Which ones are entirely HMOs?
 - What are the eligibility differences?
 - Which programs might a 75yr old get?
 - What about a disabled person?
 - Someone with a lot of money?
 - Which one limits the number of people that can be on it?

Eligibility Requirements



Quest-ExA: Eligibility Requirements

□ First, **Aged, Blind or Disabled?**

- AGED: 65 years or older
- BLIND: <20/200 vision
- DISABLED: Impairment that would cause an inability to engage in significant gainful activity (SGA) for at least 12 months or lead to death
 - Social Security definition of disabled
- Category must be verified
 - For example: Birth Certificate, Social Security determined disabled or blind.

Citizenship & ID must be verified for all applicants

Quest-ExA: Eligibility Requirements (cont.)

□ Second, **Financial Eligibility:**

■ INCOME:

- Must be below 100% of Federal Poverty Level (FPL)
- Includes any money received in a particular month

■ ASSETS:

- Must be below \$2,000 for individual
- Must be below \$3,000 for a couple
- Add an extra \$250 for additional household members
- Anything which is legally available, with exceptions

Quest-ExA: Financial Eligibility (cont.)

- Excluded Assets (what can I keep?):
 - The home the person lives in
 - Household goods and belongings
 - All Motor Vehicles (includes yachts, mopeds, etc.)
 - One burial plot per person
 - Certain burial plans

There are new transfer of asset rules for long-term care.

Medicaid Transfer Rules: Pre-2009

- ❑ Disposal of assets for less than fair market value: 36 month look back period
- ❑ Disposal of assets into irrevocable trust: 60 month look back period

Medicaid Trust Transfer Rules: Post-2009

- Prior to February 8, 2006
 - Disposal of asset less than fair market value: 36 month look back period
 - Disposal of asset into irrevocable trust: 60 month look back period
- February 8, 2006 and continuing
 - Disposal of asset: 60 month look back period
- Specific provisions for annuities, promissory notes, and purchase of life interest in a home

Quest: Eligibility Requirements

- ❑ Hawai'i Resident
- ❑ US Citizen or qualified immigrant
 - Must provide a valid SSN
 - Proof of Citizenship & identity
- ❑ Not Aged, Blind or Disabled as defined by rules
- ❑ Not institutionalized or eligible for employer sponsored health insurance
- ❑ Cap must not be in place, or be exempt
- ❑ Financially eligible

Quest: Eligibility- Cap exemptions

- Only 125,000 people (in place now)

- EXEMPTIONS:
 - Pregnant women
 - Lost coverage due to loss of job w/in 45 days
 - Children under age 19
 - Up to age 21 if under care of Child Welfare Services
 - Adults with VERY limited income
 - Generally, single individuals with incomes under \$450 a month (GA & TANF recipients). (Income does not exceed financial assistance standard.)

Quest: Financial Eligibility Rules

□ INCOME:

- Must be under 100% of FPL (same as Quest-ExA)
- Except:
 - Children under age 19: under 300% of FPL
 - Pregnant Women: (incl. unborn child), under 185%
- What Counts?
 - All sources of income except: Some earnings of minor children, federal Earned Income Tax Credit, subtract certain business expenses from self-employment income. Other deductions available. (see manual)

Quest: Financial Eligibility, Asset Limits

□ Assets:

- Equivalent to SSI program (same as Quest-ExA)
- \$2,000 for individual
- \$3,000 for two people
- \$250 for each additional
- SAME EXEMPT ASSETS as Quest-ExA

- Exceptions to Rule:
 - **No asset limit for pregnant women or children under age 19**

MEDICARE: Eligibility

INCOME AND ASSETS DON'T MATTER!!!

(unlike Quest-ExA and Quest)

- ❑ Aged w/ work history
- ❑ Aged w/o work history
- ❑ Disabled, for at least 24 months (Social Security Disability Insurance)
- ❑ End Stage Renal Disease or ALS (Lou Gehrig's Disease)

Medicare: Eligibility Categories

- Aged w/ work history:
 - Automatically receive a card on your 65 birthday if you are qualified for Social Security or Railroad Retirement benefits
 - Worked at total of 40 quarters! (about ten years).

Medicare: Eligibility Categories (cont.)

- Aged w/o work history:
 - Can enroll at age 65, if US Citizen or Legal Permanent Resident with at least five years legal residency in the US.
 - Will have to pay premiums (may qualify for help)

Medicare: Eligibility Categories

□ DISABLED:

- If under 65yrs old,
 - 25th month of being eligible to receive SSDI/RSDI
 - All individuals with End Stage Renal disease (ESRD) or amyotrophic lateral sclerosis (ALS/Lou Gehrig's Disease)
 - Will get Medicare card.

Quick Eligibility Quiz! Don't look!

- ❑ What is one major difference between Medicare and Quest?
- ❑ Who can get Quest when the cap is in place?
- ❑ Who would be eligible for Medicare?
- ❑ Can you get Medicare and Quest-ExA?

Benefits and Services



Quest-ExA Benefits

- Switch fee-for-service Medicaid to HMO
 - Evercare
 - Ohana Health Plan
- Services
 - Service coordinator
 - Access services
 - Health and functional assessments
 - Home and community-based services (long term care): adult day care, personal attendants, residential care
 - Disease management programs (i.e. diabetes)

Quest Benefits

- Quest = Managed Care
 - All care under one entity
 - Currently: Kaiser, HMSA, Aloha Care, Summerlin
 - Need to see Primary Care Physician (PCP)
 - Use In-Network Doctors, etc.
- Provide “comprehensive health services”
 - Doctors, specialists, medications (unless Medicare), equipment
 - Full dental for children
 - EPSDT (Early Periodic Screening, Diagnosis, and Treatment) services for kids

Quest Benefits: Dental

- ❑ In August of 2009, adult dental benefits under QUEST were limited to emergency services.
- ❑ Emergency services cover incidents of dental pain, elimination of infection, and treatment of acute injuries. Preventative and restorative procedures like dentures are no longer covered.
- ❑ Individuals under 21 years of age still receive comprehensive coverage.

Medicare Benefits

- Medicare: What part do you have?
 - Part A: Hospital Insurance
 - Part B: Medical Insurance (doctors)
 - Part C: You've joined an HMO!
 - Part D: Prescription drug coverage
 - Also, Medigap plans, which cost money to restructure your benefits and add new benefits

Medicare: Part A

- Coverage:
 - Inpatient hospital visits, skilled nursing facilities, some home health care visits
- Costs:
 - No premium with sufficient work history (40 quarters)
 - Otherwise in 2010,
 - \$254 per month If 30-39 quarters
 - \$461 per month if less than 30 quarters
 - Deductibles and co-payments for services

Medicare Part B: Supplemental Insurance

□ Coverage:

- Physician services, outpatient hospital care, ambulance, durable medical equipment, lab, home health, therapy, some limited preventative services

□ Costs:

■ Premium for all enrollees

- 2010= \$96.40 per month
 - Income related increase starting in 2007
 - Penalty for joining late
- \$155 annual deductible
- 20% co-payment after deductible

Medicare Part B: Help With Costs

- QMB (Qualified Medicare Beneficiaries)
 - Income less than 100% of federal poverty level (\$1039 for a single person)
 - Assets less than \$4000 (single) or \$6000 (couple)
 - Premiums, deductibles, and copayments covered

Medicare Part B: Help With Costs

- SLMB (Special Low Income Medicare Beneficiaries)
 - Income less than 120% of the Federal Poverty Line (\$1246 for a single person)
 - Assets less than \$4000 (single) or \$6000 (couple)
 - Premiums only covered

Medicare Part B: Help With Costs

- QDWI (Qualified Disabled Working Individuals)
 - Income less than 200% of the Federal Poverty Level (\$2078 for a single person)
 - Assets less than \$4000 (single) or \$6000 (couple)
 - Premiums only covered

Medicare Advantage Plans: the C option

- Choose to join an HMO, Examples:
 - Kaiser Senior Advantage
 - HMSA 65C Plus
 - Aloha Advantage
- Must provide all A & B services
- Many have extra options or additional services
 - Most also carry a drug plan now!
 - Some are optional, most are mandatory
 - Can change the cost structure (co-pays, deductibles)
 - Can charge a separate premium

The Newest Member...Part D

- ❑ Prescription drug benefits started 1/1/06
 - First open enrollment from 11/15/05-5/15/06
 - Annual open enrollment will be from 11/15-12/31
- ❑ Available with either Part A, B, or C
- ❑ Bizarre Cost structure for most:
 - ❑ \$310 annual deductible,
 - ❑ 25% cost share up to \$2,830 worth of drugs,
 - ❑ 100% cost share until \$4,550 out-of-pocket (doughnut hole)
 - ❑ After that, 5% cost share (non-formulary drugs not considered)
- PLUS, average premium is \$30 per month
 - ❑ Penalties for late sign up

Example of Medicare Part D Spending

- ❑ Sarah takes two expensive brand name medications to treat her chronic leukemia and asthma.
 - \$310 for the deductible
 - 25% for drugs until coverage limit of \$2830 (\$2405 in actual drug costs: not out of pocket expenses)
 - ❑ 25% of \$2405 = \$601
 - 100% for drug costs after \$2830 limit until paid \$4550 in total costs
 - ❑ $\$4550 - \$601 - \$310 = \3639
 - About 5% of the remaining drug costs

Source: Understanding the Medicare Part D Donut Hole by Michael Bihari, M.D. (http://drugs.about.com/od/medicarepartd/a/Donut_Hole.htm)

Note: This is a modified example.

Questions?

- How do Quest-ExA and Quest differ from Medicare?
- What are the various types of Medicare?
 - A
 - B
 - C
 - D

Responsibilities, Rights, and Other Programs



Responsibilities for Quest-ExA & Quest

□ Quest-ExA & Quest:

- Must report all income & assets of all household members
 - Otherwise, can be charged with fraud
- Must report SSN just for APPLICANTS and verify immigration status
- Must provide sufficient proof of citizenship & a photo ID
- Cooperate with Child Support Enforcement Agency, unless good cause
- Cooperate with third party liability, unless good cause
- Must report all household changes within ten days
- Give permission to DHS to contact fed, state, local gov't offices, as well as financial institutions to verify info.

Responsibilities for Medicare

- Must pay premiums, cost shares
 - Otherwise, will get sent to collection agency and lose coverage
- Part D
 - Need to keep part A or B or C to retain the drug coverage
 - Must notify plans of change of address
 - Must notify of any additional drug coverage

Rights: Quest-ExA & Quest

- APPLICANTS HAVE A RIGHT TO:
 - Interpreter and translation services, as well as other accommodations
 - Large print, accessible parking, telephone interviews, etc.
 - Confidentiality, except where consent is given
 - Non-discrimination based on race, color, age, sex, national origin, disability or religious or political beliefs

Rights: Quest-ExA and Quest

- ❑ RECIPIENTS ALSO HAVE A RIGHT TO:
 - Response on an application
 - ❑ Within 45 days (presumptive eligibility on 46th day) for Quest
 - ❑ 90 days for Quest-ExA (presumptive eligibility on 91st day for Quest-ExA. This is expanded from 60 days in 2009)
 - ❑ Proper & Timely Notice of Denial (10 days prior to action)
 - ❑ Right to Appeal Adverse Decision

Rights: Quest-ExA and Quest

- Proper and timely notice to any adverse changes to benefits (10 days prior to action)
- 90 days to request a fair hearing from DHS
 - Can bring legal counsel or anyone as a representative
 - Can continue to receive benefits if a hearing is requested within ten days of the adverse action notice
 - Can challenge almost ANY change, including denial of service, termination of benefits

Medicare Rights

- ❑ To receive accurate information
- ❑ Receive ER services
- ❑ Translation services & accommodations
- ❑ File complaints
- ❑ Non-discrimination
- ❑ Confidentiality, except when consented
- ❑ Participate in treatment decisions
 - Know treatment options

Medicare Appeal Rights

□ Part A & B Claims:

- Receive a “Medicare Summary Notice (MSN)”
 - Goes only to Beneficiary
- Redetermination Request
 - A written, signed request within 120 days of the initial determination
 - Must be filed with the office indicated on the MSN, not Social Security Administration

Medicare Appeals (cont)

- Reconsideration Request
 - 180 days to file a reconsideration with a Qualified Independent Contractor (QIC), like Maximus
 - Paper review
- Request for Administrative Law Judge
 - 60 days from reconsideration
 - At least \$120 in controversy
- Medicare Appeals Council
 - May deny request to review
- U.S. District Court

Additional Programs

□ Quest Spend-down Programs

■ Over income for Quest-ExA/Quest

- Must be between 100% and 300% of FPL
- Same Asset Limits (\$2,000/\$3,000 plus \$250)
- Sometimes referred to as the “medically needy”
- Must meet all other eligibility requirements

■ Cost Share

- Must spend down to the “Standard of Need” Amount = \$469 mo.
- So, an individual with \$2469 a month gross income must spend \$2000 a month on medical expenses to get coverage after that

Additional Programs

- Quest Net: Over-Asset for Quest
 - Income limit: 100% - 300% of FPL
 - 100%-300% - about \$70 per month premium
 - Blind or Disabled- no premium
 - Asset limit: \$5,000 individual, \$7,000 couple
 - \$500 each additional family member
 - Cost share similar to spend-down, but not supposed to exceed amount of capitated cost (approx. \$70)
 - Scope- limited medical and behavioral health services

Additional Programs

□ Quest Ace

- Cannot qualify for QUEST because of cap (125,000)
- Limited coverage
 - 10 days of inpatient hospital care related to medical care, surgery, psychiatric care, and substance abuse.
 - 12 outpatient visits
 - 3 medically necessary ambulatory surgical care procedures
 - Limited maternity care
- No premiums
- Currently
 - Can have child
 - 200% of the federal poverty line

Additional Programs

- Community health centers
 - Sliding fee scales
- Pre-Paid Healthcare Act
 - All employees over 20hrs a week need employer coverage