

INSURANCE (MEDICAL)

Health insurance, especially Medicare with all its “Parts”, can often be difficult to understand. This section provides brief descriptions of Medicare, Medicaid, 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.
- ◆ **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 115) 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 35), 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 seniors with Medicare and other health insurance questions. See page 87 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

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. (See pages 36-37 for more details).

Medicaid may also pay for long term 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 101).

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. For additional information, contact the **Illinois Department of Human Services**, (formerly known as the Illinois Department of Public Aid), **(630) 530-1120** or **DuPage County Senior Services**, **(630) 407-6500, 1-800-942-9412.**

MEDICARE WITH MEDICAID

There are three Medicaid programs, Medicare Savings Program (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 115 for more information about Extra Help.

Health Benefits for Workers with Disabilities (HBWD)

Illinois Department of Human Services

1-800-226-0768

1-866-675-8440 (TTY)

www.hbwdillinois.com

An Illinois Medicaid buy-in program that allows working individuals, age 16-64, living with a disability to become insured. Those with income between 100% and 200% of poverty pay a premium based on the amount of their income.

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. 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**.

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.

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**, or call **1-877-483-8779, 1-877-204-1012 (TTY)**.

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

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.

Senior Health Insurance Program (SHIP)

Illinois Department of Insurance

320 W. Washington Street, Springfield, IL 62767-0001

1-800-548-9034

(217) 524-4872 (TDD)

www.insurance.illinois.gov

Trained 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 anything that “seems too good to be true”, and ask your 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.

Service in the Neighborhood for Seniors

(312) 653-7077

300 E. Randolph Street, Chicago, IL 60601

1-800-382-4548

www.bcbsil.com

Blue Cross / Blue Shield of Illinois provides a free educational program offering senior citizens information and assistance on Medicare and supplemental insurance benefits. This is accomplished through free presentations on “Understanding Medicare”, “Prescription Drug Review”, “Seniorcise”, “Making Sense of Medicare Part D”, and regularly scheduled Medicare Courtesy desks for free one-on-one assistance with Medicare, insurance claims and questions. Call for a schedule of events.

See “Prescription Discounts” on page 116 for additional information.



The Illinois Foundation for Medical Care (IFMC-IL) is designated as the **Peer Review Organization (PRO)** for Medicare. Comprised of doctors and other health care professionals, this agency collaborates with providers, beneficiaries, government agencies and other health care organizations to improve the quality of health care throughout Illinois. IFQHC promotes “best practice” strategies in all health care environments, educates beneficiaries about preventive care benefits and their health care rights and responsibilities and responds to Medicare beneficiaries concerns about the care they receive. **Call 1-800-647-8089** for representatives on the Consumer HelpLine who will answer questions about the quality of care received by Medicare beneficiaries in hospitals, nursing homes, physician offices and from home health care providers.