



Medicare, Medicaid, and CHIP

CMS National Training Program



April 2013

Session Topics

1. Introduction to Medicare
2. Medicaid and new eligibility group
3. Children's Health Insurance Program (CHIP)

What Is Medicare?

- Health insurance for three groups of people
 - 65 and older
 - Under 65 with certain disabilities
 - Any age with End-Stage Renal Disease (ESRD)
- Administration
 - Centers for Medicare & Medicaid Services

The Four Parts of Medicare

Usually



Part A
Hospital
Insurance



Part B
Medical
Insurance



Part C
Medicare
Advantage
Plans (like
HMOs and
PPOs)



Part D
Medicare
Prescription
Drug
Coverage

Medicare Part A (Hospital Insurance)

- Most people receive Part A premium-free
 - If you paid FICA taxes at least 10 years
- If you paid FICA less than 10 years
 - Can pay a premium to get Part A
 - May have penalty if not bought when first eligible

Medicare Part A Covered Services

Inpatient hospital stays	Semi-private room, meals, general nursing, and other hospital services and supplies. Includes care in critical access hospitals and inpatient rehabilitation facilities. Inpatient mental health care in psychiatric hospital (lifetime 190-day limit). Generally covers all drugs provided during an inpatient stay received as part of your treatment.
Skilled nursing facility care	Semi-private room, meals, skilled nursing and rehabilitation services, and other services and supplies
Home health care services	Can include part-time or intermittent skilled care, and physical therapy, speech-language pathology, a continuing need for occupational therapy, some home health aide services, medical social services, and medical supplies
Hospice care	For terminally ill and includes drugs, medical care, and support services from a Medicare-approved hospice
Blood	In most cases, if you need blood as an inpatient, you won't have to pay for it or replace it.

Paying for Inpatient Hospital Stays

For Each Benefit Period in 2013	You Pay
Days 1–60	\$1,184 deductible
Days 61–90	\$296 per day
Days 91–150	\$592 per day (60 lifetime reserve days)
All days after 150	All costs

Paying for Skilled Nursing Facility Care

For Each Benefit Period in 2013	You Pay
Days 1–20	\$0
Days 21–100	\$148 per day
All days after 100	All costs

Medicare Part B Coverage

Doctors' services

- Services that are medically necessary (includes outpatient and some doctor services you get when you're a hospital inpatient) or covered preventive services
- Except for certain preventive services, you pay 20% of the Medicare-approved amount (if the doctor accepts assignment), and the Part B deductible applies

Outpatient medical and surgical services and supplies

- For approved procedures (e.g., X-rays, a cast, or stitches)
- You pay the doctor 20% of the Medicare-approved amount for the doctor's services if the doctor accepts assignment. You also pay the hospital a copayment for each service. The Part B deductible applies.

Medicare Part B Coverage

Home health care services

- Medically necessary part-time or intermittent skilled nursing care, physical therapy, speech-language pathology services, occupational therapy, part-time or intermittent home health aide services, medical social services, and medical supplies. Durable medical equipment and an osteoporosis drug are also covered under Part B.
- You pay nothing for covered services.

Medicare Part B Coverage

Durable medical equipment

- Items such as oxygen equipment and supplies, wheelchairs, walkers, and hospital beds for use in the home. Some items must be rented.
- You pay 20% of the Medicare-approved amount, and the Part B deductible applies.

Other (including, but not limited to)

- Medically necessary medical services and supplies, such as clinical laboratory services, diabetes supplies, kidney dialysis services and supplies, mental health care, limited outpatient prescription drugs, diagnostic X-rays, MRIs, CT scans, and EKGs, transplants and other services are covered.
- Costs vary.

Part B Covered Preventive Services

- “Welcome to Medicare” exam
- Yearly “Wellness” exam
- Abdominal aortic aneurysm screening*
- Alcohol misuse screening
- Bone mass measurement
- Cardiovascular disease screenings
- Colorectal cancer screenings
- Depression screening
- Diabetes screenings
- Flu shots
- Glaucoma tests
- Hepatitis B shots
- HIV screening
- Mammograms (screening)
- Obesity screening
- Pap test/pelvic exam/clinical breast exam
- Prostate cancer screening
- Pneumococcal pneumonia shots
- Smoking cessation
- STI screening

*When referred during Welcome to Medicare physical exam

When Can I Enroll in Part B

Enrollment Period	When
Initial Enrollment Period (IEP)	7-month period surrounding your birthday month
General Enrollment Period (GEP)	January 1–March 31 each year Effective July 1 ➤ 10% penalty every 12-month period if eligible but did not enroll
Special Enrollment Period (SEP)	8-month period beginning the month after you retire or lose employer based coverage, whichever comes first

Paying for Part B Services

- In original Medicare you pay
 - Yearly deductible of \$140 in 2012
 - 20% coinsurance for most services
- Some programs may help pay these costs

Monthly Part B Premium

If your yearly income in 2011 was		You pay
File individual tax return	File joint tax return	
\$85,000 or less	\$170,000 or less	\$104.90
\$85,001–\$107,000	\$170,001–\$214,000	\$146.90
\$107,001–\$160,000	\$214,001–\$320,000	\$209.80
\$160,001–\$214,000	\$320,001–\$428,000	\$272.70
above \$214,000	above \$428,000	\$335.70

Medigap Policies

- Medigap (Medicare Supplement Insurance) policies
 - Private health insurance for individuals
 - Sold by private insurance companies
 - Supplement original Medicare coverage
 - Follow federal/state laws that protect you

Medigap

- Costs vary by plan, company, and location
- Medigap insurance companies can only sell a “standardized” Medigap policy
 - Identified in most states by letters
 - MA, MN, and WI standardize their plans differently
- Does not work with Medicare Advantage
- No networks except with a Medicare SELECT policy
- You pay a monthly premium

Medigap Benefits	Medigap Plans									
	A	B	C	D	F*	G	K**	L**	M	N
Part A coinsurance up to an addition 365 days	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Part B coinsurance	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Blood	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Hospice care coinsurance	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Skilled nursing coinsurance			✓	✓	✓	✓	50%	75%	✓	✓
Part A deductible		✓	✓	✓	✓	✓	50%	75%	50%	✓
Part B deductible			✓		✓					
Part B excess charges					✓	✓				
Foreign travel emergency (up to plan limits)			✓	✓	✓	✓			✓	✓
*Plan F has a high-deductible plan							Out-of-pocket limit**			
*** Plan N pays 100% Part B coinsurance with copay up to \$20/\$50 for emergency room visits not resulting in inpatient							\$4,660	\$2,330		

Medicare Advantage (MA) Plans

- Health plan options approved by Medicare
- Also called Medicare Part C
- Run by private companies
- Medicare pays amount for each member's care
- Another way to get Medicare coverage
- Part of the Medicare program
- May have to use network doctors or hospitals

Types of Medicare Advantage Plans

- Medicare Advantage Plans include
 - Health Maintenance Organization (HMO)
 - Preferred Provider Organization (PPO)
 - Private Fee-for-Service (PFFS)
 - Special Needs Plan (SNP)
 - HMO Point-of-Service Plan (HMOPOS)
 - Medicare Medical Savings Account (MSA)
- Not all types of plans are available in all areas

Medicare Prescription Drug Coverage

- Also called Medicare Part D or PDPs
- Available for all people with Medicare
- Provided through
 - Medicare Prescription Drug Plans
 - Medicare Advantage Plans
 - Other Medicare Plans
- Must include range of drugs in each category

Extra Help with Drug Plan Costs

- Help for people with limited income and resources
- Social Security or state makes determination
- Some groups automatically qualify
 - People with Medicare and Medicaid
 - Supplemental Security Income (SSI) only
 - Medicare Savings Programs
- Everyone else must apply

Income and Resource Limits

- Income

- Below 150% federal poverty level

- 2012 amounts*
- \$1,396.25 per month for an individual* or
 - \$1,891.25 per month for a married couple*
 - Based on family size

- Resources

- Up to \$13,010 (individual)
- Up to \$26,120 (married couple)

- 2012 amounts*
- Resources include money in a checking or savings account, stocks, and bonds.
 - Resources don't include your home, car, burial plot, burial expenses up to your state's limit, furniture, or other household items, wedding rings or family heirlooms.

*Higher amounts for Alaska and Hawaii

Improved Coverage in the Coverage Gap

Year	What You Pay for Brand Name Drugs in the Coverage Gap	What You Pay for Generic Drugs in the Coverage Gap
2012	50%	86%
2013	47.5%	79%
2014	47.5%	72%
2015	45%	65%
2016	45%	58%
2017	40%	51%
2018	35%	44%
2019	30%	37%
2020	25%	25%

Note: Dispensing fees are not discounted.

Medicaid and New Eligibility Group

- What is Medicaid
 - Medicare Savings Programs
- New Eligibility Group

Medicaid

- Federal-state health insurance program
 - For people with limited income and resources
 - Certain people with disabilities
- Most costs covered for Medicare/Medicaid
- Eligibility determined by state
- Application processes and benefits vary
- Office names vary

Medicaid Waivers

- Allow states to test alternative delivery of care
 - Certain federal laws “waived”
- Types of waivers
 - Section 1915(b) Managed Care Waiver
 - Section 1915(c) Home and Community-Based Services Waiver
 - Section 1115 Demonstration Waiver
 - Concurrent Section 1915(b) and 1915(c) Waivers

Medicare Savings Programs

- Help from Medicaid paying Medicare costs
 - For people with limited income and resources
 - Programs include
 - Qualified Medicare Beneficiary (QMB)
 - Specified Low-income Medicare Beneficiary (SLMB)
 - Qualifying Individual (QI)
 - Qualified Disabled & working Individuals (QDWI)

Medicare Savings Program	Eligibility	Helps Pay Your
Qualified Medicare Beneficiary (QMB)	<ul style="list-style-type: none"> ▪ Eligible for Medicare Part A ▪ Income not exceeding 100% FPL ▪ Resources not exceeding the full LIS subsidy resource level <ul style="list-style-type: none"> – For 2012: \$6,940 individual/\$10,410 married couple living together with no other dependents ▪ Effective the first of the month after QMB eligibility is determined ▪ Eligibility cannot be retroactive 	Part A and Part B premiums, deductibles, co-insurance, and copays
Specified Low-income Medicare Beneficiary (SLMB)	<ul style="list-style-type: none"> ▪ Eligible for Medicare Part A ▪ Income at least 100%, but not exceeding 120% of FPL ▪ Resources not exceeding the full LIS subsidy resource level <ul style="list-style-type: none"> – For 2012 \$6,940 individual/\$10,410 married couple living together with no other dependents ▪ Eligibility begins immediately and can be retroactive up to three months 	Part B premium

Medicare Savings Program	Eligibility	Helps Pay Your
Qualified Individual (QI)	<ul style="list-style-type: none"> ▪ Eligible for Medicare Part A ▪ Income at least 120% but does not exceed 135% FPL ▪ Resources not exceeding the full LIS subsidy resource level <ul style="list-style-type: none"> – For 2012 \$6,940 for an individual/\$10,410 married couple living together with no other dependents ▪ Eligibility begins immediately and can be retroactive up to three months 	Part B premium
Qualified Disabled and Working Individual (QDWI)	<ul style="list-style-type: none"> ▪ Entitled to Medicare Part A because of a loss of disability-based Part A due to earnings exceeding Substantial Gainful Activity (SGA) ▪ Income not higher than 200% FPL ▪ Resources not exceeding twice maximum for SSI <ul style="list-style-type: none"> – For 2012: \$4,000 for an individual/\$6,000 married couple living together with no other dependents ▪ Cannot be otherwise eligible for Medicaid 	Part A premium

Medicaid Eligibility in 2014

- Extends and simplifies Medicaid eligibility
- Will replace categorical “groups”
 - Eligibility for all individuals
 - Under age 65
 - At or below 133% FPL
- Medicaid and CHIP simplification
 - Coordination with the Health Insurance Marketplace (Exchanges)

New Eligibility Group

- Fills the gaps in existing Medicaid eligibility
 - Not mandatory
 - States had option to begin covering April 1, 2010
 - Full implementation in January 2014
- Includes individuals
 - With income below 133% FPL
 - Under age 65
 - Not pregnant
 - Not entitled to or enrolled in Medicare Part A
 - Not enrolled under Medicare Part B
 - Not in any other mandatory group

New Eligibility Group

- Straightforward structure of four major eligibility groups
 - Children
 - Pregnant women
 - Parents and caretaker relatives
 - The new adult group
- Simplifies Medicaid and CHIP eligibility and enrollment
- Ensures a seamless system of coverage

Simplifying Medicaid and CHIP

- Move to MAGI; replaces complex rules in place today
- Following state lead, modernizes eligibility verification rules to rely primarily on electronic data
- The federal government will perform some of the data matches for states, relieving administrative burden
- Renewals every 12 months
 - No face-to-face interview for MAGI-based enrollees at application or renewal
 - If eligibility can be renewed based on available data, no return form is needed

Coordination: A Seamless System of Coverage

- Single, streamlined application for all insurance affordability programs
- Coordinated policies across Medicaid, CHIP, and the Marketplace (Exchanges)
- New website that provides program information and facilitates enrollment in all insurance affordability programs
- New standards and guidelines for ensuring a coordinated, accurate, and timely process
 - Performing eligibility determinations
 - Transferring information to other insurance affordability programs

Children's Health Insurance Program (CHIP)

- What is it?
- Who is eligible?

Overview of CHIP

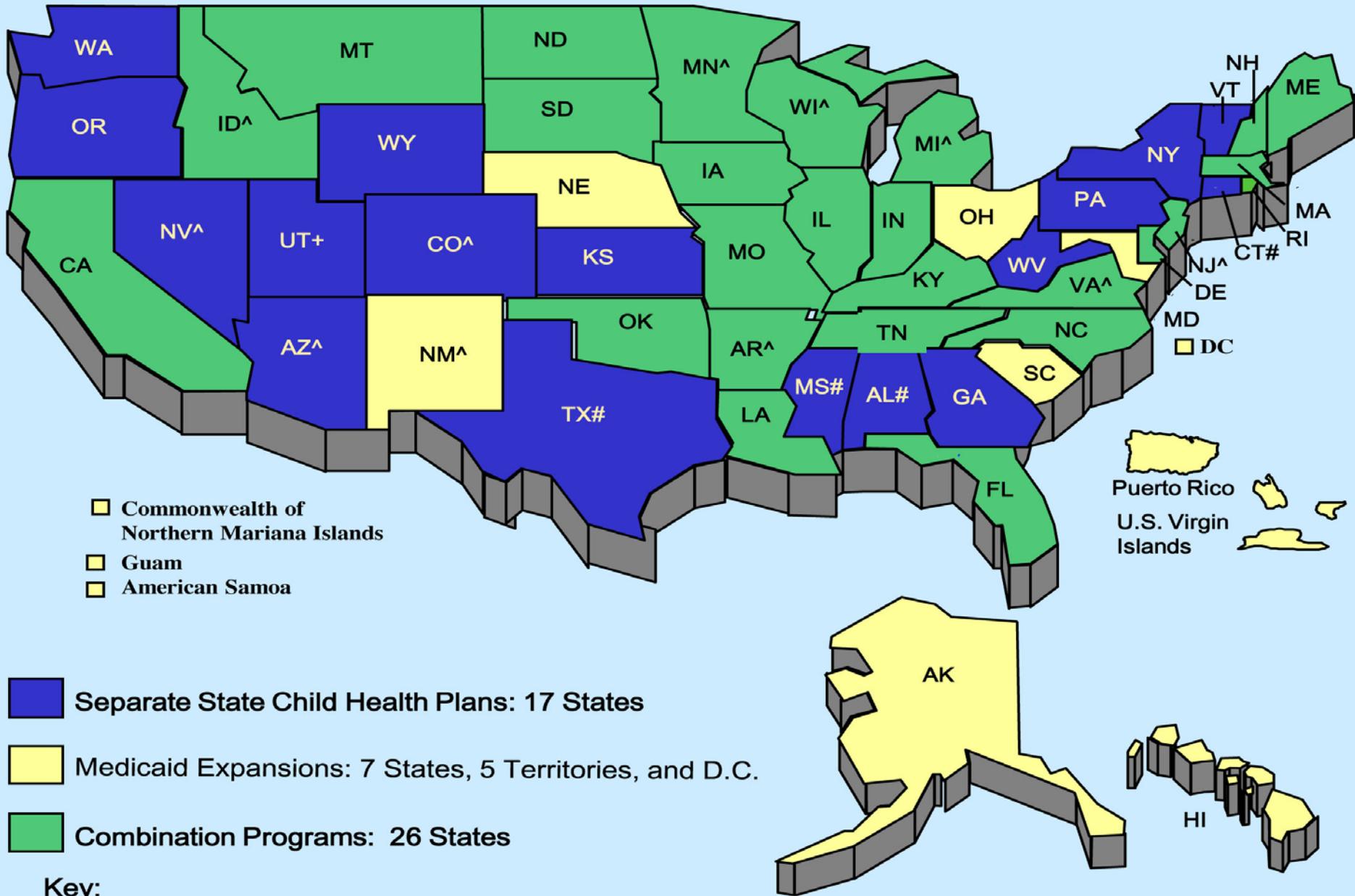
- Children's Health Insurance Program (CHIP)
- Title XXI of the Social Security Act
- Part of the Balanced Budget Act of 1997
- Covers America's uninsured children
- Joint federal and state financing
 - Federal Medical Assistance Percentages (FMAP)
- Administered by each state
- States have option to design program

CHIPRA

- Children's Health Insurance Program Reauthorization Act of 2009
- Also known as PL 111-3
- Reauthorized CHIP effective February 4, 2009

CHIP Program

- Provides health insurance for children
 - Up to age 19 and those not already insured
 - Must meet other requirements
- A federal/state partnership
- States set own guidelines within federal rules
- The way CHIP is funded
 - It's not an entitlement program



Key:

- ^** Approved CHIP 1115 Demonstrations with Coverage for Adults: 7 (AR, CO, ID, NV, NJ, NM, VA)
- #** State no longer has a Medicaid expansion program as of September 30, 2002, due to the aging out of the children phased into the Medicaid program under OBRA'90.

Who Is Eligible?

- Uninsured children and pregnant women
 - Family income too high for Medicaid
- CHIPRA makes it easier to obtain and access CHIP health care for
 - Uninsured children with higher income
 - Uninsured low income pregnant women
 - Children born to women receiving pregnancy-related assistance
 - Get automatic enrollment in Medicaid or CHIP

Eligibility and Enrollment Processes

- States can use public “express lane agencies”
 - For initial eligibility and redetermination
- Allows for auto enrollment
- State required to
 - Verify ineligibility
 - Document citizenship
 - Compute and report payment reviews

Citizenship Requirement

- States have options
 - State may lift five-year ban on covering legal immigrants
 - Citizenship documentation requirements apply
 - Tribal membership and enrollment documents satisfy requirements
- Changes retroactive to 2006

Introduction to Medicare Resource Guide

Resources

Centers for Medicare & Medicaid Services (CMS)

1-800-MEDICARE
(1-800-633-4227)
(TTY 1-877-486-2048)

www.medicare.gov

www.CMS.gov

Social Security

1-800-772-1213
TTY 1-800-325-0778

www.socialsecurity.gov

Railroad Retirement Board

1-877-772-5772

www.rrb.gov

State Health Insurance Assistance Programs (SHIPs)*

*For telephone numbers, call CMS:
1-800-MEDICARE (1-800-633-4227)
1-877-486-2048 for TTY users

www.medicare.gov/caregivers

www.HealthCare.gov

www.pcip.gov

www.Benefits.gov

www.Insurekidsnow.gov

Affordable Care Act

<http://www.healthcare.gov/law/full/index.html>

Medicare Products

Medicare & You Handbook

CMS Product No. 10050

Your Medicare Benefits

CMS Product No. 10116

Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare

CMS Product No. 02110

To access these products

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