

# 2014 National Training Program

## Module 13 Medicare and Other Programs for People With Disabilities





# Session Objectives

This session will help you

- § Recognize eligibility for Social Security programs
- § Summarize eligibility and enrollment in Medicare
- § Describe Medicare plan options for people with disabilities
- § Explain Medicaid and other programs for people with limited income and resources
- § Find where to get more information



# Background

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## § People with disabilities

- The fastest-growing Medicare population group
  - About 17 percent of Medicare beneficiaries
- Approximately 9 million have Part A and/or Part B
- Are often uninsured before qualifying for Medicare
- May qualify for both Medicare and Medicaid

Studies show that a 20-year-old worker has a 3-in-10 chance of becoming disabled before reaching retirement age.



# Lesson 1 — Social Security for People With Disabilities

- § Defining disability
- § Social Security Disability Insurance
- § Supplemental Security Income
- § Qualifying for these programs
- § How to apply for benefits



# How Social Security Defines Disability

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§ Medical (physical or mental) condition or combination of impairments

- Prevents substantial work for at least 12 months or
- Expected to result in death
- Considers age, education, and work experience

§ To qualify for Medicare based on a disability

- Must meet Social Security definition of disability



# Social Security Programs for People With Disabilities

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- § Federal programs provide cash benefits for people with disabilities
  - Social Security Disability Insurance
  - Supplemental Security Income
- § Administered by Social Security
- § Programs don't provide cash benefits for people with partial or short-term disability



# What's Social Security Disability Insurance (SSDI)?

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- § SSDI pays cash benefits if you meet the Social Security (SSA) definition of disability
  - To you and certain members of your family
  - If you're insured
    - You worked long enough and paid SSA taxes
- § Cash benefit amount is based on average lifetime earnings

# Who Can Get Social Security Disability Insurance?

Worker	Spouse*	Child
§ You must've paid enough into Social Security to qualify	§ At 62 or older § At any age if you're caring for child who's under 16 or disabled § At 50 if you're a disabled widow(er)  *Divorced spouses may qualify	§ Not married and under 18 (under 19 if still in high school) § Not married and disabled before 22



# Qualifying for Social Security Disability Insurance

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§ You must meet two different earnings tests

- “Recent work” test based on your age at the time you became disabled
- “Duration of work” test to show you worked long enough under Social Security

§ Tests are based on how many credits you’ve earned

- Also called working credits or quarters of coverage
- In 2014, you get one credit for each \$1,200 of earnings
  - Up to a maximum of four credits per year



# “Recent Work” Test for Social Security Disability Insurance

If you become disabled...	Then you generally need:
Before 24	1½ years of work (6 credits) in 3 years before you became disabled
Between 24 and 30	Enough credits for half of the time between 21 and the age you were when you became disabled
When you are 31 or older	At least 20 credits in the 10 years immediately before you became disabled



# “Duration of Work” Test for Social Security Disability Insurance

If you become disabled...	Then you generally need:
Before 28	1.5 years of work
30	2 years
34	3 years
38	4 years
42	5 years
46	6 years
50	7 years
54	8 years
58	9 years

\* This table doesn't cover all situations. These are examples of work needed for the test.



# Waiting Period for Social Security Disability Insurance (SSDI)

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§ There's a 5-month waiting period from the time disability began until SSDI benefits begin

- Except people eligible for childhood disability benefits

AND

- Some people who were previously entitled to disability benefits (in the past 5 years)



# What's Supplemental Security Income (SSI)?

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## § Federal needs-based program

- Pays cash benefits to certain people with low income and few resources
- No working credits needed to qualify
- If eligible, you may also qualify for Medicaid in most states

## § Basic SSI amount is same nationwide

- Amount is reduced by subtracting countable income
- Some states add money to the basic benefit

## § May qualify for both SSI and Social Security Disability Insurance payments



# Qualifying for Supplemental Security Income (SSI)

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- § Generally, to be eligible for SSI, you must
- Be 65 or older, blind, or disabled
  - Have limited income and resources
  - Be a citizen or national of the United States, or qualified alien, and
  - Reside in one of the 50 states, the District of Columbia, or the Northern Mariana Islands



# Applying for Disability Benefits

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§ To apply for disability benefits, you'll need

- Social Security number
- Proof of age
- Health care provider information
- Medical records
- Work history
- Most recent W-2 or self-employment tax return

§ Don't wait to apply

- Even if you're still gathering information



# How to Apply for Disability Benefits

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§ Visit [socialsecurity.gov](http://socialsecurity.gov)

§ By phone

- Call 1-800-772-1213 (TTY 1-800-325-0778) to make an appointment to file your claim by phone

§ In person

- Call 1-800-772-1213 (TTY 1-800-325-0778) to make an appointment to file your claim at your local Social Security office

§ Average processing time is 4 months



# Process for Determining Disability

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§ Social Security uses a 5-step process to decide if you're disabled

- Are you working?
- Is your medical condition "severe"?
- Is your medical condition on the List of Impairments?
- Can you do the work you did before?
- Can you do any other type of work?



# Compassionate Allowances (CAL)

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- § A way to expedite processing of SSDI and SSI disability claims for applicants with severe medical conditions
  - It's not a separate program from SSDI/SSI
- § If your medical condition is on the CAL list, your SSDI/SSI application is expedited
  - You may get decision within weeks instead of months
- § Examples: inflammatory breast cancer, pancreatic cancer, Huntington disease



# Disability Decision

- § You'll get a letter when Social Security makes a decision on your claim
- If your application is approved, the letter will show
    - ◻ Your benefit amount
    - ◻ Your payment start date
  - If your application isn't approved, the letter will show
    - ◻ The reason(s) for denial
    - ◻ How to appeal if you disagree with the decision

# Check Your Knowledge – Question 1

Anne is 25 and has had a serious disability since birth. She's never worked due to her disability, which meets the Social Security (SSA) definition and criteria. For what type(s) of SSA benefits might Anne be eligible?

- a. Social Security Disability Insurance (SSDI)
- b. Supplemental Security Income (SSI)
- c. Both SSDI and SSI
- d. Neither SSDI nor SSI



# Lesson 2 — Medicare for People With Disabilities

- § What's Medicare?
- § Who qualifies?
- § How to enroll



# What Is Medicare?

§ Health insurance for three groups of people

- Those who are 65 and older
- People of any age who have End-Stage Renal Disease
- People with certain disabilities
  - ◻ Under 65 and entitled to Social Security Disability Insurance for 24 months
  - ◻ Any age with Amyotrophic Lateral Sclerosis (ALS, known as Lou Gehrig's Disease)

§ Administered by the Centers for Medicare & Medicaid Services

# The Four Parts of Medicare



**Part A  
Hospital  
Insurance**



**Part B  
Medical  
Insurance**



**Part C  
Medicare  
Advantage  
Plans (like  
HMOs and PPOs)  
This includes  
Part A, Part B , &  
sometimes  
Part D**



**Part D  
Medicare  
Prescription  
Drug  
Coverage**



# Qualifying for Medicare Based on Disability

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- § Medicare usually begins after getting Social Security Disability Insurance (SSDI) for 24 months
  - Unless you have Amyotrophic Lateral Sclerosis
    - Medicare begins 1st month entitled to SSDI
- § Generally, this means you get Medicare in the 30th month after you become disabled
  - 5-month waiting period for SSDI benefits
  - Followed by 24-month waiting period for Medicare

# Automatic Enrollment in Medicare

- § You're automatically enrolled in Medicare if you qualify based on disability
- § You'll get an Initial Enrollment Period package
  - 3 months before 25th month of disability benefits
  - If you have Amyotrophic Lateral Sclerosis – about 4 weeks after Medicare entitlement
- § You need to decide whether to
  - Keep Part B
  - Enroll in Part D





# Retroactive Entitlement to Medicare

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- § In some cases, your entitlement to Medicare may be retroactive
- If your disability benefits are retroactive
  - Your Medicare card will show effective date
  - If you've received Medicare-covered services prior
    - q You may request that your provider submit those claims to Medicare
    - q Services must have been received after the effective date on your Medicare card



# How Long Are You Entitled to Medicare?

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- § As long you meet Social Security's (SSA) definition of disability
- § SSA has work incentives if you go back to work
  - Medicare continues if you're working but still disabled
  - You can get premium-free Part A for 8½ years after you return to work
  - You may purchase Part A coverage afterward
- § The reason for your Medicare entitlement changes at 65
  - Any penalty you may have had for late enrollment is removed at that time

# Check Your Knowledge – Question 2

James became entitled to Social Security Disability Insurance at 60 and Medicare at 62. He didn't take Part B when he was first eligible and didn't have employer coverage. He signs up for Part B during his Initial Enrollment Period when he turns 65. How much is his Part B late enrollment penalty?

- a. 10 percent
- b. 20 percent
- c. 30 percent
- d. No penalty



# Lesson 3 — Medicare Plan Choices for People With Disabilities

- § Medicare health and drug plan options
- § Medicare Supplement Insurance (Medigap) policies
- § Medical equipment and supplies
- § Medicare coordination of benefits for people with disabilities



# Plan Choices for People With Disabilities

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§ All Medicare plans are available

- Original Medicare
- Medicare Advantage Plans
- Other Medicare plans
- Medicare Prescription Drug Plans

§ May be restrictions on your eligibility for Medigap

- May not be available if under 65 (check with state)

§ People with End-Stage Renal Disease have more limited choices



# Medigap for People With Disabilities

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- § If you're under 65 and have a disability
  - Federal law doesn't require insurance companies to sell you a Medigap policy
  - If available, your choice of plans may be limited and you may be charged more based on health status
  - Or, you may have to wait until you turn 65
- § Some states require Medigap insurance companies to sell you a Medigap policy even if you're under 65



# Getting Medical Supplies and Equipment

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§ You may need medical equipment or supplies related to your impairment or disability

- Covered under Medicare Part B

§ DMEPOS stands for

- Durable Medical Equipment
- Prosthesis
- Orthotics
- Supplies

§ DMEPOS Competitive Bidding Program

- You may have to use a contracted supplier



# When Is Medicare the Secondary Payer?

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§ When Medicare is based on disability **and** you have health coverage through current employment

- If you're working and covered by a large Employer Group Health Plan (EGHP), or
- If you're covered by a large EGHP of a working spouse or other family member

§ Medicare is secondary payer

- If employer has 100 or more employees or
- If you're self-employed and covered by a large EGHP of employer with 100 or more employees



# Coordination of Benefits With Retiree Plans

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§ Medicare pays first

§ Your retiree health coverage pays second

- Might offer additional benefits
  - Prescription drug coverage
  - Routine dental care
- Refer to your plan's benefits booklet for more information on
  - Coverage for your spouse
  - Changes to your benefits, premiums, or limits on coverage

# Check Your Knowledge – Question 3

If you're under 65 and have Medicare based on a disability, Medigap companies may

- a. Charge you more based on your health status
- b. Not be required to sell you a Medigap policy
- c. Only agree to sell you certain Medigap policies
- d. Any of the above, depending on state law



# Lesson 4 — Other Programs for People With Disabilities

§ Health Insurance Marketplace

§ Medicaid

- Full Medicaid coverage
- Medicare Savings Programs
- Medicaid waivers

§ Extra Help



# Health Insurance Marketplace

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§ Offers a new way for people with disabilities to get coverage during 24-month waiting period for Medicare

- You may qualify for premium tax credits and cost-sharing reductions until your Medicare starts
- Once you're eligible for Medicare
  - ◻ You can drop your Marketplace plan, or
  - ◻ You can keep your Marketplace plan
    - But, there's no coordination of benefits and you won't be eligible for premium tax credits or cost-sharing reductions



# What Is Medicaid?

§ A joint federal-state health insurance program for certain people with limited income and resources

- Pregnant
- Under 21 (children)
- Aged, blind, or disabled
- A parent or caretaker of a child

§ Your eligibility is determined by state

§ Application processes and benefits vary by state

§ Most health care costs are covered if you have both Medicare and Medicaid



# How Are Medicare and Medicaid different?

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## Medicare

## Medicaid

National program that is consistent across the country

Statewide program that varies from state to state

Run by the federal government

Administered by state governments within federal rules (federal/state partnership)

Health insurance for people 65 or older, with certain disabilities, or with End-Stage Renal Disease (ESRD)

Health insurance for people based on need; financial and non-financial requirements

Nation's primary payer of inpatient hospital services for the elderly and people with ESRD

Nation's primary public payer of mental health and long-term care services (nursing home)



# Medicaid Expansion

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- § Gives states additional federal funding to expand their Medicaid programs to new groups
  - Adults 19–64 with income up to 138 percent of the federal poverty level
    - Up to \$16,104 a year for an individual (in 2014)
    - Up to \$32,913 for a family of four (in 2014)
- § Adults with disabilities may qualify for coverage under this group if their state expanded Medicaid



# What Are Medicare Savings Programs?

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§ Help from Medicaid paying Medicare Part A and Part B costs

- Pays Medicare premiums
- May pay Medicare deductibles and coinsurance

§ Programs often have higher income and resource guidelines than full Medicaid coverage

- Income and resource amounts change each year

# Medicare Savings Programs in 2014

Medicare Savings Program	Individual Monthly Income Limit	Married Couple Monthly Income Limit	Helps Pay Your
Qualified Medicare Beneficiary	\$993	\$1,331	Part A and Part B premiums, and other cost-sharing (like deductibles, coinsurance, and copayments)
Specified Low-Income Medicare Beneficiary	\$1,187	\$1,593	Part B premiums only
Qualifying Individual	\$1,333	\$1,790	Part B premiums only



# Qualified Disabled Working Individual (QDWI) Program

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- § QDWI is another type of Medicare Savings Program
- § Your state may pay Part A premiums if you're disabled, under 65, and
  - Part A is no longer free because you returned to work
  - Your income is less than 200 percent of the federal poverty level
  - Your resources are less than \$4,000 for an individual or \$6,000 for a couple (in 2014)
    - ◻ Some states have different limits
  - You aren't eligible for full Medicaid
- § Contact your local, county, or state social service agency or Medical Assistance office for more information



# Applying for Medicare Savings Programs

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## § If you might qualify for a Medicare Savings Program

- Review your local guidelines
- Contact local agencies for more information
- Collect your personal documents
- Complete an application with your state's Medicaid program
  - ◻ It may be called the State Medical Assistance office, or may have another name



# Medicaid Waivers

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§ Allow states to test alternative delivery of care

- Certain federal laws are 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



# What's Extra Help?

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- § Help paying Part D prescription drug costs
- § Social Security or your state makes a determination
- § These groups automatically qualify
  - People with Medicare and full Medicaid
  - Supplemental Security Income only
  - Medicare Savings Programs
- § All other people with Medicare must apply to get Extra Help
  - You can apply online, by phone, or by mail



# Applying for Extra Help

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## § Apply if you might qualify

- Collect your personal documents
- Contact these local agencies for more information
  - ◻ Social Security
  - ◻ State Medical Assistance office
  - ◻ Local State Health Insurance Assistance Program (SHIP) office
- Complete your application

# Check Your Knowledge – Question 4

Barbara has been getting Social Security Disability Insurance for 6 months. Her income is currently 300 percent of the federal poverty level. What type of coverage might she be eligible for during her 24-month waiting period for Medicare?

- a. Medicaid
- b. Marketplace plan
- c. Medigap policy
- d. Any of the above



# Visit My Social Security Account

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## § Valuable source of information

- Get your benefit verification letter (if eligible)
- Check your benefit and payment information
- Review your earnings record
- Estimate your retirement and disability benefits



[socialsecurity.gov/myaccount](https://socialsecurity.gov/myaccount)

# Resource Guide

## Government Resources

### Medicare

[cms.gov](https://www.cms.gov)  
[medicare.gov](https://www.medicare.gov)  
1-800-MEDICARE  
(1-800-633-4227)  
TTY 1-877-486-2048

### Social Security

[socialsecurity.gov](https://www.socialsecurity.gov)  
1-800-772-1213  
TTY 1-800-325-0778

### Railroad Retirement Board

[rrb.gov](https://www.rrb.gov)  
1-877-772-5772  
TTY (312) 751-4701

### Health Insurance Marketplace

[healthcare.gov](https://www.healthcare.gov)  
[marketplace.cms.gov](https://www.marketplace.cms.gov)  
1-800-318-2596  
TTY 1-855-889-4325

### Administration for Community Living

[acl.gov](https://www.acl.gov)

### HHS Office for Civil Rights

[hhs.gov/ocr/civilrights/understanding/disability/index.html](https://www.hhs.gov/ocr/civilrights/understanding/disability/index.html)

### State Health Insurance Assistance Programs (SHIPs)

[medicare.gov/contacts](https://www.medicare.gov/contacts)

[disability.gov](https://www.disability.gov)

## Medicare Products

### “Medicare & You Handbook”

CMS Product No. 10050

### “Your Medicare Benefits”

CMS Product No. 10116

### To access these products:

View and order single copies at  
[medicare.gov](https://www.medicare.gov)

Order multiple copies (partners only)  
at [productordering.com.hhs.gov/](https://productordering.com.hhs.gov/).  
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