MEDICAID AND MORE
A Guide for the Elderly and Disabled Living at Home or in a Nursing Home

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MEDICAID – Categories of Eligibility

- There are currently 41 COE’s
- 25 are based on age or disability
- Age – defined as age 65 or older
- Disability – same definition used by SSA for SSI or Social Security Disability Income
- 16 COE’s are pregnancy/minor children/family related

SOCIAL SECURITY COMPASSIONATE ALLOWANCES

- Disability Determination Services in Jackson is the state agency that determines disability for SSI, Social Security, and Medicaid.
- "Compassionate Allowances" means a faster determination for those with certain illnesses – ref. Compassionate Allowances list at www.ssa.gov.
MEDICARE

Who gets Medicare?
- Age 65 or older whose work record meets requirements.
- Disabled individuals after a 5 month waiting period for SS disability + 24 months.
- No 24 month waiting period for those with ALS (Lou Gehrig's disease).
- The 1st day of the 4th month after dialysis begins for End Stage Renal Disease – do not have to be drawing SS.

MEDICARE OPTIONS

A. Original Medicare Part A
Covered services:
- Hospital stays (inpatient)
- Skilled nursing facility
- Hospice
- Home health care

Original Medicare Part B
Covered services:
- Doctors' services
- Hospital outpatient care
- Home health care
- Some preventive services
MEDICARE PART C (replacement plans)
- Includes all benefits and services covered under Part A and Part B
- Run by Medicare-approved private insurance companies – 3 are licensed in MS – Healthspring, Humana, and WellCare (previously Windsor)
- Usually includes Medicare prescription drug coverage (Part D) as part of plan
- May include extra benefits and services for an extra cost

WHEN CAN MEDICARE PLAN CHANGES BE MADE?
- **Open Enrollment** is Oct. 15 – Dec. 7 of each year to be effective Jan. 1 of the following year.
  
  or
  
  **Special Enrollment Periods.** Examples:
  - Move out of plan’s service area.
  - Medicaid recipient.
  - Qualify for extra help (low income subsidy).
  - Entering long term care.

MEDICARE SUPPLEMENTS FOR THOSE RETURNING TO ORIGINAL MEDICARE
- Mississippi legislature did not require companies sell Medicare supplement plans, or Medi-gap coverage, to those leaving a Medicare Advantage plan and returning to original Medicare.
Medicare Part D

A prescription drug option run by Medicare-approved private insurance companies

- Helps cover the cost of prescription drugs
- May help lower your prescription drug costs; may protect against higher future costs
- MS Medicaid recipients who are entitled to Medicare no longer have Medicaid payment of their prescription drugs (few exceptions)

Prescription Drug Coverage for Medicaid Recipients

Medicare D low income subsidy

i. Beneficiary enrollment
ii. Automatic enrollment for Medicaid recipients

Medicaid Services

- Hospital care - Inpatient services – no limit
- Hospital care - Outpatient services
- Long term care services
- Non-emergency transportation services
- Office visits (12 per fiscal year)
- Prescription drugs (unless beneficiary is entitled to Medicare)
- Dialysis
- Durable medical equipment
- Physician services, physician assistant services, nurse practitioner services
NURSING HOME CARE – SHORT TERM

How do we pay?
- Medicare A – 100% of days 1-20 following a 3 day in-patient hospital stay
- Medicare A – days 21-100 with a co-pay of $164.50 per day. This co-pay may be covered by supplemental private insurance or by Medicaid.

LONG TERM CARE

HOW DO WE PAY?
- Private Pay
- Long term care insurance
- VA – In a VA facility
- Medicaid

LONG TERM CARE INSURANCE
- Most pay a daily rate
- Many daily rates do not cover total cost of nursing home care
- Many residents with long term care insurance still need Medicaid to pay the difference
VA BENEFITS – 3 TYPES

- COMPENSATION
- PENSION
- HEALTH BENEFITS

VA DISABILITY COMPENSATION

- VA Disability Compensation is a tax free monetary benefit paid to veterans with disabilities that are the result of a disease or injury incurred or aggravated during active military service.
- Paid based on assigned ratings of disability – 10% - 100%.

VA PENSION

- Monthly benefit payments to certain wartime veterans with financial need, and their survivors.
- Both income and asset tested.
- For single veterans or widows of veterans in the nursing home and on Medicaid, pension payment is limited to $90 per month.
VA INCOME AND ASSETS

- VA, unlike Medicaid, offsets income with medical expenses and may allow some living expenses.
- The asset limit for an individual is approximately $40,000 and $80,000 for a couple. These may be adjusted due expenses and life expectancy.

VA HEALTH BENEFITS

- Once a veteran applies, VA assigns her/him to a priority group 1 – 8, with 1 being the highest priority enrollment.
- Some groups have co-pays.
- Services are available at VA hospitals and VA outpatient clinics.
- VA nursing homes are either federal or state facilities. Daily per diem is less than private nursing homes.

SOME MEDICAID AT HOME CATEGORIES

HEALTHY MISSISSIPPI WAIVER:
For those who are not eligible for Medicare. Many of these are disabled individuals who are in the 29 month waiting period for Medicare.

Income Limit:
- Individual - $1407 per month
- Couple - $1877 per month

Assets limit:
- Individual - $4,000
- Couple - $6,000
WORKING DISABLED:
Unearned Income Limit:
   Individual - $1407 per month
   Couple - $1877 per month
Earned income limit is
   Individual - $5091 per month
   Couple - $6833 per month
Assets limit - Individual - $24,0000. Couple - $26,000.

MEDICAID COST SHARING BENEFITS
- These programs are not asset tested.
  QMB - Individual - $1055
   Couple - $1404
   Pays Medicare premiums, deductibles, and co-pays
  QI - Individual - $1407
   Couple - $1877
   Pays Medicare Part B premiums only.

Medicaid Long Term Care Categories of Eligibility for At-Home
- A. Home and Community Based Service Waivers
  i. Elderly and Disabled
  ii. Independent Living
  iii. Traumatic Brain Injury/Spinal Cord Injury
  iv. Assisted Living
  v. MR/DD Waiver

For these categories the eligibility requirements are the same as for nursing home Medicaid.
Medicaid Income Limit for Long Term Care Categories

- A. Individual - $2205 per month
- B. Long term care Income Trust for clients whose income exceeds $2205
  - i. Nursing home residents - pay excess to the facility
  - ii. Waiver clients - establish a trust bank account, deposit the excess monthly, pay to the Division of Medicaid annually
- C. Community Spouse allowance of up to $3022.50 per month for nursing home residents

WHAT IS INCOME?

"Any item an individual receives in cash (or in some instances in-kind) that can be used to meet his/her needs for food or shelter. The same item cannot be counted as both income and a resource in the same month.

The same money cannot be counted as income and a resource in the same month.

- SS deposited on 06-03-16 in the amount of $1500.
- End of June bank balance $5000.
- $5000
- $1500
- $3500 – eligible in that month
Medicare A residents

- No income is owed for any day(s) when Medicare A is primary payer.
- Be careful that assets do not accumulate to more than $4000 while on Medicare Part A.

Medicaid Resource Limit for Long Term Care Categories

- A. Individual resource limit of $4000.
- B. Community spouse resource limit of $120,900.

MEDICAID ASSETS – 2 CATEGORIES

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ESTATE RECOVERY

Exceptions:
Surviving Spouse (even if surviving spouse is in the nursing home or lives somewhere else)
Dependent relative lives there

Medicaid Transfer of Resource Rules for Nursing Home and Waiver Clients

A. Transfer of resource penalty for assets transferred during 5 year look back period. Based on total amount transferred.

Medicaid divisor of:
1. $5700 for assets transferred through June 30, 2014.
2. $5920 for assets transferred beginning July 1, 2014.
3. $6250 for assets transferred beginning July 1, 2015.
4. $6405 for assets transferred beginning July 1, 2016.

Example: A CD of $77,000 transferred 06-01-14 — Penalty would be 10 months. Medicaid would not pay the nursing home as the PRIMARY payer for 10 months from date person enters the nursing home and is eligible for Medicaid.

EXCEPTIONS TO PENALTIES

B. Exception to transfer penalty for home property:
   i. Property transferred to a minor child or a disabled child of any age.
   ii. Property transferred to a child who lived in the home and provided medical care for at least 2 years prior to nursing home admission.
EXCEPTIONS - continued

C. Exception to transfer penalty for non-home property:
   i. Property or other asset transferred to a minor child
      or a disabled child of any age (Not needs based but
      could affect SSI and/or
      Medicaid if child receives benefits).

MEDICAID SAYS:

On their Long Term Care Eligibility flyer:
"Persons who plan to apply for Medicaid
may not transfer assets within 60
months prior to application."

Reality is:
Assets transferred within 60 months can
be subject to a transfer of assets
penalty.

Getting into the Nursing Home

A. Entering from the hospital (original Medicare)
   A 3 day inpatient hospital stay opens the door for UP TO a 100
day rehabilitation stay in a swing-bed hospital or a nursing
home.
   Medicare doesn't cover long-term or custodial care.

   Note: staying overnight in a hospital doesn't always
mean you're an inpatient.
MEDICAID FUNDING

- Combination of state and federal funds
- Each state is assigned a federal match rate based on per capita income
- MS gets one of the highest federal match rates. WHY???
- The federal match rate for MS is approximately $3 federal for each $1 state

Medicaid Funds

- FY 2016 State Appropriated Funds
  Request –
  State direct funds - $1.01 billion
  Other non-federal funds - $515.7 million
  Federal funds - 4.35 billion
  TOTAL 5.88 billion

DO YOU HAVE A PLAN? HERE IS MINE

- Live at home until I die.
- Be in full control of my mind, body, and assets.
- Close my eyes one day and wake up with Jesus.
WHAT IF MY PLAN A DOES NOT WORK?

Go to Plan B:
- General Durable Power of Attorney.
- Will or trust, depending on family needs and assets.
- Long term care policy.
- Health care directives.

THE BEST PLAN

- Give some time and thought to planning.
- Discuss your goals, dreams, desires with a trusted family member, friend, attorney.
- Do not wait for a crisis to dictate needed actions.