Medicare Due to Disability

A Guide for Nebraskans under age 65

Nebraska

SHIIP

Senior Health Insurance Information Program

Medicare Due to End-Stage Renal Disease (ESRD)

Eligibility

A person is eligible for Medicare if they require regular dialysis or have had a kidney transplant and meet one of the following requirements:

- Have worked the required amount of time under Social Security, for the Railroad Retirement Board or as a government employee
- Are receiving or are eligible for Social Security or Railroad Retirement cash benefits
- Are the spouse or dependent child of a person who has worked the required amount of time or who is receiving Social Security or Railroad Retirement cash benefits

When does Coverage begin?

When individuals enroll in Medicare based on ESRD and are on dialysis, their Medicare coverage usually starts the **first day of the fourth month of dialysis treatments**.

Medicare coverage can start earlier if certain circumstances are met. Please contact SHIIP for more information.

Medicare Due to Disability

Who Qualifies?

Those under age 65 who have received Social Security disability benefits or Railroad Retiree disability benefits for 24 months are eligible. *Persons under age 65 who have Amyotophic Lateral Sclerosis (ALS or Lou Gehrig's Disease) receive Medicare benefits the first month they receive disability benefits.*

Initial Enrollment Period

Generally, beneficiaries with disability determinations are automatically enrolled in Medicare Part A and Part B for coverage beginning the 25th month of entitlement to Social Security benefits.

Medicare may not be the best choice for all. Other special enrollment periods may exist for certain beneficiaries, including those with other creditable coverage through work. Please contact your local SHIIP office at 1-800-234-7119.

Penalties for Delayed Enrollment

Penalties apply for late enrollment for Medicare beneficiaries under age 65 with a disability the same way penalties apply for the 65-or-older beneficiary. However, at age 65 the disabled beneficiary starts with a clean slate as a 65-or older beneficiary and has no further penalty if enrollment is completed within required periods.

If a person stops receiving Social Security disability benefits due to "medical recovery" (medical condition has improved and no longer meets the disability definition), Medicare entitlement based on disability also ends.

Medicare Advantage

Medicare Advantage is an alternative to Original Medicare coverage. Sometimes referred to as Medicare Health Plans or Part C, Medicare Advantage Plans are health plan options that are approved by Medicare and managed by private companies.

Medicare Advantage Plans provide all of your Part A (hospital) and Part B (medical) coverage and must cover medically-necessary services. Most Medicare Advantage Plans also cover Part D (prescription drugs) benefits.

Some plans offer extra benefits, such as dental and vision services. Medicare Advantage plans are required to accept all Medicare beneficiaries, with the exception of those beneficiaries with End-Stage Renal Disease. Medicare Advantage plans cannot have a waiting period for pre-existing conditions.

Beneficiaries are able to review and change their plan once every year during open enrollment (October 15-December 7). Each plan has an out-of-pocket-maximum; this is the *maximum* amount a beneficiary will have to pay for hospital and medical services.

If you are considering joining a Medicare Advantage Plan, keep the following in mind:

- ***You are responsible for co-payments.*** Under Medicare Advantage, you must pay co-payments for each Medicare-covered service, such as physician office visits and inpatient hospital stays. These co-pays vary according to plan.

- ***Your provider may or may not accept your plan.*** Doctors or hospitals from which you receive care are not required to accept payment from Medicare Advantage Plans. If the provider does not accept the plan, you may be responsible for the entire payment.

What are the qualifications to Join a Medicare Advantage Plan?

You must have Medicare Part A and Part B to join a Medicare Advantage Plan. Some plans do not charge a monthly premium, but you must continue to pay the Part B premium.

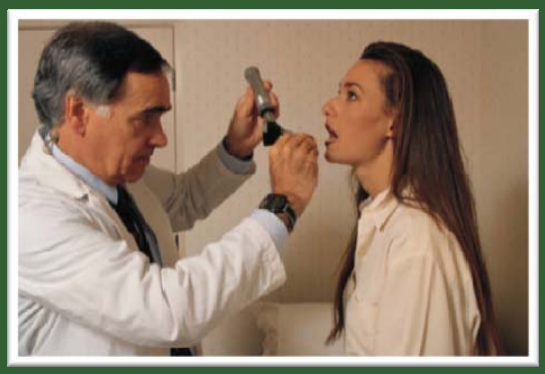
When can you join a Medicare Advantage Plan?

You may join a Medicare Advantage Plan when you first become eligible for Medicare, whether by age or disability. A seven month initial enrollment period is granted to new Medicare enrollees that includes the three months before your first month of Medicare eligibility, your month of Medicare eligibility, and the three months after your first month of Medicare eligibility.

When Can You Change Your Medicare Advantage Plan?

Annual Enrollment Period: You may join or change your Medicare Advantage Plan between October 15 and December 7. All enrollment changes made during this period will take effect January 1 of the following year.

Annual Disenrollment Period: Between January 1 February 14, if you are enrolled in a Medicare Advantage Plan, you are allowed to dis enroll from your plan and switch to Original Medicare.



Medicare Supplement Policies

In the State of Nebraska, Medicare supplement policies are not required to be sold to Medicare beneficiaries under the age of 65. However, when a person on Medicare turns 65, he/she will have a six-month Open Enrollment Period to purchase any Medicare Supplement policy. The six-month Open Enrollment Period begins on the date that coverage under Part B begins at or after age 65. During Open Enrollment, any company selling Medicare Supplement policies in the State of Nebraska is required to accept all applicants, regardless of health.

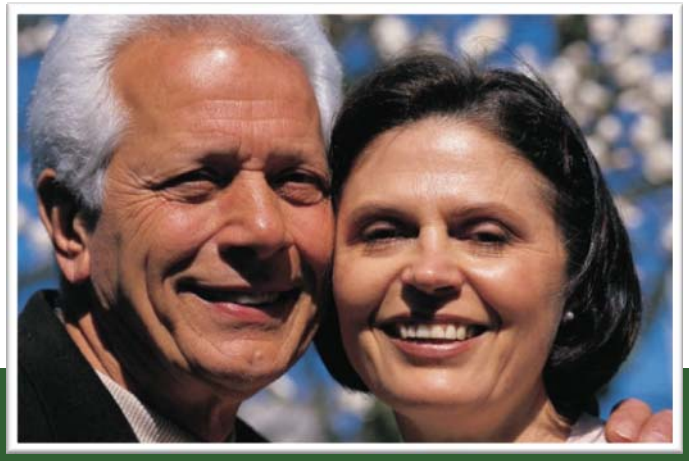
Employer/Group Insurance

Many beneficiaries with Medicare due to a disability continue to be eligible for coverage under an employer's group plan or the plan of a spouse. Many group insurance plans include benefits that Medicare and Medicare Advantage plans do not offer, including dental and vision insurance. It is important that beneficiaries weigh all options before dropping coverage through the employer group plan. Once group coverage is terminated under these conditions, the option to re-enroll may not be available.

Cobra Coverage

COBRA coverage is an extension of an employer group plan, offered to employees who experience certain qualifying events - such as loss of employment.* An employee may be responsible for both the personal share and the employer's share of the premium. COBRA coverage is lost on the date a person becomes enrolled in Medicare. If a person is enrolled in Medicare before becoming eligible for COBRA, the COBRA coverage will still be available.

*Having COBRA coverage will not provide for a Medicare Special Enrollment Period – meaning that if a beneficiary chooses to delay enrollment in Medicare until after the seven-month Initial Enrollment Period, he/she will then only be able to enroll during the General Enrollment Period. General Enrollment runs from January through March of each year, with Medicare benefits effective July 1st. Penalties will apply.



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