

MEDICARE

Medicare is a federal health insurance program that provides health care coverage to people age 65 and older, people with disabilities, and people with end-stage renal disease. Similar to the private health insurance coverage provided by employers, it does not cover all health care costs and it does not cover long-term care.

There are four parts to Medicare coverage:

- Part A: Hospital insurance for inpatient care in a hospital, in a nursing home after a hospital stay, and some home health and hospice care.
- Part B: Medical insurance for doctors' services and many other medical services and supplies that are not covered by Part A.
- Part C: Medicare Advantage plans that are run by health insurance companies and include Parts A, B, and D coverage all in one (although not widely available in New Hampshire).
- Part D: Prescription drug coverage run by private health insurance companies.

The Medicare program is operated by the Centers for Medicare and Medicaid services. Application is through the Social Security Administration.

TOPICS COVERED

- Eligibility
- Benefits
- Assistance for Medicare out-of-pocket costs
- Work Incentive Programs
- Appeal Rights
- Federal and State Offices

For more detailed information see the official Medicare website at: <http://www.medicare.gov>. The publication *Medicare & You*, available on [medicare.gov](http://www.medicare.gov) website, is a good source for basic information.

ARE YOU ELIGIBLE FOR MEDICARE BENEFITS?

Eligibility for Medicare benefits is different for each Part.

MEDICARE PART A

There are several ways to become eligible for Part A benefits. The five most common are listed in the table below. If you are eligible under one of the three eligibility pathways in the left-hand column, you have no premium payment. The two pathways on the right require a premium, which is \$407 per month in 2015.

It is important to note that you must have been eligible for Social Security disability insurance benefits for 24 months before becoming eligible for Medicare on the basis of disability, unless that disability is amyotrophic lateral sclerosis (ALS or Lou Gehrig's disease). If you have ALS, you become eligible for Medicare the month your Social Security disability benefit begins.

AGE 65 OR OLDER	
<p>Part A Eligibility 1 – No premium</p> <ul style="list-style-type: none"> • Eligible for retirement benefits under Social Security or Railroad Retirement. 	<p>Part A Eligibility 4 – Premium required</p> <ul style="list-style-type: none"> • U.S. citizen or a lawfully admitted noncitizen who has lived in the U.S. for at least five years. • Not eligible under Category 1, 2, or 3. • Enrolled in Part B.
UNDER AGE 65 WITH A DISABILITY	
<p>Part A Eligibility 2 – No premium</p> <ul style="list-style-type: none"> • Eligible for Social Security or Railroad Retirement disability benefits <i>for at least 24 months</i>. 	<p>Part A Eligibility 5 – Premium required</p> <ul style="list-style-type: none"> • Previously eligible for Medicare under Part A Eligibility 2. • Continue to have a disability. • Lose eligibility for disability benefits solely because earnings exceed substantial gainful activity limits [\$1,800/month for blind and \$1,070/month for people with other disabilities (2014)]. • Not otherwise eligible for Medicare Part A.
ANY AGE WITH END-STAGE RENAL DISEASE	
<p>Part A Eligibility 3 – No premium</p> <ul style="list-style-type: none"> • Not eligible under Category 1 or 2; and • Medical determination of end stage renal disease. 	

MEDICARE PART B

There are two eligibility pathways for Medicare Part B. Both require a monthly premium payment which is \$104.90 for 2015 (higher if your income is above a certain amount).

Part B Eligibility 1 – You are:

- Eligible for free Medicare Part A (no premium).

Part B Eligibility 2 – You are:

- Not eligible for free Medicare Part A (premium required); and
- A U.S. citizen or a lawfully admitted noncitizen who has lived in the United States for at least five years.

MEDICARE PART C

A Part C Medicare Advantage Plan provides the same coverage as Parts A, B, and D together. However, the availability is limited in New Hampshire. Go to [medicare.gov](http://www.medicare.gov) to learn more about Part C and its availability in your area.

MEDICARE PART D

If you have Medicare Part A, B, or C, you may enroll in Medicare Part D. There is a premium and the amount varies with the plan you select. In 2015, New Hampshire premiums range from \$15.60 to \$127.10. The average premium is \$48.57.

For more information on Medicare eligibility, see the [medicare.gov](http://www.medicare.gov) website at: <http://www.medicare.gov>.

WHAT ARE THE MEDICARE BENEFITS?

Medicare covers many services, as shown in the box on the right. However, it does not pay fully for all services. In addition to the out-of-pocket cost of premiums, there are deductibles, co-payments, and co-insurance costs. If you have limited means, you may get help paying these costs. (See the next section for more on Medicare assistance programs.)

Medicare out-of-pocket costs for 2015 are outlined below.

Part A – Hospital Insurance

Hospital

- Inpatient hospital deductible..... \$1,260 per year
- Days 0-60..... \$0
- Days 61-90 of hospitalization..... \$315 per day
- Days 91-150 (Lifetime reserve days)..... \$630 per day

Nursing facility (nursing home)

- Days 0-20, extended care in skilled nursing facility..... \$0
- Days 21-100, extended care in skilled nursing facility..... \$157.50 per day

Part B – Medical Insurance

- Deductible..... \$147 per year
- Physician visit..... 20% of cost
- Mental health..... 20% of cost
- Other services..... Varies

Part D – Prescription Drug

There are many Medicare Part D plans to choose from. Coverage and costs are different for each plan. Your costs will also vary with the prescriptions you use, whether your prescriptions are on your plan’s drug formulary, and whether the pharmacy you use is in network or not. You may expect a monthly premium, a yearly deductible, and copayments or coinsurance costs. Most plans also have a coverage gap during which you pay all costs out-of-pocket up to a yearly limit.

The table below is an illustration of Part D coverage and out-of-pocket costs in 2014 from *Medicare & You 2013*, a publication you can find at <http://www.medicare.gov>.

MEDICARE BENEFITS 2013

PART A – Hospital Insurance

- In-patient hospital services
- Post-hospital skilled nursing facility services
- Home health and hospice services

Part B – Medical Insurance

- Physician services
- Laboratory services
- Outpatient physical therapy and occupational therapy services
- Home health services
- Outpatient mental health services
- Outpatient rehabilitation facility services
- Diabetes supplies
- Durable medical equipment (e.g., wheelchairs)
- Prosthetic devices, orthotics and prosthetics
- Outpatient renal dialysis services
- And more . . .

Part D – Prescription Drug

- Prescription drugs

Monthly Premium—Ms. Smith pays a monthly premium throughout the year.			
1. Yearly Deductible →	2. Copayment or Coinsurance →	3. Coverage Gap →	4. Catastrophic Coverage
Ms. Smith pays the first \$320 of her drug costs before her plan starts to pay its share.	Ms. Smith pays a copayment, and her plan pays its share for each covered drug until what they both pay (plus the deductible) reaches \$2,960.	Once Ms. Smith and her plan have spent \$2,960 for covered drugs, she is in the coverage gap. In 2015, she pays 45% of the plan’s cost for her covered brand-name prescription drugs and 65% of the plan’s cost	Once Ms. Smith has spent \$4,700 out-of-pocket for the year, her coverage gap ends. Now she only pays a small coinsurance or copayment for each covered drug until the end of the year.

		<p>for covered generic drugs. What she pays (and the discount paid by the drug company) counts as out-of-pocket spending and helps her get out of the coverage gap.</p>	
--	--	---	--

For more information on Medicare benefits and costs, see the [medicare.gov](http://www.medicare.gov) website at: <http://www.medicare.gov>.

WHAT ASSISTANCE PROGRAMS ARE AVAILABLE TO HELP PAY OUT-OF-POCKET MEDICARE COSTS?

There are several programs that may help you pay out-of-pocket Medicare costs.

Medicaid

The New Hampshire Medicaid program provides health care coverage for people with limited income and resources, as well as for people with disabilities who work and have higher income levels. Medicaid covers most services covered by Medicare and it also covers long-term care services, such as personal care. If you are eligible for both Medicare and Medicaid, Medicare pays first and Medicaid pays second. See [New Hampshire Assistance Programs](#) for more information.

Medicare Savings Programs

The Medicare Savings Programs help people with limited means pay for Medicare premiums and other Medicare out-of-pocket costs. See the eligibility requirements for each program in the box on the right.

- Qualified Medicare Beneficiary (QMB) Program
The QMB program pays for: Part A and Part B premiums; the Part B annual deductible; and coinsurance and deductibles for services under Part A and Part B.
- Specified Low-Income Medicare Beneficiary (SLMB) Program
The SLMB program pays for the Part B premium.
- Qualified Disabled and Working Individuals (QDWI) Program
The QDWI program helps pay the Part A premium.

You apply for a Medicare Savings Program through your local New Hampshire Department of Health and Human Services District Office.

<p>Medicare Savings Program Eligibility Requirements</p> <p>Qualified Medicare Beneficiary (QMB)</p> <ul style="list-style-type: none"> • Eligible for Medicare Part A, even if not currently enrolled • Net income ≤ \$958 (\$ 1,293 for a couple) • Resources ≤ \$7,280 (\$10,930 for a couple) <p>Special Low-Income Medicare Beneficiary (SLMB)</p> <ul style="list-style-type: none"> • Eligible for Medicare Part A, even if not currently enrolled • Net income ≥ \$959 but ≤ \$1,293 (≥ \$1,294 but ≤ \$1,745 for a couple) • Resources ≤ \$7,280 (\$10,930 for a couple) <p>Qualified Disabled and Working Individuals Program</p> <ul style="list-style-type: none"> • Under age 65 • Have a disability • Lost premium-free Medicare Part A because you returned to work • Not a Medicaid recipient • Net income ≤ \$1,945 (\$2,622 for a couple) • Resources ≤ \$4,000 (\$6,000 for a couple)
--

Extra Help

The Extra Help program offers a low-income subsidy. If you meet income and resource limit requirements, the Extra Help program helps pay the costs of Medicare prescription drug coverage. If you qualify for the most help, you pay nothing for your Medicare drug plan premium and deductible and you pay only \$2.65 for generic and \$6.60 for brand-name covered drugs. You qualify to apply for extra help if:

- You have Medicare Part A and/or Medicare Part B; and
- You live in one of the 50 states or the District of Columbia; and

- Your combined savings, investments, and real estate are not worth more than \$13,440 for an individual (\$26,860 for a couple). (This amount does not include the home you live in, vehicles, personal possessions, burial plots, irrevocable burial contracts or back payments from Social Security or SSI.)

**Apply for Extra Help at your local Social Security Office or on-line at
<https://secure.ssa.gov/apps6z/i1020/main.html>.**

Note: If you qualify for Medicaid, for Medicare and SSI, or for one of the Medicare Savings Programs, you automatically qualify for Extra Help and you do not have to apply.

WHAT ARE THE MEDICARE WORK INCENTIVE PROGRAMS FOR PEOPLE WITH DISABILITIES?

You may continue to receive the Medicare coverage associated with your entitlement to Social Security disability benefits after you return to work. Medicare coverage is available in three successive time periods— (1) a 9-month trial work period; (2) a 93-month time period after the trial work period; and (3) an indefinite period of coverage after the 93-month period.

Time Period 1 – Trial Work Period

If you have a Social Security disability insurance benefit, you are entitled to a “trial work period” to test your ability to work for at least 9 months. During the trial work period, you receive your full Social Security benefit and your Medicare benefit regardless of how much you earn as long as your work activity has been reported and you continue to have a disability. The 9 months do not need to be consecutive and your trial work period will last until you accumulate 9 months within a rolling 60-month (5-year) period.

Other facts about the trial work period:

- Social Security will consider you to be working if your monthly earnings indicate substantial gainful activity, employment earnings of at least \$780 per month (2015) or self-employment of over 80 hours in a month.
- You may have only one trial work period during a period of entitlement to cash benefits.
- Generally, you are entitled to a trial work period if you are entitled to disability insurance benefits, child's benefits based on disability, or widow's or widower's or surviving divorced spouse's benefits based on disability.
- After the nine month trial work period has ended, the work performed during it may be considered in determining whether you are no longer disabled, and thus no longer eligible for Social Security income and Medicare benefits.

Other rules also apply.

Time Period 2 – 93 Months of Continued Medicare Coverage after a Trial Work Period

After a trial work period, you may continue to receive Medicare Parts A, B (if enrolled), and D (if enrolled) benefits for 93 consecutive months. You must already have Medicare and be working at a substantial gainful activity level, but not be medically improved. There is no premium for Part A. Therefore, while you no longer receive a Social Security disability cash benefit after the 9-month Trial Work Period, you still have health insurance coverage for almost 8 years. (93 months is 7 years and 9 months.)

Time Period 3 – Indefinite Medicare Coverage after the 93-Month Period

After the 93-month period of Medicare coverage has ended, you may continue to receive Medicare benefits if you continue to have a disability. You would have to pay the premium for Part A as well as the premiums for Parts B and D. The amount of the Part A premium will depend on the number of quarters of work you or your spouse paid into Social Security (see box at right). If your income is low, you may be eligible for State assistance to pay the premiums.

Time Frame 3 Premium Reduction

You may qualify for a 45% reduction of the Part A premium (\$225 in 2015). To qualify for the reduction you must:

- Have 30 or more quarters of coverage on your earnings record; or
- Have been married for at least 1 year to a worker with 30 or more quarters of coverage; or
- Were married for at least 1 year to a deceased worker with 30 or more quarters of coverage; or
- Are divorced, after at least 10 years of marriage, from a worker who had 30 or more quarters of coverage at the time the divorce became final.

For more information on Medicare work incentives, see the Social Security work incentive website at: <http://www.ssa.gov/disabilityresearch/wi/generalinfo.htm>.

WHAT ARE MY RIGHTS IF I DISAGREE WITH A MEDICARE ELIGIBILITY OR COVERAGE DECISION?

You may appeal a decision to deny Medicare eligibility or coverage, for whatever reason. You appeal to the Social Security Administration or the Railroad Retirement Board. Appeals are handled by your local Social Security office.

STATE AND FEDERAL OFFICES

New Hampshire Social Security Offices

70 Commercial St. Suite 100 Concord, NH 03301-5005	34 Mechanic St. Keene, NH 03431	177 Main St. Littleton, NH 03561
2 Wall St. Suite 301 Manchester, NH 03101	175 Amherst St. Suite 2 Nashua, NH 03064	80 Daniel St Federal Bldg., Room 200 Portsmouth, NH 03802

New Hampshire Department of Health and Human Services District Offices

Berlin 650 Main Street, Suite 200 Berlin, NH 03570 (603) 752-7800; (800) 972-6111 TDD Access Relay: (800) 735-2964 Fax: (603) 752-2230	Claremont 17 Water Street, Suite 301 Claremont, NH 03743 (603) 542-9544; (800) 982-1001 TDD Access Relay: (800) 735-2964 Fax: (603) 542-2367	Concord 40 Terrill Park Drive Concord, NH 03301 (603) 271-6201; (800) 322-9191 TDD Access Relay: (800) 735-2964 Fax: (603) 271-6451
Conway 73 Hobbs Street Conway, NH 03818 (603) 447-3841; (800) 552-4628 TDD Access Relay: (800) 735-2964 Fax: (603) 447-1988	Keene 809 Court Street Keene, NH 03431 (603) 357-3510; (800) 624-9700 TDD Access Relay: (800) 735-2964 Fax: (603) 352-2598	Laconia 65 Beacon Street West Laconia, NH 03246 (603) 524-4485; (800) 322-2121 TDD Access Relay: (800) 735-2964 Fax: (603) 528-4105
Littleton 80 North Littleton Road Littleton, NH 03561 (603) 444-6786; (800) 552-8959 TDD Access Relay: (800) 735-2964 Fax: (603) 444-0348	Manchester 195 McGregor Street, South Tower, Suite 11 Manchester, NH 03102 (603) 668-2330; (800) 852-7493 TDD Access Relay: (800) 735-2964 Fax: (603) 668-5442	Rochester 150 Wakefield Street, Suite 22 Rochester, NH 03867 (603) 332-9120; (800) 862-5300 TDD Access Relay: (800) 735-2964 Fax: (603) 335-5993
Seacoast 50 International Drive Portsmouth, NH 03801 (603) 433-8300; (800) 821-0326 TDD Access Relay: (800) 735-2964 Fax: (603) 431-0731	Southern 3 Pine Street, Suite Q Nashua, NH 03060 (603) 883-7726; (800) 852-0632 TDD Access Relay: (800) 735-2964 Fax: (603) 883-2064	

For directions and more information on these offices, see the New Hampshire Department of Health and Human Services website at: <http://www.dhhs.state.nh.us/contactus/districtoffices.htm>. (The District Offices are listed under "Contact" information.)