



Medicare, Medicaid and Long- Term Care

LINDA R. CHAMBERLAIN
BOARD CERTIFIED IN ELDER LAW
SPECIAL NEEDS LAWYERS, PA

Pinellas County 2020 Census Statistics

- ▶ 2020 Census – 950,107
- ▶ Persons 65 years and older – 241,327 or 25.4%
- ▶ Persons under 65 years old with a disability – 92,160 or 9.7%
- ▶ Internet Access – 74% (Department of Elder Affairs)
- ▶ Life Expectancy with 95% confidence level by FL Dept of Health, 79.1 (78.9 - 79.2) Male - 76.1 (75.9 - 76.3) Female - 82.0 (81.8 – 82.2)

US Department Health and Human Services (2019)

- ▶ 70% of adults who survive to age 65 develop severe long-term services and supports (LTSS) needs before they die
- ▶ 15% of the individuals admitted to a nursing home spend more than 2 years
- ▶ Only 4.5 percent (about 1.5 million) of older adults live in nursing homes and 2 percent (1 million) in assisted living facilities. Most older adults (93.5 percent, or 33.4 million) live in the community.
<https://www.ncbi.nlm.nih.gov/books/NBK51841/>
- ▶ Women typically need care for an average of 3.7 years, while men require it for 2.2 years.

How to Pay for Long-Term Care

- ▶ Private Pay/ Cash/Reverse Mortgage
- ▶ Long Term Care Insurance
- ▶ Continuing Care Retirement Center with a Lifetime Contract
- ▶ Long-Term Care Medicaid

How much money is enough?

Approximate Costs:

- ▶ **Home Care**, non-skilled \$25+/hour – increasing with new minimum wage law and employment market pressures
- ▶ **Independent Living** Facilities with ala carte services, \$2,200+/month, average cost \$2,400+/month. Ala carte services may include meals, housekeeping, activities, medication management, etc....
- ▶ **Assisted Living** care begins at \$2,800+/month, average cost is \$2,800+/month
- ▶ **Memory care** (assisted living) begins at \$3,500/month, average cost is \$5,000+
- ▶ **Nursing home care** is \$10,000 - \$15,000+/month

Long-Term Care Insurance

▶ **Traditional Long-Term Care Insurance**

- ▶ Need to pass underwriting requirements, determine how much coverage to purchase, and face potential monthly payment increases (inflation riders).
- ▶ You may pay out a lot of money for coverage you may never use.

▶ **Long-Term Hybrid Life Insurance and Long-term Care Policies**

- ▶ These policies provide a pot of money for long-term care if you need it or a death benefit to your beneficiary if you don't max out the long-term care benefits.
- ▶ It's an option only if you have a large sum of money to spend.

▶ **Accelerated Benefits on your Whole Life Policy/ Sell your Policy (viatical)**

- ▶ It lets you take a portion of a life insurance payout while you're still alive to pay for medical expenses, including long-term care. The death benefit is reduced by the amount used for long-term care.

How does Long-Term Care Insurance Work?

- ▶ Most long-term care policies determine you are eligible for benefits when you are unable to do at least two out six “activities of daily living,” called ADLs, on your own or you suffer from dementia or other cognitive impairment.
- ▶ The ADL’s are:
 - ▶ Bathing.
 - ▶ Caring for incontinence.
 - ▶ Dressing.
 - ▶ Eating.
 - ▶ Toileting (getting on or off the toilet).
 - ▶ Transferring (getting in or out of a bed or a chair).
- ▶ Elimination Period - a term used to refer to the length of time between when an injury or illness begins and receiving benefit payments from an insurer. Typically, 90-100 days.

Continuing Care Retirement Communities (CCRC's)

- ▶ Extensive life-care contract, also called Type A. This option carries the highest fees, but it will include a full range of services. For example, you will get unlimited assisted living, medical treatment and skilled nursing care with little or no additional cost.
- ▶ The entrance fee is a contractual upfront cost (like a down payment on a home). An entrance fee guarantees housing and medical services throughout your lifetime.
- ▶ \$120,000 - \$400,000+ entrance fee, plus monthly rent

Long-Term Care Medicaid Eligibility

- ▶ Age 65 and over and eligible for Medicaid; or
- ▶ Age 18 and over and eligible for Medicaid due to a disability; and
- ▶ Determined by the Comprehensive Assessment and Review for Long-Term Care Services (CARES) Program at the Department of Elder Affairs (DOEA) to be at nursing home level of care or hospital level of care for persons with cystic fibrosis.
- ▶ https://ahca.myflorida.com/medicaid/statewide_mc/smmc_ltc.shtml
- ▶ <https://www.myflfamilies.com/service-programs/access/docs/ssifactsheet.pdf>

Long-Term Care Medicaid Eligibility

- ▶ Individual must get screened by an Aging and Disability Resource Center (ADRC), Pasco-Pinellas Area Aging on Aging.
- ▶ The screening is done over the phone with the person and/or caregiver and takes about 45 minutes to an hour to finish. The screening yields a priority score and rank used for placement on the wait list to receive long-term care services.
- ▶ 701S Screening Form <https://elderaffairs.org/wp-content/uploads/florida-department-of-elder-affairs-701s-screening-form.pdf>
- ▶ Individuals with a Low Priority Rank can ask for screening to be done again. The ADRC may rescreen these individuals annually upon request or upon notification of a significant change as defined in section 409.962(17), Florida Statutes. A significant change is when any of the following happens:
 - ▶ A change in a person's health status after an accident or illness;
 - ▶ An actual or expected change in an individual's living situation;
 - ▶ A change in the caregiver relationship;
 - ▶ Loss or damage to the person's home or decline of his or her home environment; or
 - ▶ Loss of the person's spouse or caregiver.

Long-Term Care Medicaid Eligibility

- ▶ https://www.myflfamilies.com/service-programs/access/docs/esspolicymanual/a_09.pdf
- ▶ Income Limit Individual - \$2,382, Couple - \$4,764
- ▶ Asset Limit Individual - \$2,000 Community Spouse - \$130,380
- ▶ Home Equity Interest Limit \$603,000
- ▶ Transfer penalty divisor - \$9,703 (Transfers during last 60 months)
- ▶ Exempt assets: home, one car, \$2,500 face value life insurance, irrevocable burial plan,
- ▶ IRA's, 401k's, rental property – considered income producing property, not a countable asset

Long-Term Care Medicaid Eligibility

- ▶ Medicaid Planning Strategies
 - ▶ Purchase of non-countable assets
 - ▶ Purchase of income producing property
 - ▶ Personal Services Contracts
 - ▶ Spousal Refusal
 - ▶ Transfer Assets and Wait Five Years
 - ▶ Pooled Trust
 - ▶ Special Needs Trust, first party/third party

Medicare – It's Health Insurance

- ▶ <https://www.medicare.gov/> (Medicare website), <https://www.medicare.gov/Pubs/pdf/10050-medicare-and-you.pdf> (Medicare Coverage), <https://www.medicare.gov/manage-your-health/share-your-medicare-claims-medicare-blue-button> (Medicare Portal), my.medicare.gov
- ▶ Medicare Part A (Hospital Insurance) - pays for hospitals, skilled nursing facility care, hospice care, and home health care.
- ▶ Medicare Part B (Medical Insurance) – pays for services from doctors and health care providers, outpatient care, home health care (skilled), durable medical equipment (like wheelchairs, walkers, hospital beds, and other equipment) and preventive services (like screenings, shots or vaccines, and yearly “Wellness” visits).
- ▶ Medicare Part D (Drug Coverage) - Helps cover the cost of prescription drugs (including many recommended shots or vaccines). You join a Medicare drug plan in addition to Original Medicare, or you get it by joining a Medicare Advantage Plan with drug coverage.

Medicare – It's Health Insurance

- ▶ Medicare Supplement Plans - Extra insurance you can buy from a private company that helps pay your share of costs in Original Medicare. Policies are standardized, and in most states named by letters, like Plan G or Plan K. The benefits in each lettered plan are the same, no matter which insurance company sells it.
- ▶ Part C Medicare Advantage Plans - a Medicare-approved plan from a private company that offers an alternative to Original Medicare for your health and drug coverage. These “bundled” plans include Part A, Part B, and usually Part D.
 - ▶ Part C - Plans may have lower out-of-pocket costs than Original Medicare.
 - ▶ In most cases, you'll need to use doctors who are in the plan's network.
 - ▶ Plans may offer some extra benefits that Original Medicare doesn't cover — like vision, hearing, transportation, home care and dental services.

Medicare – Costs Part A

- ▶ You usually don't pay a monthly premium for Part A if you (or another qualifying person, like your current or former spouse) paid Medicare taxes while working for a certain amount of time. (If you're 65 or older, usually this is 10 years of work.)
- ▶ \$1,484 deductible for each time you're admitted to the hospital per benefit period, before Original Medicare starts to pay. There's no limit to the number of benefit periods you can have.
- ▶ Deductible increases after 60 days, and you pay all costs after 150 days.

Medicare – Costs Part B

- ▶ \$148.50 each month (or higher depending on your income). The amount can change each year. You'll pay the premium each month, even if you don't get any Part B-covered services.
- ▶ Part B premium increases if your modified adjusted gross income is > \$88,000, jumping to \$207.90, if income \$165,000 and less than \$500,000 your premium is \$475.20. If income \$500,000 or above, Part B premium is \$504.90.
- ▶ Annual deductible of \$203 before part B will pay.
- ▶ You'll usually pay 20% of the cost for each Medicare-covered service or item after you've paid your deductible.

Medicare – Costs Part D

- ▶ Monthly premiums vary based on which plan you join. The amount can change each year. You may also have to pay an extra amount each month based on your income.
- ▶ Most plans charge a deductible, an amount you pay before the plan starts to pay, for prescriptions you fill. The deductible amount varies based on which plan you join.
- ▶ Your actual costs vary depending on the medicines you take, if they are on your plan's list of covered drugs, and which pharmacy you use.

Medicare – Costs for Part C

- ▶ Medicare Advantage Plan (Part C):
 - ▶ Monthly premiums vary based on which plan you join. The amount can change each year.
 - ▶ You must keep paying your Part B premium to stay in your plan.
 - ▶ Deductibles, coinsurance, and copayments vary based on which plan you join.
 - ▶ Plans also have a yearly limit on what you pay out-of-pocket. Once you pay the plan's limit, the plan pays 100% for covered health services for the rest of the year.

Costs for Medicare Supplemental Plans

- ▶ Medicare Supplement Insurance (Medigap):
 - ▶ Monthly premiums vary based on which policy you buy, where you live, and other factors. The amount can change each year.
 - ▶ You must keep paying your Part B premium to keep your supplement insurance.
 - ▶ Helps lower your share of costs for Part A and Part B services in Original Medicare.
 - ▶ Some Medigap policies include extra benefits to lower your costs, like coverage when you travel out of the country.
 - ▶ All plans available to you are listed on [Medicare.gov](https://www.medicare.gov).

Medicaid Help with Medicare Premiums

- ▶ Qualified Medicare Beneficiaries (QMB), allows qualified individuals to have Medicaid pay for their Medicare premiums (Part A and B), Medicare deductibles and Medicare coinsurance (within prescribed limits). Must have income < \$1,074/month and countable assets < \$7,970.
 - ▶ An individual will automatically qualify for assistance with Medicare Prescription Drug Plan costs through the Extra Help Program.
- ▶ Specified Low-Income Medicare Beneficiaries (SLMB), allows qualified individuals to have Medicaid pay for their Medicare Part B premium. Must have income < \$1,288 and countable assets <\$7,970.
 - ▶ An individual will automatically qualify for assistance with Medicare Prescription Drug Plan costs through the Extra Help Program.



Medicare Open Enrollment

October 15 – December 7, 2021

- ▶ <https://www.medicare.gov/plan-compare/#/?lang=en&year=2021> Provides tool to shop for Part D, Medicare Advantage Plans (Part C) and Medicare Supplemental Plans in your geographical service area.
- ▶ Each year Medicare beneficiaries need to evaluate their current insurance plans and investigate to see if there are plans available to provide better coverage.
- ▶ 42% (2021) of Medicare beneficiaries enrolled in Medicare Advantage Plans.

Medicare Annual Wellness Visit

- ▶ Annual Wellness Visit (NOT annual physical) – less than 20% of all Medicare beneficiaries use this “free” benefit
- ▶ Available once every 12 months to develop or update a personalized prevention plan to help prevent disease and disability, based on your current health and risk factors. It includes:
 - ▶ A cognitive impairment assessment to look for signs of Alzheimer’s disease or dementia and check for depression and other mood disorders.
 - ▶ A personalized prevention plan to help prevent disease and disability based on your current health and risk factors. Your provider will ask you to fill out a questionnaire, called a “Health Risk Assessment,” as part of this visit. Answering these questions can help you and your provider develop a personalized prevention plan to help you stay healthy and get the most out of your visit.
 - ▶ A review of your medical and family history.
 - ▶ Developing or updating a list of current providers and prescriptions.
 - ▶ Height, weight, blood pressure, and other routine measurements.
 - ▶ Personalized health advice.
 - ▶ A list of risk factors and treatment options for you.
 - ▶ A screening schedule (like a checklist) for appropriate preventive services.
 - ▶ Advance care planning.

New to Medicare 2022

- ▶ COVID-19-related items & services. Medicare covers several items and services related to coronavirus disease 2019 (COVID-19), like vaccines, diagnostic tests, antibody tests, and monoclonal antibody treatments.
- ▶ Cognitive assessment & care plan services. Medicare covers a separate visit with your regular doctor or a specialist to do a full review of your cognitive function, establish or confirm a diagnosis like dementia, including Alzheimer's disease, and develop a care plan.
- ▶ Blood-based biomarker test. Medicare covers this screening test for colorectal cancer, in certain cases, once every 3 years.

Health Care News

- ▶ Telehealth. You manage your visit. See handout. <https://www.insider.com/best-telemedicine-services>
- ▶ Florida Physician's Assistants, F.S. 458.347. PA's authorized to procure medical devices and drugs, and to prescribe schedule II psychiatric meds for minors. Removes requirement for a PA to inform patient they have the right to see a physician before a prescription is filled or dispensed.
- ▶ Nurse Practitioner's F.S. 464.012. NP's authorized to have their own healthcare practices (statutory limits). <https://www.urgentcarehousecalls.net/urgent-care-mobile-services>
- ▶ Insurance Pre-authorization. insurers require prior authorization for treatments that are some combination of new or experimental, expensive, complicated, or having very uncertain or unknown outcomes.

Health Care News

- ▶ 21st Century Cures Act (creates open API)
 - ▶ Requires healthcare providers to make patient's electronic health records (EHR's), electronic medical records (EMR's) available to them.
 - ▶ Patients get automatic digital access to their EMR at no cost. Have right to have private health information (PHI) sent to another party with a signed request.
- ▶ OneRecord.com
 - ▶ Builds one consolidated medical record of your full health history that includes test results, immunizations, and more from everywhere that you receive care.

How to help your 60+ year old client?

- ▶ Health Care Surrogate Designation.
 - ▶ Encourage client to manage their personal health and health care.
 - ▶ Encourage client to allow for HCS to be effective immediately and provide access to medical records.
 - ▶ Complete authorization forms for Medicare and other insurers, file appropriately.
- ▶ Durable Power of Attorney/Trust.
 - ▶ How does the client want their money spent? Do they want to stay at home until they spend “x” dollars. Do they really want to be on Medicaid and live in a nursing home to make sure they leave their beneficiaries money?
- ▶ Help them understand costs of care and document how they want their money spent on care – do not let it turn into a joke!



Linda@floridaelderlawyer.com

Cell: 727.215.1701

Office: 727.443.7898

THANK YOU FOR ATTENDING TODAY!