

Aging and People with Disabilities

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Number: APD-IM-13-023

Issue date: 5/21/2013

CORRECTED

Topic: Medical Benefits

Subject: Medigap policy for loss of Medicaid Benefits

Applies to (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> All DHS employees | <input checked="" type="checkbox"/> County DD Program Managers |
| <input checked="" type="checkbox"/> Area Agencies on Aging | <input type="checkbox"/> County Mental Health Directors |
| <input checked="" type="checkbox"/> Aging and People with Disabilities | <input type="checkbox"/> Health Services |
| <input checked="" type="checkbox"/> Children, Adults and Families | <input type="checkbox"/> Other (please specify): |

Message:

Many Medicare clients who lose their Medicaid benefits have Guaranteed Issue (GI) rights under OAR 836-052-0142(2)(a) to enroll into a Medigap Supplement plan. Guaranteed Issue policy, is a requirement that a health plan must allow a person to enroll regardless of health, age, gender, or other factors that might predict use of health services (such as a pre-existing condition). The Medigap insurer must write a policy for the client regardless of pre-existing conditions or underwrite using medical history.

The clients affected are:

OSIPM clients with Medicare – they will have QMM/SMB/SMF/CBI/SBI/EPD case descriptors; AND

QMB-BAS clients with a QMB case descriptor

SMB and SMF only clients (P2 program) do not have the right to GI Medigap policies as they have no medical component to their benefit.

The timeline for exercising their **GI right is limited to 63 days from the date their benefit ends**. Most often clients are unaware of this Guaranteed Issue right, who to contact for insurance benefits counseling, or the timeline for exercising their option. Please refer clients to SHIBA at 1-800-722-4134 so that they can be advised of their insurance options to continue Medicare secondary coverage. www.oregonshiba.org

- Medigap supplement policies are secondary insurance to Medicare, covering many costly out-of-pocket expenses that were previously paid through state benefits.

There will be a subsequent Action Request outlining notice language and other issues around this issue in the near future

If you have any questions about this information, contact:

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