

## **Medical Benefits for People with HIV/AIDS**

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There are several government benefits available to people with HIV/AIDS to help pay for the cost of medical care and treatment. The following is a brief discussion of those programs.

### **Medicare**

To qualify for Medicare you must meet the Social Security definition of “disabled.” Your disability must be total and permanent. That means that your disability is expected to last for at least one year or result in death. Depending upon your age, education and prior employment the Social Security Administration will evaluate whether you can be re-trained to perform less strenuous work given your medical condition.

To qualify for Medicare you must not only meet the Social Security definition of “disabled” but you must also have worked sufficient quarters in the past and paid into the Social Security system. As a general rule, to qualify for Medicare you must have paid into the social security system for at least 40 quarters with 20 of those quarters being in the prior ten years. If you become disabled before the age of 31 fewer quarters are required.

Twenty-nine months from the date the Social Security Administration determines your disability started you will be eligible for Medicare health insurance. If you are employed at the time you become disabled and have employer-offered health insurance, you can extend your employer’s insurance under a federal law called COBRA until the 29 month waiting period has expired and Medicare begins. If you do not have health insurance through a former employer at the time you become disabled you will need to look into one of the other programs discussed below to obtain health insurance coverage during the 29 month waiting period for Medicare.

There is no asset or income test to qualify for Medicare. The premium is deducted from your SSDI income benefit and is very reasonable compared to other health insurance. The premium for Medicare Part A (hospital care, home health, hospice, limited skilled nursing home benefit) is free. The premium for Medicare Part B (doctor visits, durable medical equipment for 2005 is \$78.50 per month. Medicare does not currently cover prescription drugs.

Beginning in 2006 Medicare will offer a prescription drug benefit under Medicare Part D. See our separate article on that program to get more detailed information.

### **Medicaid**

If you meet the Social Security definition of “disability” discussed above you may qualify for Medicaid benefits to help with medical expenses. The Medicaid program is administered by the Department of Social and Health Services (DSHS). If you are

receiving SSI income benefits then you will automatically receive Medicaid benefits without applying separately with DSHS.

Unlike Medicare, the Medicaid program has asset limits in order to qualify for benefits. For a single person your assets must be below \$2,000 (\$3,000 for a married couple). Your home, household furnishings, and certain burial arrangements are exempt assets that will not affect your eligibility. You can also own a vehicle that does not exceed \$5,000 in value (or a vehicle of any value if you need the vehicle to get to medical appointments). If your assets exceed the \$2,000 asset limit you should seek legal advice about your options to qualify for Medicaid.

Medicaid does not have an income cap but your income above a set amount called the Medically Needy Income Level (MNIL) must be contributed towards your medical expenses as a co-payment. This is referred to as “spenddown”. The MNIL for 2005 is \$579 (\$798 if you are receiving COPES Medicaid benefits for an in-home caregiver).

This is a simply illustration of how “spenddown” works. If you have \$1,000 of monthly income, \$421 must be “spent down” or applied towards medical expenses before Medicaid will cover the remaining medical expenses for the month. As a practical matter that leaves you with \$579 of monthly income to meet all of your non-medical expenses for the month including rent, food and utilities. You have to pay \$421 towards your medical bills and then Medicaid will pay for the medical bills above the \$421. One of the benefits of the EIP program discussed below is help in paying the “spenddown” amount to DSHS. Instead of having to pay the \$421 towards medical bills, the EIP will pay DSHS the \$421 and you can use all of your \$1,000 of income to meet your non-medical living expenses.

Medicaid coverage includes:

- Hospital care
- Physician care if the doctor has a contract with EIP
- Durable medical equipment
- Medications (until January 2006)
- Laboratory tests
- Nursing home care (including hospice care facilities like Bailey Boushay)
- In-home caregivers under the COPES program

Beginning in 2006 you will need to enroll in Medicare Part D to receive prescription drug coverage that is currently being paid by Medicaid.

### **Early Intervention Program (EIP)**

The Department of Health (DOH) Early Intervention Program (EIP) provides the following benefits:

- **Prescription Drug Coverage:** The EIP has a formulary for early intervention HIV drugs and drugs for related conditions. If you have private insurance that covers medications, EIP will help with co-payments for drugs in the formulary.
- **Medical Care:** The EIP pays for limited HIV related medical visits and tests. If you have private insurance, EIP will pay up to \$500 for co-payments and costs incurred during a pre-existing condition period for certain covered services.
- **Insurance Premiums:** EIP will help you obtain private health insurance and help with the premiums. The program helps with health insurance is the Evergreen Health Insurance Program (EHIP). The program can help with COBRA health insurance premiums when you leave your current employment, premiums with a current employer or premiums with private insurance including the Washington State Health Insurance Pool (WSHIP).
- **Spenddown Assistance:** If you are eligible for Medicaid benefits and have a spenddown (see Medicaid discussion above), EIP will pay up to \$900 to DSHS each month to help meet your spenddown.

To qualify for EIP you must meet the following criteria:

1. You have a medical diagnosis of HIV;
2. You reside in the State of Washington;
3. You are not eligible for Medicaid (unless you are applying for the Medicaid spenddown payment);
4. Your income averaged over 12 months cannot exceed the income limit set by the DOH (currently 300% of the federal poverty level or \$2,393 for 2005). If you were enrolled in EIP before September of 2002 you may be grandfathered into the program under a higher income limit. There is also a higher income limit if you have dependents. Income includes lump sum payments such as an inheritance or law suit insurance payment;
5. Your assets cannot exceed \$10,000. You may be grandfathered into the program under a higher asset limit of up to \$15,000 if you enrolled in a program for assistance with insurance premiums through DSHS prior to July of 2003. Assets include trust funds available to you. Exempt assets include:
  - Your residence in the State of Washington and surrounding land not to exceed 5 acres;
  - One vehicle;
  - Commercial property or property used to produce income, not to exceed \$20,000 of value;
  - Household furnishings;
  - Pensions, IRA, 401K plan or other deferred income retirement plan.

**The EIP program for payment of prescription drugs will change for people who are eligible for Medicare and Medicaid when the Medicare Part D program starts in January of 2006**

## **Additional Information**

For additional information on the Medicare program go to [www.ssa.gov](http://www.ssa.gov)

Regulations on the Early Intervention Program are at WAC 246-130.

See also

[http://www.doh.wa.gov/cfh/HIV\\_AIDS/Client\\_Svcs/EarlyInterventionProgram.htm](http://www.doh.wa.gov/cfh/HIV_AIDS/Client_Svcs/EarlyInterventionProgram.htm)

<http://www.ehip.org/>

<http://www.cms.hhs.gov/medicarereform/>

<http://www.hrsa.gov/medicare/HIV/about.htm>