

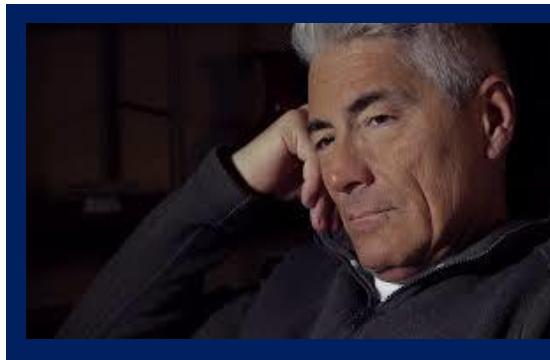
What Public Funds and Private Insurance DOES NOT Cover...It May Surprise You

Individuals who are between the ages of 56-75 often deal with the long-term care needs of their aging parents, but it is also an issue that can come up in their own lives. The age for eligibility for Medicare is 65; however, Medicare is available to people under age 65 who have been eligible for Social Security disability benefits for at least 24 months. Below are some scenarios that lead to the need for long-term care.

Scenario 1:

Bob is 64, newly retired, and cleaning his gutters. Bob falls off a 12-foot ladder resulting in a fracture in the spine requiring a long hospital stay and a 4-month stay in an assistive living facility to rehabilitate and recover.

- 1) **Would this be covered by Medicare?** NO, Bob is 64, so he does not yet qualify for Medicare. Even after his 65th birthday, Medicare would draw a line between medical care (generally covered) and “personal care” which is generally not covered. Personal care includes help bathing, eating, going to the bathroom, and moving around. So it would not cover the cost of assisted living, but may cover some therapies and services.
- 2) **Would it be covered by Medicaid?** NO, unless Bob is eligible and the state and assisted living provider accept Medicaid payments. Eligibility requirements for Medicaid vary by state, and is a program meant for low-income adults. So unless Bob meets those requirements, he will not be eligible. Even if he is eligible there are often waiting lists for the types of services and not every state allows Medicaid to be used in assisted living.
- 3) **Would this be covered by private insurance?** MAYBE, if Bob has a long-term care insurance policy, but basic health insurance would only cover the hospital stay and medical expenses.
- 4) **What happened to Bob?** Bob and his family did not have the funds to cover the costs of the 4-month stay in the assisted living facility. After his stay was complete, Bob moved back home and was unable to continue to afford therapy to recover from his fall. His health continues to decline.



Scenario 2:

Pat is 57. He began to limp around the holidays but did not think much of it. Eventually that limp turned into a numb leg. When Pat went to the doctor, he was diagnosed with ALS (Lou Gehrig’s Disease). After consulting with his family, Pat decides he wants to stay at home and receive in-home care as his disease progresses.

- 1) **Would this be covered by Medicare?** No, the age for eligibility for Medicare is 65, and Medicare does not cover the types of long-term services and supports Pat will need.
- 1) **Would it be covered by Medicaid?** NO, unless Pat spends down to become eligible. Eligibility requirements vary by state. Medicaid is a program meant for low-income adults, so unless Pat meets the necessary state requirements, he is not eligible.
- 2) **Would this be covered by private insurance?** NO, unless Pat has long-term care insurance. Even then, the length and terms of coverage would be determined by the terms of his insurance policy.
- 3) **What happened to Pat?** Pat and his family had to make some hard decisions when they figured out how expensive home care costs were. They privately paid for services until they reached the poverty level required to be eligible for Medicaid. But, because their state had a Medicaid waiting list, Pat had to wait almost a year for paid services. During this time his wife had to reduce her work hours to care for Pat, further exacerbating their economic situation.

Scenario 3:

Therese is 62. She has an adult son with Down Syndrome who lives at home with her. Therese's 85-year-old mother, Gail, recently received a Parkinson's diagnosis. Gail lives in Florida, but Therese knows her mom needs to move in with family members. Her son also has reached a point where he would like to explore living independently.

- 1) **Would the assisted living services for Therese's mom and son be covered by Medicare?** The age for Medicare eligibility is 65, and Medicare does not cover assisted living services.
- 2) **Would it be covered by Medicaid?** NO, unless her mother and son are each eligible. Eligibility requirements vary by state but Medicaid is a program meant for low-income adults. Unless her mother and son are each meet the necessary state requirements, they are not eligible.
- 3) **Would this be covered by private insurance?** NO, not unless Gina has long-term care insurance. There's son would be unlikely to qualify for private long-term care insurance because he has what insurers would consider to be a pre-existing condition, and he could be denied insurance because of that.
- 4) **What happened to Therese's mom and son?** Therese's son was found eligible for Medicaid and was pulled from their state's waiting list to receive services. Her mother, Gina, had to move in with her from Florida, so she is waiting on her eligibility determination. Therese and Gail have pooled their resources and are paying privately for supports so Therese can go to work.



FOR MORE INFORMATION

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