

## THINK MEDICARE AND PRIVATE HEALTH INSURANCE HAS YOU COVERED? THAT MAY NOT BE ACCURATE.

Families all over the country face decisions about supporting family members if they are aging and/or have a disability. Many of these Americans who face issues of chronicity, including those who are aging have a need for long-term service and supports (LTSS). LTSS are a broad range of health-related and social services that include assistance with activities of daily living (ADLs). ADLs include bathing, dressing, eating, toileting and personal hygiene; instrumental activities of daily living (IADLs), include assistance with meal preparation, money management, household maintenance, medication management, and grocery shopping.



### **MOST OF THESE SERVICES ARE NOT COVERED BY MEDICARE OR PRIVATE INSURANCE.**

Our current LTSS system relies almost entirely on Medicaid and unpaid family caregivers for non-Medicaid services and supports. Most LTSS are provided by family members, often at both a personal and financial risk. At best, we have a fragmented system, with uneven access, prohibitive rules, and increasing costs to the taxpayer. Often

times, paying out-of-pocket is unsustainable.

**What about my private health insurance?** Private health insurance, often provided through an employer or a health insurance marketplace plan, pays for "medical care" like regular visits to your doctor and "acute care" like hospital care, but not longer-term services and supports. There is an increasing recognition that non-medical supports are as important as the medical supports in addressing individuals that have chronic needs.

**What about my disability insurance?** Disability insurance is designed to replace a portion of the income lost if you're unable to work due to accident or injury. It provides no additional benefits to pay for longer-term services and supports.

**What if I bought Long-Term Care insurance?** Private long-term care insurance may be capped at a specific dollar amount per day, and may only provide coverage for a set amount of time. For most Americans, it's not an affordable option because when assigning a premium amount, both age and health status are considered in underwriting coverage. This may cause a prohibitive premium, which discourages individuals from enrolling in coverage early. Once you need that level of care, you may not be able to join this type of plan.

**What about Medicare?** Medicare will pay for up to 100 days of rehabilitation services after an acute care episode for a person who is 65 or older, or qualifies as a dual eligible – that's not LTSS. Medicare is not built to help those who are sick or affected by chronic illness.

**So if Medicaid is your only option – you may be forced into poverty.** Medicaid is a means tested program, meaning there are strict income and asset limits for eligibility. Medicaid's income and asset limits for people with disabilities and older adults are low, so that earning or saving just over the limit still leaves an individual with few financial resources and high out-of-pocket costs.

### **FOR MORE INFORMATION**

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