

Frequently Asked Questions about Dual Eligibles:

Understanding what happens when a person with IDD who receives Medicaid becomes eligible for Medicare

Dual Eligibles and Special Needs Plans (D-SNPs)

1. Q: What is a Dual Eligible Special Needs Plan (D-SNP)?

A: A D-SNP is a Medicare managed care plan, specifically for individuals who receive both Medicare and Medicaid (dual eligibles). When persons with IDD are dually eligible for both Medicare and Medicaid, they will probably receive letters or phone calls from their Medicaid managed care organization discussing the benefits of enrolling in a D-SNP. It should be noted that D-SNPs are sometimes referred to as FIDE SNPs- Fully Integrated Dual Eligible Special Needs Plans. There are several important things to know about D-SNP enrollment:

- **Enrollment in a D-SNP is voluntary, and is not required.**
- **When an individual enrolls voluntarily in a D-SNP, he/she is required to use only the health care providers and services – including the drug plan -- that are affiliated with that D-SNP.** Therefore, before enrolling in a D-SNP, check carefully to be certain that the doctors, hospitals, labs, and pharmacies that the individual wants to continue to use are affiliated with that D-SNP. This includes being certain that the medications that were covered in the Part D drug plan will be covered in the D-SNP's formulary.
- **After enrolling in a D-SNP, if an individual is treated by an out-of-network provider, the individual will receive a bill for the full cost of that service -- and neither Medicare nor Medicaid will cover that cost.**
- D-SNP enrollment includes all health care services covered by Medicare and Medicaid, including prescription drugs. Individuals who are seen by in-network providers have a \$0 copay for doctors' visits and \$0 copay for prescription medications.
- D-SNP enrollees will be assigned to a care manager to help them navigate the system, and they will also receive a catalog from which they can select a certain amount of over-the-counter items at no charge (e.g., diabetic socks, thermometer, raised toilet seat, etc.). The specific details of this bonus may vary among different D-SNPs.

2. Q: Questions to ask if deciding whether to enroll in a Medicare Dual Eligible Special Needs Plan (D-SNP)?

A:

- Are the individual's doctors, hospitals, home care agencies, medical equipment supplier, pharmacy, and lab in the D-SNP network?
- Are referrals required before seeing a specialist?
- Are the individual's prescription drugs covered?

3. Q: What is the process if a dual eligible has enrolled in a D-SNP and wants to disenroll?

A. Disenrollment from a D-SNP can be processed by calling 1-800-Medicare. The dual eligible will then be placed in "Original Medicare" and a Medicaid HMO. A Medicare Part D drug plan will also need to be selected. It should be noted that **a dual eligible can have only one enrollment change per quarter**. This means that between January 1 and March 31, only one enrollment change is permitted, and between April 1 and June 30th, only one enrollment change, etc.

Example: If enrollment into a D-SNP was requested in **April**, the effective date of the enrollment would be **May 1st**, and the "enrollment change" for that quarter would have been used. Therefore, if a request to disenroll from the D-SNP occurred during that quarter (e.g., in **June**), the individual would be required to wait until **July** (the start of the third quarter) to make the request, and the change would take effect on **August 1st**.

During the last quarter of the year (October 1 to December 31), any requested changes will take effect on January 1st, NOT the first of the next month.

Please note: CMS allows for an exception to the rules on disenrollment described above, in special circumstances. The term Medicare uses is Special Enrollment Period (SEP). If there is a special circumstance, a dual eligible can change enrollment more than once in a quarter. For example: If the dual eligible or the caregiver was misled into enrolling into the D-SNP, CMS will allow the enrollee to disenroll before the next quarter begins.

Please see FAQ #6 below on free assistance from SHIP - the State Health Insurance Assistance Program. SHIP staff can also provide assistance in disenrolling from a D-SNP.

4. Q: What is the difference between choosing to enroll in a D-SNP or enrolling in a Medicare Advantage (MA) managed care plan?

A.

Dual eligibles enrolled in Medicare Advantage plans: There should be protection against balance billing of dual eligibles who enroll in a Medicare Advantage managed care plan. Dual eligibles enrolled in MA plans should **not** be charged any deductibles or copays for medical or hospital services, and they may pay a small copay for prescription drugs depending on the level of "Extra Help". **However, many MA providers are not aware of this regulation and routinely require dually eligible patients to pay copays.** In addition, the coordination of benefits for dual eligibles enrolled in MA managed care plans is more difficult than it is with D-SNPs. The individual must use the MA network for *Medicare* covered services and the network of their Medicaid MCO for *Medicaid* covered services.

Dual eligibles enrolled in Dual Eligible Special Needs Plans (D-SNPs): There are no billing hassles in a D-SNP as there may be with Medicare Advantage plans. There is \$0 copay for office and hospital visits, when using in-network providers. The Medicare and Medicaid services are provided through the same D-SNP network. A disadvantage to enrolling in a D-SNP is that there will likely be a more limited network of providers in D-SNP plans compared to Original Medicare or Medicare Advantage managed care plans.

5. Q: What is Original Medicare?

A: When an individual enrolls in Medicare, that enrollment is for “Original Medicare.” *When enrolled in Original Medicare, the individual has access to all providers who accept Medicare.* If no action is taken to switch out of Original Medicare by enrolling voluntarily into a D-SNP or Medicare Advantage plan, the dually eligible individual (having both Medicare and Medicaid) will remain in “Original Medicare”, and will also have a *Medicaid* managed care plan. For more information on Original Medicare, see the first section of these frequently asked questions titled, “Dual Eligibles – General Information”.

6. Q: What is the best way to get help in deciding whether it would be better for a dual eligible to have Original Medicare or to enroll in a Medicare managed care plan (either D-SNP or Medicare Advantage)?

A: Contact SHIP – the State Health Insurance Assistance Program. SHIP is a statewide, locally-based program to help consumers navigate Medicare. SHIP is administered by the NJ Dept. of Human Services, Division of Aging Services (DoAS), and funded by the federal government. **SHIP provides free counseling for:**

- Information on all aspects of Medicare, including Part D – drug plans
- Questions about Medicare and Medicaid coverage (dual eligibility)
- Questions regarding private insurance in addition to having Medicare and Medicaid
- Dual Eligible Special Needs Plans (D-SNPs)
- Medicare Advantage plans
- Problems with claims, denials, or enrollment

SHIP counselors are trained and certified by DoAS, unbiased and do not sell or recommend any products. SHIP has 450 counselors based in local agencies throughout New Jersey. Half of the counselors are trained volunteers. For more information or to contact SHIP, please call the hotline at DoAS:

1-800-792-8820 or NJ SHIP website: <https://www.nj.gov/humanservices/doas/services/q-z/ship/>

7. Q. Can individuals with IDD enroll in a D-SNP or Medicare Advantage Plan if they also have coverage from an employer, union or retiree health or drug plan?

A. In general, the answer to this question is “no.” Most employer and retiree health and drug plans will only work with Original Medicare.

For additional information on Medicaid, Medicare and other health care information pertaining to individuals with intellectual and developmental disabilities (IDD), see our website, which can also be accessed from The Arc of New Jersey's website: www.thearcnjhealthcareadvocacy.org

You may also contact **Connor Griffin, Director, Health Care Advocacy Program** at The Arc of New Jersey at cgriffin@arcnj.org