CHA Comments: NAIC FAQs 1/20/15

CHA respectfully submits the following comments on the NAIC FAQs related to Medicare and the ACA beginning at Q and A #85 on Page 27 of the redlined draft document dated 11/4/14. We continue to support the need for disclosure of the complexity of decisionmaking for people with Medicare who have ESRD, and the various issues that have to be taken in to consideration when deciding whether to apply for Medicare or stay in an individual health plan in or out of an exchange.

ACA MEDICARE-RELATED QUESTIONS

Q XX: Can a person with ESRD enroll in or stay in a QHP instead of enrolling in Medicare?

If an individual with ESRD has not applied for Medicare they can stay in or apply for coverage through the [insert name of exchange]. However, there are consequences in delaying Medicare benefits. An individual with ESRD who enrolls in Part A but delays Medicare Part B benefits (important for dialysis coverage) may not be eligible for certain Medicare benefits if they enroll in Medicare in the future, may pay a higher premium for late enrollment, or may have a delay in when benefits begin. The [insert name of State Health Insurance Assistance Program (SHIP)] at [insert contact information] should be able to give consumers more information about these complex choices.

Q XX: If a person becomes eligible for Medicare and is already in a QHP can they stay in their plan?

If a person stays in a QHP* and becomes eligible for Medicare because of age or disability any tax credits they are receiving will end, whether they enroll in Medicare or not. Although under federal laws the QHP cannot terminate coverage, a QHP is not designed to coordinate its benefits with Medicare. Both the premium and the benefits of a QHP are designed to provide primary coverage not supplemental coverage. Depending on state law a QHP may reduce its benefits to pay covered expenses that remain after Medicare pays, but the premium will stay the same. This may happen even if you don’t sign up for Part B of Medicare. In addition, a person who is eligible for Medicare and does not enroll within the time periods allotted will pay a premium penalty later and have a delay in when benefits begin. Consumers are generally encouraged to enroll in Medicare when they are eligible to do so to avoid premium penalties and delayed benefits later. As noted in Q XX, ESRD patients can choose to stay in a QHP instead of enrolling in Medicare [the [insert name of State Health Insurance Assistance Program (SHIP)] at [insert contact information] should be able to give consumers more information about how and when to enroll in Medicare and any penalties that can apply.

*Note that this information (except for the tax credit) applies to individual coverage inside and outside an exchange.

Q XXX. If I have Medicare can I opt out of Medicare and buy a QHP?

Comment [BB1]: The word individual works better than the word consumer in this sentence.

Comment [BB2]: This change is more accurate and states the issues more clearly.

Comment [BB3]: Becomes eligible is more accurate than “is” eligible.

Comment [BB4]: The word generally allows for situations where an ESRD patient may have their own reasons for not enrolling in Medicare.

Comment [BB5]: Indicates the option for people with ESRD.

Comment [BB6]: As stated in our previous comments, this is a question our members have often been asked and we think it’s important to include here. The answer covers all categories of Medicare eligibility, aged, disabled, and ESRD.

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Comment [BB7]: Font: Times New Roman, 12 pt

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Unless you have to pay a premium for Part A you can only opt out of Medicare if you repay all costs that have been previously paid by Medicare, and you repay any Social Security benefits or Social Security Disability benefits you’ve received since becoming eligible for those benefits.

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