



## FACT SHEET

# Health Insurance Information Counseling and Assistance Program

HIICAP is New York's source for current and impartial information about health care coverage for people age 60 and over or persons with disabilities.

## Information and Assistance

The Health Insurance Information Counseling and Assistance Program (HIICAP), is the New York State Health Insurance Assistance Program (SHIP). Through the HIICAP program, Area Agencies on Aging (AAAs) provide information and assistance on health care coverage options directly or through subcontractors via telephone and face-to-face interactive sessions, public education presentations and programs, and media activities. HIICAP counselors and volunteers must have knowledge of and be able to provide unbiased information and assistance on health insurance programs.

## Who does HIICAP Serve?

- Current Medicare beneficiaries
- People about to become eligible for Medicare or planning for retirement
- People younger than 65 years old who are eligible for Medicare due to a disability
- People needing information on long-term care insurance
- People who are eligible for both Medicare and Medicaid

## When to contact a HIICAP counselor

Counselors are available year round to help:

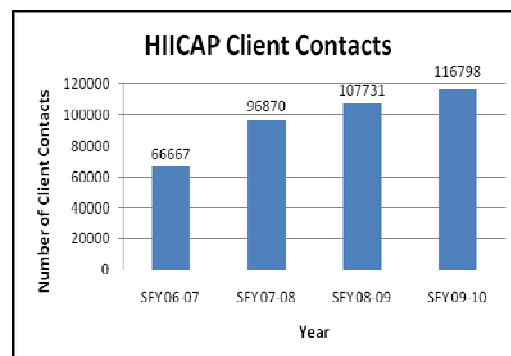
- Individuals as they turn 65 or otherwise become eligible for Medicare
- During open enrollment periods
- Understand which options are best suited to the individual's needs
- Resolve problems during the year

## Historical

Medicare and Medicaid programs were signed into law on July 30, 1965, after several decades of debate over what universal medical coverage for the poor and elderly should look like. When Medicare went into effect in 1966, over 19 million people age 65+ enrolled. In 1972 disabled persons under age 65 were provided services under Medicare. In 1997 Medicare Advantage was enacted. In 2003 the Medicare Modernization Act was signed into law – linking premiums to beneficiary income. In 2006 the Part D prescription drug benefit became available to beneficiaries from private drug plans and Medicare Advantage plans.

## Client Contacts

The HIICAP program began in New York State in the mid 1990's. Over the past four years alone, client contacts almost doubled. By the close of SFY 2009-2010, there were 116,798 client contacts through the HIICAP program, compared to only 66,667 four years ago.



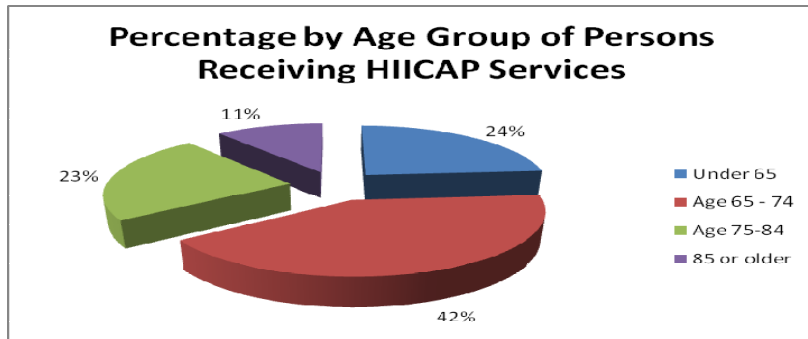
## HIICAP Overview:

Provide general information about health insurance options, including:

- Medicare eligibility (Parts A and B), benefits, preventive services, claims filing and appeals
- Medicare Prescription Drug Benefit (Part D)
- Medicare Advantage options
- Low Income Subsidy
- Medicare Supplement Insurance (Medigap) comparison information and claims filing
- Senior Medicare Patrol
- Patient's Rights
- Long Term Care insurance and planning
- Veterans' Benefits
- Medicaid eligibility, benefits and spousal protections (including dual-eligibility)
- Other types of health insurance benefits (including employer, retiree, Medicare Savings Program benefits, "Extra Help", EPIC)

## The Profile

Since the inception of HIICAP, the number of people served by HIICAP counselors increased through the turn of the century. With the start of the prescription program in 2006 (Part D), the number of client contacts jumped dramatically although the percentages among the age groups stayed steady. As of State Fiscal Year 2009-2010, the largest age group receiving HIICAP services remained the 65-74 year olds at 42%.

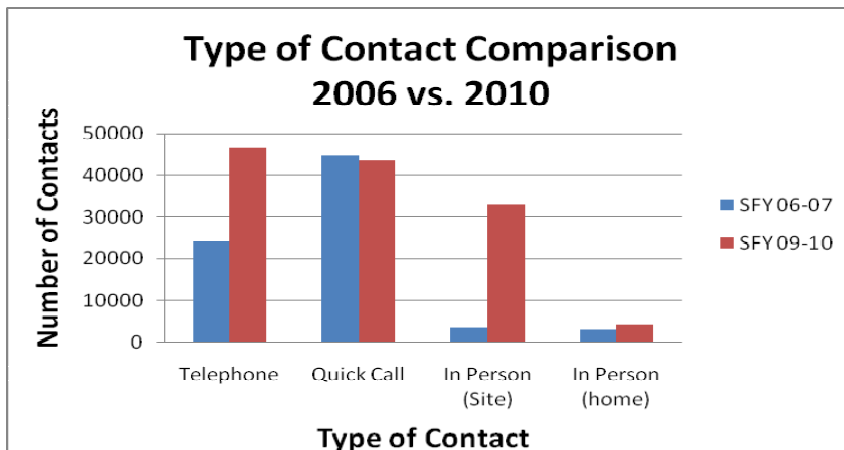


## Economic Status

HIICAP helps educate seniors in all income brackets on health insurance options and provides additional information if they become Medicaid eligible. Slightly less than half of those clients that have received HIICAP counseling are at or below 150% of the federal poverty level. Individuals may qualify for Medicaid if their income and resources are very low. Medicare and Medicaid can work together (referred to as “dual eligible”) to pay health care costs for low-income senior and disabled Americans. Medicare will pay first. Medicaid will then cover many, often all, of the costs not covered by Medicare.

## Change in Contacts

Following the January 1, 2006 addition of the voluntary Medicare Part D outpatient prescription drug benefit, requests for information exploded. The number of client contacts increased, the complexity of the program choices increased, the duration of a client contact increased and the type of client contact shifted. Prior to the Part D plan going into effect in 2006, a greater majority of the client contacts were able to be handled by quick calls (less than 10 minutes). By 2010, clients are going to AAA offices for in-person site appointments (increase from 5% to 26%), and telephone calls of significantly longer duration are occurring.



## Impact on the Lives of Seniors

A homebound paraplegic (Mr. F.) called a HIICAP Coordinator about a Medicare health plan salesman trying to persuade him to sign up for a plan. He wanted to know his rights and protections. The HIICAP Coordinator offered to meet him in his home to discuss his Medicare options. Mr. F's only coverage was under Original Medicare. He had never signed up for Medicare Part D. Because Mr. F had never signed up for Medicare Part D, he would be assessed a 51% late enrollment penalty (in addition to his premium) that he would be required to pay every month enrolled in a Part D plan.

Mr. F was struggling financially to stay in his home with his only income being his Social Security benefit. Mr. F and the HIICAP Coordinator reviewed all his Medicare coverage options; reviewed his income, and found him to be a few hundred dollars over the Medicare Savings Program limits.

If Mr. F qualified, a Medicare Savings Program would pay his monthly Part B premium every month and would also automatically qualify him for the Low-Income Subsidy Program (Extra Help) which would pay for his monthly Part D premium and eliminate any penalty he may be subject to. His prescription costs would be greatly reduced.

The HIICAP Coordinator then explained by enrolling in the Medicare supplement of his choice, Mr. F would get the health coverage he needed and the premium he paid could be deducted from his monthly income thereby qualifying him for a Medicare Savings Program and Extra Help with his prescription drug costs.

Mr. F's Medicare premium is now being paid for him, his drug costs have been greatly lowered, and his supplement is paying for his Durable Medical Equipment needs. He can now afford to stay in his home.