



'MAGI Medi-Cal' to Medicare

Questions and Answers About Making this Transition

What is MAGI Medi-Cal?



The Affordable Care Act of 2010 allowed some adults not previously eligible for Medi-Cal to qualify for Medi-Cal coverage. Persons under 65 with incomes up to 138% of the Federal Poverty Level (\$1,563 / individual, \$2,106 / married in 2022) could now qualify. This coverage is called MAGI Medi-Cal because it is based on an

individual's Modified Adjusted Gross Income. It is not the same as a private insurance plan through "Covered California," and the notes below do not apply for those transitioning from those plans. If you have MAGI Medi-Cal coverage and are now eligible for Medicare, you may have some of the following questions.

I just receive my Medicare card in the mail even though I did not ask for it. What is happening to my medical insurance coverage?

Enrollment in Medicare Parts A (Hospital) and B (Doctors) is automatic if you are already getting Social Security (SSA) benefits. You should receive your card in the mail about 3 months prior to your Medicare effective date. (Make sure the SSA has your current mailing address.) After you are eligible for Medicare you can no longer stay on MAGI Medi-Cal. You will automatically be evaluated for other Medi-Cal programs.



Social Security said they will deduct a monthly amount from my SSA benefit to pay the Medicare Part B premium. Do I have to pay that? It is tough for me to make ends meet.

Your Part B premium may be deducted from your Social Security benefits for a couple of months, but then it will be paid by the State, and SSA will reimburse you for any deductions. Meanwhile, Medi-Cal will evaluate whether you are eligible for other programs that will help cover Medicare costs. If you're not eligible, you'll eventually have to pay the Part B premium yourself (but not retroactively).

I am turning 65, but I do not receive Social Security payments, and I did not get a Medicare card. Can I just do nothing and stay on my MAGI Medi-Cal plan?

No. After you are eligible for Medicare, whether or not you enroll, you can no longer stay on MAGI Medi-Cal. If you are not receiving Social Security benefits you will need to enroll in Medicare during your Initial Enrollment Period (IEP) when you turn 65. This period runs from 3 months before until 3 months after your birthday month. HICAP can tell you more about how to enroll. If you delay enrolling, you may have to wait until the General Enrollment Period, between January and March each year. Your coverage won't be effective until July 1 of that year. During this time you will have no medical insurance. You may also have a lifetime late enrollment penalty.

I just got a letter in the mail saying I am assigned to a Medicare Prescription Drug Insurance Plan. What is that?



After you are eligible for Medicare, your MAGI Medi-Cal plan will no longer cover Prescription Drugs (Rx). Once you have Medicare, you will be assigned to a fully paid Medicare Rx insurance plan with no monthly premium and co-payments ranging from about \$1 for generic and \$4 for brand drugs. Be sure to give your pharmacy your new plan

information instead of using your Medi-Cal card. Also, check with your pharmacy to make sure your new insurance plan covers all your drugs. If not, HICAP can help you change to a different plan that may cover your Rx.

I just signed up for Medicare at age 65. Will I get a drug plan automatically?

Yes, but not right away. As soon as you're enrolled in Medicare A/B, you'll be automatically enrolled in 'Extra Help' for your prescription drugs through Medicare. MAGI will no longer cover your Rx's. You'll also be automatically signed up for a Medicare Rx plan, although it may take several months to be effective. While you wait you can use a special program to get your Rx's at 'Extra Help' prices. HICAP can help you with that. You may also sign up for an Rx plan yourself if you don't want to wait. You can do that as soon as you have your Medicare Part A/B number. HICAP can help you choose the best plan for your Rx needs.

Will anything else happen automatically?

With your eligibility for Medicare, you will need to furnish more information to Medi-Cal. The County Medi-Cal unit will automatically send you an information packet, including a property form for you to list your assets. Medi-Cal will screen for programs you may qualify for that will pay your Medicare Part B premium and provide other savings, all of which depend on your assets. You must submit the form by the deadline shown in the package. Do not delay or your medical benefits will be cut off.

What is different about the evaluation process?

Nothing has changed for me!

MAGI Medi-Cal has no asset limitations, so you have not had to report things like IRAs, savings accounts, real estate, investments, or life insurance. The Medi-Cal / Medicare programs must consider these assets. Your home, one car, and personal items are not included in the evaluation. The asset limits are currently \$130,000 if single and \$195,000 if married. HICAP can help explain them.

My Medicare starts soon and I have not received anything from Medi-Cal. Should I be worried?

It may take Medi-Cal as long as 3 months to send out the information package. So, do not be concerned that you have been forgotten (unless you have moved and not told Medi-Cal of your address change).

Your MAGI Medi-Cal will continue until you have been evaluated for applicable low-income programs. Your Part B premium may be deducted from your Social Security benefits for a couple of months, but then it will be paid by the State, and SSA will reimburse you for these deductions. You can continue to see your doctors with no co-payments. And you'll be enrolled in Medicare 'Extra Help' for your prescription drugs for at least the remainder of the current year and possibly the following year. You'll also be either automatically enrolled in a Medicare Rx plan, or you can choose your own.

I don't like the uncertainty of waiting. Can I get the evaluation going sooner?



If you don't want to wait, you can request to be screened for the other low-income assistance programs which may apply. You cannot request this screening earlier than one month before your 65th birthday month. Call (800) 709-8348 and ask for the evaluation to start. It's best to do this only if you think you'll qualify for one of the other low income programs, since otherwise your MAGI might end sooner. HICAP can help you determine if you're likely to be eligible for any of the assistance programs.

I received a "Notice of Action" letter saying I did not qualify for any of the Medi-Cal benefits. What do I do now?

Upon re-evaluation, you may or may not be eligible for Medi-Cal benefits which work with Medicare. Or you may have a 'Share of Cost' which is a monthly deductible before Medi-Cal assists with payments. Your 'Extra Help' for drug coverage will continue until the end of this year (or even the end of next year if after 7/1). But you will have the Part B Medicare premiums deducted once the State stops making payments. You will have co-pays to see your doctors. Although you can continue to use the CCHP providers, you will have co-pays. In this case, call HICAP for assistance in selecting your Medicare insurance options, eliminating your 'Share of Cost' and ways to reduce Rx costs once your 'Extra Help' expires.



Contra Costa Health Insurance Counseling and Advocacy Program (HICAP)

**For assistance call HICAP at: 925-655-1393,
or 800-434-0222, or 800-510-2020 (from land lines)**

Visit: www.cchicap.org

This project was supported, in part by grant number numbers 2101CAMIAA, 2101CAMISH, and 2101CAMIDR from the U.S. Administration for Community Living (ACL), Department of Health and Human Services, Washington, D.C. 20201. Grantees undertaking projects under government sponsorship are encouraged to express freely their findings and conclusions. Points of view or opinions do not, therefore, necessarily represent official ACL policy.

