



Understanding Medicare and Medicaid for Adult Children with Disabilities

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AgeOptions: Who We Are and What We Do

- AgeOptions is the non-profit Area Agency on Aging for suburban Cook County
- Receive funding from state, federal, and private foundations
- Responsible for:
 - Planning, coordinating, and funding services for older adults
 - Connecting older adults, their families, and caregivers with resources and service options
 - Advocating for the needs of older adults by educating policy makers
- Avisery is a program of AgeOptions' that offers education and technical assistance to professionals who assist older adults and adults with disabilities in navigating Medicare and Medicaid



Avisery by AgeOptions **trains professionals**
on how to help consumers **navigate the**
complexities of Medicare & Medicaid.



What we'll cover today



What is Medicare & Medicaid – the basics

What is mean to be a dual-eligible beneficiary

Coverage options

Programs that can help pay for Medicare costs

Where to go for help



Medicare and Medicaid = Dual Eligibility

- A person is a **dual eligible** if they qualify for Medicare and Medicaid
- Dual eligibility means that Medicare and Medicaid cover most medical services
 - For medical services covered by both, Medicare pays first and Medicaid pays second
- Medicaid will be the only payer for some services that Medicare doesn't cover
 - Long term care services and supports such as care in a long-term care facility or Medicaid home and community-based waiver services
 - Dental, vision, hearing, transportation, and some behavioral health



SSI and SSDI

SSI

- Supplemental Security Income (SSI)
 - Based on financial need and provides monthly payments to people 65+, or any age if blind or disabled
 - Must meet income, resource, and residency/citizenship criteria to qualify
 - No work history required
 - Usually also eligible for Medicaid

SSDI

- Social Security Disability Insurance (SSDI)
 - Based on work history and paid FICA taxes (or through your own or a parent's)
 - Have a Social Security disability determination
 - Not based on financial need and no asset limit
 - Ability to work and earn employment income can affect eligibility
 - 24-month waiting period for Medicare coverage



Medicare Basics

What is Medicare?

- A federal health insurance program for adults with disabilities or who are 65+
- Social Security Administration (SSA) determines eligibility and handles enrollment
- Centers for Medicare and Medicaid Services (CMS) run the Medicare Program



Who is Eligible for Medicare?

- People age 65 and older with enough work history covered under Social Security (earned 40+ credits)
- People with disabilities under age 65
 - Eligible after receiving Social Security Disability Insurance (SSDI) benefits for 24 months
 - Automatically enrolled in Medicare Part A and Part B on the 25th month
- At any age
 - End-Stage Renal Disease
 - Amyotrophic Lateral Sclerosis (ALS)
- Must be a U.S. citizen or eligible non-citizen



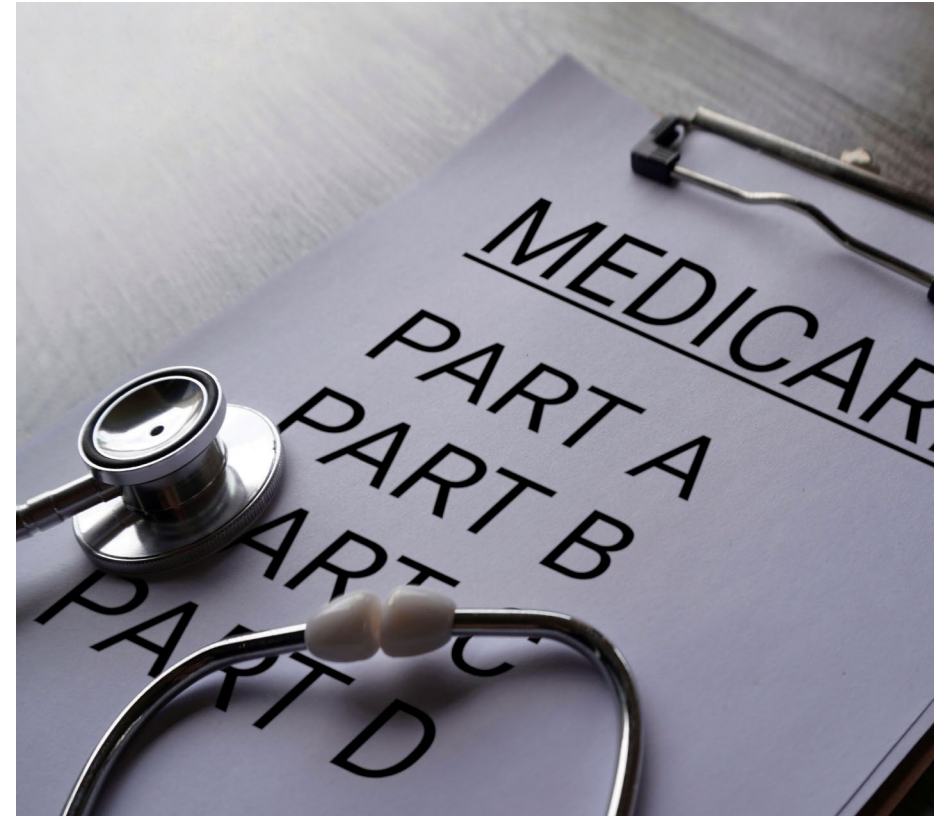
How Adults with Disabilities Qualify for Medicare

- Adults with disabilities can qualify for Medicare if they:
 - Receive SSDI for 24 months through their own or spouse's work history OR
 - Receive SSDI benefits as a disabled adult child (DAC) on a parent's work record
- Disabled Adult Children must:
 - Be 18+ and have a disability that began before age 22, and
 - Not married, and
 - Have one parent receiving Social Security benefits, or a deceased parent that earned enough Social Security work credits



The Parts of Medicare

- Original Medicare
 - Part A - hospital insurance
 - Part B – Medicare insurance
- Part C: Medicare Advantage
 - An alternative way to receive Original Medicare benefits
 - Provided by private health plans that contract with Medicare
- Part D – prescription drug coverage
 - provided through private companies that contract with Medicare
 - Benefits are provided through a stand-alone Part D plan that works with Original Medicare or a Medicare Advantage plan



Medicare Costs

- Medicare Part A is premium free for most beneficiaries
- Medicare Part B has a monthly premium of \$202.90
 - Most dual-eligible beneficiaries qualify for a program called Medicare Savings Program to pay this each month
- Medicare does not cover 100% of costs
- Part A and Part B have deductibles and coinsurance amounts, but...
 - **Dual-eligible beneficiaries usually pay nothing**
 - **Medicaid covers most Medicare Part A and B cost-sharing**



Original Medicare Benefits

Part A

- Inpatient hospital care
- Skilled nursing facility
- Home health care
- Hospice care

Part B

- Doctors' services
- Lab services, diagnostic tests
- Physical, speech, occupational therapy
- Durable medical equipment
- Preventive care
- Ambulance
- Outpatient hospital services
- Some home health care

Medicare Part D: Prescription Drug Coverage

- Once an individual becomes eligible for Medicare, Medicaid stops covering most prescription drugs
- Dual-eligibles must enroll in a Part D plan to receive drug coverage
- Each plan has a list of drugs it covers called a formulary and a pharmacy network
 - Make sure drugs and pharmacy are covered by the plan
- Part D plans charge monthly premiums, deductibles, and drug co-pays BUT
 - Dual-eligible beneficiaries automatically qualify for a program called “Extra Help” to help cover Part D costs
 - If a dual eligible doesn’t enroll in a part D plan, Medicare will auto-assign them to a plan

Medicare Advantage (Part C)

- Medicare Advantage (MA) is an alternative to Original Medicare
- Offered by private insurance companies that work with Medicare
 - Still in the Medicare program and have rights and protections
- Combine Part A, Part B and usually Part D benefits through one health plan
 - Plan may offer extra benefits like dental or vision
- Must use provider networks for care to be covered or to pay less
 - Make sure doctors and medical providers in-network
- May have to pay a MA plan premium in addition to the Part B premium
- In Illinois, there are special MA plans only for dual-eligibles called Dual Eligible Special Needs Plans (D-SNPs)



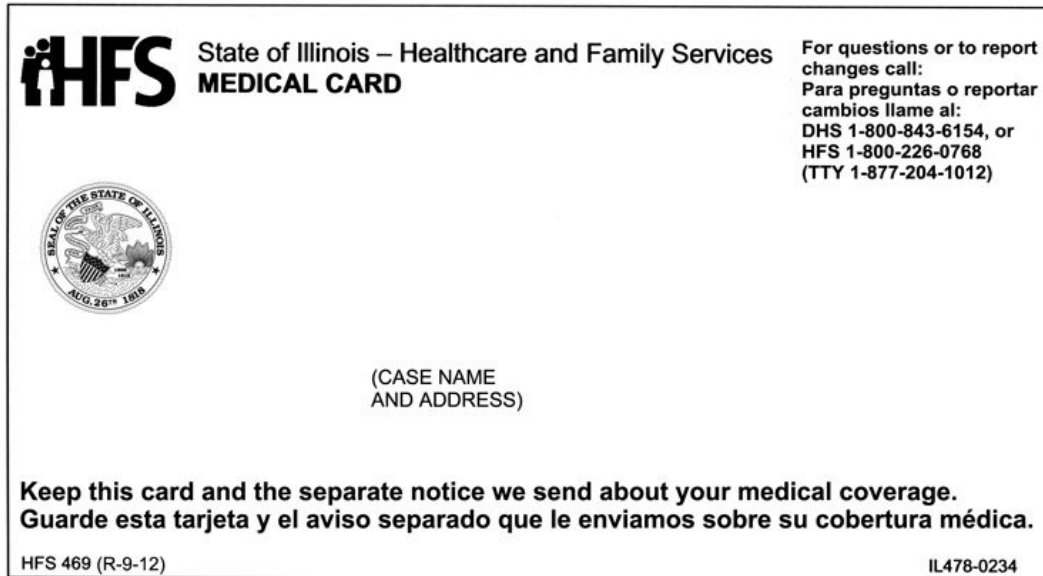
What Does Original Medicare NOT Cover

- Most dental, routine vision care, or hearing services
- Non-emergency transportation
- Alternative medicine
- Care received outside of the U.S.
- Long-term care (long-term stays in nursing homes)
- Custodial or personal care (unless homebound and receiving Medicare-covered skilled care)
- Homemaker services (unless on hospice)



Medicaid Basics

What is Medicaid?



The image shows a sample of an Illinois Medicaid Card. At the top left is the HFS logo. To its right is the text "State of Illinois – Healthcare and Family Services" and "MEDICAL CARD". Below the logo is the Seal of the State of Illinois. To the right of the seal is a box for "(CASE NAME AND ADDRESS)". At the bottom left is the text "Keep this card and the separate notice we send about your medical coverage. Guarde esta tarjeta y el aviso separado que le enviamos sobre su cobertura médica." and "HFS 469 (R-9-12)". At the bottom right is the text "IL478-0234".

HFS State of Illinois – Healthcare and Family Services
MEDICAL CARD

For questions or to report changes call:
Para preguntas o reportar cambios llame al:
DHS 1-800-843-6154, or
HFS 1-800-226-0768
(TTY 1-877-204-1012)

(CASE NAME
AND ADDRESS)

Keep this card and the separate notice we send about your medical coverage.
Guarde esta tarjeta y el aviso separado que le enviamos sobre su cobertura médica.

HFS 469 (R-9-12) IL478-0234

- Health insurance for individuals with limited incomes
- Funded by federal and state governments
- Helps pay for most costs not covered by Medicare
- Medicaid & Medicare work together to ensure beneficiaries have low to no cost sharing
- Payer of last resort



Who is Eligible for Medicaid?

- Illinois Medicaid has multiple categories of Medicaid
 - Each Medicaid category has its own financial and eligibility criteria
- Adult with disabilities usually qualify for one of these two Medicaid categories:
 - AABD (Aid the Aged, Blind, or Disabled) – 65+ or eligible for Medicare at any age
 - ACA (Affordable Care Act “Adult” Medicaid) – adults ages 19-64, including adults with disabilities not enrolled in Medicare
- To qualify for most Medicaid programs, a person must be a U.S. citizen or eligible non-citizen



Medicaid Covered Services

- Hospital care
- Doctor and specialist care
- Outpatient physician and clinic visits
- Hospital emergency room visits
- Hospital ambulatory (outpatient) services
- Durable medical equipment
- Medical supplies
- Laboratory services/x-rays
- Immunizations
- Therapies including speech, occupational and physical
- Hospice care
- Mental health services, including alcohol and substance use treatment
- Prescription drugs (Note if a person has Medicare & Medicaid, most prescriptions are covered under Part D)
- **Dental care**
- **Vision care**
- **Audiology services**
- **Transportation to medical services**
- **Long-term care services**



Medicaid and Long-Term Care Services and Supports (LTSS)

- Medicaid covers LTSS if eligible
- LTSS – care that helps individuals perform activities of daily living
 - Eating, cooking, bathing, getting dressed, grooming, etc.)
- Two ways to receive Medicaid-covered LTSS
 - Reside in a long-term care facility
 - Receive services through a Home and Community-Based Services Waiver Program (HCBS)



Medicaid Home and Community Based Service (HCBS) Waiver Programs

- There are nine HCBS Waiver programs in Illinois
- Medicaid HCBS waiver programs allow individuals to remain in their home or community instead of a nursing home or institution

Children and Young Adults with Developmental Disabilities Support Waiver

Children and Young Adults with Developmental Disabilities Residential Waiver

Children that are Technologically Dependent

Persons with Brain Injuries

Persons with HIV or AIDS

Supportive Living Program

Persons who are Elderly

Persons with Disabilities

Adults with Developmental Disabilities



2026 Medicaid Income and Asset Limits

Medicaid Category	Monthly Income limit	Asset Limits
ACA Adult - Adults ages 19-64 - Not enrolled in Medicare - Disabled adults not on Medicare	138% FPL \$1,835- 1 person household \$2,489- 2-person household	No asset limit
AABD - Adults 65+ - Adults with disabilities under 65 with Medicare - May “Spenddown” if over the income limit	100% FPL * \$1,355- 1 person household \$1,828- 2 person household	\$17,500

AABD income limits include a \$25 disregard and includes a Spenddown option. Spenddown can help people qualify for AABD if their income is too high by submitting medical expenses equal to their spenddown amount



Medicaid Spenddown

- Medicaid Spenddown is a program that can help people qualify for AABD Medicaid if their income or assets are above the limits
- A spenddown amount is the difference between their income and/or assets and the AABD limits
- Can use medical expenses to meet their spenddown amount
 - Doctors and hospital bills, prescription costs, medical equipment or home and community-based services
- Must submit medical expenses each month that meets their spenddown amount to qualify for Medicaid
 - If expenses are not submitted for a certain month, the person does not receive Medicaid that month



Medicare and Medicaid: Dual-Eligibility

What Does Dual-Eligible Mean?

- A **dual-eligible** beneficiary is a person receiving both Medicare and Medicaid benefits
- Medicare and Medicaid work together to cover most services
 - Medicare pays first and Medicaid pays second
 - Low or no out-of-pocket costs
 - Some services will be covered only by Medicaid
- Once a person becomes a dual-eligible, their coverage options change
- When Medicare becomes primary and Medicaid secondary, dual-eligible individuals may have access to a broader range of medical providers.
- Medicare Part B has a monthly premium, but a Medicare Savings Program usually pays it. If not automatically enrolled, apply through Illinois ABE.



Becoming a Dual-Eligible

- Most individuals with disabilities are automatically enrolled in Medicare Part A and Part B after receiving SSDI benefits for 24 months
- If on Medicaid prior to Medicare eligibility, usually in ACA Medicaid
- Once an individual in ACA Medicaid becomes eligible for Medicare, their Medicaid coverage changes
 - Screened for the AABD Medicaid category and if eligible, moved
- If enrolled in a HealthChoice IL plan, the person is disenrolled and placed in AABD fee-for-service Medicaid with Medicare
 - Fee-for-Service (FFS) means Medicaid and Medicare are billed separately and directly for each service



Medicare and Medicaid: Coverage Options

Coverage Options for Dual-Eligibles in Illinois

Duals-Eligible beneficiaries can choose how they receive their benefits

Original Medicare + FFS Medicaid + a Part D plan

- If receiving Medicaid HCBS waiver services or reside in long-term care facility, usually need to enroll in a separate MLTSS plan for coverage of these services

Dual Eligible Special Needs Plans (D-SNPs)

- Special Medicare Advantage plans specifically tailored to duals with Medicare and Medicaid
- Coordinates all Medicare and Medicaid benefits

Standard Medicare Advantage plan + FFS Medicaid

- Must ensure providers are in network and accept Medicaid
- If receiving Medicaid HCBS waiver services or reside in a long-term care facility, usually need to enroll in a MLTSS plan for coverage these services

Note: Adults receiving Developmental Disability waiver services are not eligible for D-SNPs or MLTSS plans. Medicaid and waiver services are covered by FFS Medicaid

Original Medicare and FFS Medicaid

- Medicare and Medicaid work together to cover most medical care
 - Medicare always pays first, and Medicaid pays second for services covered by both
 - Always make sure providers accept both Medicare and Medicaid
- Medicaid is sole payer for Medicaid-only covered services
 - Dental, vision, hearing, transportation, and long-term facility or waiver services
- Prescriptions are covered under a Medicare Part D plan
 - Automatically qualify for the Extra Help program to help with Part D costs
 - Enroll in a Part D plan or Medicare will automatically enroll the individual into a plan



Dual Eligible Special Needs Plan (D-SNP)

- A type of Medicare Advantage plan only for people with Medicare and Medicaid age 21+
- Offered by private health companies that contract with both Medicare and Medicaid
 - Plans offered include Aetna, Humana, Meridian, Molina
 - All plans offered are HMOs
- Combines all Medicare Part A & B, Part D, Medicaid, and long-term care and waiver services into one health plan
 - The plan may offer extra benefits
 - Includes care coordination
 - Integrated benefits make coverage easier to navigate



D-SNP Coverage: What You Need to Know

- D-SNP enrollees must use providers in the plan's network for services to be covered
 - Some services may require prior authorization
- Make sure prescriptions are on the plan's formulary
- Enrollment is **optional**
 - Can enroll, disenroll, or change D-SNPs any time of the year
- **Not eligible** to enroll in a D-SNP if
 - On a Medicaid Spenddown **or**
 - Receiving developmental disability institutional services or participating in the HCBS waiver for Adults with Developmental Disabilities
- Compare plans using the Medicare Plan Finder at www.Medicare.gov and enroll through Medicare or directly with the plan



Medicare Advantage and FFS Medicaid

- Standard Medicare Advantage (MA) plans are health plans for people enrolled in Medicare Parts A & B
 - Most include Part D coverage
- Usually need to use providers that are in-network and accept Medicaid
- Medicare and Medicaid benefits are not integrated
 - Medicare and Medicaid benefits need to be managed separately
- Standard MA plans do not cover long term care services and supports
 - Must enroll in a separate MLTSS plan if receiving long-term care or HCBS waiver services
 - Note: individuals enrolled in the Adults with Developmental Disabilities waiver are not eligible for MLTSS



Developmental Disabilities Waivers and Dual Eligibility

- Medicare and FFS Medicaid cover most medical benefits
- Medicaid FFS covers benefits Medicare does not cover
 - Dental, vision, hearing, and transportation services
 - Developmental Disability Waiver services
- Not eligible to enroll in D-SNP or MLTSS plans
- Need to enroll in a Part D plan for drug coverage. Medicaid stops covering most prescriptions once eligible for Medicare
 - Automatically receive Extra Help to help pay Part D plan drug costs



DRS Home Services Waiver and Dual Eligibility

- If a person receiving Medicaid and DRS Home Services becomes eligible for Medicare, they are disenrolled from their HealthChoice Illinois plan
- Once a dual-eligible, coverage options include:

Original Medicare and Fee-For-Service Medicaid

- Medicare pays first and Medicaid second for most medical services
- Medicaid FFS pays for services Medicare doesn't, including dental, vision, hearing, some behavioral health
- Enroll in a Part D plan - Medicaid stops covering most prescriptions. Automatically receive Extra Help to help pay Part D plan costs
- If receiving DRS HCBS waiver services ("Home Services Program"), must enroll in a MLTSS plan for coverage of those services

OR

Dual-Eligible Special Needs Plan

- One Medicare Advantage plan that covers everything Medicare and Medicaid cover, including LTSS waiver services
- Receive care coordination to help manage Medicare and Medicaid services
- Must use providers in the plans network for care to be covered



What is MLTSS

- MLTSS = Managed Long-Term Care Services and Supports
- Managed care plans that only cover LTSS, transportation, and some behavioral health
- For people with Medicare and Medicaid who receive long-term services and supports (LTSS)
 - Care in a long-term care facility
 - Receiving Medicaid home and community-based waiver services (HCBS)
- Enrollment is mandatory if receiving LTSS and a dual-eligible in Medicare and FFS Medicaid
- Note individuals receiving Developmental Disability waiver services are not eligible for MLTSS and receive LTSS via Medicaid FFS



Medicaid Redetermination

- Redetermination = An annual review people with Medicaid must go through to renew their benefits
- Beneficiaries are mailed redetermination notices one month before their redetermination date
 - Complete and return to Medicaid
- If Medicaid is canceled due to a missed redetermination, can be reinstated if eligible and submit it within 90 days
 - Submit online at <https://abe.illinois.gov/access> or call (800) 843-6154



Programs that can help pay for Medicare costs

Medicare Savings Program (MSP)

- MSPs are Medicaid programs that pay the monthly Medicare Part B monthly premiums and/or Medicare cost sharing
- Some beneficiaries may be automatically enrolled if they also receive AABD Medicaid and Medicare, but if not can apply at <https://abe.illinois.gov/access>
- Illinois Department of Human Services (DHS) processes applications and determines eligibility
- To qualify in 2026, an individual must have:
 - Monthly income less an \$1,819 and assets less than \$9,950
 - Learn more at <https://www.medicare.gov/basics/costs/help/medicare-savings-programs>



The Extra Help Program

- Helps Medicare beneficiaries with limited incomes and resources pay for Part D plan costs
- Dual eligibles automatically qualify for Extra Help
- Benefits include:
 - Help paying for all or some of the plan premium
 - Low drug co-pays
 - \$1.60/\$4.90 (generics/brands) for dual-eligible individuals
 - \$0 drug co-pays if a dual-eligible and institutionalized or receiving HCBS waiver services
 - \$5.10/\$12.65 (generics/brands) for other people who qualify for Extra Help
- If not automatically eligible, apply through Social Security at www.ssa.gov



Where to Go For Help



- Illinois Senior Health Insurance Program (SHIP)
 - Free and unbiased statewide counseling services for Medicare beneficiaries, families, and caregivers
 - (800) 252-8966 or visit <https://ilaging.illinois.gov/ship.html>
- Aging and Disability Resource Centers (ADRCs)
 - To find a local ADRC, visit <https://acl.gov/programs/aging-and-disability-networks/aging-and-disability-resource-centers>
- 1-800 Medicare, www.Medicare.gov
 - Compare and enroll in Medicare Part D and Medicare Advantage plans
 - Information about Medicare benefits
 - Find Medicare approved providers



Helpful Medicaid Resources



- HFS Health Benefits
 - Find a Medicaid FFS provider and information about covered services
 - (800) 226-0768
- Illinois Department of Human Services (DHS)
 - Apply for Medicaid and Medicare Savings Program, manage benefits, check application status
 - (833) 234-6343 or online at <https://ernollhfs.illinois.gov>
- Illinois Home Care Ombudsman for D-SNP enrollees who experience an issue with their plan
 - 1-800-252-8966 (press 4, "other services") and ask for a Home Care Ombudsman or
 - email Aging.HCOProgram@illinois.gov



Thank you!

*Since 1974, **AgeOptions** has established a national reputation for meeting the needs, wants and expectations of older adults in suburban Cook County. We are recognized as a leader in developing and helping to deliver innovative community-based resources and options to the evolving, diverse communities we serve.*

Website:
<https://www.ageoptions.org/resources/avisery/>



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