

A Guide To Insurance And Health Care Programs For People With Disabilities



Info and tips for
people with
disabilities
covered by private
or public health
care in Delaware

From

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A Message From Delaware's Insurance Commissioner Matthew Denn

This guide is intended to answer many of the questions faced by people with disabilities regarding their insurance or health plan coverage – from what you can expect when it comes to purchasing different types of insurance to situations you may face when seeking coverage for treatment to how to insure your medical equipment.

We could not have produced this guide without the help of a number of devoted Delawareans: Brian Hartman of the Community Legal Aid Society; Kyle Hodges of the State Council for Persons with Disabilities; Christine Long of the Division of Developmental Disabilities Services; Patricia Maichle of the Delaware Developmental Disabilities Council; Rita Marocco of the National Association for the Mentally Ill-Delaware; Wendy Strauss of the Governor's Advisory Council for Exceptional Citizens; and Jamie Wolfe of the DDDC and SCPD. Thanks to each of them.

A handwritten signature in black ink that reads "Matthew Denn". The signature is fluid and cursive, with a long horizontal stroke at the end.

How Are You Covered?

What benefits you qualify for, what processes you must go through to get them and even who can help you if you run into trouble depends on what type of health coverage you have. People with disabilities may be covered under any of the following programs or plans, or could be covered by some combination of them. If you are covered in more than one way, it's important to know which is your primary plan and which is your secondary plan. An active employer policy is always primary over any state or federal policy.

- **Medicare:** The federal program that offers health coverage to seniors and people with disabilities in the Social Security disability system.
- **Employer/private/commercial health plan:** If your disability is covered by a private insurance company by a policy obtained through an employer or by a policy you have purchased as an individual, it falls in this category.
- **Medicaid:** A federal government program that provides health benefits to adults and children with disabilities who meet financial standards.
- **Parents' benefits:** For those who were born with a disability or acquired a disability before reaching a certain age, they are often covered by their parents' health insurance from a private employer.
- **Military veterans benefits:** If the disability was acquired during military service, it is likely covered under veterans benefits administered by the federal Department of Veterans Affairs (VA).
- **Active military:** Children with disabilities whose parents are active military are covered by the federal government's health care plan for the armed services, called TRICARE.
- **State funded programs:** There are a number of state funded programs that may provide some form of assistance or cover some services for people with disabilities. For adults, it may include the Delaware Prescription Assistance Program to defray the cost of prescription drugs. For children, the Delaware Healthy Children Program covers the cost of medical care for those who meet eligibility requirements.
- **Workers compensation:** Administered by the Delaware Department of Labor, covers disabilities that are job-related.

Terms To Know

Acute care – Short-term medical treatment, usually in a hospital, for patients having an acute illness or injury or recovering from surgery.

ADA – The Americans with Disabilities Act of 1990 prohibits discrimination against individuals with disabilities in employment, housing, education and access to public services. The federal Department of Justice and the Equal Employment Opportunity Commission are charged with enforcing many of the provisions of the ADA.

Assistive technology – Any item, piece of equipment, or product system, whether acquired commercially or off the shelf, modified, or customized, that is used to increase, maintain, or improve functional capabilities of individuals with disabilities. Assistive technology includes, but is not limited to, wheelchairs, reading machines and devices for grasping. In the area of computers, assistive technologies include screen readers, screen magnifiers, speech synthesizers, voice input software and more.

Co-pay – A pre-set charge or contribution for a medical visit or service that the patient is responsible for paying, with an insurance policy or medical coverage plan paying the rest. For example, a visit to a primary doctor's office may have a co-pay for the patient of \$10, a visit to a specialist \$20, an emergency room visit \$135, etc.

Custodial care – Assistance with the activities of daily living, whether in a residential care facility or at home, including, but not limited to, help in walking, bathing, preparing meals and supervising use of medications. Custodial care normally does not require a trained medical professional.

Dual eligibility – Someone who meets the qualifications for both Medicare and Medicaid.

Durable medical equipment – Durable medical equipment can be used over and over again, is ordinarily used for medical purposes and is generally not useful to a person who isn't sick, injured or disabled. Examples include canes, crutches, walkers, wheelchairs, hospital beds, bed pans, special toilet seats and machines that make breathing easier.

ERISA – Some health plans are what is known as "self-funded," meaning that rather than having an insurance company assume the risk and possibly lose money when claims are paid out, the organization that is providing their

coverage is at risk. A company may administer a self-funded plan (in that situation, called a “third party administrator”), but ultimately is not responsible for its losses, rules, procedures or decisions. Self-funded plans were made exempt from oversight by the state Department of Insurance under the federal Employee Retirement Income Security Act, and thus are sometimes known as ERISA plans.

Long-term care insurance – An insurance policy purchased to pay your costs in the event that you need long-term care services. Depending on the policy, long-term care services may include home health care, respite care, adult day care, care in a nursing home or in an assisted living facility.

Medicaid waiver – An ability by the state to allow persons to enroll in Medicaid programs under more liberal financial and other standards and to offer an enhanced menu of services.

Medical necessity – A standard used by insurers to determine whether a prescribed or desired treatment is covered. The standard varies from company to company, but often addresses whether a treatment is in accordance with the generally accepted standards of medical practice, appropriate for the patient’s illness, injury or disease, and is not simply for the convenience of the patient or physician.

Out-of-network – Refers to treatment professionals who have not signed provider contracts with the insurer providing coverage for your care. Typically, an insurance subscriber will pay a higher cost or be responsible for the full fee to see an out-of-network treatment professional.

PDL – A preferred drug list is a list of medications in any given class of medications, developed by the insurer, that the physician and/or prescriber is allowed to choose from when deciding the best drug therapy for your diagnosed condition, and for which the insurer will pay.

Parity – Equivalent benefits and restrictions in insurance coverage for mental health services and for other health services. In Delaware, state law requires health insurance coverage for treatment of mental disabilities to be equal to treatment for physical disorders.

Pre-existing condition – A current or past health problem which must be disclosed in applications for health insurance. Failure to disclose a pre-existing condition could be cause for an insurance company to cancel your policy. Some insurance policies may exclude any coverage of a pre-existing condition. If a health insurance plan does not have such an exclusion, the company must cover your pre-existing condition, though often after an affiliation period or probationary employment period. Federal law restricts how insurers can ban coverage and medical treatments or treatments for pre-existing conditions.

Prior authorization – The active step that the physician and/or prescriber of medications must take in order to gain approval for medications that are either not approved for step 1 of step therapy or not included on a preferred drug list (PDL) that most insurers have developed. Prior authorization is also required by insurers in advance of many medical procedures

Skilled nursing – Institutional care that is less intensive than hospital care in its nursing and medical services, but which includes procedures whose administration requires the training and skills of an RN.

Step therapy – involves starting treatment with a less costly medication (which is step 1) and moving only if necessary to more costly treatment (step 2). When the insurer deems it appropriate, step 2 drugs may be authorized if step 1 drugs are not effective for your condition. Step therapy prescription programs are designed to save on health care costs while providing medication that has been deemed by the insurer as historically effective.

Third-party administrator – In some cases, refers to an insurer that administers a self-funded plan (see “ERISA”). Other times, the term refers to a company contracted by an insurance company to administer a specific set of benefits. For instance, many insurers use a third-party administrator to administer mental health benefits.

Insuring Equipment

Durable medical equipment, such as walkers, wheelchairs, and hospital beds, are **generally covered under homeowners insurance policies** in case the equipment is damaged in a disaster or stolen. However, there may be limits in your homeowner policy on the coverage – check with your insurance agent or company to make sure. You may need an addition to your policy – called an endorsement, a floater or a rider – to make sure your equipment is covered for its full value.

If you rent your home, you will only be covered for damage or theft of your property – including durable medical equipment – if you have purchased renters insurance. Talk to an agent or insurance company.

Since 2004, state law has required that **all new assistive technology devices sold or leased to Delaware consumers have a one-year warranty.** If a device is defective, and if the consumer attempts to have the device repaired or reports 30 cumulative days of the device being out of service, the manufacturer must at the consumer's direction replace the item or refund the purchase price.



Rights And Privacy

Under a federal law called HIPAA (Health Insurance Portability and Accountability Act), you have extensive rights to keep your medical information private. Some things you should know:

- If you want your family members to be able to discuss your condition with doctors or to check on your status while you are having a procedure, **you must specifically grant them permission**. Even for those whom you grant permission, you may restrict what they can see. For example, you may wish your family to know your medical diagnosis, but not share its causes or your medical history.
- You have the **right to refuse to give your HIPAA authorization** to, or to rescind your authorization from, anyone – including doctors and your insurance company. However, if you refuse to grant your insurance company or medical plan access to your records, they may refuse to provide coverage.
- When you sign a HIPAA authorization for a new doctor, a specialist or insurance company, **you can have it expire** after a specific period of time, such as 6 months or a year, after which your permission would have to be sought again.



What's Covered?

It is important to know what is and isn't covered under your health plan. Make sure to check on the following items.

- Assistive technology
- Co-pays
- Caps on benefits
- Dental
- Diabetic supplies
- Doctor visits
- Durable medical equipment
- Emergency room visits
- Hearing aids
- Hospital stays
- In-home care
- Long-term care
- Mental health – in- and outpatient treatment
- Substance abuse – in- and outpatient treatment
- Out-of-network – what are the benefit levels and out-of-pocket costs?
- Prescription drugs
- Rehabilitation services
- Routine checkups and well visits
- Therapy
- Vision and eyeglasses

Tips

- Read and **understand your policy** before you face a medical issue. If you do not understand something in your policy, contact your insurance agent or company and ask to have it explained to you.
- **Keep records of all your communications** with insurance companies about your benefits, including the names of people you speak to over the phone and the dates of your conversation.
- **Put all complaints in writing and use certified mail** so you have a record that your complaint was received and when.
- **Keep your health insurance card with you** at all times or know your insurance company, your identification number and account number.
- **Maintain a list of medications that don't work** for you. A future doctor may want to prescribe the drug to you again.
- Have a **copy of your health history**.
- If you are having a problem with your insurance company, **speak to your employer's human resources personnel**, if applicable. They are the ones to whom your insurance company is accountable.
- Know **which is your primary insurance and which is your secondary insurance**.
- Your insurance/doctors are required to provide you the information however you can understand it, which may include Braille, sign language, large print. Ask for information about your medical record and possible medical treatment **in the modality you need it**.
- You have **a right to all information in your medical chart** and a right to have copies made for you by a medical facility. You may be charged up to \$25 for copies, but you cannot be charged to look at your records. Parents have a right to view their children's records.

Need Help?

The Delaware Insurance Commissioner's Office is here to help if you have questions about or problems with your insurance coverage or insurance company.

Questions about insurance or complaints about an insurance company or insurance agent can be made to the Commissioner's Consumer Services division by phone, by fax, by letter, by email or with an online complaint form:

**1-800-282-8611 toll-free in Delaware
or (302) 674-7310**

(302) 739-6278 fax

**841 Silver Lake Blvd.
Dover, DE 19904**

Email: consumer@deins.state.de.us

Website: www.state.de.us/inscom/complaint.shtml

If complaints to the Insurance Commissioner's Office do not provide a suitable solution, you may take part in a formal process called "**arbitration.**" In arbitration, you file a formal complaint against a company, somewhat like a lawsuit, but instead of a judge and jury, the case is decided by an independent expert. Arbitration is available only after several attempts to resolve the matter informally have failed and will require a \$75 filing fee for health insurance matters. Arbitration is not available to contest denials based on medical necessity. To get more information about the arbitration process, call the Insurance Commissioner's Office at (302) 739-4251 or go to www.state.de.us/inscom/departments/consumer/consumerhp.shtml online.

If you believe that someone has tried to defraud you, please report it to:

- **Attorney General's Medical Fraud Unit** – (302) 577-8505; or
- **DHSS Medicaid Audit and Recovery Team** (welfare fraud investigations and recovery) – (302) 255-9008 New Castle County or (302) 424-7100 Kent and Sussex.



Other Resources For People With Disabilities

Delaware Health and Social Services – A variety of state services for people with disabilities. Call the Delaware Helpline at 1-800-464-HELP(4357) or go to www.dhss.delaware.gov online.

Department of Labor – Handles workers compensation and vocational rehabilitation. Go to www.delawareworks.com online or call one of the following voice/TTY phone numbers: (302) 761-8300 in Wilmington; (302) 368-6980 in Newark; (302) 326-8930 in New Castle; (302) 378-5779 in Middletown; (302) 739-5478 in Dover; or (302) 856-5730 in Georgetown.

Veterans Affairs – For questions about health care benefits for military veterans, call 1-877-222-8387 or TDD 1-800-829-4833. The number for the VA Medical Center located in Elsmere is (302) 994-2511. Website for the VA is www.va.gov online.

Social Security – For questions about disability benefits, call 1-800-772-1213 or go to www.ssa.gov online. TTY: 1-800-325-0778.

Center for Medicare and Medicaid Services – The national clearinghouse for questions about Medicare and Medicaid benefits can be reached at 1-877-267-2323 or www.cms.hhs.gov online. TTY: 1-866-226-1819

Insurance Commissioner Matthew Denn has also published general guides to purchasing auto, homeowners and life insurance. They are available online at www.state.de.us/inscom or by calling 1-800-282-8611.

**Get more tips and information about insurance
from Insurance Commissioner Matthew Denn at
www.state.de.us/inscom**