

Having Multiple Insurances for People with Developmental Disabilities

It is not uncommon for someone with a developmental disability (DD) to have multiple health insurance programs covering their care. This handout will review how that may work together.

Employer Sponsored Plans for Children and Adults

Like most children, kids with DD under 18 are often covered by a parent's employer sponsored plan. For most people, eligibility to stay on a parent's plan ends at age 26, but it is overwhelmingly common for healthcare plans to allow adults with DD to stay on their parent's plan indefinitely as long as (1) the health insurance company is aware of the type and extent of the disability, (2) monthly enrollment premiums continue to be paid, and (3) other general eligibility criteria (e.g., residence can be a consideration) are met. Talk to your office's enrollment staff as the adult child nears age 26 to check on the requirements for the policy in question and ensure eligibility continues.

For some programs, like Federal Blue Cross Blue Shield and Tricare, that continue to cover employees that retired after a full career with their employer, eligibility for the adult with a disability can also continue after the parent retires.

People with disabilities can also get coverage from their own employers, instead of or in addition to plans through their parents.

Medicaid

Medicaid eligibility for children under age 18 comes because (1) the whole family/household has an income below the financial eligibility limits or (2) the child with a disability receives a Medicaid Waiver. Once the person with a disability reaches age 18, they can apply for both Social Security benefits AND Medicaid as an adult "household of one" if their work and income are limited, even if they continue to live with family. Once someone is deemed eligible for Supplemental Security Income (SSI) through Social Security, they are automatically eligible for Medicaid and just need to apply.

If someone has Medicaid and an employer sponsored plan, the HIPP program may help pay for the employer plan premiums. <https://coverva.dmas.virginia.gov/learn/premium-assistance/health-insurance-premium-payment-hipp-programs/>

Medicaid is always the payor of last resort, meaning they will be billed after any other insurance plans are billed.

Medicare and Dual Eligibility

Adults with DD can get Medicare once they either reach age 65 OR 24 months after their parents begin to claim their own Social Security benefits due to disability, retirement, or death. Once the parent begins to claim benefits or passes away, the adult with a disability should automatically move from SSI benefits to Social Security Disability Insurance (SSDI), which will be a higher benefit amount. As this happens, the 24-month waiting period to automatically get Medicare begins, and a Medicare card should automatically arrive at the end of the waiting period. If the adult has Medicaid, Medicaid should automatically pay the monthly enrollment premiums for Medicare Parts A and B, which cover hospital and doctor care and some related needs. People who have Medicaid AND Medicare are commonly called “Dual Eligibles” or “Duals.” They can opt to receive additional benefits and services as a result of being a Dual Eligible individual.

Because Medicaid is the payor of last resort, Medicare will be billed first. If there is also an employer sponsored plan, either that or Medicare will be billed first, then Medicaid will still be billed last.

Resources:

- Ask us a question anytime at <https://thearcofnova.org/program/info-referral/>
- Visit <https://thearcofnova.org/resource-library/> for quick handouts on Medicaid Waiver, Dual Eligibles, filling out Medicaid applications, applying for Social Security, and Disability Determinations
- See recorded webinars on Dual Eligibles, Medicaid, Medicaid Waiver, HIPP (to help pay for private insurance enrollments for Medicaid users) and more at <https://www.youtube.com/@VideosatTheArcofNoVA>