

Happy Birthday, Medicare!

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HICAP Program Manager

Medicare is turning 50 this year! On July 30, 1965, President Lyndon B. Johnson signed the Medicare program into law. Since then, Medicare has had a profound impact on the health insurance industry. By the end of 1966, 19.1 million people had enrolled. Today, Medicare provides health insurance benefits to over 56 million people, nationally.

In the past 50 years, the program has seen many changes. Originally, Part A – a free benefit to those who had paid in to Social Security or Railroad Retirement for 40 quarters - covered hospital charges but not doctors fees.

With the introduction of Medicare Part B, physician and professional services were covered, and a Part B premium was charged. In 2015 the Part B Premium is \$104.90 and is, in most cases, deducted from Social Security or Railroad Retirement income.

The '80s and '90s saw a proliferation of Medicare HMOs and PPOs, now called Medicare Advantage Plans, which required beneficiaries to receive care within a network of providers who were contracted with that plan.

And in 2005 Medicare Part D became part of the Medicare landscape. While having Rx drug coverage is a good thing, the confusion brought about by the design of the plan is not so good. Medicare enrollees are advised to review their medicines and make sure the Part D plan they are enrolled in will still cover their needs the next year. Formularies change; co-payments increase; premiums rise. Often Medicare beneficiaries need help trying to decide what to do, and getting reliable information concerning plan changes.

Approximately 30 years ago, the U.S. Congress decided that older Americans with Medicare needed help understanding benefits, and the national State Health Insurance Assistance Program (SHIP) was born. Called by various names in different states, in California the SHIP program is called HICAP – the Health Insurance Counseling and Advocacy Program. The Sacramento-area HICAP is a program of Legal Services of Northern California, and supported by a grant from the Administration on Community Living (formerly known as the Administration on Aging) through Area 4 Agency on Aging.

In Placer County, HICAP has counseling sites in Auburn, Lincoln and Roseville. Highly-trained volunteer Counselors are registered by the California Department of Aging, and provide one-on-one counseling to Medicare beneficiaries, and those who will soon be Medicare-eligible. HICAP neither sells nor recommends specific insurance companies or plans. Services are always free, and always un-biased. It is the HICAP Counselor's duty to provide the information required to make an informed decision. One of the biggest issues facing Medicare beneficiaries can be how to pay prescription drug costs. HICAP can help determine if you qualify for the "Extra Help" Program. If your monthly income is below \$1471 for a single individual, or \$1991 for a married couple, you have assets below \$13,640 (single) or \$27,250

(married), you could be eligible for the “Extra Help” Program. Do you have questions about Medicare? Most people do!

To schedule an appointment with a HICAP Counselor in Auburn, please call 530-889-9500. To schedule an appointment in Lincoln or Roseville, please call 916-376-8915.

HICAP – part of the national SHIP Network, providing local help for people with Medicare!

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