

Transitioning from HIP to MSP Effective April 1, 2023

Important Update

Beginning April 1, 2023, Healthy Indiana Plan (HIP) members will begin losing HIP eligibility when they turn age 65 or become enrolled in Medicare. Starting April 1, 2023, the COVID Public Health Emergency (PHE) will no longer provide continuous HIP coverage to members who are eligible to enroll in Medicare.

The Indiana Family and Social Services Administration (FSSA) will begin implementing recent federal and state statutory changes that affect HIP members who are eligible to enroll in Medicare. Specifically, all Medicaid members, including HIP members, will have their Medicaid eligibility redetermined sometime between April 1, 2023 and March 31, 2024. Members who are no longer eligible for HIP because they turned age 65 or became eligible to enroll in Medicare may be eligible for a Medicaid category change to the Medicare Savings Program (MSP) if they are enrolled in Medicare. However, all of their Medicaid benefits would be terminated if they are no longer eligible for any category of Medicaid based on their current income and resources or other circumstances.

Most HIP members will become eligible to enroll in Medicare at age 65 and will need to accept automatic enrollment in Medicare or will need to contact the Social Security Administration (SSA) to enroll in Medicare, preferably during one of the three months before they turn age 65. Those who receive Social Security benefits will be automatically enrolled in Medicare Parts A and B at age 65; but HIP members who do not receive Social Security benefits at age 65 will need to enroll in Medicare by contacting SSA. Members who are under age 65 and have received Social Security disability benefits based on their own disability for 24 months will be automatically enrolled in Medicare Parts A and B. Others who are under age 65 and do not receive Social Security disability benefits based on their own disability are not eligible to enroll in Medicare until they turn age 65. This includes disabled individuals who are under age 65 and receive only Supplemental Security Income (SSI) disability benefits from SSA.

It is important for HIP members who enroll in Medicare to contact FSSA immediately to request a Medicaid category change from HIP to MSP.

Decisions made or not made during the change from HIP to MSP eligibility will affect how members' healthcare costs are covered.

Additional Information:

- During the transition to MSP eligibility, FSSA will buy-in to Medicare Part B to pay premiums for HIP members who are enrolled in Medicare;
- FSSA will continue paying Part B premiums for MSP eligible members via its Medicare premium buy-in arrangement, but not for members who lose their eligibility. For MSP members who are eligible at the Qualified Medicare Beneficiary (QMB) level, FSSA will pay Part A premiums for members who are not eligible for premium-free Part A;
- During the transition to MSP, the Centers for Medicare and Medicaid Services (CMS) will deem HIP members automatically eligible for full Part D Extra Help. CMS will also automatically enroll them in the Limited Income Newly Eligible Transition (LINET) program and later in a Part D plan if they don't enroll in a Part D or Advantage plan themselves;
- HIP members who were deemed automatically eligible for full Part D Extra Help, but do not become eligible for MSP, will remain eligible for Part D Extra Help at least until December 31 of the year FSSA finds them ineligible for any category of Medicaid, including MSP;
- FSSA recommends that SHIP counselors and others email the Division of Family Resources (DFR) regional email boxes for HIP to MSP transition problems (at their designated email addresses) that cannot be resolved by contacting FSSA by phone with the member on the call.

Checklist for HIP Members Who Become Eligible to Enroll in Medicare

- Accept automatic enrollment in Medicare Parts A and B or enroll in Medicare by contacting SSA at 800-772-1213 during one of the three months before you turn age 65.
- Contact FSSA at 800-403-0864 in the month before your Medicare start date to request a Medicaid category change from HIP to MSP. Report your current contact information such as residence and mailing addresses, phone number and email address to FSSA.
- Finish your Medicare enrollment by enrolling in a Part D or Advantage plan. Contact the State Health Insurance Assistance Program (SHIP) at 800-452-4800 or Medicare at 800-MEDICARE for help finding and enrolling in a plan.
- Contact the State Health Insurance Assistance Program (SHIP) at 800-452-4800 to talk to a counselor for help enrolling in Medicare; help requesting a Medicaid category change; help enrolling in a Medicare Part D or Advantage plan; or to get information about Medicare benefits and Medigap Supplement options.