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## INTRODUCTION TO MEDICARE AND MEDICAID

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Medicare is a health program administered by the federal government that guarantees access to health insurance to qualified individuals. Medicaid is a joint federal and state program that helps with medical costs for qualified individuals with limited income and resources. This fact sheet highlights the overlap and differences between Medicare and Medicaid.

### WHO IS ELIGIBLE FOR MEDICARE?

- People under 65 with certain disabilities
- People 65 or older who are eligible for social security retirement benefits
- Certain other limited categories involving grave medical conditions

### WHO IS ELIGIBLE FOR MEDICAID?

Eligibility for Medicaid depends on factors such as:

- Whether you have limited income and resources
- Your age
- Whether you are pregnant
- Whether you are disabled
- Other categorical factors

### WHAT DOES MEDICARE COVER?

Medicare is divided into four different categories which cover different services as follows:

#### MEDICARE PART A (HOSPITAL INSURANCE):

- Inpatient care in hospitals
- Skilled nursing facility care
- Hospice care
- Home health care

## MEDICARE PART B (MEDICAL INSURANCE):

- Services from doctors and other health care providers
- Outpatient care
- Durable medical equipment
- Some preventive services

## MEDICARE PART C (MEDICARE HEALTH PLANS LIKE HMO OR PPO— A/K/A MEDICARE ADVANTAGE):

- Run by Medicare-approved private insurance companies
- Includes all benefits and services covered under Part A and Part B
- Usually includes Medicare prescription drug coverage (Part D) as part of the plan
- Usually includes extra benefits and services, in some cases for an extra cost

## MEDICARE PART D (MEDICARE PRESCRIPTION DRUG COVERAGE):

- Run by Medicare-approved private insurance companies
- Helps cover the cost of prescription drugs

## CAN I WORK AND KEEP MY MEDICARE BENEFITS?

Yes. Medicare eligibility after employment falls into the following three time frames:

- The trial work period which extends for nine months after a disabled individual obtains a job.
- Individuals who have a disabling impairment but earn income that meets the “substantial gainful activity” level can continue to receive Medicare for as long as ninety-three months after completing trial work period.
- Indefinite access to Medicare is when the extended Medicare coverage has ended in which working individuals with disabilities can continue to receive benefits, but must pay a premium.

If you are over 65 and eligible for Social Security, then working will not affect your Medicare eligibility.

## CAN I WORK AND KEEP MY MEDICAID BENEFITS?

For Medicaid, there are additional protections when a person desires to work. Section 1619(a) of the Social Security Act permits individuals to receive a Supplemental Security Income (SSI) who would otherwise lose SSI due to their ability to work subject to certain eligibility requirements. Section 1619(b) allows a continuance of Medical Assistance even if you are ineligible for SSI subject to certain eligibility requirements.

## IS IT POSSIBLE FOR ME TO BE ELIGIBLE FOR BOTH MEDICAID AND MEDICARE?

Yes. People who are enrolled in both Medicaid and Medicare are called “dual eligibles.” Individuals enrolled in both Medicaid and Medicare “can be covered for both optional and mandatory categories.” In addition, “services covered by both programs are first paid by Medicare with Medicaid filling in the difference up to the state’s payment limit.”

## WHAT IS THE MEDICAID BUY-IN PROGRAM FOR WORKING PEOPLE WITH DISABILITIES?

The Medicaid Buy-In-Program gives individuals with disabilities who are “working and earning more than the allowable limits for regular Medicaid, the opportunity to retain their health care coverage through Medicaid.” Thus, the program allows working individuals with disabilities (who are not eligible for Section 1619(a) or (b) coverage) to earn significant income without losing health care coverage.

To get more information and to apply for the Medicaid Buy-in program, call the Medicaid Help line at 1-800-541-2831 or TDD 1-800-662-1220, or contact your Local Department of Social Services Office.

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