



Statewide Parent
Advocacy Network

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Empowered Families: Educated, Engaged, Effective!

COORDINATION OF BENEFITS: HAVING MORE THAN ONE INSURANCE PLAN

Families of children with special needs may have more than one insurance plan that covers their child. This factsheet will explain how coverage is calculated, called “coordination of benefits,” when there is more than one insurance plan. It will also help families get the most out of coverage and have lower medical costs.

What does “coordination of benefits” mean?

Coordination of benefits means that the first plan will cover what they usually would and then the second (or even third) plan will cover most or all of what is left over. However, some private plans have coordination of benefits which means if the first plan covers the same or more than the second plan, the second plan pays nothing. If this happens, it’s not worth having a second private plan.

How could my child get Medicaid?

Children with special needs may be eligible for *Medicaid* and *Supplemental Security Income (SSI)* based on family income. Information on NJ Family Care income limits are found at www.njfamilycare.org/income.aspx or Spanish http://www.njfamilycare.org/docs/facts_spanish.pdf. It may also be possible to do a *Medicaid split application* in which a child with a disability may be eligible if they have a sibling without a disability. All the family income would be “deemed” to the sibling without a disability so that the child with a disability would be income-eligible for Medicaid. Children who require an “institutional level of care” (e.g., around the clock nursing) may be eligible for a *Medicaid waiver*. Families who think their child may be eligible for Medicaid either through a split application or waiver can contact Special Children Health Services (SCHS). Find your county SCHS Case Management Unit at www.state.nj.us/health/fhs/sch/sccase.shtml. Lastly, once a child is 18, they are considered a “family of one” and may be eligible for Medicaid/SSI.

How could my child get Medicare?

Children with special needs may also be eligible for *Medicare*. Children with kidney disease who need a transplant or dialysis get Medicare for 36 months (secondary for 30 months, then primary for last 6 months.) Also, children could get SSDI/Medicare if their parents retire, become disabled, or pass away. The Social Security Administration has a booklet on this at www.ssa.gov/pubs/EN-05-10026.pdf (English), or www.ssa.gov/pubs/ES-05-10926.pdf (Spanish).

Coordination of benefits with public plans

Public plans like Medicaid and Medicare can also coordinate benefits with private plans. In most cases, the private plan is the “primary” or first payer. Then the public plan pays all or most of the rest. The NJ Department of Human Services has an excellent guide, “When You Have Medicaid and Other Insurance” found at www.nj.gov/humanservices/dmahs/home/Medicaid_TPL_Coverage_Guide.pdf

Helpful Tips

- Even if families have “out of state” Medicaid coverage (permission to go outside of NJ for care, for example at a children’s hospital), families may need to contact the Medicaid pharmacy department (see below) separately if they have to get medications while their child is out-of-state.
- Families who have to use either compounding or specialty pharmacies for rare medications may also have to contact the Medicaid pharmacy department (see below). Another option could be for the hospital to send the compounding formula to the local pharmacy if they agree.
- The NJ Medicaid pharmacy department can also help with coordination of benefits for copays. They can be reached at (609)588-3475.
- Dual eligibles are automatically enrolled in Medicare Part D. If families don’t want to lose private prescription plans, they need to opt out.
- There are Special Needs Plans (SNPs) for dual eligibles but families need to make sure that all of their child’s medications are included in the SNP. Otherwise, it may be better to just have Medicaid and Medicare separately.
- Families who have doctors that private insurance covers but who don’t accept Medicaid can ask the billing department to call their HMO to ask how to bill the secondary “out of network.”
- Families who have doctors that private insurance covers but who don’t accept Medicare can file a claim by sending the doctor’s Medicare opt out form and bill. Then after Medicare denies the claim, the doctor can bill the secondary insurance. Medicare claim forms are available in English at www.cms.gov/Medicare/CMS-Forms/CMS-Forms/Downloads/CMS1490S-ENGLISH.pdf or Spanish at www.cms.gov/Medicare/CMS-Forms/CMS-Forms/Downloads/CMS1490S-Spanish.pdf.

Resources:

Medicaid

Families can call their HMO or Medicaid case manager (all children with special needs should have one.) The state also has a Medicaid hotline at (888)356-1561. In addition, for complex issues there is a Medical Assistance Customer Center found in each county at MAAC found at www.state.nj.us/humanservices/dmahs/info/resources/macc/

Medicare

State Health Insurance Assistance Program counselors can be found in each county at <http://www.state.nj.us/humanservices/doas/home/sashipsite.html>

Statewide Parent Advocacy Network

The Statewide Parent Advocacy Network houses both Family Voices NJ and the NJ Family-to-Family Health Information. For more information, see www.spanadvocacy.org/content/family-family-health-information-center-family-voices-nj or call (800)654-SPAN.

Families may have more than one medical plan covering their child with special needs. Maximizing coordination of benefits will help with the family’s medical bills.

Our Mission: To empower families and inform and involve professionals and others interested in the healthy development and education of children, to enable all children to become fully participating and contributing members of our communities and society.