Strife Insurance

Acting early is the key to getting the most from your coverage

February 1, 1996

In each issue, POZ *publishes a different standard of care, a guide by which people with HIV and their care providers can make personal choices about health care regimens. Usually these standards address treatment. Here, we take a new approach -- a standard of care for insurance. HIV positive people are often unaware of all their insurance options, both private and governmental.* POZ *asked Affording Care, a non-profit provider off financial information to the seriously ill and their financial advisers, to prepare this guide to medical and disability insurance for people with HIV.*

Money: We never have enough of it and we often dread dealing with it. The blizzard of arcane paperwork accompanying financial management can seem overwhelming and can tyrannize people into inaction, especially concerning insurance. Yet insurance can be key to survival. The factor most common to long-term HIV survivors is having private medical insurance.

Good private medical insurance and long-term disability income insurance (which provides cash to live on when you can no longer work) are the twin pillars of solidly financing your life with HIV. Without good coverage in both categories, you may be forced into a means-based entitlement program -- Medicaid or Supplemental Security Income (SSI) -- and thus lower-quality care.

Once you are HIV positive, you lose almost all ability to acquire new individual or small group private insurance (but check whether you are eligible for coverage through an open enrollment program, state-run high-risk pool or professional association). So don’t let any insurance you have now -- perhaps your most valuable asset -- get away from you.

After you test positive, it may take concerted action to get medical and disability coverage. (But note that falsifying your HIV status constitutes fraud and can lead to denial of claims and cancellation of policies.) When seeking or maintaining a job, employment benefits now become key -- perhaps more important than pay, work satisfaction or career advancement.

The key to getting the most from insurance is acting as early as possible. In fact, good insurance management might help you *prevent* moving to more advanced illness. This chart is divided into three approximate stages of HIV infection: Asymptomatic (generally good health, stable CD4 count), symptomatic (nonserious health problems, declining CD4 count), and disabled (after first serious health problems leading to disability status). Recommendations are listed under the stage

at which they are most helpful or ultimately become crucial.

Medical Insurance

Asymptomatic	Symptomatic	Disabled
• Hold on to your medical insurance. To insure consistent payment of premiums, arrange with your bank for an automatic monthly payment plan. • If available, choose fee-for-seruce (“indemnity”) medical coverage rather than health maintenance organization (HMO) coverage to assure access to more-specialized care. • Determine if your coverage will pay for prescription drugs, home care and psychotherapy. If not, consider changing jobs or check availability of gap-filling services (such as state-run AIDS drug assistance programs or low-fee community-run psychotherapy programs).	• If you have HMO coverage, learn the appeals and grievance procedures. You may need to get bad medical treatment decisions changed quickly. • Develop system to keep track of medical claims. Arrange for backup person to handle claims management. • Monitor charges by providers against your medical insurer; most policies have some lifetime maximum limit of covered expenses, such as $200,000 or $1,000,000. You do not want to run out of coverage. Ask your insurer’s case manager to help you price-shop for drugs and home care.	• When leaving your job, ask your employer to continue your policy indefinitely. if not possible, choose COBRA continuation coverage (guaranteed to eligible employees for 29 months) if you can afford premiums. Either option leaves you in the insured pool as it you were still an active employee. • After 29 months of disability, Medicare coverage begins; strongly consider electing Part B (major medical) coverage for an extra premium. • Design a strategy to pay for items which Medicare does not cover: For out of-hospital drugs, explore state drug assistance and converting your group medical coverage to individual; for deductibles, use a Medicare supplement.

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Disbility Insurance

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• File Social Security Administration (SSA) form 7004 to get a copy of your annual earnings history and the resulting projection of your eventual disability benefit level. Correct any errors in SSA earnings history. • Determine the taxability of future employer group disability income benefits. • Try to make long term disability benefits income tax-free by paying the premiums yourself. • Study and understand the definition of disability used by your policy. • Learn what your “coordination of benefits” and pre-existing condition exclusion clauses mean in your situation.	• Document specifics of any health deterioration in both your doctor’s and your own files. Record limitations in daily activities and social functioning. Consult with a psychotherapist to document nonphysical aspects of disability. • Find out if retirement benefits will be higher than long-term disability benefits. • Beware of using partial or residual disability benefits, extended leaves of absence or unemployment compensation -- these may later reduce disability benefits or disqualify you completely. • Plan ahead to provide cash for living expenses from date of disability until long-term disability plan and SSDI (Social Security Disability Income) actually start sending checks (typically 4-7 months).	• File claims for disability income benefits. If claiming SSI and/or state disability insurance, file immediately; SSDI and LTD (Long Term Disability) claims should be filed promptly, but do not depend on the date filed. • Once on federal disability payments, consider the nine-month trial work-period program: You can work and earn any amount of money without benefit cuts.

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• Determine the taxability of future employer group disability income benefits.

• Try to make long term disability benefits income tax-free by paying the premiums yourself.

• Study and understand the definition of disability used by your policy.

• Learn what your "coordination of benefits" and pre-existing condition exclusion clauses mean in your situation.

Symptomatic	• Document specifics of any health deterioration in both your doctor's and your own files. Record limitations in daily activities and social functioning. Consult with a psychotherapist to document nonphysical aspects of disability. • Find out if retirement benefits will be higher than long-term disability benefits. • Beware of using partial or residual disability benefits, extended leaves of absence or unemployment compensation -- these may later reduce disability benefits or disqualify you completely. • Plan ahead to provide cash for living expenses from date of disability until long-term disability plan and SSDI (Social Security Disability Income) actually start sending checks (typically 4-7 months).
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Consider the alternatives here appropriate to your circumstances; some may be out of reach. Check your state's insurance rules when designing your strategy. Your first step is to carefully read your insurance policies and/or employment benefits book, but you need to understand the lingo. To guide you through this strange land, the chart above can best be used in conjunction with a financial planner, attorney or social worker knowledgeable about HiV insurance issues. Your local AIDS service organization may be able to help. More detailed information, including printed material, is available from Affording Care and the benefit-programs desk at AIDS Project Los Angeles. Also useful is *The AIDS Benefits Handbook* by Tom McCormick (Yale University Press/New Haven) .

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