

What Happens to Medicare When I Work?

Who gets Medicare?

Medicare is a federally administered health insurance program for four groups of people, all of whom are U.S. citizens or legally present immigrants who have had a continuous residence in the U.S. for at least 5 years:

- Individuals over age 65;
- Individuals receiving Social Security or Railroad Retirement Disability Insurance who have completed a 24 month waiting period;
- Individuals with Amyotrophic Lateral Sclerosis (Lou Gehrig's disease) who receive SSDI;
- Individuals with End Stage Renal Disease who worked long enough to receive Social Security (or married to or the dependent child of somebody who has).

I receive Social Security Disability Insurance (SSDI) and Medicare. What will happen if I work?

There are two simple rules about return to work of SSDI beneficiaries with Medicare:

1. After you complete the Medicare waiting period, as long as you continue to receive SSDI while you work, you will continue to be eligible for Medicare.
2. Even if you stop receiving SSDI because of earnings, you will continue to receive free Medicare Part A, and premium Part B and D, for at least 93 months after your Trial Work Period ends. This is called "Extended Medicare."

What happens after Extended Medicare ends?

When the Extended Medicare time ends, you can continue to receive Medicare. However, you will need to pay the premiums for Medicare Part A, unless you qualify for a special program called Qualified Disabled Working Individual (QDWI) program. For more information on Qualified Disabled Working Individual, contact your local DHS office.

What happens to the cost of Medicare when I work?

Unless you qualify for certain low-income programs that help with the costs of Medicare, Medicare is not free. Medicare Part A has deductibles. Medicare Part B charges a premium, deductible and co-payments. Medicare Part D charges a premium, deductibles (some plans), and co-payments.

The *Medicare Savings Programs* help pay some or all of these costs. QMB pays all cost sharing associated with Medicare Part A and Medicare Part B. SLMB and QI pay the Medicare Part B premium. Individuals enrolled in the Medicare Savings Programs for at least one month also get "extra help" paying for their Medicare Part D costs for the current year and sometimes the whole next year too. Because these programs are for individuals with low-incomes, the eligibility requirements include an income test. When you work, you could earn too much to continue to qualify for the Medicare Savings Programs.

Employed Persons with Disabilities is a Medicaid program for individuals with disabilities who work. It can be used by Medicare beneficiaries to "wrap around" Medicare and help pay its costs. This is particularly helpful when earnings cause you to lose eligibility for the Medicare Savings Program. Like QMB, Employed Persons with Disabilities will pay the cost sharing associated with Medicare Part A and Medicare Part B, if you go to medical providers that accept Medicaid. Also, individuals enrolled in Medicaid for at least one month also get "extra help" paying for their Medicare Part D costs for the current year and sometimes the whole next year too.