

Health Safety Net (HSN) Overview

The Health Safety Net (HSN) is a program for Massachusetts residents who are not eligible for health insurance or can't afford to buy it. The Health Safety Net replaced the Uncompensated Care Pool (also called Free Care) on October 1, 2007. The goal of the Safety Net is to make sure that all Massachusetts residents can get health care when they need it, regardless of income. For low income residents, the Health Safety Net (Free Care) pays for medically necessary services at Massachusetts community health centers (CHCs) and hospitals. The Safety Net pays all of the cost, or part of the cost, depending on age and income. The Safety Net also helps families with medical hardships that do not have enough income to pay their medical bills.

Health Safety Net phone number: 1-877-910-2100

The Health Safety Net is not the same at every health center and hospital. Some services that may be paid for include:

- Doctor visits
- Emergency services
- Hospital stays
- Mental Health
- Dental (includes Commonwealth Care Members)
- Vision
- Prescription drugs

Benefit Types

There are different levels of HSN assistance. The level of HSN assistance, full or partial, is dependent upon income. HSN can act as a primary benefit or for individuals who have health insurance, such as Medicare or private insurance, a secondary benefit that can reduce copayments and deductibles. Health Safety Net can also provide medical expense waivers for families who have incurred high medical costs compared to income under the Medical Hardship program.

Health Safety Net Eligibility

Low Income Patient Status

- Must be a resident of Massachusetts
- Household income must be below 400% of the federal poverty level
 - Individuals with income between 201% - 400% will have a deductible
- Must not be eligible for MassHealth or Commonwealth Care. (individuals pending these programs may be eligible for temporary HSN benefits)
- Must not have access to affordable insurance to receive primary HSN benefits.
- Citizenship or immigration status does not affect eligibility.
- There is no asset test for HSN, however asset information is required on MassHealth application for individuals aged 65 and older.

Medical Hardship

Medical Hardship is a one-time determination and takes into account past medical expenses; it is not an ongoing eligibility category. Medical Hardship applications can be accessed at hospitals and Community Health Centers. Applications will be processed at the Division of Health Care Finance and Policy.

- There is no income limit for Medical Hardship
- Assets are not counted
- Medical Hardship is granted when a household accumulates medical expenses greater than the percentage of gross income listed in the chart on the following page.

Medical Hardship Continued

Incurred Medical Debt Compared to Income Level

Income Level	Percentage of Gross Income
0 – 200% FPL	10%
201 – 300% FPL	15%
301 – 400% FPL	20%
401 – 600% FPL	30%
601 % and above	40%

Allowable Medical Expenses

- Unpaid bills from medical providers that would qualify as a tax deductible medical expense
- May have dates of service up to 12 months prior to date of application
- May include services from private physicians and lab tests
- Bills not eligible for reimbursement may be used to determine whether an individual has met the threshold for Medical Hardship eligibility.

HSN Copayments

Individuals with Full Health Safety Net Benefits (income below 200% FPL) only pay copayments for prescription medications. Individuals who qualify for partial Health Safety Net (income between 201%-400%) are responsible for a 20%-80% (based on sliding scale) copayment until their family deductible is met.

Health Safety Net Summary of Costs for Low Income Patients Effective October 1, 2011				
	Children age 18 and under	Adults with Family Income 0%-100% FPG	Adults with Family Income 101%-200% FPG	Adults with Family Income 201%-400% FPG
Prescription drugs (Generic/Preferred)	\$0	\$1 - \$3.65	\$1 - \$3.65	\$1 - \$3.65
Community Health Center services	\$0	\$0	\$0	Percentage of the bill until you have paid your annual deductible
Emergency room visit	\$0	\$0	\$0	
Outpatient hospital visit	\$0	\$0	\$0	
Inpatient hospital admission	\$0	\$0	\$0	
Maximum annual pharmacy co-payments	\$0	\$250	\$250	\$250
Annual deductible	None	None	None	40% of the difference between family income and 200% FPG

Prescription Coverage with Health Safety Net

There are two basic rules when it comes to prescriptions and HSN

Rule 1: the pharmacy processing the prescription has to be at a Community Health Center or Hospital. (NO retail pharmacies such as CVS)

Rule 2: the prescription being filled needs to be written by a doctor at that community health center or hospital

Calculating HSN Deductible for Partial Health Safety Net

Formula for deductible determination

$(\text{Family Income} - 200\% \text{ FPL}) \times 40\% = \text{deductible}$

Deductible Examples

Household of 1 with an income of \$30,000 would have a deductible of \$3,288

$(30,000 - 21,780) \times .40 = \$3,288$

Household of 2 with an income of \$45,000 would have a deductible of \$6,231

$(45,000 - 29,424) \times .40 = \$6,231$

Family Size	200% (2011)
1	\$21,780
2	\$29,424
3	\$37,068
4	\$44,700
5	\$52,344

Note: These deductibles are estimates for your information only. Do not calculate a deductible for clients. Only MassHealth can determine the deductible. In working with a client with income over 200% FPL, counselors would need to make sure that the client understands that she/he would need to meet the deductible before the HSN would provide coverage.

HSN Deductible and MassHealth spend-down

If a patient must meet both a MassHealth spend down and an HSN deductible the patient may use the same expenses towards meeting both the spend-down and the deductible as long as the expenses are for eligible services.

HSN as a Secondary Benefit

If you have a MassHealth plan with full benefits, you will not be able to use the Health Safety Net. If you have other kinds of insurance, you may be able to use the Health Safety Net. This type of benefit is called Health Safety Net Secondary. See below for some examples:

- You can use the Health Safety Net to pay for dental services not covered by your Commonwealth Care plan.
- You can use the Health Safety Net to pay for services not covered by MassHealth Limited, Healthy Start, or the Children's Medical Security Plan.
- You can use the Health Safety Net to pay for services not covered by your private insurance. The Health Safety Net can pay for deductibles and coinsurance from private health plans, but not co-pays.
- **If you are on Medicare, you can use the Health Safety Net to pay for co-pays, coinsurance, and deductibles.**

Health Safety Net and Commonwealth Care

- Individuals who are qualified for Commonwealth Care are provided Health Safety Net access for 90 days while selecting their Commonwealth Care Plan.
- If an individual does not enroll into a Commonwealth Care by the end of 90 days they will lose their Health Safety Net benefit.
- For members of Commonwealth Care, HSN will pay for Dental services only. Providers may bill the HSN for eligible dental services provided to Commonwealth Care members and to MassHealth members eligible for HSN.
- If an individual loses their Commonwealth Care plan because of non-payment, they will also lose Health Safety Net.

How to Apply

For Low Income Patients benefits complete a MassHealth Medical Benefits Request (MBR) or if over the age 65 the Senior Medical Benefits Request Form.

For Medical Hardship complete a Special Circumstances Application

An individual can also apply with the financial services staff at a Community Health Center or Hospital.

Re-determination

Eligibility Status is maintained for one year, beginning on the start date as determined by MassHealth. Low Income patients whose eligibility is determined through MassHealth application process are subject to the review procedures of MassHealth. These patients must comply with the review process to retain their Low Income Patient status.

Important Notes for Medicare Beneficiaries and Health Safety Net

HSN will pay the amount of the patient deductible, co-insurance or co-payment for any allowable claim for which **Medicare or a Medicare Advantage plan** is the primary payer.

Medicare Beneficiaries enrolled in Original Medicare:

Medicare beneficiaries can receive assistance from HSN with the Part A hospital deductible and with hospital co-payments. Part B annual deductible or coinsurance for private physicians, as well as SNF co-pays will **not** be covered by Health Safety Net.

Medicare Beneficiaries Enrolled in Medicare Advantage Plans:

Counselors should review the options available to beneficiaries enrolled in an MA plan who are also eligible for the HSN. Some things to consider/questions to ask:

- Is the beneficiary income eligible for frill HSN without a deductible (income below 200% FPL)?
- If the beneficiary is in an enhanced or higher-cost MA plan, may be able to reduce their premium costs by dropping to a lower premium plan. (Lower premium plans have higher hospital copays, but HSN would cover.)

Note: Need to ask how often the beneficiary sees her/his doctor. (If beneficiary makes weekly visits to the doctor, an increase in doctor co-pay in a less expensive plan must be factored into total cost.) If the beneficiary sees doctor infrequently, could enroll in a lower premium plan with higher co-pays with HSN to cover hospital co-pays.

Additional Benefit to Medicare Advantage Members:

Some MA plans charge coinsurance fees for diagnostic tests. HSN will cover the coinsurance costs for tests received in a hospital-based or hospital-affiliated lab.

Medicare Beneficiaries Enrolled in Original Medicare with a Supplement One Plan:

- If the beneficiary is enrolled in a Medicare Supplement One plan, could drop to a Core plan for which HSN would pay the hospital deductible. **(Be sure that beneficiary understands that Core does not cover the Part B annual deductible or the co-pay costs for a SNF from day 21-100.)**

Note: Always important to remind beneficiaries that the Medigap coverage does not vary from company to company. A beneficiary in a more expensive Medigap plan can switch to a less expensive Medigap plan at any time due to continuous open enrollment.

Case Examples

FULL HSN as a secondary benefit

Joe is a member of Medicare HMO Blue PlusRx. He has an income of 17,000 and has applied and been approved for Full HSN benefits. In February, Joe goes to the emergency room and then is admitted to the Hospital for an overnight stay. During that time several diagnostic tests and run. Joe was concerned about those costs but the financial counselor at the hospital explained that because he has HSN his copayments and coinsurance would be covered. Medicare HMO Blue PlusRx has a 0-10% coinsurance on diagnostic tests. These tests are covered by HSN. In the billing office the hospital will first bill HMO Blue for the tests and then the 10% coinsurance will be covered by HSN, leaving Joe with no bill from the hospital. Joe's \$150 copay for inpatient hospital care under BCBS is also covered by HSN.

Partial HSN (deductible)

Jane and her husband, Jimmy, have a household income of \$45,000. Both are currently enrolled in Medex Bronze. Jane heard about the HSN program through her friend and believes that would be a good option for her to drop from Medex Bronze to Medex Core and have HSN to pick up her hospital deductible and copayments. You explain to Jane that she would qualify for HSN but because her household income is greater than 200% FPL, her family would be responsible for a deductible before HSN would help. The formula for calculating the deductible is $(\text{Household income} - 200\% \text{ FPL}) \times 40\%$ which is $(45,000 - 29,424) \times .40 = \$6,231$. Even though this is a family deductible, it is much higher than what Jane expected and so she is going to stay with Medex Bronze.

Prescription Assistance

Sandra is concerned with her prescription costs. She has Prescription Advantage and AARP Medicare Rx but she is still having difficulties with her copayments. Her yearly income is \$25,800 gross. She expressed her concern to her physician at UMass Hospital – University Campus. Her doctor explained that if she has HSN and obtained her medications at UMass Pharmacy she would pay a lower amount. After being approved by HSN, Sandra visited the UMass Pharmacy and paid only \$3.65 for her brand name medication. Even though she qualifies for Partial Health Safety Net and has a deductible for medical services, there is no deductible for prescription medications.

Medical Hardship

John comes to see you concerned over some hospital bills that he and his wife have accumulated over the last several months. He tells you that his household income is \$27,000. Under Medical Hardship with HSN, if an individual has an income less than 200% and debt that is more than 10% of their income then they could qualify for assistance. John tells you that he and his wife have over \$4,000 in bills. If qualified for the Medical Hardship any household debt over \$2,700 (10% of their income) could be forgiven. Medical Hardship can go as far back as 12 months.