



**State of New Jersey**

**DEPARTMENT OF HUMAN SERVICES  
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES**

ADMINISTRATIVE OFFICES  
QUAKERBRIDGE PLAZA—BUILDING 5 & 7 & 12  
QUAKERBRIDGE ROAD  
TRENTON, NEW JERSEY 08619

ADDRESS REPLY TO:  
CN-712  
TRENTON, NEW JERSEY 08625

November 4, 1987

MEDICAID COMMUNICATION NO. 87-30

To: County Welfare Agency/Board of Social Services Director

Subject: "Bridging the Medicare Gaps" Brochure

A brochure, Bridging the Medicare Gaps, was developed by the Department of Insurance to promote a better understanding of Medicare, its gaps, and how to bridge those gaps with supplemental insurance based on individual needs and budgets.

The Division of Medical Assistance and Health Services, in a continuing effort to share information which could be of assistance to the staff of the County Welfare Agencies/Boards of Social Services and ultimately the applicant for medical assistance, has enclosed two copies of this brochure.

Information contained in the chart "Individual Medicare Supplement Policies Available in New Jersey" in the brochure's pocket could be used in the review of multiple policies, thus identifying duplicative policies or policies of little value.

However, page sixteen of the brochure contains a statement about not needing Medicare supplementation if you are Medicaid eligible. This statement is inaccurate as Medicaid does not pay for private duty nursing, care outside of the United States, and private rooms. Also, if Medicaid eligibility terminates, the individual may not be able to re-obtain Medicare supplementation coverage. We have stapled this explanation inside the front of the brochure.

Additional copies (without our explanation) may be obtained by contacting the New Jersey Department of Insurance, 201 East State Street, CN 325, Trenton, New Jersey 08625.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Thomas M. Russo", written in a cursive style.

Thomas M. Russo, Director  
Division of Medical Assistance  
and Health Services

TMR:G:w

Enclosures

cc: Odella T. Welch  
Deputy Commissioner

Marion E. Reitz, Acting Director  
Division of Public Welfare

William Waldman, Acting Director  
Division of Youth and Family Services

## IMPORTANT NOTICE TO MEDICAID RECIPIENTS

Please refer to Page 16.

Medicaid recipients should consider the following points before dropping any Medicare supplemental insurance coverage:

Your supplemental insurance policy may cover services not reimbursable by the Medicaid Program, such as private duty nursing services, non-approved skilled nursing facility coverage, care outside of the United States, and a private room.

If Medicaid eligibility were to terminate, it may not be possible to re-obtain Medicare supplemental insurance coverage.

For Medicaid recipients in a nursing home, in order to encourage an individual to keep his/her Medicare supplemental policy, the amount of the premium for the supplemental coverage is deducted from that amount which the individual is required to pay toward the cost of his/her care in the nursing home. This means that if an individual had \$250 in income and his/her premium was \$50 a month, in addition to any other authorized deduction from the \$250 he/she would also be able to deduct the \$50 a month for the premium. The Medicaid Program would add \$50 a month to the amount that it would pay toward the nursing home care. The Medicaid Program, therefore, subsidizes the cost of the Medicare supplemental policy.