

HFS Medicaid Spenddown

This brochure explains the Healthcare and Family Services (HFS) Medical Spenddown Program. It should answer many of your questions about the program and how it can help you.

HFS Medical Programs include many different healthcare programs of the State of Illinois. Sometimes these programs are called Medicaid, [All Kids](#), [FamilyCare](#), [Moms and Babies](#), or [HFS Medical Benefits](#).

Two state agencies work together to help Illinoisans get HFS Medical Program benefits. The Department of Healthcare and Family Services makes the rules about who can qualify and pays most of the medical bills. The [Department of Human Services](#) (DHS) helps by taking applications for medical benefits.

What is the Spenddown Program?

The spenddown program helps some people who have too much income or too many assets (like bank accounts and other resources) to qualify for other HFS Medical Programs. If they have medical bills or receipts for recent payments they made for medical care, they may qualify under spenddown to get a medical card to pay for some of their medical care.

Spenddown works a little like an insurance deductible. You pay for the cost of your medical care up to a set amount each month based on your income and assets. This is called your spenddown amount. Once you can show bills or receipts (for medical care, drugs or supplies) that are equal to your monthly spenddown amount, you can get a medical card to pay for other medical care you need for a month.

You can submit bills or receipts each month or, if you have large medical bills, you can submit them at one time to meet your spenddown amount for several months at one time.

If you are aged, blind or have a disability and are approved for a spenddown case, you may be eligible to enroll in the Pay-in Spenddown option. HFS will send you a Pay-in Spenddown Enrollment Form if you qualify. Pay-in Spenddown is described later in this brochure.

How much is my spenddown?

The amount of your monthly spenddown depends on your income and assets. Your local DHS Family Community Resource Center (FCRC) will send you a special notice telling you the amount of your monthly spenddown and how this amount was figured.

What is the earliest month my HFS Medical Benefits can begin?

When you first apply for medical benefits, HFS may pay for covered medical care in the three months before you applied, if you met your monthly spenddown for those months.

For example: You apply for medical benefits in September. HFS may pay for medical care you got in June, July and August, if you met your spenddown for those months.

How do I meet spenddown using medical expenses?

You meet your monthly spenddown by showing your DHS caseworker unpaid medical bills, or receipts for payment of medical bills, equal to your spenddown amount. You can also enroll in Pay-in Spenddown. Read more in the Pay-in Spenddown section later in this brochure.

What kind of medical expenses can I use to meet spenddown?

Bills or receipts for medical services or supplies can be used to meet your spenddown. These include bills or receipts for:

- Doctor services;
- Hospital services;
- Nursing home services;
- Clinic services;
- Dentist services;
- Podiatrist services;
- Chiropractor services;
- Medicines, medical supplies and equipment that are prescribed by your doctor;
- Eyeglasses;
- Medical or personal care in your home;
- Health insurance premiums, including Medicare premiums;
- Speech, occupational and physical therapy;
- Transportation to and from medical care; and
- Co-payments or deductibles you pay for medical care.

Do I have to pay medical bills to use them to meet my spenddown?

No. Unpaid medical bills also count.

How old can medical bills or receipts be if I want to use them to help meet spenddown?

There are different rules for unpaid bills and for receipts for payment of bills:

Unpaid bills Unpaid medical bills can be used to meet spenddown, no matter how long ago you got the medical care or supplies. They can be used as long as the bill was dated no earlier than the sixth month before the month you use it to meet your spenddown. For example: If you got a bill dated within the last six months, you can use the bill to meet your spenddown now. It does not matter when you saw your doctor as long as you have a recent bill from him or her. If you got a bill dated January, you can use it toward your spenddown in any month from January through July of the same year.

If you got a bill dated more than six months ago, and you want to use the bill for spenddown, ask the doctor, hospital or other medical provider to give you a new bill.

Receipts for bills paid

A receipt shows that a bill has been paid. A receipt can be used to meet spenddown in the month you pay the bill, and for six months after you make the payment.

For example: If you pay for medicine in January and get a receipt for it, you can use the receipt to help meet the spenddown for January, or for any month through July of the same year.

Whose medical bills can I use?

You can use medical bills for yourself and for all people for whom you are legally responsible - your husband or wife and your children (under 18) who are living with you.

What about medical bills someone else has paid?

Sometimes an adult son or daughter will pay a medical bill for a parent even though the son or daughter has no legal duty to pay. Sometimes even a friend will pay a bill. If someone with no legal duty to pay a medical bill for you pays that bill, you can count that bill toward your spenddown if the payment was made no more than six months ago, and the person who paid the bill wants to be repaid. The person will not be repaid, but the bill will count toward your spenddown.

Can I use bills or receipts more than once to meet spenddown?

No. You can only use the charges for a medical service or supply once to meet spenddown. If you used an unpaid bill to meet your spenddown in one month, you cannot use a receipt for payment of that bill to meet spenddown in a later month. For example: You get a \$200 hospital bill on July 3. You use the bill to meet your July spenddown of \$200, and you get a medical card for the rest of July. You pay the \$200 hospital bill in September. You cannot use the \$200 payment to meet your spenddown. If you used part of a bill to meet your spenddown in one month, and HFS Medical Programs did not pay the rest of that bill, you can use the rest of that bill to meet spenddown in another month. If you used part of a receipt in one month, you can use the rest of the receipt in any month, up to six months after you made the payment. For example: You see your doctor in July. He bills you \$50. Your spenddown is \$25. If you do not want HFS Medical Programs to pay part of the doctor's bill, you can use the \$50 bill to meet your spenddown for two months.

What if my bills are more than my monthly spenddown?

If the bills you show your DHS caseworker are more than your spenddown, you have to decide what to do. You can ask HFS Medical Programs to pay the bills that are over your monthly spenddown amount, or you can use the amount over your monthly spenddown to meet your spenddown in a later month. You must decide if you want the bill paid or you want to use it to meet spenddown in a later month.

What if my bills and receipts are less than my monthly spenddown?

If the bills and receipts are less than your monthly spenddown, you can use them with other bills and receipts you get to meet your spenddown in a later month. For example: Your spenddown is \$75. In June, you pay your health insurance premium of \$50. You have no other bills or receipts to use to meet your June spenddown. You cannot get a medical card for June. In July, you pay your health insurance premium of \$50. You can add your June and July premiums together to meet your July spenddown. Because premiums add up to \$100, you have met your \$75 July spenddown and have \$25 to credit toward spenddown in a later month.

How do I prove I have met my spenddown using medical expenses?

You have to show your caseworker proof that you have met your spenddown. Your proof can be medical bills, receipts, cancelled checks, money orders or other statements from your doctor, hospital, clinic, drugstore or others who have given you medical care. Your proof must show:

- The type of medical care, drugs or supplies
- Who gave the care
- Who got the care
- The date the care was given
- The cost
- The date of the bill or receipt

What is Pay-in Spenddown?

Pay-in Spenddown gives you the option of paying your spenddown amount to HFS. If you are enrolled in Pay-in Spenddown, there are three ways to meet your spenddown:

- Use your medical expenses toward your monthly spenddown amount; or
- Pay your monthly spenddown amount to HFS; or
- Combine medical expenses (bills and receipts) and a payment to HFS.
- For example: You are enrolled in Pay-in Spenddown. Your spenddown is \$100. You need a medical card for August, but only have a \$50 medical bill to use toward your spenddown. To combine medical expenses and a Pay-in payment, you may show the \$50 bill to your DHS caseworker and send a \$50 payment to HFS to meet spenddown for August.

How do I sign up for Pay-in Spenddown?

<https://abe.illinois.gov/abe/access/>

Persons enrolled in spenddown who are aged, blind or have a disability, and live in the community, may qualify for Pay-in Spenddown. If you qualify for Pay-in Spenddown, HFS will send you a notice and enrollment form with a return envelope. You must sign the form and send it to the HFS Pay-in Spenddown Unit in Springfield to enroll.

How do I pay my spenddown?

After you sign up, HFS will send you a Pay-in Spenddown Statement each month to tell you the amount you may pay. If you want to pay-in your spenddown for a month, you must send the statement back to HFS Fiscal Operations with your payment. You can pay with a money order, cashier's check, Visa or Master Card. You cannot pay with a personal check.

HFS will keep sending you statements until you tell us to stop or until you no longer have a spenddown.

Each month you choose whether to pay your spenddown. It is up to you. Do not send a payment for a month that you do not need a medical card.

What should I do when I can meet my spenddown?

Medical Expenses

When you have bills or receipts equal to your monthly spenddown, take them to your DHS caseworker. If you ask, your caseworker will give you a written listing of the bills or

receipts you bring and the date you bring them in. You can give your caseworker copies of the bills and receipts.

Decide what month you want your medical card to cover

When you bring in your medical expenses, or send in a Pay-in payment, tell your caseworker or HFS which month(s) you want the medical card to cover. Unless you tell us to use your medical expenses or payment for a different month, your expenses or payment will be used to give you medical benefits for the first month in which your expenses or payment add up to your spenddown.

Sometimes you may not want medical benefits for the first month your expenses add up to your spenddown. Instead, you may want to use those expenses to get medical benefits in a later month. This could happen when you do not meet your spenddown until late in the month and would rather have medical benefits for a full future month. Remember, when you bring in your expenses, or send in a payment, you must tell us for which month you want medical benefits.

What date will HFS Medical Programs coverage start?

When you meet spenddown with medical expenses, you qualify on the day in the month that your medical bills and receipts show that you meet your spenddown. Or, you may choose to use your expenses to meet spenddown for a later month to get a full month's coverage. Depending on the amount of bills and receipts you give your caseworker, you may qualify for part of a month, one whole month or many months.

For example: Your spenddown is \$10. You pay \$5 for medicine on July 14 and your doctor bills you \$25 when she sees you on July 18. You have met your spenddown on July 18. If you want medical benefits for July, payment will be made for part of your doctor bill over \$5, and for medical care you got in July after you saw the doctor on July 18. The \$5 you pay on July 14 plus \$5 you pay of the July 18 bill equals your \$10 spenddown.

If you would rather use the entire \$30 of expenses to meet spenddown for three full months after July, you must let your caseworker know. In this situation you would pay the entire \$30 of expenses.

Your caseworker must use your expenses to meet spenddown for the earliest month unless you tell them to use the expenses for future months.

When you meet spenddown with a Pay-in payment, you qualify on the first day of the month for which you paid.

When will DHS or HFS decide if I have met my spenddown?

Your caseworker and the Pay-in Spenddown Unit have two working days after they get your medical expenses or payment to decide if you have met your spenddown and to send you a notice of the decision.

How soon will I get my medical card?

If you have met your spenddown- a medical card will be sent to your home in about seven days. This card will be good for the rest of the month in which you have met your

spenddown. You will also get a medical card for any past or future months for which you met spenddown. Future month cards will be mailed to you before the start of that month, when spenddown is met in advance.

What if I need a medical card right away?

If you need a medical card before your regular card is sent, tell your caseworker. If you meet your spenddown, your caseworker can have a temporary medical card ready in two working days. You can pick it up or have it sent to you. If you know your Recipient Identification Number (RIN), your medical provider can check your eligibility for you without a medical card.

Remember to tell your caseworker:

- Which month you want a medical card;
- If you need a temporary medical card right away; and
- If you want HFS Medical Programs to pay your unpaid medical bills, or if you want to use the bills to meet spenddown for another month.

Payment of medical bills

Which bills will HFS Medical Programs pay if I am in the Spenddown Program?

When meeting spenddown for a partial month with medical expenses, you pay for your medical care up to your spenddown amount. HFS Medical will pay for the rest of the medical care you get in that month as long as the care you get is covered. When you meet spenddown with medical expenses for a full month or with a Pay-in payment, HFS will pay for the medical care you get in that month as long as the care is covered.

Under the Spenddown Program, you cannot get help to pay for the items listed below:

- Services not covered by HFS Medical Programs;
- Bills for medical care you got when you did not qualify;
- Bills for medical care you got in a month when you did not meet your spenddown amount;
- Any portion of medical bills you used to qualify for the program.
- For example: Your spenddown is \$100. You have a doctor bill for \$50 and a hospital bill for \$1,000 on the same day. You will owe only the \$50 doctor bill and \$50 of the hospital bill. The hospital will bill HFS for the rest.

What if my doctor will not take the medical card? Make sure whoever gives you medical care or supplies accepts payment from HFS Medical Programs and knows that you are covered before they treat you. Medical providers do not have to accept the medical card. You can call Illinois Health Connect at 1-877-912-1999 for help to find a doctor.

Reapplication

After your case has been in enrolled spenddown status for six months, it will be reviewed each month to see if you have met your spenddown in one of the last three months. If not, your case will be cancelled. If your case is cancelled for this reason, you will receive a notice in the mail with an application. If you need HFS Medical Programs in the future, you must reapply.

What if I do not agree with something DHS or HFS does?

If you think DHS or HFS has not followed these rules, you can file an appeal. For example, you can appeal if you think DHS or HFS is taking too long to make a decision about your medical benefits or made the wrong decision about the things listed below:

- Denying you a medical card;
- The months you may get medical benefits;
- The bills HFS Medical Programs will pay;
- The amount of your spenddown;
- That you have not met your spenddown amount.
- If you disagree with any notice you get from DHS or HFS, you must appeal within 60 days after the date of that written notice. If you disagree with something that you did not get a notice about, you can file an appeal at any time.

How to appeal

You can appeal and ask for a special meeting called a fair hearing. Your local DHS Family Community Resource Center can provide you with an appeal form and will help you fill it out, if you wish. Or, you can file an appeal by writing to the Bureau of Administrative Hearings, 401 South Clinton Street, Chicago, IL 60607, or calling 1-800-435-0774 (TTY: 1-877-734-7429). This call is free. At the hearing, you may represent yourself or be represented by a lawyer, relative or friend. For more information about your right to appeal and have a fair hearing, ask your caseworker or call the number above.

Where to get legal help

You may call one of the following organizations to apply for free legal help:

- In Cook County (including Chicago) Legal Assistance Foundation of Metropolitan Chicago: 1-888-893-5327 The call is free.
- Prairie State Legal Services: 1-800-531-7057 The call is free.
- Land of Lincoln Legal Assistance Foundation: 1-877-342-7891 The call is free.

How do I get more information about HFS or DHS programs?

If you have questions, call your local DHS Family Community Resource Center, or call: DHS Bureau of Customer Inquiry & Assistance, Monday - Friday (except state holidays), 8:30 a.m. - 5 p.m. 1-800-843-6154.

Persons using a TTY can call 1-800-447-6404. The call is free. HFS Health Benefits Hotline Monday - Friday (except state holidays) 8 a.m. - 5 p.m. 1-800-226-0768
Persons using a TTY can call 1-877-204-1012. The call is free.