

Indiana Legal Services, Inc

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What is the Difference Between Medicaid And Social Security?

What is Medicaid?

Medicaid is a health insurance program run by the state of Indiana with state and federal funds. Medicaid has many different categories of assistance, and it is possible to be eligible under more than one category. Medicaid basically covers disabled people, families with children, elderly people, pregnant women, children, and wards of the state. If you fit one of these categories, you also must meet certain income and property rules to be eligible for Medicaid.

Can I receive cash benefits on the Medicaid program?

No, people on Medicaid receive medical benefits, not cash assistance. These medical benefits can include doctor visits, prescription drugs, hospitalization, medical tests, some dental coverage, vision coverage, and mental health treatment.

What is Social Security?

Social Security is a cash benefit program run by the federal government. The different programs under Social Security include:

- Supplemental Security Income (SSI);
- Social Security Disability (SSD); and
- Social Security Retirement.

What is the difference between SSI and SSD?

For both programs, you have to meet the Social Security definition for disability. The SSI program is for low-income people who have little or no work history. There is a standard monthly benefit amount that people on SSI get.

SSD is based on your work history. The amount of your monthly benefit is based on your work history and varies from person to person. The more you have worked and paid social security taxes in the past, the higher your SSD benefit will be. There is a 5-month waiting period from the date that your disability begins until you can begin receiving SSD payments.

Social Security Retirement is a monthly cash benefit you can receive after you turn 62. However, if you wait until regular retirement age your monthly benefits will be higher. Regular retirement age is between the ages of 65 and 67. The monthly benefit amount depends on how much you have worked during your lifetime. If you have not worked much in your lifetime, you can get SSI when you turn 65.

Check with the Social Security Administration for more information.

Can I be eligible for both SSI and SSD?

Yes, it is possible to receive benefits under both programs if your SSD benefit is low.

If I am eligible for either Social Security or Medicaid, am I also automatically eligible for the other?

No, there is no automatic eligibility between Medicaid and Social Security in Indiana. Being eligible for one program does not guarantee eligibility for the other. You have to apply for each program separately and meet the eligibility requirements for each program.

How do I apply for these benefits?

Apply for Medicaid at your local Office of Family and Children (previously known as the welfare department). Apply for SSD or SSI at your local Social Security Administration Office.

Can I receive both Medicaid and Social Security?

Yes. It is possible to be on both programs, but each program will make its own eligibility decision.

If I get Social Security benefits, will that affect my eligibility for Medicaid?

It might. The answer to this question depends on the type of Social Security you receive and the type of Medicaid you receive. Because Medicaid eligibility is based on your income, Social Security benefits can affect your Medicaid eligibility.

Receiving SSI benefits will not affect your Medicaid eligibility. However, SSD benefits (which are generally more than SSI benefits) can make you ineligible for Medicaid, or they could result in a "spenddown." Having a "spenddown" means that you have to pay some of your monthly medical expenses before Medicaid benefits begin. ("Spenddown" rules can be confusing. If you have questions about a spenddown, you should contact your local legal services office or a private attorney).

How are Social Security and Medicaid different?

1. Medicaid is run by the state, and usually has a faster application process. Social Security is run by the federal government through local offices.
2. Medicaid only provides medical benefits. Social Security provides a direct cash payment.
3. For both programs, your disability must substantially harm your ability to work. Medicaid

requires that the disability be expected to last for at least 4 years. Social Security requires that your disability be expected to last for at least 12 months.

How are Social Security and Medicaid alike?

1. Both programs require a written application, the review of your medical records, and maybe even a medical exam. You have the right to look at your case file at any time.
2. Both programs have regular reviews to see if you are still eligible.
3. Both programs give you the right to appeal if you disagree with a decision affecting your benefits, and the right to reapply as many times as you want.

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