

# **RMD Bulletin**

***Knowledge is power...***

## CONFUSED ABOUT MEDICARE RISK HMO



Medicare Risk Health Maintenance Organizations (HMO) are Managed Care plans that have contracted with the federal government to provide health benefits to Medicare beneficiaries. In 1997, the name “Medicare Risk” was changed to Medicare + Choice, and then Medicare Advantage starting in 2003. (Please note that Medi-Cal eligibility responses continue to refer to these plans as Medicare Risk HMOs.) The Medicare Advantage plans are designed to fill in the gaps that Medicare beneficiaries might experience when receiving services from traditional Medicare providers. At this time, Medicare beneficiaries have the option of staying with traditional Medicare or choosing to turn the administration of their Medicare benefit over to one of these Medicare Advantage plans.

Medicare Advantage plans function like an insurance company; they require clients to use only providers approved by the HMO. If clients use providers who do not work for the HMO or are not approved by the HMO, they will be solely responsible for the full cost of care. Certain emergencies or urgent care services, however, will be paid for by the HMO or Medicare.

### **To join Medicare Risk HMOs, clients must:**

- live within the service providing area for which the HMO has a Medicare contract.
- be enrolled in Medicare Part B.

### **Clients Cannot:**

- have elected care from a Medicare-certified hospice.
- be medically determined to have end stage renal disease (ESRD).

Clients who are already members of an HMO when they become eligible for Medicare, can remain in the same HMO even if the client has ESRD as long as their HMO has a contract with Medicare.

### **We’re here to help you...**

If you have any questions please contact RMD at (213) 480-3444, or via email at [RevenueManagement@dmh.lacounty.gov](mailto:RevenueManagement@dmh.lacounty.gov).

**DOES NOT APPLY TO FEE-FOR-SERVICE PROVIDERS**

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