



## Financial Well-being and Chronic Diagnosis

Being diagnosed with a chronic illness not only impacts your emotional and physical well-being but also your financial well-being. It is important to look at short and long-term implications of the illness and create a plan. Some things to consider for persons living in California:

### Insurance and Benefits

1. Reviewing your insurance coverage is essential. Read your health insurance policy and make sure you understand your copayments, deductibles and the nuts and bolts of your coverage. Also, if you have multiple plans (within your organization or your spouses) to choose from, take the time to compare each of them to identify one that most suits your needs during open enrollment. In addition, find out if you have any disability coverage, and what terms and conditions apply.
2. If you have **No Insurance**, you can apply through Covered California or you can ask your medical social worker to refer you to a hospital financial representative and ask for assistance with Medi-cal enrollment (dependent on income level).
3. Search for any secondary insurances for which you may qualify:
  - a. If under 21 in California and have a PPO or Medi-cal and meet certain income limits, you may qualify for California Children's Services.
  - b. If under 65 and on SSDI for two years, you will receive information from SS about enrolling into Medicare. You should be auto-enrolled in A and there is a certain amount of time to pick up Part B (this has a premium as well as eligibility is linked to income or how much you have paid into SS to date). You can also opt out of Part B.
  - c. If 65 or over, In California, a Medicare Supplement insurance plan, also known as Medigap, fills in some of the gaps in Medicare Part A and Part B coverage, including deductibles, copayments, and coinsurance. Beneficiaries may enroll in a Medicare Supplement insurance plan in California during their six-month Medigap Open Enrollment Period, beginning on the first day of the month that they are 65 or older and enrolled in Medicare Part B. Medicare Part D program assists certain low income individuals with the cost of prescription drug coverage.
4. Consumer Directed Benefits – Health Savings Account (HSA), Flexible Spending Account (FSA), COBRA and Lifestyle Benefits. Review your benefits, if applicable, through your HR department and identify if any will be useful to enroll in during open enrollment.



5. SDI, SSDI or SSI might also be considered depending on your age, time of disability and working status. If your disability is likely to last less than a year, you may qualify for California State Disability Insurance (SDI). [Social Security Disability Insurance](#) (SSDI) pays benefits to you and certain members of your family if you are "insured," meaning that you worked long enough and paid Social Security taxes and your disability is likely to last more than a year. [Supplemental Security Income](#) (SSI) pays benefits based on financial need.
6. PFL, FMLA, or CFRA - California Paid Family Leave (PFL) provides up to 6 weeks of partial pay to employees who take time off from work to care for a seriously ill family member or to bond with a new child. The FMLA (federal) and CFRA (state) are leave laws that allow you to take unpaid leave from your job to care for yourself, family members who are ill, or children who are unable to take care of themselves.

## Money management

1. Budget: A budget will allow you to tell your money where to go and help you to prioritize your spending. It is important to do it together with your spouse, if applicable. There are many ways to make a budget including on paper (free downloadable ones on the internet) and free budget apps like everydollar or mint.
2. Keep Good Records:
  - a. Tracking medical payments and insurance claims in an excel sheet is important to understand charges, payments and reimbursements. It is also helpful if there are any discrepancies.
  - b. Keep a log of phone calls and names and dates of people you spoke with. If you receive a bill despite having insurance, follow-up to ensure it is getting paid as you do not want it to go to collections.
  - c. Make sure your insurance information is correct at any establishment you receive care.
  - d. A record will also be important as some medical costs may be deducted from your taxable income, if you itemize your return.
3. Automatic payments: This will ensure bills get paid on time so as to avoid late fees.
4. If you have limited income, see if you meet the criteria for Human Assistance like Cal Works, Cal Fresh or WIC.