

MEDICARE
RIGHTS CENTER

Getting Medicare right

ncoa

National Council on Aging

Helping clients make coverage decisions during Fall Open Enrollment



Medicare Rights Center

The Medicare Rights Center is a national, nonprofit consumer service organization that works to ensure access to affordable health care for older adults and people with disabilities through



Counseling and
advocacy



Educational
programs



Public policy
initiatives



National Council on Aging

This toolkit for State Health Insurance Assistance Programs (SHIPs), Area Agencies on Aging (AAAs), and Aging and Disability Resource Centers (ADRCs) was made possible by grant funding from the National Council on Aging.

The National Council on Aging is a respected national leader and trusted partner to help people aged 60+ meet the challenges of aging. They partner with nonprofit organizations, government, and business to provide innovative community programs and services, online help, and advocacy.



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Learning objectives

- Understand Medicare basics
- Differentiate between Original Medicare and Medicare Advantage
- Help clients understand changes they can make during different enrollment periods
- Inform clients about programs that can help save money on Medicare costs

Medicare basics

What is Medicare?

- Federal program that provides health insurance for
 - Those 65+
 - Those under 65 receiving Social Security Disability Insurance (SSDI) for a certain amount of time
 - Those under 65 with kidney failure requiring dialysis or transplant
- No income requirements
- Two ways to receive Medicare benefits



Original Medicare

Traditional program offered directly through federal government



Medicare Advantage

Private plans that contract with federal government to provide Medicare benefits

Parts of Medicare

- Medicare benefits administered in three parts



- Part A – Hospital/inpatient benefits
- Part B – Doctor/outpatient benefits
- Part D – Prescription drug benefit

- Original Medicare includes Part A and Part B
 - Part D benefit offered through stand-alone prescription drug plan
- What happened to Part C? □ Medicare Advantage Plans (MA Plans)
 - Way to get Parts A, B, and D through one private plan
 - Administered by private insurance companies that contract with federal government
 - Not a separate benefit: everyone with Medicare Advantage still has Medicare

Original Medicare



Original Medicare overview



- **Coverage**

- Includes Parts A (hospital insurance) and Part B (medical insurance)
- Drug coverage available through stand-alone Part D plan
- Does not cover certain services, such as routine dental care

- **Provider access**

- No network of providers
- individual can receive covered services from any provider in the U.S. who accepts Medicare

- **Referral requirements**

- No primary care physician referral for specialist

- **Costs**

- No limit on out-of-pocket costs
- Can purchase Medigap policy to cover Medicare cost-sharing

Original Medicare costs

- **Premium**

- Part B premium
- Part A premium if beneficiary or spouse does not have 10 years of work history in U.S.

- **Deductible**

- Part B deductible
- Inpatient hospital deductible

- **Coinsurance**

- 20% coinsurance for most Part B-covered services
- Inpatient hospital and skilled nursing facility daily coinsurance

Medigap policies



- Supplemental plans that pay part or all of remaining costs after Original Medicare pays first
 - Example: Medigap policy can pay for an individual's 20% Part B coinsurance
- Only work with Original Medicare
- 10 standardized plans (Plans A, B, C, D, F, G, K, L, M, and N)
- Provided by private insurance companies
- Charge a monthly premium for coverage

Medigap basic benefits

All 10 plans cover

- Part A hospital coinsurance
 - Full cost of Medicare-covered days in benefit period
 - Full cost of 365 additional lifetime days
- Part B coinsurance
 - Part or all of cost of 20% Part B coinsurance
- Cost of blood
 - Part or all of cost of first 3 pints of blood needed each year
- Hospice care coinsurance
 - Full cost of hospice care coinsurances if Medigap was purchased on/after June 1, 2010

Medigap plan benefits

	A	B	C	D	F	G	K	L	M	N
Hospital copayment	*	*	*	*	*	*	*	*	*	*
Part B coinsurance	*	*	*	*	*	*	50%	75%	*	Except \$20 for doctor visits and \$50 for emergency visits
First 3 pints of blood	*	*	*	*	*	*	50%	75%	*	*
Hospital deductible		*	*	*	*	*	50%	75%	50%	*
SNF daily copay			*	*	*	*	50%	75%	*	*
Part B annual deductible			*		*					
Part B excess charges benefits					*	*				
Emergency care outside the U.S.			*	*	*	*			*	*
100% of coinsurance for Part B-covered preventive care services (after Part B deductible is paid)	*	*	*	*	*	*	*	*	*	*
Hospice care	*	*	*	*	*	*	50%	75%	*	*

Plans F and C in 2020

- **Individuals newly eligible for Medicare on or after January 1, 2020**, will not be able to purchase Medigap Plan C or Plan F
 - Medigaps will no longer be able to cover Part B deductible
 - These individuals can purchase Plan D or Plan G, which provide coverage for same out-of-pocket costs, with exception of Part B deductible
- Individuals eligible for Medicare before 1/1/2020 will still be able to purchase Plan C or Plan F, and receive coverage of Part B deductible

Medigap enrollment restrictions

- Beneficiaries can only buy Medigap policy at certain times
- Federal law sets minimum enrollment rights
- Two protected times to buy Medigap, meaning insurance companies must sell policy at best available rate and cannot deny coverage
 - **Medigap Open Enrollment:** Right to buy Medigap for 6 months beginning month beneficiary is both 65+ and enrolled in Part B
 - **Guaranteed issue right:** Right to buy Medigap within 63 days of losing certain types of coverage, if beneficiary is 65+

State-specific Medigap rules

- If beneficiary changes coverage to Original Medicare, they may be restricted in ability to purchase Medigap
- Some states extend Medigap enrollment rights
 - Contact State Health Insurance Assistance Program (SHIP) or State Department of Insurance to learn about Medigap enrollment rights in your state
 - » Visit www.shiptacenter.org or call 877-839-2675 to contact your SHIP

Medicare Advantage Plans



Medicare Advantage Plan (MA Plan) overview



- **Coverage**

- Includes Parts A, B, and usually D benefits under one plan
- May cover services excluded by Original Medicare, such as dental cleanings (but restrictions may apply)

- **Provider access**

- Beneficiary may have to see in-network providers in order to receive covered care or care at lowest cost

- **Referral requirements**

- Plan may require primary care physician referral to see specialist

- **Costs**

- Limit on out-of-pocket costs
- Costs vary by plan

Medicare Advantage Plan coverage

- MA Plans must offer same benefits as Original Medicare Parts A and B, but can do so with different costs and coverage restrictions
 - **Example:** Beneficiary is required to get prior authorization for certain services
- Can offer benefits not available in Original Medicare
 - **Example:** Coverage for dental cleanings or gym memberships
- Individual should contact plan directly to learn about coverage specifics

Supplemental benefits (new in 2019)

- Starting in 2019, plans may offer supplemental benefits that are not considered primarily health-related and that address social determinants of health
- Possible benefits include:
 - Nutrition services
 - Non-skilled in-home support, like housekeeping
 - Home modifications

Supplemental benefits for those with chronic conditions (new in 2020)

- Starting in 2020, plans can offer special supplemental benefits for certain chronically ill plan members
 - Benefits do not have to be primarily health-related
 - Plans can choose to offer these benefits for 1 or more specific chronic conditions, such as diabetes, dementia, and/or severe hematologic disorders
- Possible benefits include:
 - Therapeutic massage
 - Non-health-related benefits, such as transportation for non-medical reasons, providing food
- Plan decides whether individual beneficiary qualifies for these benefits; benefits may not apply to all plan enrollees with same chronic condition

Additional telehealth benefits (new in 2020)

- Starting in 2020, plans can offer additional telehealth benefits
- Each plan decides which Part B-covered services are appropriate to be offered as telehealth
 - Cost-sharing may differ for service offered through telehealth vs. in-person

Helping clients understand MA Plan benefits

- Plan's Evidence of Coverage (EOC) outlines covered services, including supplemental and telehealth benefits
- You can help beneficiaries carefully read plan materials or contact plan directly to understand full scope of covered benefits
 - Coverage of supplemental benefits should not be only factor beneficiary uses to choose coverage
- Plans will now have more variation
 - Two beneficiaries enrolled in same plan may have access to different supplemental benefits, depending on their health status and plan design

Medicare Advantage Plan costs

- **Premium**

- Medicare premiums (Part B and Part A if applicable)
- Plan premium (if it has one)
 - » Some plans do not charge premium in addition to Part B premium

- **Deductible**

- Plan may charge deductible

- **Coinsurance/copayment**

- Coinsurances and copayments vary by plan
- Many plans have copayments

Maximum out-of-pocket limit (MOOP)

- All MA Plans must have maximum out-of-pocket limit
 - \$6,700 in 2019
- Maximum that beneficiary will pay in deductibles, coinsurance, and copayments for year
- Limit is high, but afterward, plan pays 100% of cost of needed care

Part D prescription drug coverage



Part D: Medicare drug coverage

- Covers most outpatient prescription drugs
- Each Part D plan has a **formulary**, the list of drugs covered by plan
- Beneficiary should make sure Part D plan's formulary includes the drugs they take
- Beneficiary can get Part D coverage in two ways:

Stand-alone Part D plan

that works with Original
Medicare

Medicare Advantage Plan

that includes prescription
drug coverage

Part D costs

- **Premium**

- Stand-alone Part D plans charge a monthly premium

- **Deductible**

- Plan may have deductible
- Maximum deductible set each year

- **Coinsurance/copayment**

- Coinsurances and copayments vary by plan and type of drug

Drug tiers

- Many Part D plans use tiers to price drugs listed on formulary
- Drugs in lower tiers are less expensive; drugs in higher tiers are more expensive
- **Sample tiering structure**
 - Tier 1: Generic drugs
 - Tier 2: Preferred brand-name drugs
 - Tier 3: More expensive brand-name drugs
 - Tier 4: Specialty drugs
- When choosing a drug plan, beneficiary should note if drugs they take are on higher tiers
 - They may want to look for plans that cover their drugs on lower tiers



Coverage restrictions

- Part D plans may have coverage restrictions on certain drugs
- **Prior authorization**
 - Plan requires beneficiary to get approval from plan before it will pay for drug
 - Beneficiary's doctor can help get prior authorization
- **Quantity limit**
 - Plan restricts the amount of drug a beneficiary can get per prescription fill
- **Step therapy**
 - Plan requires beneficiary to try cheaper versions of their drug before it will cover the more expensive drug

Making Medicare coverage decisions

Factors to consider

- **Provider choice**

- **Original Medicare:** beneficiary can see any provider who accepts Medicare
- **Medicare Advantage:** beneficiary must usually see providers in plan's network

- **Out-of-pocket costs**

- **Original Medicare:** beneficiary usually pays 20% of cost of Part B-covered services and fixed cost for Part A-covered services; beneficiary can purchase Medigap policy to cover some or all of cost-sharing
- **Medicare Advantage:** beneficiary usually pays set copayments and has a limit on out-of-pocket costs

Questions to ask

- **Does beneficiary travel often?**
 - Original Medicare works throughout the U.S.
 - Medicare Advantage Plans often have networks of providers in one geographic region

- **What types of insurance do beneficiary's providers accept?**
 - Beneficiary should make sure their providers accept Original Medicare or the MA Plan they are considering

Questions to ask (continued)

- **What health care services does beneficiary need?**
 - Original Medicare does not cover certain services, like routine dental care and hearing aids, but some MA Plans will

- **What would be costs associated with this plan?**
 - Beneficiary should consider out-of-pocket costs associated with Original Medicare and MA Plans

Choosing a Medicare Advantage Plan

- No two plans are alike
- **Find out plan's rules before enrolling**
 - It is helpful to know if beneficiary will have to see certain providers or get prior authorization for certain services
- **Consider**
 - Which plans do the individual's providers accept?
 - Does the plan cover extra benefits, such as dental cleanings or gym membership? Does the individual want coverage for extra benefits?
 - Does the plan include prescription drug coverage? Does the drug coverage portion of plan cover the beneficiary's needed drugs?

Choosing a Part D plan

- No two plans are alike
- **Consider**
 - Are the individual's needed drugs on the plan's formulary?
 - Do any of the individual's drugs have coverage restrictions, such as step therapy or quantity limit?
 - Are any of the individual's needed drugs on higher tiers?
 - Which pharmacies are in-network or preferred by the plan?
 - » In-network and/or preferred pharmacies offer lower cost-sharing
 - » Contact plan or use Medicare Plan Finder for more information

Using Medicare Plan Finder

- Tool for professionals and beneficiaries on www.medicare.gov/find-a-plan
- Can be used to compare MA Plans and Part D plans
- Provides cost estimates and coverage basics
- Plan Finder provides baseline; contact plan for most current information

Plan Finder redesign (new in 2019)

- Plan Finder was designed to be simpler and more user friendly
- Individual can log in to or create MyMedicare account to access personalized search, or conduct anonymous search without account



Making changes to Medicare coverage

Making changes to Medicare coverage

- Beneficiary can make changes to existing Medicare coverage during
 - Fall Open Enrollment Period (OEP)
 - Medicare Advantage Open Enrollment Period (MA OEP)
 - Special Enrollment Periods (SEPs), depending on circumstance
- Beneficiary contacts Medicare to make changes during Fall OEP and MA OEP, or to use SEP
 - 1-800-MEDICARE (TTY: 877-486-2048)

Fall Open Enrollment Period (OEP)

- Period during which beneficiary can make changes to Medicare coverage
- **October 15 to December 7 each year**; new coverage starts January 1 of following year
- Beneficiary can
 - Switch from Original Medicare to Medicare Advantage Plan and vice versa
 - Change Medicare Advantage Plans
 - Sign up for Part D for first time

Enrollment decisions during Fall OEP

- Plan coverage and costs change every year
- Beneficiaries should read plan notices to make sure coverage still fits their needs
 - **Medicare Advantage Plan:** Read Annual Notice of Change (ANOC) or Evidence of Coverage (EOC); can be delivered electronically or as hard copy
 - **Original Medicare:** Review *2020 Medicare & You* handbook
- If beneficiary is unhappy with any changes to their current coverage, they can enroll in a different plan or choose to receive their benefits in a different way

Medicare Advantage Open Enrollment Period (MA OEP)

- Period during which beneficiary can switch:
 - From MA Plan to another MA Plan
 - From MA Plan to Original Medicare with or without stand-alone prescription drug plan
- Unlike Fall OEP, beneficiary can only make single change during MA OEP
- **January 1 through March 31 each year**; new coverage starts first of month after month of enrollment

Enrollment decisions during MA OEP

- Beneficiary should, when possible, use Fall Open Enrollment to make changes
 - Coverage starts January 1 when using Fall Open Enrollment
 - Waiting until MA OEP means later start date for important changes
- Beneficiary can use MA OEP if they are unsatisfied with their MA Plan in the new year

Special Enrollment Periods (SEPs)

- Periods during which beneficiaries can switch Medicare health and/or drug coverage outside of standard enrollment periods
 - **Example:** Individual with MA Plan has SEP to choose new plan if they move away from area served by current plan
 - **Example:** Individual with MA Plan has SEP to choose new plan if current plan no longer offers coverage in their area
- Start and end dates depend on specific circumstances
- Learn more about SEPs on www.medicare.gov

Help paying Medicare costs

Assistance programs

- Medicaid
- Medicare Savings Programs (MSPs)
- Extra Help (sometimes called Low-Income Subsidy or LIS)
- State Pharmaceutical Assistance Programs (SPAPs)
- Patient Assistance Programs (PAPs)

Medicaid

- Health insurance program for individuals with limited income and assets
- Individual can have both Medicare and Medicaid
 - Known as dual-eligible
- Medicare pays first and Medicaid is payer of last resort
 - For lowest costs, dually eligible beneficiary should see providers who accept both Medicare and Medicaid
- Beneficiary must meet state's income and asset limits to qualify
 - Income and asset limits vary by state
- Contact local Medicaid office for more information

Medicare Savings Programs (MSPs)

- Pay monthly Part B premium
- Depending on program, MSP can also help pay
 - Part A premium, if beneficiary has one
 - Part A and Part B deductibles, coinsurances, copayments
- MSPs automatically enroll beneficiary in full Extra Help
- Beneficiary must meet state's income and asset limits to qualify
 - Income and asset limits vary by state
 - Some states do not have asset limits
- Contact SHIP for more information
 - Visit www.shiptacenter.org or call 877-839-2675 to contact your local SHIP

Extra Help

- Federal program that helps pay for some or most Part D drug costs, depending on beneficiary's income
 - Works with Part D coverage
 - No or low premium and deductible for drugs
 - Low copays
- Beneficiary must meet federal income and asset limits to qualify
- Visit www.ssa.gov/benefits/medicare/prescriptionhelp/ for more information and to begin application

State Pharmaceutical Assistance Programs (SPAPs)

- State-based programs that may help pay drug costs
 - Not all states have SPAP
- Program may have specific
 - Eligibility requirements
 - Application instructions
 - Rules and conditions that beneficiary must follow in order to get benefit
- To learn if your client's state has an SPAP, contact State Department of Health or visit <https://www.medicare.gov/pharmaceutical-assistance-programs/state-programs.aspx>

Patient Assistance Programs (PAPs)

- Pharmaceutical assistance programs that provide discounts on certain drugs
- Each PAP generally offers discounts on specific type of brand-name or generic medication
- Discount provided by drug manufacturer
- Some programs may not work if beneficiary has Medicare prescription drug coverage
- Each program may have specific
 - Eligibility requirements
 - Application instructions
 - Rules and conditions that beneficiary must follow in order to get benefit

Review

Helping clients choose how to receive Medicare coverage

- Choosing Original Medicare or MA Plan is personal decision
- You can help clients weigh their options based on their health care needs and financial situation
- If client is unhappy with their selection, they can use Fall OEP to change their coverage (or MA OEP if they want to disenroll from MA Plan and enroll in new MA Plan or re-enroll in Original Medicare)

What you have learned

- Medicare basics
- Differences between Original Medicare and Medicare Advantage
- Medicare enrollment periods, and factors individuals should consider when making decisions
- Medicare assistance programs available to help with health care costs

Resources for information and help



State Health Insurance Assistance Program (SHIP)

- www.shiptacenter.org
- www.eldercare.gov

Social Security Administration

- 800-772-1213
- www.ssa.gov

Medicare

- 1-800-MEDICARE (633-4227)
- www.medicare.gov

Medicare Rights Center

- 800-333-4114
- www.medicareinteractive.org

National Council on Aging

- www.ncoa.org
- www.centerforbenefits.org
- www.mymedicarematters.org
- www.benefitscheckup.org

Medicare Interactive



- www.medicareinteractive.org
- Web-based compendium developed by Medicare Rights for use as a look-up guide and counseling tool to help people with Medicare
 - Easy to navigate
 - Clear, simple language
 - Answers to Medicare questions and questions about related topics
 - 3+ million annual visits

Medicare Interactive Pro (MI Pro)



- Web-based curriculum that empowers professionals to better help clients, patients, employees, retirees, and others navigate Medicare
 - Four levels with four to five courses each
 - Quizzes and downloadable course materials
- Builds on 30 years of Medicare Rights Center counseling experience
- For details, visit www.medicareinteractive.org/learning-center/courses or contact Jay Johnson at 212-204-6234 or jjohnson@medicarerights.org