



Getting Medicare right

Let's learn Medicare

Medicare basics



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

Learning objectives

After this presentation, you should be able to:

- 💡 Understand Medicare basics
- 💡 Understand Medicare coverage and costs
- 💡 Describe Medicare drug coverage: Part D
- 💡 Summarize Medicare coordination benefit rules
- 💡 Identify available Medicare cost assistance programs
- 💡 Locate advocacy and educational resources

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, and 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

Medicare eligibility – 65+



- After turning 65, you qualify for Medicare if you
 - Collect or qualify to collect Social Security or Railroad Retirement benefits
 - **OR** are a current U.S. resident and either
 - » A U.S. citizen
 - » **OR** a permanent resident having lived in the U.S. for five years in a row before applying for Medicare

Medicare eligibility – under 65



- If you are not yet 65, you qualify for Medicare if
 - You have received Social Security Disability Insurance (SSDI) or Railroad Disability Annuity checks for total disability for at least 24 months
 - » If you have amyotrophic lateral sclerosis (ALS), there is no waiting period, and you are eligible for Medicare when you start receiving SSDI
 - OR, you have End-Stage Renal Disease (ESRD or kidney failure) and you or a family member have enough Medicare work history

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 (e.g., HMO, PPO)
 - 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

Four ways to enroll in Medicare



1. Automatic Enrollment
2. Initial Enrollment Period
3. General Enrollment Period
4. Special Enrollment Period

Automatic enrollment



- If you are receiving Social Security retirement benefits or Railroad Retirement benefits, you should be automatically enrolled in both Medicare Part A and Part B
- If you are eligible for automatic enrollment, you should receive a package in the mail three months before your coverage starts with your new Medicare card

Initial Enrollment Period

- Seven-month period including the three months before, the month of, and three months following your 65th birthday
 - Coverage start date depends on when you enroll



Other enrollment periods



- **General Enrollment Period (GEP)**
 - January 1 through March 31
 - Sign up for Part B with coverage beginning in July
 - Using GEP to sign up will mean incurring a late enrollment penalty
- **Special Enrollment Period (SEP)**
 - Periods of time outside of normal enrollment periods
 - Triggered by specific circumstances

Medicare coverage and costs

Terms to know



Premium

- Monthly amount you pay to have Medicare, a private health plan, or a Part D plan

Deductible

- Amount you must pay for health care services before insurance begins to pay

Coinsurance

- **Portion of cost** of care that you pay after health insurance pays
- Example: Pay 20% of the cost of a doctor's office visit

Copayment

- **Set amount** you pay for each medical service received
- Example: Pay \$20 for each doctor's office visit

What Part A covers



- **Inpatient hospital care**
 - Formally admitted into hospital by hospital doctor
- **Inpatient skilled nursing facility care**
 - You must have spent three nights as hospital inpatient
- **Home health care**
 - You must be considered homebound and need skilled care
 - Doctor must approve and services must be received from a Medicare-certified home health agency
- **Hospice care**
 - Comprehensive care for people who are terminally ill

Part A costs



- **Premium**
 - Free if you have 10 years of Social Security work history
 - \$252 if you or your spouse worked and paid Medicare taxes for 7.5 to 10 years
 - \$458 if you or your spouse worked and paid Medicare taxes for fewer than 7.5 years
- **Hospital deductible**
 - \$1,408 for each benefit period
- **Hospital coinsurance**
 - \$352 per day for days 61-90 each benefit period
 - \$704 per day for days 91-150 (these are 60 non-renewable lifetime reserve days)
- **Skilled nursing facility (SNF) coinsurance**
 - \$176 per day for days 21-100 each benefit period

What Part B covers



- **Outpatient care**
 - Care provided to you by health care professionals if you were not formally admitted as hospital inpatient
- **Doctors' services**
 - Medically-necessary services provided to you by doctor
- **Preventive care**
 - Care to keep you healthy or prevent illness
- **Home health care**
 - Care used to treat an illness or injury in the home
- **Durable medical equipment (DME)**
 - Medical equipment provided on an outpatient basis

Part B costs



- **Annual deductible**
 - \$198
- **Monthly premium**
 - \$144.60
- **Coinsurance**
 - Medicare pays 80% of Medicare-approved amount for a doctor's service; beneficiary pays 20% coinsurance



Medigaps

- Supplemental insurance that can help pay the cost-sharing associated with Original Medicare
- Medigaps are private health insurance policies people with Original Medicare can buy to fill gaps in Medicare coverage
 - Only pay for services that Medicare approves
- Medigap premiums range from around \$100 to almost \$300 a month
- 10 Standardized Plans (A,B,C,D,F,G,K,L,M,N)

Basic Medigap benefits

- Hospital coinsurance
- 365 days of full hospital coverage on top of Medicare covered days
- Full or partial coverage for Part B coinsurance and copays
- Full or partial coverage for first three pints of blood needed each year
- Hospice care copay (for respite services)

What Medicare does not cover



- Most dental care
- Most vision care
- Routine hearing care
- Most foot care
- Most long-term care
- Alternative medicine
- Most care received outside the U.S.
- Personal care or custodial care if there is no need for skilled care
- Most non-emergency transportation

Note: Medicare Advantage Plans (or Medicaid if you qualify) may cover these services

Medicare drug coverage: Part D

Medicare Part D



- Outpatient prescription drug benefit for anyone with Medicare
 - You are eligible for Part D if you have Part A or Part B
- Only available from private insurance companies
- Two ways to get Part D drug coverage:
 - If you have Original Medicare:
 - » Purchase a stand-alone prescription drug plan – private plan offers only drug coverage
 - If you have a Medicare Advantage Plan:
 - » Part D is generally included and you receive all Medicare benefits from one plan
- Everyone is responsible for a monthly premium
 - Individuals with low incomes can get help with costs

Part D coverage

- Each Medicare drug plan has its own **formulary**, or list of covered drugs
 - Only covers drugs on the formulary
- Plans must offer at least two drugs under each type of drug class
- Plans must cover substantially all drugs from a few classes
- A few classes of drugs are excluded from Medicare coverage by law

Part D costs



- Each plan charges different premiums, deductibles, and copays
- National average premium: \$32.74 per month in 2020
- Medication copays vary
 - Pay less for drugs in lower tiers, for example structure could be:
 - » Tier 1: Preferred generics
 - » Tier 2: Generics
 - » Tier 3: Preferred brand-name
 - » Tier 4: Non-preferred drugs
 - » Tier 5: Specialty Drugs
- **Extra Help:** a federal program to help eligible individuals lower their drug costs

Part D costs



- Different costs for different prescriptions at different times
- Four different coverage periods for Part D during the calendar year
 1. Deductible Period
 2. Initial Coverage Period
 3. Coverage Gap
 4. Catastrophic Coverage

Medicare coverage reminders

Coronavirus testing



- Covered under Part B as clinical laboratory test
- Doctor can bill for testing provided after February 4, 2020
- No cost-sharing for test and associated visits
 - No cost-sharing means no deductible, coinsurance, or copayment
 - Applies to Original Medicare and Medicare Advantage Plans
- Medicare Advantage Plans cannot require prior authorization for testing provided after March 17, 2020

Coronavirus vaccine



- No vaccine available yet
- If one becomes available, it will be covered under Part B and have no cost-sharing (deductible, coinsurance, or copayment)

Prescription refills



- Plans must cover up to 90-day supply of prescription at your request
 - Plan cannot put a quantity limit on drug that would prevent you from getting full 90-day supply, as long as you have a prescription for that amount
 - Some safety checks are still in place to prevent unsafe doses of opioids
- Plans can relax restrictions and let you fill your prescription early
 - If you want to refill your prescription early, contact your plan

Telehealth services



- Telehealth services are provided during a full visit with provider using telephone or video technology that allows for both audio and video communication
 - Limited services can use audio only, including some behavioral health care services
 - If you have questions about technology requirements for telehealth services, ask your provider
- During the public health emergency, telehealth services are covered under Part B for all people with Medicare throughout country:
 - In health care settings
 - At home

Telehealth visits and providers



- Examples of covered visits include:
 - Hospital and doctors' office visits
 - Behavioral health counseling
 - Preventive health screenings
- Health care providers who can offer telehealth services include:
 - Doctors, nurse practitioners
 - Clinical psychologists, licensed clinical social workers
 - Physical therapists, occupational therapists, speech language pathologists

Telehealth costs



- Standard cost-sharing may apply, but provider can choose not to charge you cost-sharing
- Providers usually cannot routinely waive cost-sharing, but they can do so during the public health emergency
- If you have Medicare Advantage Plan, contact your plan to learn about its costs and coverage rules

Behavioral health care



- Includes services and programs intended to help diagnose and treat mental health conditions and substance use disorders
- Mental health conditions affect person's thinking, feeling, or mood
 - Examples: Depression, anxiety, schizophrenia
- Substance use disorders are included under umbrella of behavioral health conditions

Mental health therapy



- Covered by Medicare Part B
- To pay the least amount for care, see provider who accepts Original Medicare or is in-network for your plan
- Mental health care providers are more likely than other types of providers to opt out of Medicare, meaning Medicare will not pay for your care
 - If you see an opt-out provider, you will be responsible for the full cost of the services you receive
- Resources for help finding providers or accessing services:
 - **NAMI New York:** 800-950-3228
 - **Community Health Access to Addiction and Mental Healthcare Project (CHAMP):** (888) 614-5400

Help paying Medicare costs

Programs that help pay Medicare costs

- Medicare Savings Programs (MSPs)
- Extra Help
- EPIC in New York State
- Must meet income and/or asset requirements to qualify

Medicare Savings Program



- Provide help with Medicare costs
- Eligibility determined at state level
- Rules vary substantially between states
 - Asset limits between states differ
 - » In New York State there is no asset test for the MSP
 - Some states have higher income limits
 - States count income differently

MSP eligibility in 2020

MSP income limits in 2020

Program type	Single	Couple
Qualifying Individual (QI)	\$1,456/month	\$1,960/month
Specified Low-Income Medicare Beneficiary (SLMB)	\$1,296/month	\$1,744/month
Qualified Medicare Beneficiary (QMB)	\$1,084/month	\$1,457/month

- These figures include an automatic \$20 disregard for every application
- Other health insurance premiums can be subtracted from income level

Benefits of MSPs

- At a minimum, MSP
 - Pays for monthly Part B premium
 - Automatically deems individual for Extra Help
 - » Extra Help is federal program that helps with Part D costs
 - Eliminates Part B late enrollment penalty*
 - You can get Part B outside of the GEP if you delayed Part B enrollment

Extra Help pays for Part D

- Extra Help is a federal program that helps pay the deductibles, premiums, copays, and coinsurances associated with Medicare Part D
 - Only works with Part D plans
- Extra Help provides you with a Special Enrollment Period (SEP)
 - Allows enrollment in Part D once per calendar quarter in the first three quarters of each year
- Also known as the Low Income Subsidy (LIS)

Extra Help eligibility in 2020



Extra Help income limits in 2020

Single	Couple
\$1,615/month	\$2,175/month

Extra Help asset limits in 2020

Single	Couple
\$14,610	\$29,160

Enrolling



- Some people get Extra Help automatically
 - If you have Medicaid, a Medicare Savings Program (MSP), or Supplemental Security Income (SSI)
- You can also apply for Extra Help
 - Through the Social Security Administration (SSA)
 - » Fill out online application (www.ssa.gov)
 - » Apply by phone (800-772-1213)
 - » Apply in person at local SSA office
 - Declare your income and assets (do not need to provide proof)
- You can appeal if application is denied

EPIC in New York

- EPIC: Qualified SPAP program that helps people 65+ pay for prescription drugs
- Enrollees receive a SEP for Part D once a year
- Separate from Extra Help
 - You may qualify for EPIC even if you do not qualify for Extra Help
 - You can have both EPIC and Extra Help

EPIC eligibility

- **EPIC:** New York's state pharmaceutical assistance program to help people 65+ pay for prescription drugs

EPIC income limits in 2020

Single	Couple
\$75,000/year	\$100,000/year

Resources

Questions?



For help understanding your Medicare options

» Call the Medicare Rights Center
at **800-333-4114**

What is CHAMP?

The **Community Health Access to Addiction and Mental Healthcare Project** can help you or someone you know access treatment for mental health & substance use disorders, including medication

Fight insurance denials for mental health and addiction care

Know your insurance rights

Learn about options for low-cost care for the uninsured

And much more!

Call the helpline (888) 614-5400

Or, call the Medicare Rights Center at 800-333-4114

Medicare Interactive



- 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, for example:
“How do I choose between a Medicare private health plan (HMO, PPO or PFFS) and Original Medicare?”
 - 2 million annual visits and growing



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, organized by knowledge level
 - 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

Dear Marci



- E-newsletter
 - Released every two weeks
- Clear answers to frequently asked Medicare questions
 - Links to explore topics more deeply
 - Additional resources and health tips
 - Co-branding available
- Sign up at www.medicarerights.org/about-mrc/newsletter-signup.php