WHAT’S NEW WITH MEDICARE IN 2014?

Presented by:
Health Insurance Counseling & Advocacy Program
HICAP
The Medicare Counseling Program
PASSAGES

Provides services to older adults, caregivers and persons with disabilities:

- Information and Assistance
- Bill Pay
- Care Coordination
- Volunteer Opportunities
- Advocacy
  - For Long Term Care Residents
  - For Medicare Recipients
- Caregiver Support
- Mental Health Counseling

PASSAGES is a project of CSU, Chico Research Foundation
Call 898-5923 or 800-822-0109
www.passagescenter.org
Objectives

• Learn about HICAP
• Get tips on how to avoid Medicare Fraud
• Understand the changes to Medicare
• Learn about the Part D and Part C changes for 2014
• Find out about government programs to help reduce your medical and prescription costs
HICAP helps Medicare beneficiaries

- Understand Medicare
- Compare Supplemental Insurance and Medicare Advantage plans and benefits
- Compare prescription drug plans and other prescription drug resources
- Prepare appeals and challenge denials
- Learn about government assistance programs that help reduce medical expenses
- Explore Long Term Care options and insurance policies
- Clarify rights as a health care consumer
ELIMINATING FRAUD AND ABUSE

• Check all medical bills carefully.
• Never sign a blank form.
• Beware of advertising.
• Don’t give out your SS or Medicare # over the phone.
What Consumers Should Know About Marketing Restrictions

- Don’t give out personal information to plan marketing representatives.
- No door-to-door sales
- Cannot contact you unless you asked
- To stop repeated and unwanted sales calls simply say “stop!”
- Many marketing restrictions
- You may report any insurance agent who is marketing inappropriately to you.
Two Options for Your Medicare Coverage

1. Original Medicare
   - Hospital Inpatient Care (Part A)
   - Medical Outpatient Care (Part B)
   - Medicare Supplement (Medigap)
   - Non-Medicare Supplements
     - Medi-Cal
     - Employer plan
     - Retiree plan
     - Veterans/TRICARE
   - Prescription Drug Insurance (Part D)

2. Medicare Advantage Plan
   - Medicare Advantage Plan (Part C)
     You must be enrolled in Part A and Part B
   - Your Medicare Advantage Plan administers your Hospital, Doctor, and Prescription Drug Coverage
   - OR, your Medicare Advantage Plan administers your Hospital and Doctor Coverage, and you buy separate Drug Insurance
   - Prescription Drug Insurance (Part D)
2014 MEDICARE PREMIUMS

PART A
- Premium Free for most
- $426 Less than 30 qtrs.
- $234 30-39 qtrs.
- $1,216 Hospital deductible
- $304/day (hospital days 61-90)
- $608/day (hospital day 90+)
- $152/skilled nursing days 21-100

PART B
- $104.90 Monthly Premium
- Higher premiums for annual incomes above $85K/$170K (single/couple)
- $147 Annual Deductible
- Both the same as in 2013
Affordable Care Act Impact on Medicare

- No more co-payments for many preventive services such as Mammogram, basic Colonoscopy, Bone Density Test, Pelvic Examination, PSA test (prostate cancer screening), Annual Wellness exam, annual flu shot, etc.
- Part D donut hole closing: 52.5% discount and subsidy on brand drugs and 28% on generics
  - By 2020 co-insurance will be 25%
- Increased funding to protect Medicare against fraud (detection, investigation and prosecution)
- Reduced payments to Medicare Advantage plans
- Hospitals will be penalized for re-admissions within 30 days
- Mail Order Diabetic Supplies from fewer contracted suppliers
- Part D and Part C plans must show that at least 85% of revenues are used for patient care/coverage.
Part D and C Changes

- **Enrollment Dates for Changes:**
  - October 15 to December 7
    - For changes effective January 1, 2014 (Enroll, change, or discontinue Part D or C – Medicare Advantage Plans)
  - January 1 – February 14 (Annual Disenrollment)
    - You can leave a Medicare Advantage (MA) plan and switch back to original Medicare and get a Part D plan.
      - Coverage begins the first day of the following month.
  - December 8 – February 28
    - Special Election Period to select a Part D or MA plan by people impacted by a plan non-renewal

- **Benzodiazepines and Barbiturates are now covered by Part D plans – Not Medi-Cal**
Part D Premiums Tied to Income

- High income individuals pay higher Part D premiums (i.e. income related monthly adjustment amount - IRMAA)
- Based upon incomes reported to IRS
  - Above $85,000 (single filer) or $170,000 (Joint Tax filers)
- Additional amount is % based on National Part D average premium ($32.42)
  - Will be deducted from Social Security Check
    - or billed to you if you don’t receive Social Security benefits
PART D BASICS
Late Enrollment Penalty

- If you wait to enroll
  - Additional 1% of national average premium ($32.42) for every month eligible but not enrolled
  - Must pay the penalty as long as enrolled in a Medicare drug plan

- No penalty if you have other coverage at least as good as Medicare drug coverage
  - Called “credible coverage”
Part D Landscape

For 2014:

- 31 Plans available
- Up to $310 deductible
- 7 benchmark plans (reduced premiums, deductibles and co-pays for those who qualify)
- Check spreadsheet or Medicare & You 2014

2013 Plans not renewing:

- Envision RxPlus Gold
- Humana Complete

Plans under “sanction” (contract violations):

- Cannot enroll new members; not known if they remain
  - All Silverscript plans
  - All SmartD plans
MEDICARE Part D Prescription Drug Benefit for 2014

Medicare’s Basic Benefit:
Besides the monthly premium, you pay...

$310 Annual Deductible (You pay 100%)

Warning!

After the deductible, you pay about 25% of Rx costs between $310 and $2,850 (about $635).
You reach the $2,850 drug coverage limit — you’re headed for the Doughnut Hole.

When you spend $4,550 out-of-pocket for the year you move out of the doughnut hole.

Your drug costs have reached $6,455 and coverage begins again. (You pay 5%, or $2.55 for generics and $6.35 for brand-names, whichever is greater.)

Can’t afford your drugs? You may be eligible for Extra Help. Visit www.ssa.gov/prescriptionhelp/

For local assistance call: Passages HICAP (Health Insurance Counseling & Advocacy Program) 1-800-434-0222

Drug costs of $2,850 to $6,455

Before the Affordable Care Act: You paid 100% out-of-pocket while in the Doughnut Hole.

After the Affordable Care Act: In 2014, you save 52.6% on brand-name drugs and 28% on generics while in the Doughnut Hole.

FamiliesUSA • September 2013 • For more information, visit our website at www.familiesusa.org
MA - Private-Fee-for-Service Plans (PFFS)

- Humana is not offering any health plans in our area
- Today’s Options by Universal American is sanctioned – Not available in 2014
- No plans available in Butte, Glenn, and Tehama counties
- Colusa and Plumas Counties:
  - United Healthcare: 2 plans in each county – one with Rx, one without
  - Providers bill the plan - NOT Medicare
  - Network of providers NOT required, but must be contracted with Medicare
  - Providers must tell you if they accept plan or not before you get service
  - If they don’t tell you and you get service, they must submit claim to the plan
- If you enroll in a PFFS plan, enrollment is locked in for one year (some exceptions)
MA - Private-Fee-for-Service Plans (PFFS) – Continued

• If available in your county, Maximum Out-of-Pocket for 2014
  • $3,401 to $6,700

• Premiums: varies according to county

• Explanation of Benefits will be required
  • Monthly
  • Or Each claim + quarterly + annual summary
  • Exception: not sent to people with Medicare & Medi-Cal

• Other changes available upon request: Since our service area has limited plan availability
What Happens Next?

• Plans (Part C and Part D) that are not renewing should:
  • Have notified you by mail in September
  • Offer to change you to another one in the same company OR tell you that you can change to any other plan
  • Inform you that you must make a decision by December 7, 2013 to have a plan in place by January 1.

• If you don’t make a change:
  • You may lose coverage
  • You may have trouble buying a Medigap if you go back to Original Medicare and don’t act promptly
  • You may have to wait until next year to get a Part D plan back – and you may pay a penalty

• Plans remaining will have changes in premiums, deductibles and co-pays
Important Dates to Remember

• Part D Open Enrollment (aka AEP – annual election period):
  • October 15 to December 7

• Special Election Periods for non-renewing plans:
  • December 8 to February 28

• Annual MA plan disenrollment if missed AEP:
  • January 1 – February 28

• Exception: for people with Medicare/Medi-Cal or with SSA “extra help”:
  • Can make changes any time during year
For People Impacted by MA Plan Changes

- Guarantee right to purchase Medicare Supplement (without pre-existing condition considerations) varies depending on situation (up to 123 days after plan ends)
  - MA Plan non-renewal (moves out of your geographical area)
  - MA Plan increases co-pays, reduces benefits, terminates relationship with your medical provider
  - You move out of plan’s service area

- NOTE: **Birthday Rule**: 30 days following your birthday you can change Medicare Supplemental coverage without consideration of pre-existing conditions as long as coverage is same or less. Can also change insurance company.
BASICS for “Extra Help” for People with Low Incomes

• Assistance with premium and cost sharing
• Eligibility determined by SSA
• Income and resources are counted
• Premium, deductible and co-pays vary according to income
• Multiple ways to apply
  • Can apply any time
  • Can apply by calling
    • Social Security: 1-800-772-1213
    • HICAP 1-800-434-0222
## Part D Costs for people with limited incomes

<table>
<thead>
<tr>
<th>Income</th>
<th>≤100%</th>
<th>≤135% QMB, SLMB, QI</th>
<th>&lt;150%</th>
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<tbody>
<tr>
<td><strong>Premium</strong></td>
<td>$0*</td>
<td>$0*</td>
<td>Discounted</td>
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<tr>
<td><strong>Deductible</strong></td>
<td>$0</td>
<td>$0</td>
<td>≤$63</td>
</tr>
<tr>
<td><strong>Copayment</strong></td>
<td>$1.20 (G)</td>
<td>$2.55 (G)</td>
<td>15% or lower copayment</td>
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<tr>
<td></td>
<td>$3.60 (BN)</td>
<td>$6.35 (BN)</td>
<td></td>
</tr>
<tr>
<td><strong>Copayment during catastrophic coverage</strong></td>
<td>$0</td>
<td>$0</td>
<td>$2.55 (G)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>$6.35 (BN)</td>
</tr>
</tbody>
</table>

*If enrolled in a benchmark plan

Source: California Health Advocates (c) 2010 - 2013
Medicare Savings Program

- Some programs cover:
  - Part A Premium (for those with insufficient SSA quarters)
  - Part B Premium
  - Part A & B deductibles & co-pays
- Eligibility is based on income and Resources
- Higher income/assets for working younger disabled
- Administered by the County
- Applications may be requested through HICAP
Medi-Cal

- Federal Program administered by each County
- Eligibility is based on low income and resources
- Helps cover Medicare co-pays & deductibles
- Provides full subsidy for prescription drugs under Part D
Cal Fresh – Making it easier to get healthy foods

- If you have limited income, you may be eligible if you don’t have SSI
- CalFresh helps you buy
  - Fresh fruits and vegetables
  - Whole grains
  - Lean proteins and more
- The EBT card can be used at most grocery stores, discount chains, farmers’ markets and neighborhood stores

For more information and eligibility guidelines call 530-345-9749
Letters, Letters, and more Letters

- From September to December look for letters from:
  - Your plan(s)
  - Medicare – CMS (Centers for Medicare and Medicaid Services)
  - State of California – Medi-Cal
  - Social Security Administration
  - Your former employer
  - Companies promoting their plans
IT’S THE SAME MEDICARE

- Medicare is not changing its basic benefits
- Medicare is not taking away any benefits
- Medicare health plans and Part D plans can change every year
- Medicare Supplements work the same way
  - If you have one and you like it, you don’t have to change
- You just have choices!
Medicare Handbook

• Printed version mailed in September
• Electronic version available on Web
  • Environmentally friendly
  • Saves tax dollars
  • Receive link to PDF of the handbook
  • Easy sign up at www.mymedicare.gov
Welcome to MyMedicare.gov

Welcome to Medicare's free, secure online service for accessing your Medicare information. As a registered user of MyMedicare.gov, you will have access to personalized information regarding your Medicare benefits and services. You may use MyMedicare.gov to:

- View claim status (excluding Part D claims),
- Order a duplicate Medicare Summary Notice (MSN) or replacement Medicare card,
- View eligibility, enrollment and preventive services information,
- View enrollment information including prescription drug plans,
- View or modify your drug list and pharmacy information,
- View address of record with Medicare and Part D deductible status, and
- Access online forms, publications and messages sent to you by CMS.

Already Registered? If you have already registered for MyMedicare.gov or have received your password letter in the mail and are logging in for the first time, please click here to sign-in.

Need to Register? If you have not yet registered for MyMedicare.gov, please click here to begin the registration process. Be sure to have your Medicare Identification Number available.

Attention: If you are or were a Palmetto eSN user, you have been automatically registered for access to MyMedicare.gov. Please click the 'Already Registered?' link above to access the login page. You may then fill in your Medicare Number as it appears on your Medicare card and Password as it appears on your MyMedicare.gov password letter which you received in the mail.

Please note: After registering to use MyMedicare.gov, it may take up to 14 days to receive your one-time password via standard mail.

Important Announcements
Take your healthcare into your own hands

- It is NOT your Doctors’ or pharmacists’ job to know whether your insurance will pay for the services he/she wants you to have.
  - Ask when you get to the lab or clinic.

- Ask your providers if they are Medicare providers BEFORE you make an appointment or get the recommended services.

- Keep your benefits booklet and Outline of Coverage for each year.

- KNOW all the coverage you have.

- Have frequent conversations with your partner and family about your coverage.

- If you do not understand your health coverage, ASK QUESTIONS!!!!
How to reach HICAP

• Call 800-434-0222 for information or counseling appointment in Butte, Colusa, Glenn, Tehama, and Plumas Counties

• E-Mail: passageshicap@csuchico.edu

• Located at 25 Main Street, Room 202, Chico
  • Counseling sites situated in Chico, Colusa, Corning, Magalia, Orland, Oroville, Paradise, Red Bluff, Willows, Plumas County

  **by appointment only**

  800-434-0222
Thank you!