Medicare Unraveled: What New Beneficiaries Need to Know

2019
Medicare’s Many Questions

• What is SHINE?
• What is Medicare?
• When can I enroll? What if I miss enrollment?
• What does Medicare cover and what does it cost?
• How can I fill in the gaps of Medicare?
• How does Medicare work with MassHealth or the Connector?
• Can I get help paying for Medicare and prescription drugs?
SHINE

• **Serving the Health Insurance Needs of Everyone on Medicare**

• Funded by A.C.L. and administered by Executive Office of Elder Affairs in partnership with local organizations

• 13 regional offices and one statewide program (Greater Boston Chinese Golden Age Center)

• 600+ highly trained, certified counselors in almost every city and town in Massachusetts

• Schedule a phone or in-person appointment with a SHINE counselor by calling 1-800-AGE-INFO (1-800-243-4636, press 3. Press 5 from cell phone)
What Does SHINE Do?

• Provides free, unbiased health insurance information and counseling to Medicare beneficiaries and their caregivers.
• Assists clients in transition from other insurance to Medicare.
• Answers questions regarding Medicare eligibility, enrollment periods, and benefits.
• Assists with Medicare billing issues and appeals
• Screens for eligibility for programs that can help pay for Medicare and health care.
What is Medicare?

• Federal health care coverage created in 1965 to help elders and people with disabilities pay for their health care, subject to premiums, deductibles, coinsurance, and/or co-pays.

• Four “parts” of Medicare
  – Part A—inpatient services- hospital, SNF
  – Part B—outpatient services- doctors, tests, etc.
  – Part C—combines all services into a single plan (Medicare Advantage- HMO, PPO, Special Needs)
  – Part D—outpatient prescription drug coverage
What is Medicare?

• Eligibility determinations and enrollments are performed by Social Security Administration (SSA)
  – 1-800-772-1213; www.ssa.gov

• Benefits are administered by the Centers for Medicare & Medicaid Services (CMS)
  – 1-800-633-4227; www.medicare.gov

• Can receive Medicare under Original Medicare (Parts A & B) or Medicare Advantage (Part C)
Medicare Eligibility

- Individuals aged 65 years or older who are U.S. citizens or legal permanent residents for at least 5 continuous years
  - If 40 work credits through payroll tax, entitled to premium-free Part A (may qualify through spouse)

- Individuals under 65 who have received Social Security Disability (SSDI) for 24 months

- Individuals under 65 with ESRD or ALS

- If have MassHealth or Connector, turn 65 and eligible, may need to enroll
When Can I Enroll?

• Medicare has specific enrollment periods
  – Initial Enrollment Period
  – General Enrollment Period
  – Open Enrollment Period

• To enroll outside of these 3 periods, you must qualify for a Special Enrollment Period

• If you do not enroll during Initial Enrollment Period, you may be subject to late enrollment penalties (with some exceptions)
## Enrollment Periods

<table>
<thead>
<tr>
<th>Enrollment Period</th>
<th>Time period</th>
<th>Parts one can enroll in</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Initial Enrollment Period</strong></td>
<td>7 months around 65th birthday or 25th month of SSDI (begins first day of the 3rd month before and ends last day of the 3rd month after)</td>
<td>A, B, C, D</td>
</tr>
<tr>
<td><strong>General Enrollment Period</strong></td>
<td>January 1 – March 31</td>
<td>A, B</td>
</tr>
<tr>
<td><strong>Open Enrollment Period</strong></td>
<td>October 15 – December 7</td>
<td>C, D</td>
</tr>
</tbody>
</table>
Part A Helps to Cover...

- Inpatient hospital care*
- Skilled nursing facility care
- Home health care
- Hospice care

Premium free if you or spouse worked and earned 40 credits. Can purchase but expensive

*Part B pays if you are “under observation”
Part B Helps to Cover...

- Physician services
- Diagnostic tests, labs, and x-rays
- Preventive Benefits
- Physical and occupational therapy
- Durable medical equipment
- Prosthetic and orthotic devices
- Ambulance services

Monthly premium, varies by income
Delaying Part B

• If enrolling late, Part B late enrollment penalty is a surcharge added to monthly Part B premium for life

• Penalty is 10% of the current Part B premium ($135.50) for every 12 months the person was eligible but did not enroll in Part B for life

• Late enrollees must wait until General Enrollment Period (January 1 – March 31) to enroll in Part B for coverage effective July 1st
Part D

• Outpatient prescription drug coverage
• Must be enrolled in Part A and/or B
• Provided by approved standalone Prescription Drug Plans (PDP) or Medicare Advantage Prescription Drug Plans (MAPD)
• Many plans to choose from that vary in cost, tier, pharmacy deductible and coverage
• May delay but monthly lifetime penalty of 1% for each month without coverage
Delaying Part D

• Part D can be delayed without penalty if have other “creditable” drug coverage (obtain letter from employer and save it)
• “Creditable” means at least as good as Part D
• May include employee coverage, Connector, retiree coverage, Veterans Administration Health Care
• If delayed enrollment with creditable coverage, have 2 month Special Enrollment Period from loss of coverage to enroll in Part D
Choosing a Part D Plan

• Plans vary in
  – Cost
  – Covered drugs (i.e., formulary)
  – Restrictions
  – Pharmacy networks

• Choosing the best plan is a matter of finding the one that covers the combination of drugs at the lowest cost, and is accepted by pharmacy

• For help, use the Medicare Plan Finder (https://www.medicare.gov/find-a-plan) or talk with a SHINE counselor
MH member Signing Up for Medicare

• If collecting SS benefits, will be auto-enrolled
• Eligibility for under 65 and over 65 differs, ex. asset limit over 65
• If still eligible for MassHealth, MH becomes secondary and will pay for Medicare premiums, co-pays and deductibles
• Deemed eligible for Extra Help (LIS) to pay Medicare Part D. Must choose a plan or will be assigned a premium free plan within 60 days (can change plans)
• May be eligible for One Care (<65) or SCO (65+)
Connector Member Signing Up Medicare

• SSA informs Connector when member eligible

• Letter sent to member encouraging contact SSA to enroll in Medicare

• Must enroll if eligible for premium free Medicare A (= min. essential coverage). Cannot be on Connector. Should also enroll in B and D

• If have to pay Medicare A premium, may keep Connector
Equitable Relief

• Connector Members who did not sign up for Medicare when turned 65 but kept Connector plan may contact Social Security at 1-800-772-1213 to make appointment to apply for immediate or retroactive enrollment and waiver of penalty

• Program open through September 2019

• Must provide Connector enrollment documentation
Ways to Fill Gaps in Medicare A & B Coverage

• Medigap policies
• Medicare Advantage plans
• Retiree coverage
• Veterans’ or military coverage
• MassHealth – always payer of last resort

For assistance, contact SHINE 1-800-243-4636, press 3. Press 5 from cell phone.
Programs that Can Help Pay Medicare and/or Drug Costs

- MassHealth (Medicaid)
- Medicare Savings Programs (MSP)
- Extra Help (LIS)
- Prescription Advantage

SHINE Counselors can help screen for these and other programs

Call 1-800-243-4636, press 3. Press 5 from cell phone
Prescription Advantage

• Prescription Advantage is a state-sponsored pharmacy assistance plan

• Prescription Advantage is administered by the Executive Office of Elder Affairs
Prescription Advantage is available to:

• Massachusetts residents who are **not** MassHealth Standard or CommonHealth members and who are:
  – Age 65 or older
  – Under age 65 with a qualified disability
Members Under Age 65

• Work no more than 40 hours per month
• Income cannot exceed 188% FPL:
  Single: $23,481  Married: $31,791
• Must meet disability guidelines

<table>
<thead>
<tr>
<th>Member does not have Medicare</th>
<th>Member has Medicare</th>
</tr>
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<tbody>
<tr>
<td>Prescription Advantage provides <strong>primary</strong> benefits</td>
<td>Prescription Advantage provides <strong>secondary</strong> benefits</td>
</tr>
</tbody>
</table>
Members Age 65+ and Eligible for Medicare

Prescription Advantage is a secondary payer.

Members must:

– Be in a Medicare Part D or Medicare Advantage plan

or

– Have Creditable Coverage

Gross annual income cannot exceed 500% FPL:
$62,450 (single) or $84,550 (married)
Members Age 65 + and not eligible for Medicare

- Primary prescription drug coverage
- No income or asset limits
- No monthly premium
- Co-payment and deductible amounts based on income
- Out-of-pocket spending is capped annually
- Documentation of immigration status is not required
<table>
<thead>
<tr>
<th>Member Category</th>
<th>Income Single</th>
<th>Income Married</th>
<th>Out of Pocket Spending Limit</th>
<th>Individual Quarterly Deductible</th>
<th>Retail Co-pays 30-day supply Level 1 – Generic Level 2 – Brand Name Level 3 – Non-Preferred</th>
<th>MAIL Order Co-pays 90-day supply Level 1 – Generic Level 2 – Brand Name Level 3 – Non-Preferred</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Medicare</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>1</td>
<td>0 - $16,862</td>
<td>0 - $22,829</td>
<td>$820</td>
<td>$0</td>
<td>Level 1 - $7 Level 2 - $18 Level 3 - $40</td>
<td>Level 1 - $14 Level 2 - $36 Level 3 - $80</td>
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<tr>
<td>2</td>
<td>$16,863 - $23,481</td>
<td>$22,839 - $31,791</td>
<td>$1,640</td>
<td>$0</td>
<td>Level 1 - $7 Level 2 - $18 Level 3 - $40</td>
<td>Level 1 - $14 Level 2 - $36 Level 3 - $80</td>
</tr>
<tr>
<td>3</td>
<td>$23,482 - $28,103</td>
<td>$31,792 - $38,048</td>
<td>$2,280</td>
<td>$65</td>
<td>Level 1 - $12 Level 2 - $30 Level 3 - $50</td>
<td>Level 1 - $24 Level 2 - $60 Level 3 - $100</td>
</tr>
<tr>
<td>4</td>
<td>$28,104 - $37,470</td>
<td>$38,048 - $50,730</td>
<td>$2,730</td>
<td>$110</td>
<td>Level 1 - $12 Level 2 - $30 Level 3 - $50</td>
<td>Level 1 - $24 Level 2 - $60 Level 3 - $100</td>
</tr>
<tr>
<td>5</td>
<td>$37,471 - $62,450</td>
<td>$50,731 - $84,550</td>
<td>$3,640</td>
<td>$220</td>
<td>Level 1 - $12 Level 2 - $30 Level 3 - $50</td>
<td>Level 1 - $24 Level 2 - $60 Level 3 - $100</td>
</tr>
<tr>
<td>6</td>
<td>$62,451 and over</td>
<td>$84,551 and over</td>
<td>$6,070</td>
<td>$350</td>
<td>Level 1 - $12 Level 2 - $30 Level 3 - $50</td>
<td>Level 1 - $24 Level 2 - $60 Level 3 - $100</td>
</tr>
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</table>
How Claim Payments Work

• Billing to Medicare and Prescription Advantage takes place at the pharmacy

• No claim forms to complete
Other Benefits of Prescription Advantage

• **Enroll anytime** – year round open enrollment

• **Additional Medicare SEP**
  This Special Enrollment Period (SEP) allows members to join or change their Part D or Medicare Advantage Plan one additional time outside of Medicare’s Open Enrollment Period!!!!!
How to apply

• Applications can be obtained through local SHINE offices, Councils on Aging, Prescription Advantage Customer Service and the Prescription Advantage Web-site [www.prescriptionadvantagema.org](http://www.prescriptionadvantagema.org)

Applications are available in: English, Albanian, Chinese, Haitian Creole, Khmer, Portuguese, Russian, Spanish, Vietnamese, Korean

• Apply on-line at: [www.prescriptionadvantagema.org](http://www.prescriptionadvantagema.org)

• Apply by phone: 1-800-AGE-INFO (800-243-4636) Press 2
  TTY 1-877-610-0241
Prescription Advantage Contact Information

• [www.prescriptionadvantagema.org](http://www.prescriptionadvantagema.org)

• Call 1-800-AGE-INFO (1-800-243-4636) Press 2, TTY 1-877-610-0241

• Customer Service Representatives are available Monday-Friday, 9 AM – 5 PM EST.