

DEPARTMENT OF HEALTH & HUMAN SERVICES

 **National Medicare**

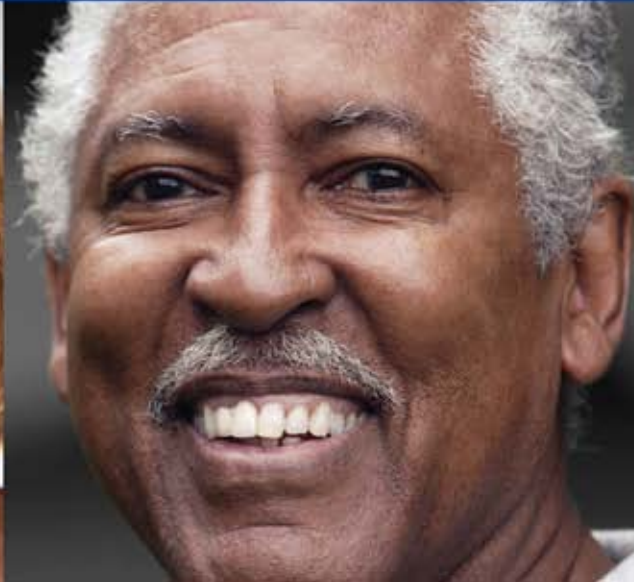
TRAINING PROGRAM

CENTERS FOR MEDICARE & MEDICAID SERVICES



Medicare 101

Massachusetts Health Care Training Forum



What is Medicare?

- Health insurance for three groups of people
 - 65 and older
 - Under 65 with certain disabilities
 - Any age with End-Stage Renal Disease (ESRD)
- Administration
 - Centers for Medicare & Medicaid Services

Enrollment

- Automatic for those receiving
 - Social Security benefits
 - Railroad Retirement Board benefits
- Initial Enrollment Period Package
 - Mailed 3 months before
 - 25th month of disability benefits
 - Age 65



Part A

(Hospital Insurance)

- Most people receive Part A premium free
 - If you paid FICA taxes at least 10 years
- If you paid FICA less than 10 years
 - Can pay a premium to get Part A
 - May have penalty if not bought when first eligible

	<p>Semi-private room, meals, general nursing, and other hospital services and supplies. Includes care in critical access hospitals and inpatient rehabilitation facilities. Inpatient mental health care in psychiatric hospital (lifetime 190-day limit). Generally covers all drugs provided during an inpatient stay received as part of your treatment.</p>
	<p>Semi-private room, meals, skilled nursing and rehabilitation services, and other services and supplies.</p>
	<p>Can include part-time or intermittent skilled care, and physical therapy, speech-language pathology, a continuing need for occupational therapy, some home health aide services, medical social services, and medical supplies.</p>
	<p>For terminally ill and includes drugs, medical care, and support services from a Medicare-approved hospice.</p>
	<p>In most cases, if you need blood as an inpatient, you won't have to pay for it or replace it.</p>

Paying for Inpatient Hospital Stays

For each benefit period in 2012	You Pay
Days 1-60	\$1,156 deductible
Days 61-90	\$289 per day
Days 91-150	\$578 per day (60 lifetime reserve days)
All days after 150	All Costs

Paying for Skilled Nursing Facility Care

For each benefit period in 2012	You Pay
Days 1-20	\$0
Days 21-100	\$144.50 per day
All days after 100	All Costs

Part B

- In Original Medicare you pay
 - Yearly deductible of \$140 in 2012
 - 20% coinsurance for most services
- Some programs may help pay these costs

Part B Premium

\$99.90 monthly

Income Related Adjustment:

From \$85,000 - \$107,000 (individual) *or*
\$170,000-\$214,000 (joint) pay
\$139/month

To > \$214,000 (individual) *or* \$428,000
(joint) pay \$319.70

Medicare Part B Coverage

Doctors' Services

Services that are medically necessary (includes outpatient and some doctor services you get when you're a hospital inpatient) or covered preventive services.

Except for certain preventive services, you pay 20% of the Medicare-approved amount (if the doctor accepts assignment), and the Part B deductible applies.

Outpatient Medical and Surgical Services and Supplies

For approved procedures (like X-rays, a cast, or stitches).

You pay the doctor 20% of the Medicare-approved amount for the doctor's services if the doctor accepts assignment. You also pay the hospital a copayment for each service. The Part B deductible applies.

Medicare Part B Coverage

Home Health Care Services

Medically necessary part-time or intermittent skilled nursing care, physical therapy, speech-language pathology services, occupational therapy, part-time or intermittent home health aide services, medical social services, and medical supplies. Durable medical equipment and an osteoporosis drug are also covered under Part B.

You pay nothing for covered services.

Medicare Part B Coverage

Durable Medical Equipment	<p>Items such as oxygen equipment and supplies, wheelchairs, walkers, and hospital beds for use in the home. Some items must be rented.</p> <p>You pay 20% of the Medicare-approved amount, and the Part B deductible applies.</p>
Other (including but not limited to)	<p>Medically necessary medical services and supplies, such as clinical laboratory services, diabetes supplies, kidney dialysis services and supplies, mental health care, limited outpatient prescription drugs, diagnostic X-rays, MRIs, CT scans, and EKGs, transplants and other services are covered.</p> <p>Costs vary.</p>

Part B Covered Preventive Services

- “Welcome to Medicare” exam
- Yearly “Wellness” exam
- Abdominal aortic aneurysm screening*
- Bone mass measurement
- Cardiovascular disease screenings
- Colorectal cancer screenings
- Diabetes screenings
- Flu shots
- Glaucoma tests
- Hepatitis B shots
- HIV Screening
- Mammograms (screening)
- Pap test/pelvic exam/clinical breast exam
- Prostate cancer screening
- Pneumococcal pneumonia shots
- Smoking cessation

New in
2011

*When referred during Welcome to Medicare physical exam

NOT Covered by Part A and Part B

- Long-term care
- Routine dental care
- Dentures
- Cosmetic surgery
- Acupuncture
- Hearing aids and exams for fitting hearing aids
- Other – check on www.medicare.gov

General Enrollment Period (GEP)

- January 1 through March 31 each year
- Coverage effective July 1
- Premium penalty
 - 10% for each 12-months eligible but not enrolled
 - Must pay as long as you have Part B
 - Limited exceptions

Lesson 2 – Your Medicare Coverage Choices

- Original Medicare (Part A and Part B)
- Medicare Advantage Plans (Part C)
- Medicare Prescription Drug Coverage (Part D)

What is Original Medicare?

- Health care option run by the Federal government
- Provides your Part A and/or Part B coverage
- See any doctor or hospital that accepts Medicare
- You pay
 - Part B premium (Part A free for most people)
 - Deductibles, coinsurance or copayments
- Get Medicare Summary Notice (MSN)
- Can join a Part D plan to add drug coverage

Medigap Policies

- Medigap (Medicare Supplement Insurance) policies
 - Private health insurance for individuals
 - Sold by private insurance companies
 - Supplement Original Medicare coverage
 - Follow Federal/state laws that protect you

Part C

Medicare Advantage (MA) Plans

- Health plan options approved by Medicare
- Run by private companies
- Medicare pays amount for each member's care
- Another way to get Medicare coverage
- Part of the Medicare program
- May have to use network doctors or hospitals

Medicare Advantage Eligibility Requirements

- You must live in plan's service area
- You must have Medicare Part A **and** Part B
- You must not have ESRD when you enroll
 - Some exceptions
- You must provide necessary information
- You must follow plan's rules
- You can only belong to one plan at a time

When You Can Join or Switch MA Plans

Initial Enrollment Period	<ul style="list-style-type: none">▪ 7 month period begins 3 months before the month you turn 65
Annual Enrollment Period	<ul style="list-style-type: none">▪ October 15 – December 7▪ Coverage begins January 1
Special Enrollment Period	<ul style="list-style-type: none">▪ Move from the plan service area<ul style="list-style-type: none">– And cannot stay in the plan▪ Plan leaves Medicare program▪ Other special situations



When You Can Drop an MA Plan

Medicare
Advantage
Disenrollment
Period

New in
2011

- Between January 1–February 14
- You can leave an MA plan
- Go back to Original Medicare
 - Coverage begins the first of the month after you leave MA plan
- If you make this change, you also may join a Part D Plan to add drug coverage
 - Drug coverage begins first of the month after the plan gets enrollment form
- Cannot join another MA plan during this period

Part D



Medicare Prescription Drug Coverage

- Available for all people with Medicare
- Provided through
 - Medicare Prescription Drug Plans
 - Medicare Advantage Plans
 - Other Medicare plans
- Must include range of drugs in each category

Enrollment in Part D

- You must have Medicare Part A and/or Part B
- You must live in the plan's service area
- You can't live outside the U.S.
- You can't be incarcerated
- You must enroll in a Medicare Part D plan
 - In most cases no automatic enrollment
 - You must fill out an application

When you can Join or Switch Medicare Prescription Drug Plans

Initial Enrollment Period (IEP)	<ul style="list-style-type: none">▪ 7 month period▪ Starts 3 months before month of eligibility
Annual Enrollment Period	October 15 – December 7 each year These are new dates 
Annual Medicare Advantage Disenrollment Period 	<ul style="list-style-type: none">▪ Between January 1–February 14, you can leave an MA plan and switch to Original Medicare. If you make this change, you may also join a Part D plan to add drug coverage. Coverage begins the first of the month after the plan gets the enrollment form.

Joining or Switching Part D Plans

Special Enrollment Periods (SEP)

- Examples of when you get an SEP include
 - You permanently move out of your plan's service area
 - You lose other creditable Rx coverage
 - You weren't adequately informed your other coverage was not creditable or was reduced and is no longer creditable
 - You enter, live in or leave a long-term care facility
 - You have a continuous SEP if you qualify for Extra Help

Medicare Prescription Drug Coverage

- Must cover all drugs in 6 classes
 - Anti-psychotics
 - Anti-depressants
 - Anti-convulsants
 - Immunosuppressants
 - Cancer Drugs
 - HIV/AIDS Drugs

Drugs Excluded by Law from Medicare Coverage

- Anorexia, weight loss or weight gain drugs
- Barbiturates and benzodiazepines*
- Erectile dysfunction drugs when used for the treatment of sexual or erectile dysfunction
- Fertility drugs
- Drugs for cosmetic or lifestyle purposes (e.g., hair growth)
- Drugs for symptomatic relief of coughs and colds
- Prescription vitamin and mineral products (except prenatal vitamins and fluoride preparations)
- Non-prescription drugs

*To be covered in 2013

2012 Standard Benefit

Deductible	\$320
Initial Coverage Limit	\$2,930
Out-of-Pocket Threshold	\$4,700

Part D Coverage Gap

New in
2011

- If you reach the coverage gap in 2012
 - You get a 50% discount on brand-name Rx drugs
 - You get a 14% discount for generic drugs
 - Entire price counts toward catastrophic coverage
 - Dispensing fees not discounted
- Additional savings in coverage gap each year
- Gap to be closed in 2020

Medicare Prescription Drug Coverage Premium

- Higher income pay higher Part D premium
 - Uses same thresholds used to compute income-related adjustments to the Part B premium
 - As reported on your IRS tax return from 2 years ago
- Must pay if you have Part D coverage
- Effective January 2011



Part D Late Enrollment Penalty

- Higher premium for some who wait to enroll
 - After first eligible without creditable drug coverage
 - Additional 1% of base beneficiary premium
 - Every month eligible and not enrolled
 - For as long as they have Medicare drug coverage
 - No penalty with creditable drug coverage
 - Coverage at least as good as Medicare drug coverage

Extra Help with Drug Plan Costs

- Help for people with limited income and resources
- Social Security or state makes determination
- Some groups automatically qualify
 - People with Medicare and Medicaid
 - Supplemental Security Income (SSI) only
 - Medicare Savings Programs
- Everyone else must apply

2011 Income Limits

\$16,335 for an individual

\$22,065 for a married couple living together.

2012 income standards will be released in early 2012 after the release of the 2012 Federal poverty lines (FPL).

2012 Resource Limits

Full subsidy: \$8,440 for individual *or* \$13,410 if Married Living together

Other subsidies: \$13,070 for individual *or* \$26,120 if married living together

Resources include checking or savings account, stocks, and bonds. Don't include your home, car, burial plot, burial expenses up to state's limit, furniture, or other household items, wedding rings or family heirlooms

Medicare Savings Programs

- Help from Medicaid paying Medicare costs
 - For people with limited income and resources
 - Programs include
 - Qualified Medicare Beneficiary (QMB)
 - Specified Low-income Medicare Beneficiary (SLMB)
 - Qualifying Individual (QI)
 - Qualified Disabled & working Individuals (QDWI)

Introduction to Medicare Resource Guide

Resources	Medicare Products	
<p>Centers for Medicare & Medicaid Services (CMS) 1-800-MEDICARE (1-800-633-4227) (TTY 1-877-486-2048) www.medicare.gov www.CMS.gov</p> <p>Social Security 1-800-772-1213 TTY 1-800-325-0778 http://www.socialsecurity.gov/</p> <p>Railroad Retirement Board 1-877-772-5772 http://www.rrb.gov/</p>	<p>State Health Insurance Assistance Programs (SHIPs)*</p> <p>*For telephone numbers call CMS 1-800-MEDICARE (1-800-633-4227) 1-877-486-2048 for TTY users</p> <p>In Massachusetts: SHINE (Serving Health Information Needs of Elders), 1-800-AGE-INFO</p> <p>http://www.medicare.gov/caregivers/</p> <p>http://www.HealthCare.gov</p> <p>http://www.pcip.gov</p> <p>http://www.Benefits.gov</p> <p>http://www.Insurekidsnow.gov</p> <p>Affordable Care Act www.healthcare.gov/center/authorities/patient-protection-affordable-care-act-as-passed.pdf</p>	<p>Medicare & You 2012- Massachusetts CMS Product No. 10050-48 or 10050-10S in Spanish</p> <p>Your Medicare Benefits CMS Product No. 10116</p> <p>To access these products</p> <p>View and order single copies at www.medicare.gov</p> <p>Order multiple copies (partners only) at productordering.cms.hhs.gov. You must register your organization.</p>

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