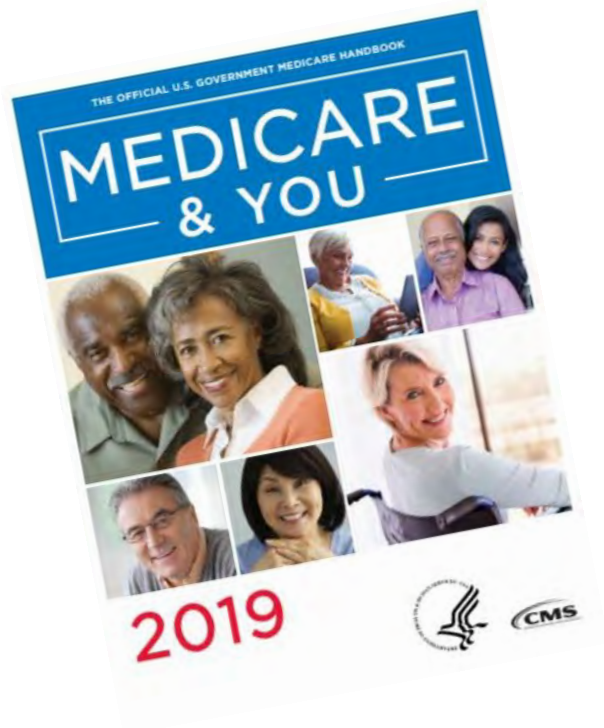


# Roadmap to Medicare & 2019 Changes



**CSUF OLLI Center**

**October 20, 2018**

*Presented by Gene  
HICAP Community Educator  
Health Insurance Counseling & Advocacy Program*

# Today's Topics

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- **HICAP Overview**
- **Medicare Essentials**
- **What's New for 2019**
- **Medicare Open Enrollment**
- **Medicare Fraud and Abuse**
- **Questions**

# HICAP – Overview

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## Health Insurance Counseling and Advocacy Program

### Who We Are:

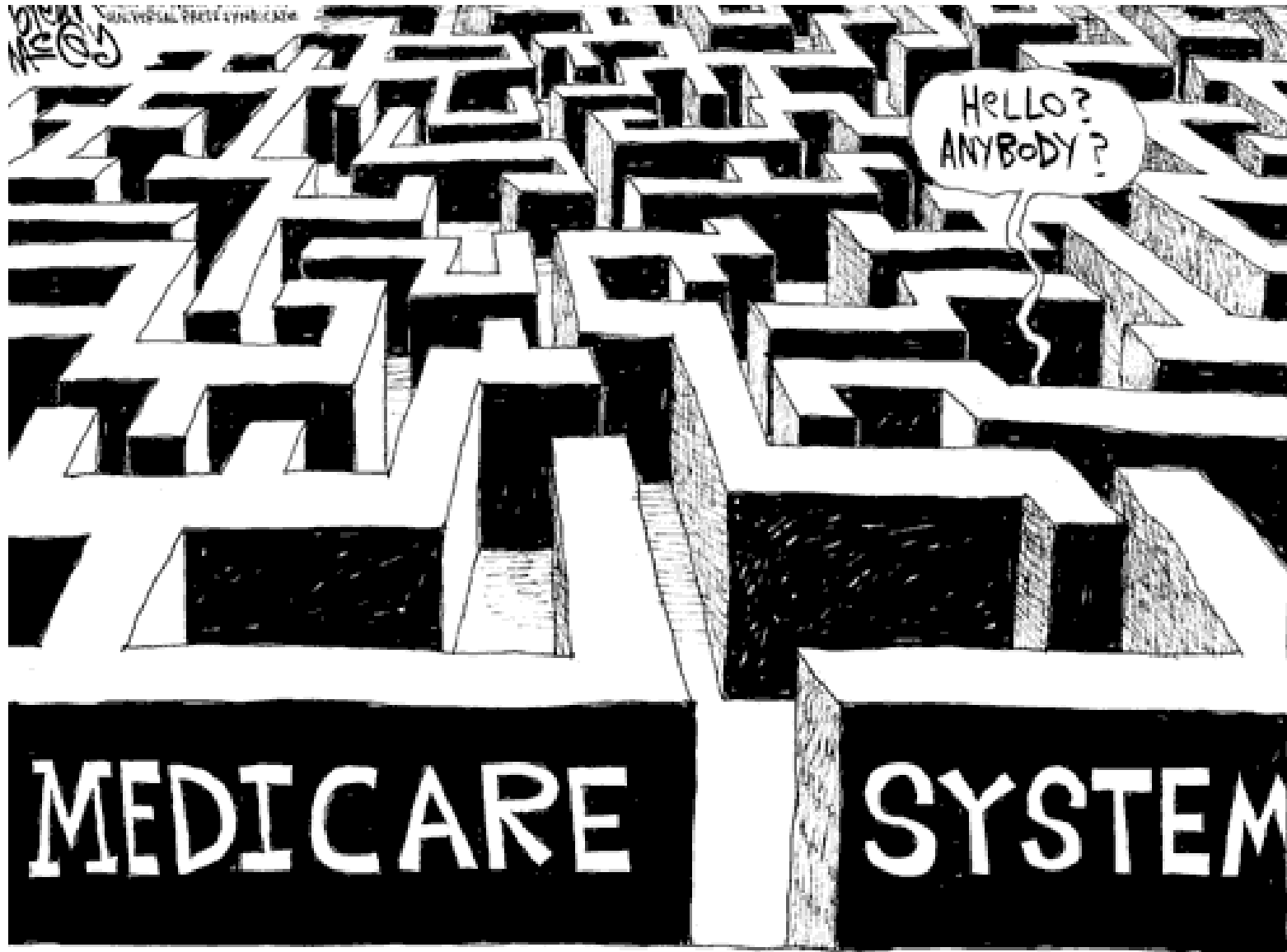
- Part of **nationwide network** of SHIP (HICAP) Counselors
- **Local** assistance for Medicare related assistance
- Most dependable source of **free, unbiased** and accurate Medicare related information

### What We Do:

- Provide unbiased, objective **Medicare** information and assistance to Medicare beneficiaries, their families and caregivers.
- **One-on-One Counseling, Assistance & Advocacy**
  - Face-to-face or telephone
  - Multiple locations; multiple languages
- **Community Education & Outreach**

HICAP **does not** sell, endorse, or recommend any insurance products.

# Medicare Is Complicated & Confusing!



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# Medicare Essentials

# What Is Medicare?

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## Government Health Insurance:

- 65 or older
- Under 65 with certain disabilities, End Stage Renal Disease (ESRD), Amyotrophic Lateral Sclerosis (ALS)
  
- Eligibility requirement
  - U.S. citizen or
  - Lawful permanent resident (5 consecutive years)
  
- Enroll
  - Social Security (SSA)
  - Railroad Retirement Board (RRB)

# Four Parts of Medicare

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**Part A**  
**Hospital  
Insurance**



**Part B**  
**Medical  
Insurance**



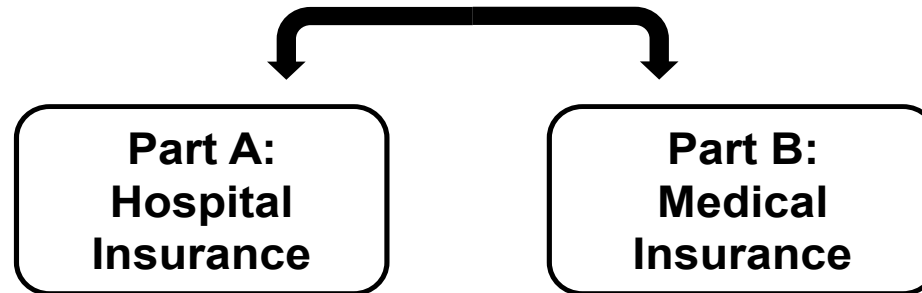
**Part C**  
**Medicare  
Advantage  
Plans**  
  
(HMOs/PPOs)  
  
Includes  
Part A+ B  
Possibly Part D



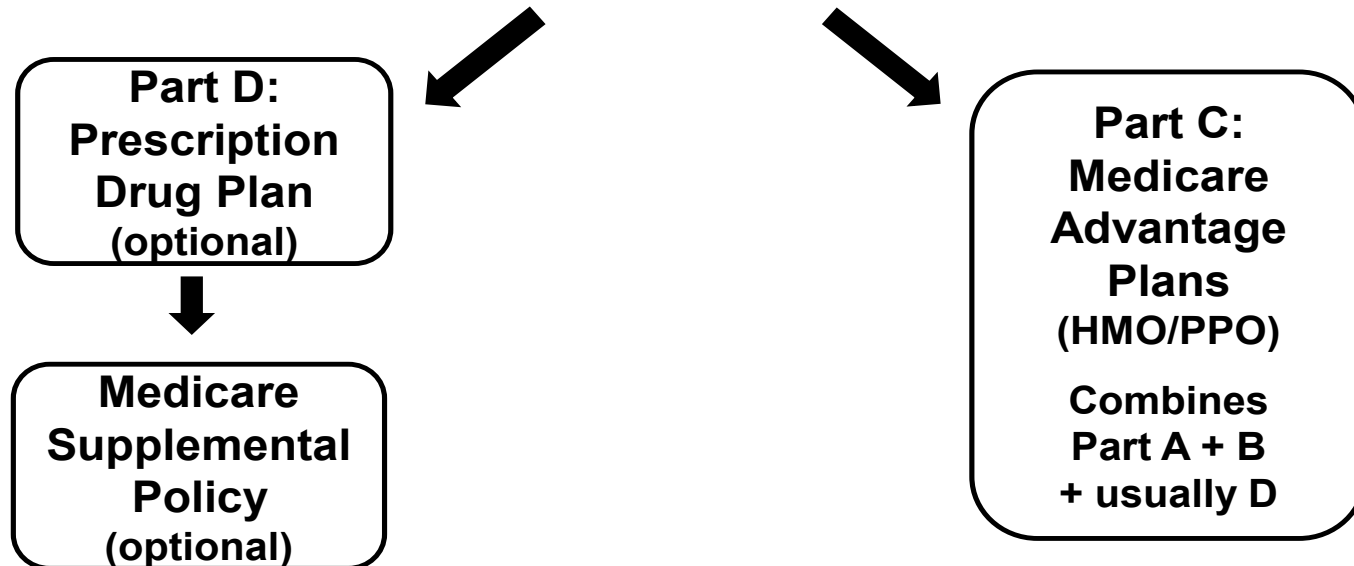
**Part D**  
**Medicare  
Prescription  
Drug  
Coverage**

# Paths for Receiving Medicare Coverage

## Step 1: Enroll in Original Medicare



## Step 2: Choose Your Path





# What Does Medicare Cover?

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## Medicare Part A (Hospital Insurance)

- Inpatient hospital
- Inpatient skilled nursing facility
- Home health care
- Hospice care

**Free premium with sufficient FICA tax contributions**  
(Federal Income Contributions Act)

# What Does Medicare Cover?

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## Medicare Part B (Medical Insurance)

- Doctor services
- Durable medical equipment
- Home health care
- X-rays, lab services
- Outpatient services
- **Preventive services**

**Everyone Pays a Premium; Coverage: 80% - 20%**

# What Medicare Does NOT Cover

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## ➤ Routine Care

- Dental
- Vision
- Hearing/hearing aids
- Foot

## ➤ Foreign Travel

## ➤ Long-Term Personal Care

- Custodial care at home, in a nursing home or a long-term care facility



# Medicare Enrollment

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## Three Enrollment Periods:

1. Initial Enrollment Period  
(IEP)

2. General Enrollment Period  
(GEP)

3. Special Enrollment Period  
(SEP)

# How To Enroll in Medicare

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## Automatic:

- For those already receiving Social Security benefits at 65
- Should receive Medicare card prior to 65<sup>th</sup> birthday
- Automatically enrolled in Part A & B
  - Delaying Part B

## All Others Enroll:

- On-line:
  - [www.socialsecurity.gov](http://www.socialsecurity.gov)
  - [www.medicare.gov](http://www.medicare.gov)
- In person or by phone:
  - Appointment with SSA
  - 1-800-772-1213

A magnifying glass with a black handle and frame is positioned over the word "Medicare" on a light blue background. The word "Medicare" is written in a bold, black, sans-serif font. The magnifying glass is focused on the "care" portion of the word, making it appear larger and more prominent. The handle of the magnifying glass extends from the bottom left towards the center.

**Medicare**

# **Medicare Costs**

# Original Medicare

## Premiums, Coinsurance & Deductibles 2018

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<b>Medicare Part A (Hospital Insurance)</b>	
<b>Monthly Premium</b>	<b>Inpatient Hospital Deductible/Co-Pays</b>
\$0 with 40 Social Security Quarters	\$1,340.00 Deductible (per spell of illness)
Can be Purchased	Days 1-60: \$0 co-pay

# Original Medicare

## Premiums, Coinsurance & Deductibles 2018

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<b>Medicare Part B (Medical Insurance)</b>	
<b>Monthly Premium</b>	<b>Deductible/Co-Pays</b>
Income-Based	\$183.00 Annual Deductible
\$134.00 Standard Rate	20% coinsurance





# 2018 Part B \*IRMAA

## Medicare Income Based Premiums

Beneficiaries who file an individual tax return with income:	Beneficiaries who file a joint tax return with income:	Total Monthly Premium Amount:
\$85,000 or less	\$170,000 or less	<b>\$134.00</b>
\$85,000 up to \$107,000	\$170,000 up to \$214,000	<b>\$187.50</b>
\$107,000 up to \$133,500	\$214,000 up to \$267,000	<b>\$267.90</b>
\$133,500 up to \$160,000	\$267,000 up to \$320,000	<b>\$348.30</b>
Above \$160,000	Above \$320,000	<b>\$428.60</b>

**\*IRMMA: Income-Related Monthly Adjustment Amount**

# Medicare & Other Plans

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- Talk to Company Benefits Administrator
- Understand creditable coverage issues for Part B & Part D
- Call HICAP to compare other plans and Medicare coverage



# Medicare Part C: Medicare Advantage

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## 41 Medicare Advantage Plans in Orange County

- Provided by private companies
- Both Part A & B
- Pay Medicare & MA premiums
- May include Part D coverage & extra benefits
- In-Network vs Out-of-Network (HMO vs PPO)
- Maximum Out-of-Pocket (MOOP)
- Initial trial period

# Medicare Part D - Prescription Drug

- Prescription drug coverage from:
  - MAPD Plans, or
  - Stand-Alone Prescription Drug Plans (PDP)
- Provided by private companies
  - Plan formularies & premiums vary
- Some retiree & other plans may offer drug coverage



# 2018 Part B & Part D \*IRMAA

## Medicare Income Based Premiums

Beneficiaries who file an individual tax return with income:	Beneficiaries who file a joint tax return with income:	Total Monthly Premium Amount:
\$85,000 or less	\$170,000 or less	\$134.00
\$85,000 up to \$107,000	\$170,000 up to \$214,000	\$187.50 (+13.00 Part D)
\$107,000 up to \$133,500	\$214,000 up to \$267,000	\$267.90 (+33.60 Part D)
\$133,500 up to \$160,000	\$267,000 up to \$320,000	\$348.30 (+54.20 Part D)
Above \$160,000	Above \$320,000	\$428.60 (+74.80 Part D)

# Medicare Part D: Prescription Drug Coverage

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Coverage Gap = Donut Hole

# Medicare Supplemental Insurance

## Supplemental Insurance (also called Medigap)

- Covers Original Medicare's co-payments, co-insurance; deductibles
- Both Part A & B
- 10 standardized Medigap plans
  - 2019 Medicare & You (page 70)
- Guaranteed issue
- **CA birthday rule**



# Original Medicare vs Medicare Advantage

	Original Medicare	Medicare Advantage
<b>Costs</b>	Pay Medicare Premium & Deductibles; 20% Co-pays	Pay Medicare Premium; May have Plan Premium & Deductibles; Co-pays
<b>Supplemental insurance for co-pay/co-insurance</b>	Yes	No
<b>Covers extra services e.g. vision; dental; hearing</b>	No	Maybe
<b>See providers nationwide</b>	Yes	No
<b>Need referral to see specialist</b>	No	Yes
<b>Covers drugs</b>	No	Usually
<b>Out-of-pocket limit</b>	No	Yes



# Comparison of Medicare Costs

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## Original Medicare

Part A – Premium Free

Part B – \$134.00 & Up

Medigap Premium – Est. \$150+

Part D – \$20 -- \$170

## Medicare Advantage

Part A – Premium Free

Part B – \$134.00 & Up

Plan Premium -- \$0 & Up

Part D – Usually Included

Deductibles/Co-Pays

Maximum Out-of-Pocket (MOOP) =  
\$1500 - \$6700

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# **What's New for 2019**

# MA & Part D Plan Document Changes

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## Change in document delivery dates

- **Annual Notice of Change (ANOC)** due to plan enrollee by September 30
- **Evidence of Coverage (EOC)** due to plan enrollee by October 15
  - Instructions to access documents electronically
  - Instructions to request hard copy

# MA Supplemental Benefits

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## Change in supplemental benefits' definition

- **Current** – supplemental benefits defined as “an item or service not covered by Original Medicare, “**primarily health related**”.
- **Future** – an item or service is “**medically appropriate**” and **recommended by a licensed provider** as part of a care plan.

# MA Supplemental Benefits

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## Examples of benefits that may be offered by some plans...

- Increased transportation services
- \$0 co-payment for 90 day supply of Tier 1 and Tier 2 drugs thru mail-order
- Allowance for certain over-the-counter medications

# MA Open Enrollment Period

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## Change in disenrollment/enrollment periods

- Medicare Advantage Disenrollment Period (Jan. 1 thru Feb. 14) **eliminated.**
- Beginning 2019, new **MA Open Enrollment Period (MA OEP)** – Jan. 1 thru Mar. 31
- Individual must be in MA Plan on Jan. 1 to use MA OEP
- Can be used only once

# MA Open Enrollment Period

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## MA OEP Allows MA plan enrollees to:

- Change MA plans
- Leave MA plan to join Original Medicare and stand-alone Part D plan
- Can add or drop Part D when changing plans (e.g. MA Plan to MA/PD Plan)
- Can't change from one stand-alone PDP to another stand-alone PDP

# Changes to Part D Plans

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- Majority of plans premiums will be decreasing
- Deductibles up to \$415
- Part D IRMAA\* decreased
- Coverage gap closes for **brand** name drugs
- 30 Stand-alone Part D plans available in Orange County
  - Net increase of 5 plans
    - 8 new; 3 discontinuing plans
  - 2 new insurance companies  
(Mutual of Omaha Rx; MII Life Insurance, Inc.)
  - 1 discontinued insurance company (First Health)

\* IRMAA = Income Related Monthly Adjustment Amount



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# Medicare Open Enrollment

# Medicare Open Enrollment Period

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**October 15 to December 7**

## **Why is this period so important?**

Opportunity to review your coverage and make changes

- Plans may change
- Your health status may have changed

## **What do you need to do?**

- Review your plan notice for changes (Annual Notice of Change)
  - Identify **coverage** changes
  - Identify **cost** changes
- Determine if your current plan still meets your needs

# Changes You Can Make

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Medicare Advantage → Medicare Advantage

Original Medicare/PDP → Original Medicare/PDP

Original Medicare/PDP → Medicare Advantage

Medicare Advantage → Original Medicare/PDP

- **Deadline** for making changes: December 7, 2018
- **Effective date** of new plan: January 1, 2019
- When making changes, **consider all potential impacts**, such as Medical underwriting for Medigap policies

# HICAP Annual Enrollment Events

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- **Multiple** enrollment events across Orange County
- **Individual** one-on-one sessions with HICAP counselor
- Understand **your** health care choices and review your costs
- Explore **your** plan options
- **Compare** current Part C & Part D plans with other plans
- Identify potential **cost savings**

**Call site to schedule an appointment**

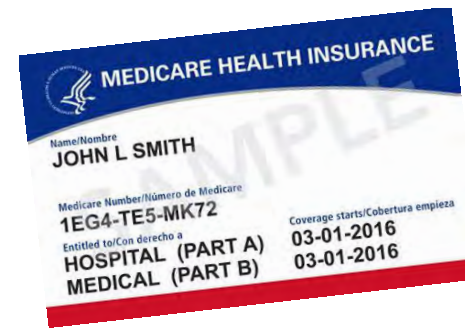
# What to Bring to Your Appointment

## ➤ Bring your:

- Medicare card, and
- Part D PDP card, or
- HMO/PPO card

## ➤ Bring current medications or a list of medications

- Name (brand or generic)
- Dosage
- Frequency



+ Part D or  
HMO/PPO card



# Get Help with Medicare Costs

Two programs that can help with Medicare costs.

## ➤ Medicare Savings Program (MSP)

- Pay for Medicare A, B premiums
- Pay for co-payments/insurance

## ➤ Extra Help

- Also called **Low Income Subsidy**
- Prescription drug related costs
- Reduced or no deductibles/plan premiums
- Reduced co-payments
- No coverage gap

*Income and resource (asset) limits apply*

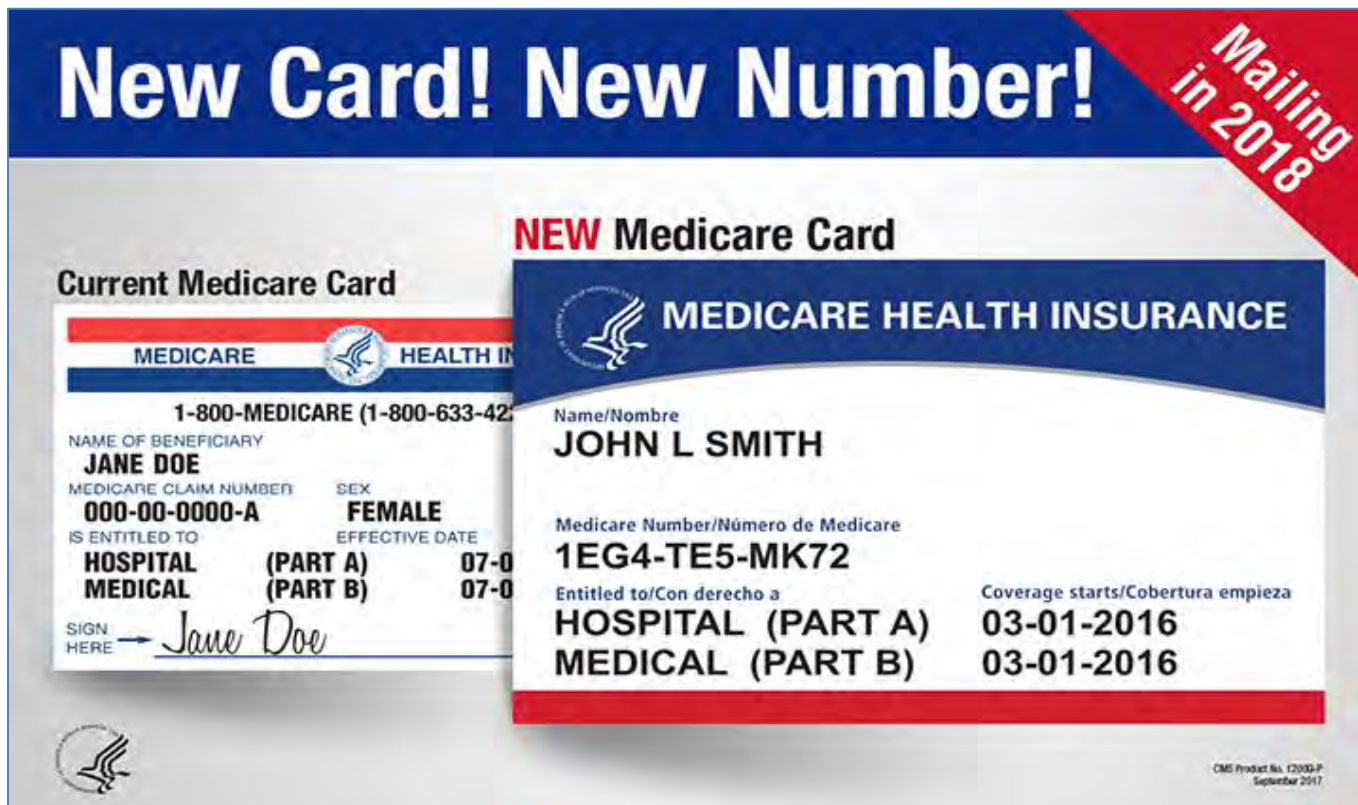


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# **Medicare Fraud and Abuse**

# New Medicare Card

Did you receive your new Medicare card?



Treat your Medicare Card like a Credit Card



# Protecting Against Potential Fraud

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- Be careful who you provide your Medicare or Social Security
- Remember, **Medicare will not call** and ask for your Medicare number
- Watch out for people that **pressure you** to enroll or change plans
- **Do your homework** before signing up with a plan
- Be **wary of gift offers** to enroll in a plan
- Watch out if someone tells you they represent Medicare



# HICAP

a Program of Council on Aging

**714-560-0424**

**800-434-0222**

**[www.coasc.org/hicap](http://www.coasc.org/hicap)**

***Health Insurance Counseling & Advocacy Program***



LOCAL HELP FOR PEOPLE WITH MEDICARE

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