



Medicare Options and Facts

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What is Medicare

- Medicare is a federally-funded health insurance program for people who are US citizens or resident VISA holders who have lived in the US for five consecutive years and...
 - People 65 and over
 - People under 65 with certain disabilities
 - People of all ages with End-Stage Renal Disease (permanent kidney failure requiring dialysis or kidney transplant)
 - People who have received Social Security Disability (SSD) for 24 months
- Administered by the Centers of Medicare and Medicaid Services (CMS)
- Medicare pays for part of the costs for medically reasonable and necessary healthcare services

Medicare Beneficiaries

- Medicare is the nations largest health insurance program
 - 2016 (July) estimated 56 million beneficiaries
 - 47 million aged
 - 9 million disabled
 - 2030 estimated 70.5 million beneficiaries
 - Each day 10,000 people enroll in Medicare
- Georgia has over 1.5 million beneficiaries
 - 1 million original Medicare
 - 531,000 Medicare and other



Georgia Medicare 2017



- 64 Medicare Advantage Plans (Part C)
 - Part C: \$0 is lowest monthly premium; \$125 is highest monthly premium
 - You still pay Part B premium
- 23 Medicare Prescription Drug Plans (Part D)
 - 88% of Part D members have access to a plan with a lower premium than 2016
 - 36% of Part D members get Extra Help through Social Security Administration
 - Part D: \$14.60 is lowest monthly premium; \$167.30 is highest monthly premium
- In 2016, 559,817 Original Medicare beneficiaries took advantage of at least 1 preventative service without cost-sharing
- In 2016, 125,196 Original Medicare beneficiaries took advantage of the annual wellness visit.

Initial Enrollment Period

- Initial Enrollment Period
 - Apply 3 months before age 65
 - the month of 65th birthday
 - 3 months after month of 65th birthday

*Need not be retired
- Enroll through Social Security Administration or Railroad Retirement Board (RRB)
- Automatically enrolled if receiving Social Security or Railroad Retirement Benefits
- Received Social Security Disability Benefits (SSDI) for 24 Months

Other Enrollment Periods

- Special Enrollment (Special Circumstances)
 - Move
 - Lose current coverage
 - Your current plan changes its contract with Medicare
 - Other

- General Enrollment
 - If you did not enroll in Part A and/or B and you aren't eligible for Special Enrollment Period
 - January 1 – March 31, insurance becomes effective July 1
 - You may have to pay a higher premium due to late enrollment

Parts of Medicare



Part A

Hospital
Insurance



Part B

Medical
Insurance



Part C

Medicare
Advantage
Plan

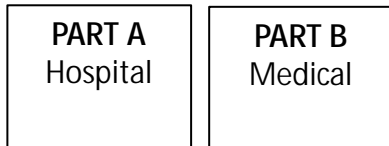


Part D

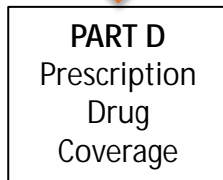
Prescription
Drug
Coverage

Medicare Coverage Options

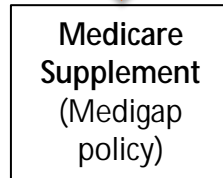
ORIGINAL OR TRADITIONAL MEDICARE



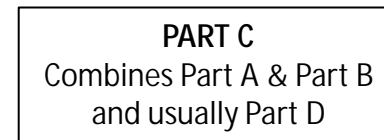
Do you need to add drug coverage?



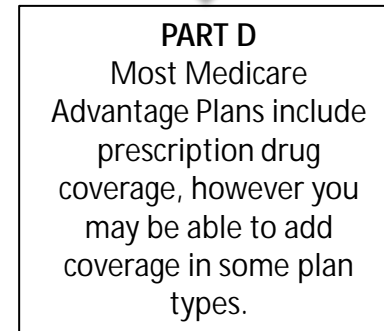
Do you need to add secondary coverage?



MEDICARE ADVANTAGE PLAN (PFFS, PPO, HMO, SNP)



Do you need to add drug coverage?



OR

If you join a Medicare Advantage Plan, you don't need and can't be sold a Medicare Supplement Policy.

Medicare Part A – Covered Services

- Hospital inpatient care (not observation)
- Skilled Nursing Facility inpatient care (not long-term care or custodial care)
- Hospice care
- Home health care (not private duty custodial care)
- Drugs that are part of your inpatient care

Medicare Part B – Covered Services

- **Medically necessary services**

- doctor’s services
- outpatient care (includes hospital outpatient or observation)
- some home health services (not custodial care)
- durable medical equipment
- other medical services

- **Preventative services**



- “Welcome to Medicare” Preventative Visit
- Yearly “Wellness” Visit
- Flu Shot
- Diabetes Screening
- other preventative services

Part A & Part B – NOT COVERED

- Acupuncture
- Cosmetic surgery
- Dental Care (routine)
- Dentures
- Hearing aids and exams for fitting hearing aids
- Long-term care or private duty care (custodial care)
- Other



Medicare Part A Costs (2017)

- **Benefit Period Deductible \$1,316**
 - Not calendar year deductible
 - Begins when you are admitted to a hospital or skilled nursing facility
 - Ends when you have not had inpatient care for 60 days in a row
- **Monthly Premiums**
 - \$0 for those who have 40 quarters (10 years) of Medicare-covered employment (or from a spouse)
 - \$227 for those with 30-39 quarters of Medicare covered employment
 - \$413 for those with less than 30 quarters of Medicare-covered employment

Medicare Part A Costs cont'd

- Daily Coinsurance (You Pay)
 - \$0/day Hospital days 1 - 60
 - \$329/day Hospital days 61 - 90
 - \$658/day Hospital days 91 - 150 (Lifetime Reserve Days)
 - *All costs for each day beyond 150 days*

 - \$0/day Skilled Nursing Facility days 1 – 20
 - \$164.50/day Skilled Nursing Facility days 21 – 100
 - *All costs for each day beyond 100 days in a benefit period*

 - \$0 for Home Health Care services (not custodial care)

 - 20% of the Medicare-approved amount for durable medical equipment (DME)

 - 20% of Medicare-approved amount for mental health services from doctors and other providers while a hospital inpatient
- Inpatient mental health care in a psychiatric hospital is limited to 190 days in a lifetime

Medicare Part B – Costs

- Yearly Deductible \$183
- Monthly Premiums
 - \$109 – Income at or below \$85,000 (individual) or \$170,000 (joint) and subject to “hold harmless” provision (paying premium from Social Security benefit before January 1, 2016)
 - \$134+ -- Standard premium for all others plus an additional amount, based on income- related monthly adjustment amount (IRMAA)
- Coinsurance/Copay (You Pay)
 - 20% for most Medicare-approved services
 - 20% of the Medicare-approved amount for Durable Medical Equipment (DME)
 - 20% for outpatient mental health
 - Copays for hospital outpatient (observation) services

NOTE: Part B based on Modified Adjusted Gross Income (MAGI) – total adjusted gross income and tax-exempt interest income

Medicare Assignment

- Agreement between Medicare and physician/supplier
 - Physician/supplier agrees to accept Medicare-approved amount as payment in full
 - You pay coinsurance and deductible
- If assignment is **not** accepted:
 - Charges often higher
 - You pay more
 - Can't be charged more than 15% over approved amount

Medicare Part C – Medicare Advantage Plans

- Offered by private insurance companies approved by Medicare
- Plans must cover the same Medicare-covered services
- Some offer drug coverage and other benefits such as dental, vision and/or hearing (at additional costs)
- Benefits and cost-sharing may be different (deductibles, coinsurance, copays)

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- Plan Types (not all types available in all areas)
 - HMO – Health Maintenance Organization Plans (network plans)
 - PPO – Preferred Provider Organization Plans (network and out-of-network, out-of-network costs more)
 - PFFS – Private Fee-for-Service Plans (any provider or hospital that accepts plans terms)
 - SNP – Special Needs Plans (limited to specific diseases or characteristics, dual eligibles and nursing home residents)

Medicare Part C – Medicare Advantage Plans Eligibility

- You must have Part A & Part B
- You must live in the plans geographical service area, not all plans available in all areas
- Can enroll, change or switch plans during open enrollment each year (October 15 – December 7)
- Can switch to a 5 STAR plan once a year
- Can disenroll and go back to Original Medicare and/or a drug plan (January 1 – February 14)

Medicare Part C – CANNOT

- Ask for personal information (like Social Security, bank account or credit card numbers) over the phone
- Come to your home uninvited to sell or endorse any Medicare-related product
- Offer cash to join their plan
- Enroll you in a plan over the phone unless you call them
- Ask you to send payment over the phone or internet
- Say they are Medigap

Medicare Part C – Costs

- You still have to pay the Part B Premium
 - Some plans may pay all or part for you
 - You may be eligible for state assistance
- Many require additional premium, however lower than Medigap
- You pay deductibles/Co-insurance/Co-pays
 - Different from Original Medicare
 - Varies from plan to plan

Medicare Part D – Prescription Drug Coverage

- Offered to everyone on Medicare
 - Voluntary, however may face a penalty if don't enroll during enrollment periods
- Offered by private insurance companies approved by Medicare
- Benefits are provided through
 - Medicare Prescription Drug Plan (PDP)
 - Medicare Advantage Plan (MAPD)



Medicare Part D – Eligibility

- You must have Part A and/or Part B to enroll in a Part D plan
- You must have Part A **and** Part B to enroll in a Medicare Advantage Plan with drug coverage
- You must live in the plan's service area
- You can enroll, switch or change plans during open enrollment each year (October 15 - December 7)
- You can switch to a 5 STAR plan once a year
- Special circumstances may apply

Medicare Part D – COVERED

- Prescription brand-name and generic drugs
- Drugs, biological products and insulin
 - Supplies associated with injection or inhalation
- Drug categories
 - Antidepressants
 - Antipsychotic medications
 - Barbiturates (used in the treatment of epilepsy, cancer or chronic mental health disorders)
 - Benzodiazepines
 - Cancer
 - HIV/AIDS treatments
 - Immunosuppressant's
 - All commercially-available vaccines except those covered under Part B

Medicare Part D – NOT COVERED

- Anorexia, weight loss or weight gain
- Cosmetic or hair growth
- Relief of cough or cold symptoms
- Sexual or erectile dysfunction
- Vitamins or mineral products
- Non-FDA-Approved
- Over-the-counter (OTC)



Part D Costs (2017)

	You Pay Total Out-of Pocket (TrOOP) Costs	Plan Pays	Total Amount Spent on Plan-Covered Drugs
Deductible	up to \$400	\$0	\$400
Initial Coverage Limit	25% (up to \$925 with no deductible)	\$2,775	\$3,700
Coverage Gap (Donut Hole)	40% (brand drugs) 51% (generic drugs) 45% pharmacy dispensing fee (\$1-\$3)	10% (brand drugs) 49% (generic drugs) Drug manufacturer provides 50% discount (brand drugs)	\$3,725
Out-of-Pocket Threshold (including donut hole)	\$4,950		\$7,425
Catastrophic Coverage	Greater of 5% of drug cost OR \$3.30/\$8.25 co-pay		

Extra Help for Prescriptions/Low Income Subsidy

- Depending on your income, you may be eligible for extra help paying for your prescriptions
- Benefits are:
 - Low/no premiums
 - Low/no deductible
 - Small copayment or coinsurance for each prescription
- Contact Social Security Administration to find out if you qualify (1-800-772-1213)

Annual Open Enrollment & Disenrollment

October 1 –
October 15

Compare your coverage with other available options.

October 15 –
December 7

Open Enrollment Period. You can change your Medicare Advantage or Prescription Drug coverage.

January 1
New Year

New coverage begins if you switched or joined a plan.

January 1 –
February 14

Annual Medicare Disenrollment Period. You can leave a Medicare Advantage Plan and go back to Original Medicare. If you make this change, you may also join a Part D Plan.

Once Per Year

Can switch to a 5 STAR plan

Patient Assistance Programs for Drugs and Generic Drug Programs

- NeedyMeds – www.needymeds.org, 1-800-503-6897
- Partnership for Prescription Assistance – www.pparx.org, 1-888-477-2669

Generic Drug Programs

- Costco - <http://www.costco.com/Pharmacy/home-delivery?storeId=10301&catalogId=10701&langId=-1>
- Kmart - <https://pharmacy.kmart.com>
- Kroger - www.kroger.com/pharmacy/generics
- RiteAid - <https://www.riteaid.com/rx-savings-formulary>
- Walmart - <https://www.walmart.com/cp/pharmacy/5431>
- Walgreens - www.walgreens.com/rxsavingsclub

Free Antibiotics and more

- Publix - www.publix.com/pharmacy/free-medications.do

Low Costs Drug Resources

- GoodRx – www.goodrx.com
- Best Buy Drugs - <http://www.consumerreports.org/health/best-buy-drugs/index.htm>

What is Medigap?

- Sold by private insurance companies approved by Medicare
- Fills in the “GAPS” for Medicare
- Must have Part A & B
- 10 “STANDARDIZED” Plans
- Rates vary
- Medigap SELECT policies may require use of certain physicians and hospitals

Enrolling in Medigap

- 6 months following enrollment in Medicare Part B
- Cannot be turned down for any reason
- Cannot charge more because of health problem
- Cannot make beneficiary wait for all coverage to start
- **Under age 65:**
 - Do not have guaranteed issue rights
 - Will be subject to preexisting conditions
 - Company not required to sell beneficiary policy
 - Will be given Open Enrollment Period at age 65

Medicare and Medicaid Differences

Medicare	Medicaid
Federal program with eligibility and coverage rules that are generally the same throughout the country.	Federal-state partnership with minimum federal standards. Eligibility and coverage rules vary from one state to another.
People 65 and older as well as younger people with certain disabilities.	People in certain eligibility groups (aged and disabled people, pregnant women, children, etc) who qualify.
Tied to employment and work record.	Based on income and/or assets.
Medicare covers home health for medical reasons, but not custodial care.	Some states allow for custodial care to assist with personal needs and activities of daily living.
Does not cover nursing home or other long-term care.	Does cover long-term nursing home benefits.

Medicaid – Medicare Savings Programs (QMB, SLMB and QI)

- Pays Medicare premiums and possibly additional coinsurances
- Savings Program eligibility varies state to state
- Georgia 2016 Eligibility

	Coverage	Single income limit	Single asset limit	Married Income limit	Married asset limit
QMB	Part B premiums + deductibles and coinsurance	\$1,010	\$7,280	\$1,355	\$10,930
SLMB	Part B premiums	\$1,208	\$7,280	\$1,622	\$10,930
QI	Part B premiums	\$1,357	\$7,280	\$1,823	\$10,930

Burial Allowance: \$10,000 per person

Medicaid – Medicare Savings Programs Enrollment

- To apply for Medicaid or the Medicare Savings programs:
 - Call 1-877-423-4746
 - Or visit local county Department of Family and Children Services (DFCS office)
- To apply for Supplemental Security Income Benefits call Social Security at 1-800-772-1213 or contact your local Social Security office.

Affordable Care Act (ACA) - Marketplace

- Sometimes called “Obamacare” or the Healthcare Exchange
- Medicare isn’t part of the Marketplace
- If you have Medicare you don’t have to do anything
- Marketplace doesn’t offer Medigap or Part D plans
- It’s against the law for someone who knows you have Medicare to sell you a Marketplace plan
- Marketplace is mainly for 19 – 64 year olds not on Medicare
- Healthcare Exchange or Marketplace exchange
 - Open Enrollment November 1, 2016 –January 31, 2017
- Eligible people who do not enroll during open enrollment periods may be penalized

DMEPOS: Competitive Bidding Program

- DMEPOS: Durable Medicare Equipment, prosthetics, orthotics and supplies
- Equipment/supplies covered under Medicare Part B
- Helps people with Medicare save money and find quality equipment, supplies and services
- Strengthens protections against Medicare Fraud
- Medicare Advantage enrollees can use suppliers designated by their plan
- If in a Competitive Bid Area, a non-contract supplier may not furnish bid items
- If a non-contract supplier is used, the supplier must issue an Advance Beneficiary Notice (ABN)
- Advance Beneficiary Notice states Medicare will **NOT** pay
 - By signing, you agree to pay entire amount
 - If you don't sign the ABN, you are not responsible for payment

Medicare Fraud – Common Scams

- Be suspicious of doctors, health care providers, or suppliers who
 - Ask for your Medicare number for recording keeping or in exchange for FREE equipment or services
 - The more test you have, the cheaper they are
 - Advertise FREE consultations to people on Medicare
 - Use telephone or door to door sells
 - Bill Medicare for services you never received (check your Medicare Summary Notice)
 - other
- Identity Theft
 - Be suspicious of people asking for your name, social security number, Medicare number, bank account information or credit card number(s)
 - Thieves can use your information to open credit cards, bank accounts, rent homes, establish utilities, etc.

Medicare Fraud – Current Scams

- **Funeral / Cemetery Scams** – Some funeral homes try to sell the most expensive items and charge for services that are not required such as caskets and embalming, these services are not required for direct cremation. Some cemeteries may try to sell plots that are already taken. Buyer Beware.
- **Grandparent Scams** – Fake debt collectors call to collect on grandchild's debt, asking for money to be wired, credit card number, cosign a loan, etc. If you won't pay, threats will begin.
- **Home Repair Scams** – Someone stops by your house and offers do to home repairs or yardwork. You give the person cash upfront and the person never returns.
- **Internet Scams** – Non-delivery of items ordered online; credit and debit card scams.
- **Reverse Mortgage Scams** – Unscrupulous professionals of real estate, financial services and related companies steal the equity from the property of unsuspecting older adults.
- **Telemarketing Scams** – Mostly targeted to older women living alone. People sell bogus products and services by telephone. Involve offers of free prizes, low-costs vitamins, health care products and inexpensive vacations.

Medicare Fraud – To Report Fraud

- **Adult Protective Services** – 1.888.774.0152
- **Do No Call Registry** – 1.888.382.1222, www.donotcall.gov
- **Elder Fraud** – www.fraud.org/elderfraud
- **Federal Bureau of Investigation** – www.fbi.gov
- **Federal Trade Commission** – 1.877.438.4338, www.ftd.gov/idtheft
- **Georgia Senior Legal Hotline** – 404.657.9915
- **Medicare Fraud** – 1.800.633.4227
- **Senior Medicare Patrol** – 1.866.552.4464 (option 4)
- **Social Security Fraud** – 1.800.269.0271
- **Stop Direct Mail** – 1.212.768.7277 (press 2), www.dmachoice.org
- **StopFraud.gov** – www.stopfraud.gov/protect-yourself

For More Information

- **Anita A Richards** - 404.605.3818
www.piedmont.org/sixtyplus
- **GeorgiaCares/Senior Medicare Patrol** - 1.866.552.4464 (option 4)
www.mygeorgiacares.org
- **Healthcare.gov** - 1.800.318.2596
www.healthcare.gov
- **Medicare** - 1.800.633.4227
www.medicare.gov
- **Social Security Administration** - 1.800.772.1213
www.ssa.gov
- **Railroad Retirement Board (RRB)** - 1.877.772.5772
www.rrb.gov