

Medicare Open Enrollment Community Meeting

Presentation by:
Champaign County Health Care
Consumers (CCHCC)

Welcome!



Medicare Basics

By Claudia Lennhoff

Medicare Parts

- Part A: Hospital insurance
- Part B: Medical Insurance
- Part D: Prescription Drug Plan (PDP)

We'll talk about Part C later!

Medicare Part A: Hospital Insurance

- Free (no premium) for most people who qualified based on disability, have worked and paid in to Medicare for at least 40 quarters, or are/were married to someone who qualifies.
- If you do not qualify for free Medicare Part A, there are ways to pay in, as well.

Medicare Part A: Hospital Insurance

- Original Medicare Part A has a **projected** deductible of \$1,600 (in 2023) per hospitalization.
- Covers:
 - in-hospital (overnight) care,
 - skilled nursing facility (SNF) care,
 - hospice care,
 - and some home health care.

Medicare Part B: Medical Insurance

- Monthly premium is projected to cost \$164.90, and will be deducted from your Social Security benefits each month under most circumstances.
- Original Medicare Part B has a projected annual deductible of \$226 (in 2023).
- There is a penalty if you do not sign up for Part B when you become eligible and if you do not have other “creditable” coverage.

Medicare Part B: Medical Insurance

- Covers doctors' services, outpatient hospital care including chemotherapy, emergency room visits, ambulances, blood and lab work, durable medical equipment, diabetes testing supplies, some home health care, and covered preventive services.
- This is really the bulk of your coverage!

What Medicare Does Not Cover

- Vision
 - *Covers cataract surgeries, and glasses in between surgeries; does not cover glasses or contact lenses in most situations.*
- Dental
- Hearing aids
- Long-Term Care / Custodial Care

Medicare Part A & B Enrollment

- Enrolling in Medicare Parts A & B is through the Social Security Administration.
- You will be automatically enrolled if you are drawing SSA retirement benefits or after you have been receiving SSDI disability payments for 24 months.
- Social Security will send your Medicare card in the mail.

Signing Up for Medicare

- If you are not taking your Social Security benefits, you need to actively sign up for Medicare through Social Security.
- Your Initial Enrollment Period (IEP) is:
 - 3 months before you turn 65
 - The month of your 65th birthday
 - 3 months after you turn 65

General Enrollment Period

- If you miss your Initial Enrollment Period and do not have a Special Enrollment (due to loss of coverage, etc.), you can enroll during the General Enrollment Period.
 - January 1 to March 31 of each year for coverage starting July 1 of that year.

Part D: Prescription Coverage

- Medicare-approved private insurance companies offer plans with varying premiums.
- Helps cover the cost of prescription drugs.
- Each plan has different formularies and tiers (list of medications that they help cover) and different pharmacy networks.

Part D: Prescription Coverage

- There is a penalty if you do not sign up for Part D when you become eligible and do not have other creditable coverage.
- Enrollment is through Medicare, during your IEP, when you lose creditable coverage, as well as the Annual Open Enrollment Period.

Coverage Options: *Advantage Plans and Supplements*

Coverage Options

Your Medicare Coverage Choices

Original Medicare

(red, white and blue card)

Part A (hospital) & Part B
(medical)

Pick a **Part D** plan
(prescriptions)

Decide if you want additional
coverage through a Supplement
(Medigap) policy

Medicare Advantage Plan (Part C)

Usually a private HMO or PPO plan
that combines Part A, Part B, and
Part D (prescriptions)

Part C: Advantage Plans

- When you enroll in an Advantage plan, the insurer takes care of your Part A and Part B benefits, and typically Part D as well.
- Advantage plans may offer additional benefits, not covered by original Medicare, including some hearing, vision, and/or dental benefits.

Part C: Advantage Plans, cont'd.

- If you are unhappy with your Medicare Advantage plan, you have from **January 1 through March 31** to drop out of it and either switch to a different Medicare Advantage plan or traditional Medicare and a Part D plan.

Supplement (Medigap) Plans

- Supplement or Medigap policies cover what Medicare covers and go where Medicare goes.
- They help reduce the 20% co-insurance and deductibles.
- They do not include prescription coverage (Part D plan).

Supplement Policy Levels

- Supplement policies are organized and sold by Plan levels. This is helpful in comparing plans because a Plan G policy from one company is the same as a Plan G from another company.
- Some companies do not sell policies at all levels, but they must offer at least a Plan A policy.
- *Companies will no longer be selling Plan C or Plan F policies to newly eligible Medicare beneficiaries. Those who had Medicare before January 1, 2020 may still apply for a Plan C or Plan F.*

Supplement Policy Enrollment

- The Supplement/Medigap Open Enrollment Period is a one-time six-month period when a Medicare beneficiary first enrolls in Medicare Part B.
- As long as you apply during this period, you cannot be turned down for coverage (guaranteed issue), regardless of health status, claims, or medical condition(s).

Supplement Policy Rights

- Policies must be sold guaranteed renewable. They cannot be cancelled due to increasing age or change in health. They can, however, be cancelled due to late payment or false statements made on the initial application.
- With these policies, the goal is to get a plan and stick with it. You are not switching these plans every year. After your initial enrollment, there aren't annual enrollment periods.

Comparing Supplements & Advantage Plans

<u>Supplements</u>	<u>Advantage Plans</u>
<ul style="list-style-type: none">• Supplements Original Medicare	<ul style="list-style-type: none">• Replaces Original Medicare
<ul style="list-style-type: none">• Same benefits across companies	<ul style="list-style-type: none">• Benefits vary
<ul style="list-style-type: none">• Generally no network limitations	<ul style="list-style-type: none">• Generally has a network
<ul style="list-style-type: none">• Medicare pays first, then supplement, and then you pay any remaining costs• Only covers expenses covered by Medicare	<ul style="list-style-type: none">• Plan pays, and then you pay remaining co-pays or co-insurances• Can cover additional services, including vision, hearing and dental
<ul style="list-style-type: none">• Tend to be more expensive	<ul style="list-style-type: none">• Tend to be less expensive
<ul style="list-style-type: none">• Age and tobacco rating	<ul style="list-style-type: none">• No age or tobacco ratings
<ul style="list-style-type: none">• May have medical underwriting	<ul style="list-style-type: none">• No medical underwriting

Trial Options: Advantage Plans

- When you first qualify for Medicare, due to turning 65, and join a Medicare Advantage plan, you have a trial period. You can drop that Advantage plan within the first 12 months and get a Medicare Supplement with guaranteed issue and with no pre-existing wait period.

Trial Options: Supplements

- When you first purchase a Supplement policy, you have a free-look period of 30 days. During that time, you can cancel your policy and you will be refunded your full premium.

You cannot have both a Supplement and an Advantage plan.

**Medicare Annual
Open Enrollment
*By Adani Sanchez***

October 15 – December 7

Open Enrollment

- October 15 – December 7 of each year, for plans for the next calendar year.
- For Advantage and Part D prescription plans (not Supplement policies).
- If you have Extra Help or full Medicaid, you can switch throughout the year, so you have more flexibility.

2023 Part D Prescription Plans

- 2023 Part D plans
 - 24 plans available
 - Premiums range from \$4.90 to \$103.90 per month
 - Max deductible is \$505, but varies between plans
 - Look at more than the premium: how does the plan cover your medications?
 - **UPDATE: Insulin is capped at \$35 starting January 1, 2023**
- Coverage Phases (*what you pay*)
 1. Deductible
 2. Initial coverage
 3. Catastrophic coverage

The Doughnut Hole

- There is no more doughnut hole thanks to the Affordable Care Act (ACA)!
- Instead, there is a “coverage gap” phase after you meet your deductible and after you and your prescription company spend a combined \$4,660.
- In this “coverage gap” you’ll pay up to 25% (instead of 100%) of the cost of brand-name and generic drugs until you reach \$7,400 when catastrophic coverage kicks in.

The Doughnut Hole, cont'd.

- Once you reach \$7,400 in drug costs, you will be in the catastrophic phase of your coverage, and you will pay no more than \$3.95 for generic drugs and \$9.85 for brand name drugs, or 5% of the cost of the drug, whichever is more.
- The cost you pay during the coverage gap is capped at a percentage of what the plan pays for that drug.

The Doughnut Hole, cont'd.

Monthly premium—Ms. Smith pays a monthly premium throughout the year.			
1. Yearly deductible	2. Copayment or coinsurance	3. Coverage gap	4. Catastrophic coverage
Ms. Smith pays the first \$505 of her drug costs before her plan starts to pay its share.	Ms. Smith pays a copayment, and her plan pays its share for each covered drug until their combined amount (plus the deductible) reaches \$4,660	Once Ms. Smith and her plan have spent \$4,660 for covered drugs, she's in the coverage gap. In 2023, she gets a 70% discount from the drug manufacturer on covered brand-name prescription drugs that counts as out-of-pocket spending, and helps her get out of the coverage gap. For 2023, she gets an additional 5% coverage from her plan on covered brand-name drugs and 75% coverage on covered generic drugs while in the coverage gap.	Once Ms. Smith has spent \$7,400 out-of-pocket for the year, her coverage gap ends. Now, she only pays a small copayment or coinsurance for each drug until the end of the year.
➔	➔	➔	

2023 Advantage Plans

- There are 25 plans offered from 5 different companies
- The premiums range from \$0 to \$165 per month
- Things to consider:
 - Does it cover your doctors and hospitals?
 - How does it cover the services you use regularly?
 - Does it cover your medications?
 - Look at more than just the premium each month

Getting Ready & Tips

- Read your Annual Notice of Changes (ANOC) from your current plan to see about plan changes like premiums.
- Review notices from Social Security and Medicare sent out in the fall regarding eligibility for different programs.
- Check your plan! Even if you love it, check it. The networks and covered medications CAN and DO change every year.

How To Review & Switch Plans

1. Online at www.medicare.gov
2. By phone by calling 1 (800) MEDICARE
3. In person with a SHIP Counselor

What You Need for Open Enrollment

- When reviewing your options, you need:
 - your Medicare card,
 - your list of doctors (*names and phone numbers*),
 - and your list of medications (*we recommend using your pill bottles*).
- If you need help, CCHCC is here! Set up an appointment with one of our assisters or find a local SHIP counselor.

Local SHIP Sites

Champaign County Regional Planning Commission

(217) 328-3313

Family Services Senior Resource Center

(217) 352-5100

OSF Heart of Mary Senior Programs (*now inside OSF
at the CRC*)

(217) 337-2778

CRIS Senior Services – Urbana

(217) 355-1543

Transitioning to Medicare

Medicare and Employer Coverage

- If you have employer coverage, talk to your employer to find out what you need to do. Sometimes you need to sign up for Medicare.
- Your employer can tell you if you need to, and if it will be your primary or secondary insurance.
- *Make sure that it is creditable coverage!*

Medicare and Employer Coverage

- Typically, if the employer has less than 20 employees, you do need to sign up for Medicare A & B and it will be primary.
- After you stop working or your employer group coverage ends (whichever is first), you have 8 months to sign up for Medicare without penalty.

Medicare and Retiree Coverage

- If you have retiree insurance, it is important to talk to your benefits coordinator to find out what you need to do and what is offered.
- They may often have different plan options than what we will be discussing today.

Medicare and Retiree Coverage

- Also, be aware that if you choose an Advantage plan or supplement that is not part of your retiree benefit package, you may jeopardize benefits you are receiving including health coverage or pension/annuity payments.
- Once you opt out of their benefits, you rarely can get back in.

Medicare and TRICARE / VA

- If you have TRICARE for Life (TFL), you need Medicare Parts A and B, but rarely need additional coverage. For questions regarding TFL, please contact 1 (866) 773-0404.
- If you have VA benefits, it counts as creditable prescription coverage. You want Medicare so that you are covered at non-VA facilities. For questions regarding VA benefits, please call 1 (877) 222-8387.

Marketplace to Medicare

- You must terminate your Marketplace coverage when starting Medicare.
- Coverage can be terminated online at [Healthcare.gov](https://www.healthcare.gov) or by phone at 1-800-318-2596.
- You can terminate your plan as early as 60 days before your Medicare starts.
- It takes 14 days, so do not wait until the last minute.

Medicaid to Medicare

- You can have both Medicaid and Medicare, but the requirements change.
 - Income has to be at 100% of the federal poverty level
 - Assets are now considered when determining eligibility for Medicaid.

Dual Medicare + Medicaid Requirements	
<u>Monthly Income (2022)</u>	<u>Assets</u>
\$1133 (1 person)	\$2000
\$1526 (2 people)	\$3000

Medicaid to Medicare

- Medicaid would be secondary and cover things that Medicare does not, like vision and dental.
- If you have both Medicare and Medicaid, you still need to have a Part D plan for prescription coverage.
- If you qualify for Medicaid, you don't really need a supplement or advantage plan.

Resources: Making Your Medicare Work

By Chris Garcia

Know Your Rights

- Medicare Summary Notices (MSN)
 - If you have original Medicare, keep your MSNs. They will tell you if a service was not covered by Medicare. This will be an Explanation of Benefits (EOB) from an Advantage plan.
- Appeals & Grievances
 - If you have original Medicare: appeal through Medicare. For Part D and Advantage plans: start with plan's internal appeal process.

Assistance Programs

- Medicare Savings Program
 - Helps with Part B premiums and Medicare co-insurances
 - Administered through the Illinois Dept. of Human Services (abe.illinois.gov)
- Extra Help
 - An income and asset based program to help with prescription costs, administered by Social Security Administration.
 - \$0 premium (free!) plans;
 - With no deductible;
 - And no “coverage gap.”

Hospital Financial Assistance

- Carle Financial Assistance Program (Community Care)
 - May receive a discount of up to 100%
- Medicare 100/Plus Discount Program for OSF Heart of Mary hospital
 - Members can qualify for a discount of up to 100% off their out-of-pocket medical costs at participating OSF providers
 - If you have received a bill, contact us!
- CCHCC staff can help with completing applications

CCHCC Assistance Programs

- **Prescription Assistance**
 - Assistance with copayment while searching for long term solution
- **Dental Referral Program**
 - Discount program with participating local dentist
- **One Sight Vision Program**
 - Exams and glasses free or at low cost at local provider

Thank You!

Champaign County Health Care Consumers (CCHCC)



(217) 352-6533



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