



Lesson 1 – Program Basics

- § What is Medicare?
- § Enrolling in Medicare
- § Part A and B benefits and costs



What is Medicare?

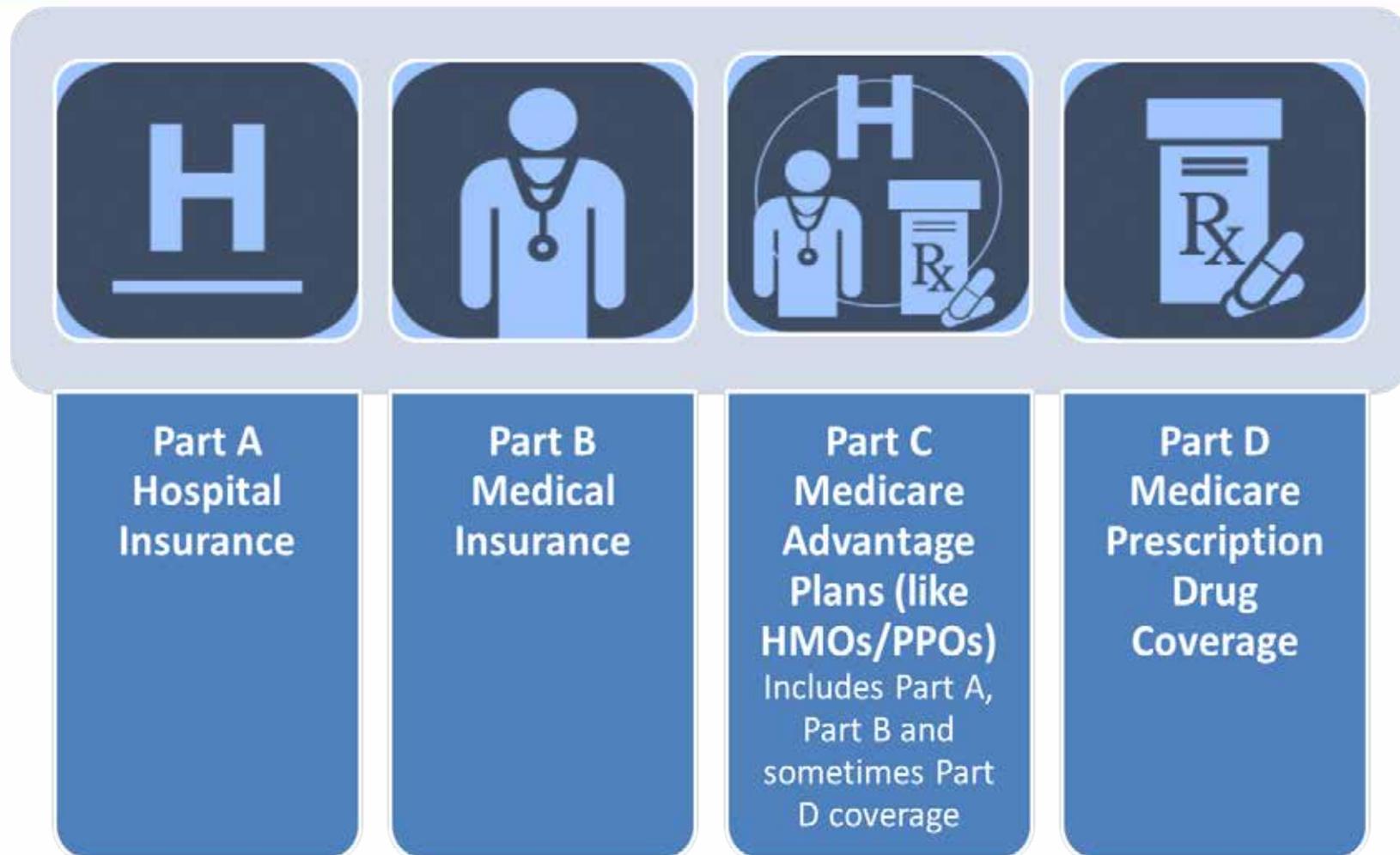
§ Health insurance for three groups of people

- 65 and older
- Under 65 with certain disabilities
- Any age with End-Stage Renal Disease

§ Administered by

- Centers for Medicare & Medicaid Services

The Four Parts of Medicare



Automatic Enrollment – Parts A and B

§ Automatic for those receiving

- Social Security benefits
- Railroad Retirement Board benefits

§ Initial Enrollment Period package

- Mailed 3 months before
 - q Age 65
 - q 25th month of disability benefits

§ Others must enroll themselves



Medicare Card

§ Keep it and accept Medicare Parts A and B

§ Return it to refuse Part B

- Follow instructions on the back of the card

Front

MEDICARE HEALTH INSURANCE

1-800-MEDICARE (1-800-633-4227)

NAME OF BENEFICIARY
JANE DOE

MEDICARE CLAIM NUMBER **000-00-0000-A** SEX **FEMALE**

IS ENTITLED TO **HOSPITAL MEDICAL (PART A)** EFFECTIVE DATE **07-01-1986**
MEDICAL (PART B) **07-01-1986**

SIGN HERE → **Jane Doe**

Back

1. Carry your card with you when you are away from home.
2. Let your hospital or doctor see your card when you require hospital, medical, or health services under Medicare.
3. Your card is good wherever you live in the United States.

WARNING: Issued only for use of the named beneficiary. Intentional misuse of this card is unlawful and will make the offender liable to penalty. If found, stop in nearest U.S. Mail box.

CMS
Centers for Medicare & Medicaid Services
Baltimore, MD 21244-1850
Form CMS-906 (11/03/02)

If you have questions about Medicare, call 1-800-MEDICARE (1-800-633-4227) or visit us at www.medicare.gov.

I DO NOT WANT MEDICAL INSURANCE Check Here

Written Signature (or Legal Representative)
SIGN HERE

Signature by Mark (X) Must Be Witnessed

Signature of Witness
Address of Witness

If you DO NOT want Medical Insurance

1. Check the box above (top right), sign your name, and return the entire form in the enclosed envelope. Do NOT tear off the Medicare card. It would be improper to use it since you do not want Medical Insurance. You must return the form BEFORE the Medical Insurance effective date shown on the card.
2. Since you are entitled to Hospital Insurance even though you do not want Medical Insurance, we will send you a new card showing that you have Hospital Insurance only.



When Enrolling is Not Automatic

§ Some people need to sign up for Medicare

- Those not automatically enrolled

- For example, if not getting Social Security or Railroad Retirement Board (RBB) benefits

- Even if you're eligible to get Part A premium-free

§ Enroll through Social Security

- RRB for railroad retirees

§ Apply 3 months before you turn 65

- Don't have to be retired

If Not Automatically Enrolled

Your 7-Month Initial Enrollment Period (IEP)

No Delay

Delayed Start

If you enroll in Part B

3 months before the month you turn 65

2 months before the month you turn 65

1 month before the month you turn 65

The month you turn 65

1 month after you turn 65

2 months after you turn 65

3 months after you turn 65

Sign up early to avoid a delay in getting coverage for Part B services. To get Part B coverage the month you turn 65, you must sign up during the first 3 months before the month you turn 65.

If you wait until the last 4 months of your IEP to sign up for Part B, your start date for coverage will be delayed.



General Enrollment Period (GEP)

§ January 1 through March 31 each year

§ Coverage effective July 1

§ Premium penalty

- 10 percent for each 12-months eligible but not enrolled
- Must pay as long as you have Part B
 - Limited exceptions



Enrolling in Part B If You Have Employer Or Union Coverage

§ May affect your Part B enrollment rights

- You may want to delay enrolling in Part B if
 - You have employer or union coverage, and
 - You or your spouse, or family member, if you are disabled, is still working

§ See how your insurance works with Medicare

- Contact your employer/union benefits administrator



When Employer or Union Coverage Ends

§ When your employment ends

- You may get a chance to elect Consolidated Omnibus Budget Reconciliation Act (COBRA)
- You may get a Special Enrollment Period
 - Sign up for Part B without a penalty

§ Medigap Open Enrollment Period

- Starts when you are both 65 and signed up for Part B
- Once started, it cannot be delayed or repeated
- 6-month period



Part A and Part B Benefits and Costs

§ Medicare Part A (Hospital Insurance)

- What's covered
- Part A costs

§ Medicare Part B (Medical Insurance)

- What's covered
- Part B costs



Medicare Part A-Covered Services

Inpatient Hospital Stays	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.
Skilled Nursing Facility (SNF) Care	Semi-private room, meals, skilled nursing and rehabilitation services, and other services and supplies.
Home Health Services	Part-time or intermittent skilled nursing care, and/or physical therapy, speech-language pathology services, and/or services for people with a continuing need for occupational therapy, some home health aide services, medical social services, and medical supplies for use at home.
Hospice Care	For terminally ill and includes drugs for pain relief and symptom management, medical care, and support services from a Medicare-approved hospice.
Blood	In most cases, if you need blood as an inpatient, you won't have to pay for it or replace it.



Paying for Medicare Part A

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



Inpatient Hospital Care

- § Semi-private rooms
- § Meals
- § General nursing care
- § Drugs that are part of your inpatient treatment
- § Hospital services and supplies



Benefit Periods

- § Measures use of inpatient hospital and skilled nursing facility (SNF) services
- § Begins the day you first receive inpatient care
 - In hospital or SNF
- § Ends when not in hospital/SNF 60 days in a row
- § Pay Part A deductible for each benefit period
 - \$1,260 in 2015
- § No limit to number of benefit periods you can have



Paying for Inpatient Hospital Stays

For Each Benefit Period in 2015	You Pay
Days 1-60	\$1,260 deductible
Days 61-90	\$315 per day
Days 91-150	\$630 per day (60 lifetime reserve days)
All days after 150	All Costs



Skilled Nursing Facility (SNF) Care

§ Must meet all conditions

- Require daily skilled services
 - Not just long-term or custodial care
- Hospital inpatient 3 consecutive days or longer
- Admitted to SNF within specific timeframe
 - Generally 30 days after leaving hospital
- SNF care must be for a hospital-treated condition
 - Or condition that arose while receiving care in the SNF for hospital-treated condition
- Must be a Medicare-participating SNF



Skilled Nursing Facility Covered Services

- § Semi-private room
- § Meals
- § Skilled nursing care
- § Physical, occupational and speech-language therapy
- § Medical social services
- § Medications, medical supplies/equipment
- § Ambulance transportation (limited)
- § Dietary counseling

Paying for Skilled Nursing Facility Care

For Each Benefit Period in 2014	You Pay
Days 1-20	\$0
Days 21-100	\$157.50 per day
All days after 100	All Costs

Five Conditions for Home Health Care

NEW!

1. Must be homebound
 - New definition of “homebound” has been clarified to more accurately reflect the definition in Section 1835(a) of the Social Security Act
2. Must need skilled care on part-time or intermittent basis
3. Must be under care of a doctor
 - Receiving services under a plan of care
4. Have face-to-face encounter with doctor
 - Prior to start of care
5. Home health agency must be Medicare-approved



Paying for Home Health Care

§ Fully covered by Medicare

§ Plan of care reviewed every 60 days

- Called episode of care

§ In Original Medicare you pay

- Nothing for covered home health care services
- 20 percent of Medicare-approved amount
 - For durable medical equipment
 - Covered by Part B



Hospice Care

- § Special care for the terminally ill and family
 - Expected to live 6 months or less
- § Focus on comfort and pain relief, not cure
- § Doctor must certify each “benefit period”
 - Two 90-day periods
 - Then unlimited 60-day periods
 - Face-to-face encounter
- § Hospice provider must be Medicare-approved



Covered Hospice Services

- § Physician and nursing services
- § Physical, occupational, and speech therapy
- § Medical equipment and supplies
- § Drugs for symptom control and pain relief
- § Short-term hospital inpatient care
- § Respite care in a Medicare-certified facility
 - Up to 5 days each time, no limit to times
- § Hospice aide and homemaker services
- § Social worker services
- § Grief, dietary and other counseling



Paying for Hospice Care

§ In Original Medicare you pay

- Nothing for hospice care
- Up to \$5 per Rx to manage pain and symptoms
 - While at home
- 5 percent for inpatient respite care

§ Room and board may be covered

- Short-term respite care or for pain/symptom management
- If you have Medicaid and live in nursing facility



Blood (Inpatient)

- § If hospital gets blood free from a blood bank
 - You won't have to pay for it or replace it
- § If hospital has to buy blood for you
 - You pay for first 3 units per a calendar year, or
 - You or someone else donates to replace blood

What are Medicare Part B-Covered Services?

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.

You pay 20 percent 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, casts, or stitches. You pay the doctor 20 percent 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-Covered Services (continued)

Durable Medical Equipment (DME)

Items such as oxygen equipment and supplies, wheelchairs, walkers, and hospital beds for use in the home. Some items must be rented.

Medicare is phasing in a program called “**competitive bidding**” which means that in some areas, if you need certain items, you must use specific suppliers, or Medicare won’t pay for the item and you’ll likely pay full price.

Visit www.medicare.gov/supplier to find Medicare-approved suppliers in your area.

You pay 20 percent of the Medicare-approved amount, and the Part B deductible applies.



More Medicare Part B-Covered Services

Home Health Services

Medically-necessary part-time or intermittent skilled nursing care, and/or physical therapy, speech-language pathology services, and/or services for people with a continuing need for occupational therapy, some home health aide services, medical social services, and medical supplies. You pay nothing for covered services.

Other (including but not limited to)

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. Costs vary.

Part B-Covered Preventive Services

- § “Welcome to Medicare” preventive visit
- § Annual “Wellness” visit
- § Abdominal aortic aneurysm screening **NEW!**
- § Alcohol misuse screening and counseling
- § Behavioral therapy for cardiovascular disease
- § Bone mass measurement
- § Cardiovascular disease screenings
- § Colorectal cancer screenings
- § Depression screening
- § Diabetes screenings
- § Diabetes self-management training
- § Flu shots
- § Glaucoma tests
- § Hepatitis B shots
- § HIV screening
- § Mammograms (screening)
- § Obesity screening and counseling
- § Pap test, pelvic exam, and clinical breast exam
- § Pneumococcal pneumonia shot
- § Prostate cancer screening
- § Sexually transmitted infection screening (STIs) and high-intensity behavioral counseling to prevent STIs
- § Smoking cessation



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



Paying for Part B Services

§ In Original Medicare you pay

- Yearly deductible of \$147 in 2015
- 20 percent coinsurance for most services

§ Some programs may help pay these costs

Monthly Part B Premium

If Your Yearly Income in 2013 was		In 2015 You Pay
File Individual Tax Return	File Joint Tax Return	
\$85,000 or less	\$170,000 or less	\$104.90
\$85,000.01 – \$107,000	\$170,000.01 – \$214,000	\$146.90
\$107,000.01 – \$160,000	\$214,000.01 – \$320,000	\$209.80
\$160,000.01 – \$214,000	\$320,000.01 – \$428,000	\$272.70
Above \$214,000	Above \$428,000	\$335.70
*per month		

Note: Premiums are usually deducted from your Social Security benefit payment



Paying the Part B Premium

§ Deducted monthly from

- Social Security benefit payments
- Railroad retirement benefit payments
- Federal retirement benefit payments

§ If not deducted

- Billed every 3 months
- Medicare Easy Pay to deduct from bank account

§ Contact Social Security, the Railroad Retirement Board or Office of Personnel Management about premiums



Part B Late Enrollment Penalty

§ Penalty for not signing up when first eligible

- 10 percent more for each full 12-month period
- May have penalty as long as you have Part B

§ Sign up during a Special Enrollment Period

- Usually no penalty

Part B Late Enrollment Penalty Example

Mary delayed signing up for Part B 2 full years after she was eligible. She'll pay a 10 percent penalty for each full 12-month period she delayed. The penalty is added to the Part B monthly premium (\$104.90 in 2015). So for 2015, her premium will be as follows:

\$104.90	(2015 Part B standard premium)
+ \$ 20.98	(20 percent [of \$104.90] (2 X 10 percent))
<hr/>	
\$125.88	(Round up) (For this example only)
\$125.90	(Mary's Part B monthly premium for 2015)



Check Your Knowledge – Question 1

If you are under 65 and disabled, you'll automatically get Part A and Part B after you get Social Security disability benefits for

- a. 12 months
- b. 24 months
- c. 36 months
- d. It's not automatic, you must apply



Check Your Knowledge – Question 2

The Centers for Medicare & Medicaid Services is responsible for enrolling most people in Medicare.

a. True

b. False



Lesson 2 – Your Medicare Coverage Choices

§ Original Medicare (Part A and Part B)

- Assignment
- Private Contracts
- Medigap Policies

§ Medicare Advantage Plans (Part C)

§ Other Medicare Health Plans

§ 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 is usually premium free)
 - Deductibles, coinsurance or copayments
- § Get Medicare Summary Notice
- § Can join a Part D plan to add drug coverage



Assignment

§ Doctor, provider, supplier *accepts assignment*

- Signed an agreement with Medicare
- Or is required by law
- Accept the Medicare-approved amount
 - ◻ As full payment for covered services
 - ◻ Only charge Medicare deductible/coinsurance amount

§ Most accept assignment

- They submit your claim to Medicare directly



Assignment (continued)

§ Providers and suppliers that don't accept assignment

- May charge you more
 - The limiting charge is 15 percent more
 - May have to pay entire charge at time of service

§ Providers sometimes must accept assignment

- Medicare Part B-covered prescription drugs
- Ambulance suppliers



Private Contracts

- § Agreement between you and your doctor
- Doctor doesn't furnish services through Medicare
 - Original Medicare and Medigap will not pay
 - Other Medicare plans will not pay
 - You'll pay full amount for the services you get
 - No claim should be submitted
 - Can't be asked to sign in an emergency



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
- § Medigap Open Enrollment Period
 - Starts when you are both 65 and signed up for Part B
 - Once started, it cannot be delayed or repeated



Medigap Policies

- § You pay a monthly premium
- § Costs vary by plan, company and location
- § Medigap insurance companies can only sell a “standardized” Medigap policy
 - Identified in most states by letters
 - MA, MN, and WI standardize their plans differently
- § Doesn't work with Medicare Advantage
- § No networks except with a Medicare SELECT policy

Medigap Plan Types

	Medicare Supplement Insurance (Medigap) Plans									
Benefits	A	B	C	D	F*	G	K**	L**	M	N
Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Medicare Part B coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100% ***
Blood (first 3 pints)	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Part A hospice care coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	100%	100%	50%	75%	100%	100%
Medicare Part A deductible		100%	100%	100%	100%	100%	50%	75%	50%	100%
Medicare Part B deductible			100%		100%					
Medicare Part B excess charges					100%	100%				
Foreign travel emergency (up to plan limits)			100%	100%	100%	100%			100%	100%

* Plan F also offers a high-deductible plan in some states. If you choose this option, this means you must pay for Medicare-covered costs (coinsurance, copayments, deductibles) up to the deductible amount of \$2,180 in 2015 before your policy pays anything.

**For Plans K and L, after you meet your out-of-pocket yearly limit and your yearly Part B deductible (\$147 in 2015), the Medigap plan pays 100% of covered services for the rest of the calendar year.

*** Plan N pays 100% of the Part B coinsurance, except for a copayment of up to \$20 for some office visits and up to a \$50 copayment for emergency room visits that don't result in an inpatient admission.

Out-of-pocket limit in 2015

\$4,940

\$2,470



Medicare Advantage (MA) Plans (Part C)

- § What they are
- § How the plans work
- § MA Plan costs
- § Who can join
- § When to join and switch plans
- § Other Medicare health plans



Medicare Advantage Plans

§ Health plan options approved by Medicare

- Another way to get Medicare coverage
- Still part of the Medicare program
- Run by private companies

§ Also called Part C

§ Medicare pays amount for each member's care

§ May have to use network doctors or hospitals

§ Types of plans available may vary



How Medicare Advantage Plans Work

- § Still in Medicare with all rights and protections
- § Still get Part A and Part B services
- § May include prescription drug coverage (Part D)
- § May include extra benefits
 - Like vision or dental
- § Benefits and cost-sharing may be different



Types of Medicare Advantage (MA) Plans

- § Health Maintenance Organization
- § HMO Point-of-Service
- § Preferred Provider Organization
- § Special Needs Plan
- § Private Fee-for-Service
- § Medicare Medical Savings Account



Medicare Advantage Plan Costs

§ Must still pay Part B premium

- Some plans may pay all or part for you
- Some people may be eligible for state assistance

§ You may also pay monthly premium to plan

§ You pay deductibles/coinsurance/copayments

- Different from Original Medicare
- Varies from plan to plan
- Costs may be higher if out-of-network



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 End-Stage Renal Disease 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 Medicare Advantage Plans

Initial Enrollment Period

- § 7-month period begins 3 months before the month you turn 65
- § Includes the month you turn 65
- § Ends 3 months after the month you turn 65

Medicare Open Enrollment Period "Open Enrollment"

- § October 15 – December 7
- § Coverage begins January 1

§ Plans must be allowing new members to join



When You Can Join or Switch Plans

Special Enrollment Periods (SEP)

- § Move out of your plan's service area
- § Plan leaves Medicare program or reduces its service area
- § Leaving or losing employer or union coverage
- § You enter, live at, or leave a long-term care facility
- § You have a continuous SEP if you qualify for Extra Help
- § Losing your Extra Help status
- § You join or switch to a plan that has a 5-star rating
- § Retroactive notice of Medicare Entitlement
- § Other exceptional circumstances



When You Can Join or Switch Medicare Advantage Plans (5-Star SEP)

- § Can enroll in 5-Star Medicare Advantage (MA), Prescription Drug Plan (PDP), MA-PD, or Cost Plan
- § Enroll at any point during the year
 - Once per year
- § New plan starts first day of month after enrolled
- § Star ratings given once a year
 - Ratings assigned in October of the past year
 - Use Medicare Plan Finder to see star ratings
 - Look at Overall Plan Rating to find 5-Star plans



When You Can Leave a Medicare Advantage (MA) Plan

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



Other Types of Medicare Health Plans

§ Other types of Medicare health plans

- Not Medicare Advantage Plans
 - ◻ Medicare Cost Plans
 - ◻ Demonstrations and Pilot Programs
 - ◻ Programs of All-inclusive Care for the Elderly (PACE)

§ Only available in certain areas



Medicare Prescription Drug Coverage

- § What is Part D?
- § Part D benefits and costs
- § Who can join
- § When to join and switch plans
- § Part D covered drugs
 - Drugs not covered
- § Access to covered drugs



Medicare Prescription Drug Coverage – cont'd

- § Also called Medicare Part D
- § Prescription drug plans approved by Medicare
- § Run by private companies
- § Available to everyone with Medicare
- § Must be enrolled in a plan to get coverage
- § Two sources of coverage
 - Medicare Prescription Drug Plans (PDPs)
 - Medicare Advantage Plans with Rx coverage (MA-PDs)
 - And other Medicare health plans with Rx coverage



Medicare Drug Plan Costs

§ Costs vary by plan

§ In 2015, most people will pay

- A monthly premium
- A yearly deductible
- Copayments or coinsurance
- 45 percent for covered brand-name drugs in coverage gap
- 65 percent for covered generic drugs in coverage gap
- Very little after spending \$4,700 out-of-pocket

Standard Structure in 2015

Example: Ms. Smith joins the ABC Prescription Drug Plan. Her coverage begins on January 1, 2015. She doesn't get Extra Help and uses her Medicare drug plan membership card when she buys prescriptions.

Monthly Premium – Ms. Smith pays a monthly premium throughout the year.

1. Yearly deductible

2. Copayment or coinsurance (what you pay at the pharmacy)

3. Coverage gap

4. Catastrophic coverage

Ms. Smith pays the first \$320 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 \$2,960

Once Ms. Smith and her plan have spent \$2,960 for covered drugs, she's in the coverage gap. In 2015, she pays 45 percent of the plan's cost for her covered brand-name prescription drugs and 65 percent of the plan's cost for covered generic drugs. What she pays (and the discount paid by the drug company) counts as out-of-pocket spending, and helps her get out of the coverage gap.

Once Ms. Smith has spent \$4,700 out-of-pocket for the year, her coverage gap ends. Now she only pays a small coinsurance or copayment for each covered drug until the end of the year.

Improved Coverage in the Coverage Gap

Year	What You Pay for Brand-Name Drugs in the Coverage Gap	What You Pay for Generic Drugs in the Coverage Gap
2015	45%	65%
2016	45%	58%
2017	40%	51%
2018	35%	44%
2019	30%	37%
2020	25%	25%



Medicare Prescription Drug Coverage Premium

- § A small group may pay a higher premium
 - Based on income above a certain limit
 - Fewer than 5 percent of all people with Medicare
 - Uses same thresholds used to compute income-related adjustments to Part B premium
 - As reported on your IRS tax return from 2 years ago
- § Required to pay if you have Part D coverage

Part D Income-Related Monthly Adjustment Amount (IRMAA)

If Your Yearly Income in 2013 was		In 2015 You Pay
File Individual Tax Return	File Joint Tax Return	
\$85,000 or less	\$170,000 or less	Your Plan Premium (YPP)
\$85,000.01 – \$107,000	\$170,000.01 – \$214,000	YPP + \$12.30*
\$107,000.01 – \$160,000	\$214,000.01 – \$320,000	YPP + \$31.80*
\$160,000.01 – \$214,000	\$320,000.01 – \$428,000	YPP + \$51.30*
Above \$214,000	Above \$428,000	YPP + \$70.80*
*per month		



Part D Eligibility Requirements

- § To be eligible to join a Prescription Drug Plan
 - You must have Medicare Part A and/or Part B
- § To be eligible to join a Medicare Advantage Plan with drug coverage
 - You must have Part A and Part B
- § You must live in plan's service area
 - You can't be incarcerated
 - You can't live outside the United States
- § You must be enrolled in a plan to get drug coverage



When You Can Join or Switch Medicare Prescription Drug Plans

Initial Enrollment Period	§ 7 month period § Starts 3 months before month of eligibility
Medicare's Open Enrollment Period	October 15 – December 7 each year § Coverage begins January 1
January 1 – February 14	During this period, you can leave a Medicare Advantage 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.



When You Can Join or Switch Drug Plans

Special Enrollment Periods (SEP)

- § You permanently move out of your plan's service area
- § You lose other creditable prescription coverage
- § You weren't adequately told that your other coverage wasn't creditable or your other coverage was reduced and is no longer creditable
- § You enter, live at, or leave a long-term care facility
- § You have a continuous SEP if you qualify for Extra Help
- § You belong to a State Pharmaceutical Assistance Program (SPAP)
- § You join or switch to a plan that has a 5-Star rating
- § Or in other exceptional circumstances



Late Enrollment Penalty

§ Higher premium if you wait to enroll

- Additional 1 percent of base beneficiary premium
 - ◻ For each month eligible and not enrolled
 - ◻ For as long as you have Medicare drug coverage
- National base beneficiary premium
 - ◻ \$33.13 in 2015
 - ◻ May change each year
- Except if you had creditable drug coverage or get Extra Help



Part D-Covered Drugs

§ Prescription brand-name and generic drugs

- Approved by the Food and Drug Administration
- Used and sold in United States
- Used for medically-accepted indications

§ Includes drugs, biological products, and insulin

- Supplies associated with injection of insulin

§ Plans must cover range of drugs in each category

§ Coverage and rules vary by plan



Required Coverage

§ All drugs in six protected categories

- Cancer medications
- HIV/AIDS treatments
- Antidepressants
- Antipsychotic medications
- Anticonvulsive treatments
- Immunosuppressants

§ All commercially-available vaccines

- Except those covered under Part B (e.g., flu shot)



Drugs Excluded by Law Under Part D

- § Drugs for anorexia, weight loss, or weight gain
- § Erectile dysfunction drugs when used for the treatment of sexual or erectile dysfunction
- § Fertility drugs
- § Drugs for cosmetic or lifestyle purposes
- § Drugs for symptomatic relief of coughs and colds
- § Prescription vitamin and mineral products
- § Non-prescription drugs



Access to Covered Drugs

- § Plans must cover a range of drugs in each category
- § Coverage and rules vary by plan
- § Plans can manage access to drug coverage through
 - Formularies (list of covered drugs)
 - Prior authorization (doctor requests before service)
 - Step therapy (type of prior authorization)
 - Quantity limits (limits quantity over period of time)



Check Your Knowledge – Question 3

Which of the following is not a type of Medicare Advantage Plan?

- a. Medigap (Medicare Supplement Insurance) Policy
- b. Health Maintenance Organization
- c. Preferred Provider Organization
- d. Special Needs Plan



Check Your Knowledge – Question 4

If you don't have prescription drug coverage that is at least as good as Medicare drug coverage and don't join a plan when first eligible, what is the penalty per month you join a plan at a later date?

- a. There is no penalty
- b. 10 percent
- c. 1 percent
- d. 5 percent



Lesson 3 – Rights and the Appeals Process

§ Patient rights

§ Appeals process

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



Guaranteed Rights Under Medicare

§ You have guaranteed rights in

- Original Medicare
- Medicare Advantage and other Medicare health plans
- Medicare Prescription Drug Plans

§ These rights help to

- Protect you when you get health care
- Ensure you get medically-necessary Medicare-covered health care services
- Protect you against unethical practices
- Protect your privacy



You Have the Right to

- § Be treated with dignity and respect
- § Be protected from discrimination
- § Get information you can understand
- § Get culturally-competent services
- § Get emergency care where and when you need it
- § Get urgently needed care
- § Get answers to your Medicare questions



You Have the Right to (continued)

- § Learn about your treatment choices
 - In clear understandable language
- § File a complaint
- § Appeal a denial of a treatment or payment
- § Have personal information kept private
- § Know your privacy rights



Right to File a Complaint or Appeal

§ Complaint (sometimes called a grievance)

- Quality of services
- Care that is received

§ Appeal a coverage or payment decision

§ For information contact

- Your plan
- State Health Insurance Assistance Program (SHIP)
- 1-800-MEDICARE (1-800-633-4227)
 - q TTY users should call 1-877-486-2048



Appeals in Original Medicare

§ Medicare Summary Notice explains

- Why Medicare didn't pay
- How to appeal
- Where to file your appeal
- How long you have to appeal

§ Ask provider for information to help your case

§ Keep copies of appeal documents



Medigap Rights in Original Medicare

§ Right to buy a Medigap policy

- Guaranteed issue rights
- In your Medigap open enrollment period companies
 - q Can't deny you Medigap coverage
 - q Can't place conditions on coverage
 - q Can't charge more because of past or present health problems
 - q Must cover pre-existing conditions
 - q May have up to six-month waiting period
- Some states give additional rights



Rights in Medicare Health Plans

- § Choice of plan's health care providers
- § Access to plan's specialists (treatment plan)
- § Know how your doctors are paid
- § Fair, efficient, and timely appeals process
 - Fast appeals in certain health care settings



Rights in Medicare Health Plans – cont'd

- § Grievance process
- § Coverage/payment information before service
- § Privacy of personal health information
- § Urgently needed care
- § Contact your plan for more information

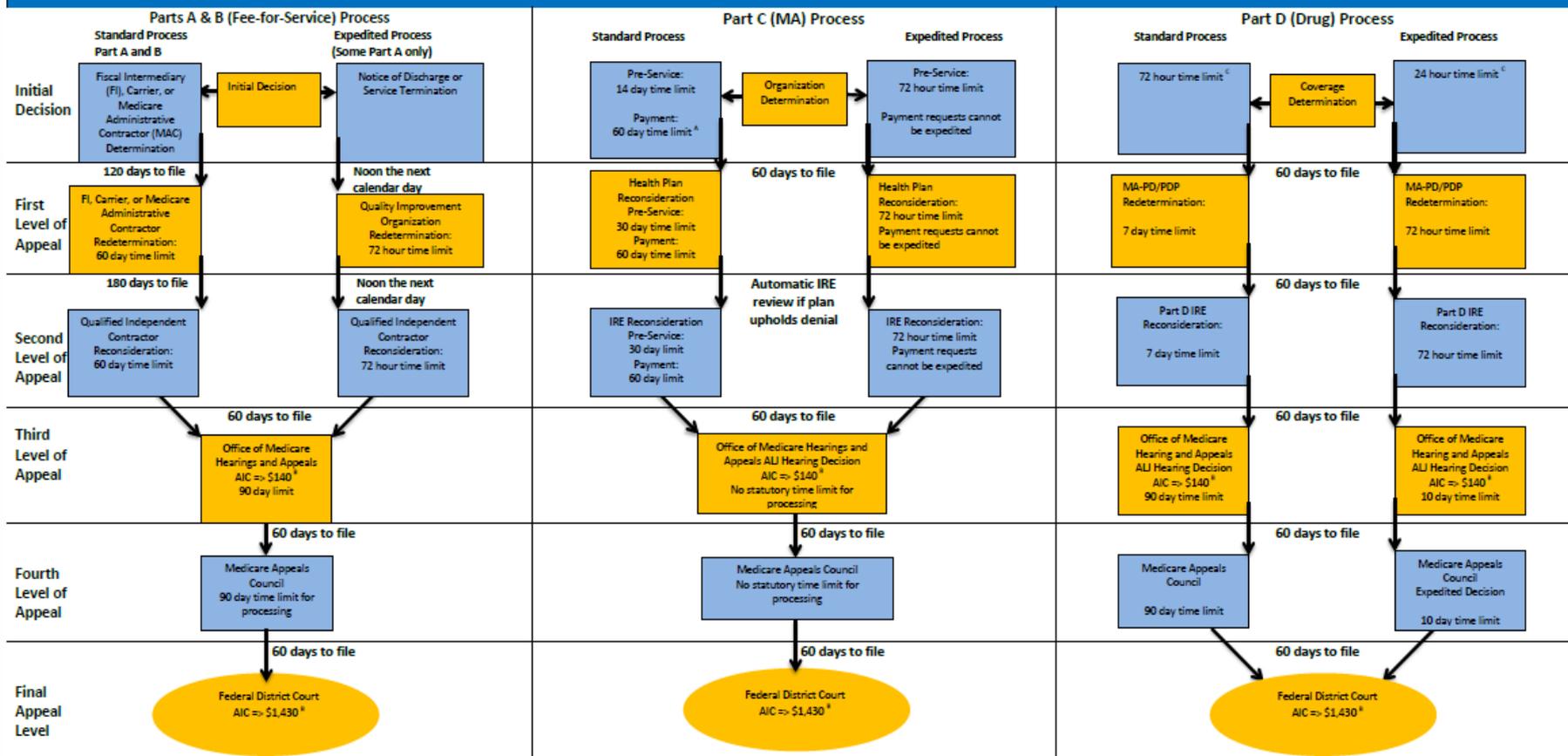


You Have the Right to (continued page 2)

- § Request a coverage determination
- § Ask for an exception
- § Appeal your plan's decision

Parts A, B, C, and D Appeal Processes

Comparison of the Parts A, B, C, and D Appeal Processes



AIC = Amount in Controversy
 ALJ = Administrative Law Judge
 Contractor = Fiscal Intermediary, Carrier or Medicare Administrative Contractor (MAC)
 IRE = Independent Review Entity

MA-PD = Medicare Advantage Prescription Drug
 MIMA = Medicare Prescription Drug Improvement & Modernization Act of 2003
 PDP = Prescription Drug Plan
 QIC = Qualified Independent Contractor

^a Plans must process 95% of all clean claims from out-of-network providers within 30 days. All other claims must be processed within 60 days.

^b The AIC requirement for all ALJ hearing and Federal District Court is adjusted annually in accordance with the medical care component of the Consumer Price Index. The chart reflects the CY 2014 AIC amounts.

^c A request for a coverage determination includes a request for a tiering exception or a formulary exception. A request for a coverage determination may be filed by the enrollee, the enrollee's appointed representative, or the enrollee's physician. The adjudication time frames generally begin when the request is received by the plan sponsor. However, if the request involves an exception request, the adjudication time frame begins when the plan sponsor receives the physician's supporting statement.



Check Your Knowledge – Question 5

You have guaranteed rights in

- a. Original Medicare
- b. Medicare Advantage and other Medicare health plans
- c. Medicare Prescription Drug Plans
- d. All of the above



Check Your Knowledge – Question 6

An appeal is related to

- a. The quality of the services you received
- b. A coverage and/or payment decision
- c. A payment decision
- d. The health care you received



Lesson 4 – Programs for People with Limited Income and Resources

§ Extra Help

§ Medicaid

§ Medicare Savings Programs

§ Help available for people in the U.S. territories



What Is Extra Help?

- § Program to help people pay for Medicare prescription drug costs
 - Also called the low-income subsidy
- § If you have lowest income and resources
 - Pay no premiums or deductible, and small or no copayments
- § If you have slightly higher income and resources
 - Pay reduced deductible and a little more out of pocket
- § No coverage gap or late enrollment penalty if you qualify for Extra Help



Qualifying for Extra Help

§ You automatically qualify for Extra Help if you get

- Full Medicaid coverage
- Supplemental Security Income (SSI)
- Help from Medicaid paying your Medicare premiums

§ All others must apply

- Online at socialsecurity.gov
- Call Social Security at 1-800-772-1213 (TTY 1-800-325-0778)
 - Ask for “Application for Help with Medicare Prescription Drug Plan Costs” (SSA-1020)
- Contact your state Medicaid agency



What is Medicaid?

- § Federal-state health insurance program
 - For people with limited income/resources
 - Covers most health care costs
 - If you have both Medicare and Medicaid
- § Eligibility determined by state
- § Application processes and benefits vary
- § State office names vary
 - Apply if you MIGHT qualify



Medicare Savings Programs

§ Help from Medicaid paying Medicare costs

- For people with limited income and resources

§ Often higher income and resources than full Medicaid

§ Programs include

- Qualified Medicare Beneficiary (QMB)
- Specified Low-income Medicare Beneficiary (SLMB)
- Qualifying Individual (QI)
- Qualified Disabled & Working Individuals (QDWI)



Steps to Take

§ If you think you might qualify

1. Review the income and asset guidelines
2. Collect your personal documents
3. Get more information
 - Call your state Medical Assistance office
 - Call your local State Health Insurance Assistance Program
 - Call your local Area Agency on Aging
4. Complete application with state Medical Assistance office



Programs in U.S. Territories

§ Help people pay their Medicare costs

§ U.S. territories

- Puerto Rico
- Virgin Islands
- Guam
- Northern Mariana Islands
- American Samoa

§ Programs vary

- Contact Medical Assistance office



Medicare and the Marketplace

- § Medicare isn't part of the Marketplace
- § If you have Medicare, you're covered and don't need to do anything related to the Marketplace
- § 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
 - Even if you only have Part A or Part B



Medicare and the Marketplace (Continued)

- § People with minimum essential coverage are covered and won't have to pay a fee
- Part A is considered minimum essential coverage
 - Part B only is not considered minimum essential coverage



Marketplace and Becoming Eligible for Medicare

§ You can get a Marketplace plan before your Medicare coverage begins

- You may cancel the plan when Medicare coverage starts, or
- You may keep the plan, but once your Part A coverage starts you won't be able to get lower costs

§ Sign up for Medicare during your Initial Enrollment Period

- Or you may have to pay a late enrollment penalty for as long as you have Medicare



Check Your Knowledge – Question 7

Extra Help is a program that helps pay Medicare

- a. Part B premiums
- b. Part A premiums
- c. Part B deductibles
- d. Prescription drug costs



Check Your Knowledge – Question 8

The Medicaid application process and benefits are the same in each state.

a. True

b. False

Introduction to Medicare Resource Guide

Resources		Medicare Products
<p>Centers for Medicare & Medicaid Services (CMS) 1-800-MEDICARE (1-800-633-4227) 1-877-486-2048 for TTY users Medicare.gov</p> <p>CMS.gov</p> <p>Social Security 1-800-772-1213 1-800-325-0778 for TTY users SocialSecurity.gov/</p> <p>Railroad Retirement Board 1-877-772-5772 1-312-751-4700 for TTY users RRB.gov/</p>	<p>State Health Insurance Assistance Programs (SHIPs) For telephone numbers call CMS 1-800-MEDICARE (1-800-633-4227) 1-877-486-2048 for TTY users</p> <p>Medicare.gov/Contacts/</p> <p>HealthCare.gov</p> <p>Benefits.gov</p> <p>InsureKidsNow.gov</p> <p>Affordable Care Act HealthCare.gov/law/full/index.html</p>	<p>“Medicare & You Handbook” CMS Product No. 10050</p> <p>“Your Medicare Benefits” CMS Product No. 10116</p> <p>“Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare” CMS Product No. 02110</p> <p>To access these products</p> <p>View and order single copies at Medicare.gov</p> <p>Order multiple copies (partners only) at productordering.cms.hhs.gov. You must register your organization.</p>



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