Welcome to Medicare

• Introduction to Medicare
  • Cost-sharing
    • Medigap
  • Medicare Advantage
    • Medicare Part D
• Medicare Savings Programs
What is Medicare?

• Medicare defined
• Centers for Medicare & Medicaid Services (CMS)
• Eligibility/enrollment
  – Automatic or Do you need to apply?
• Medicare card
  – Effective Date
  – HICN
• Part A vs. Part B
Medicare Cost-sharing

- Part B Premium
  $104.90/month
- Deductible/Coinsurance
- Assignment/Limiting Charge
- Private Contracts
- Advance Beneficiary Notice
- Therapy Limit
- Part A Cost-sharing
Deductible/Coinsurance

- Part B Deductible
  - $147.00

- Part B Coinsurance
  - 20% coinsurance for most services

- Laboratory Tests
  - Not subject to deductible or coinsurance
Assignment/Participation Limiting Charge

• Assignment defined
• Participation and assignment
• Limiting charge for non-assigned claims
  • Federal/national limit/cap (115%)
    – NYS limit/cap (105%)
    – NYS exceptions (home and office visits)
• www.medicare.gov (or 1-800-MEDICARE) to find participating and non-participating providers
Opt-Out Providers (Private Contracts)

• Provider “opts out” of Medicare program
  – Cannot bill Medicare for two years
• Signed contract by provider and beneficiary
• Beneficiary pays full provider charge
• Medicare does not pay for the services at all
• Does not apply to emergency care
Medicare Assignment/Participation/Opt-Out Summary

Medicare Providers

- Participating
  - Assigned
- Non-Participating
  - Assigned
  - Non-Assigned

Opt-Out

Limiting Charge
- 5%
- 15%
Advance Beneficiary Notice

• Medical necessity denials
  – Beneficiary not liable UNLESS signed valid ABN

• Must be service/date specific

• Must use CMS ABN form
  – Form CMS-R-131 (03/11)

• Beneficiary liable for up to provider charge

• Still retain appeal rights

• Always liable for non-covered (excluded) services
Therapy Limit

• $1,940 Limit on Physical and Speech Therapy
• $1,940 Limit on Occupational Therapy
  – Paid at 80% after Part B deductible
• Includes therapy provided in office, home (if not receiving Medicare covered home health care) and outpatient hospital
• Automatic Exceptions
  – Available through March 2015
Part A Cost-sharing

- Inpatient deductible
  - (Days 1-60) $1,260
- Coinsurance days
  - (Days 61-90) $315
- Lifetime reserve days
  - (60 Days) $630
- Skilled nursing facility
  - (Days 21-100) $157.50
- Benefit periods
Medigap

- Ten plans (A-N)
- All plans cover Part A coinsurance (Days 61-90), (60) lifetime reserve days plus 365 additional days
  - All cover Part A deductible except Plan A
  - Most plans cover entire Part B coinsurance
- Benefits are standard
- NYS continuous open enrollment
- Up to six month waiting period for pre-existing (PE) conditions
  - Credit prior coverage toward waiting period
Medicare Advantage (MA)

- Eligibility
  - Must Have Parts A and B
  - Must NOT Have End Stage Renal Disease (ESRD)
  - Must Live in Service Area of Plan

- Enrollment
  - October 15 – December 7 (Annual Election Period)
  - January 1 – February 14 (MA Disenrollment Period)

- Benefits/Costs
  - Covers at least what Medicare does
  - Fixed co-payments for most services
    - Up to Maximum Out of Pocket (MOOP)
  - Additional benefits (Hearing Aids/Dental/Vision)
Types of Medicare Advantage Plans

Health Maintenance Organization (HMO)
- In-Network Benefits ONLY
- Primary Care Physician (PCP)
  - May require referral to specialists

HMO-POS (Point of Service)
- Offers some out-of-network coverage
  - May only be for certain services

Preferred Provider Organization (PPO)
- Access to out-of-network (OON) providers
  - May pay higher cost-sharing for OON
Medicare Prescription Drug Coverage (Part D)

- Optional/Voluntary/Penalty
  - 1% per month of average national premium
- 25 Stand-Alone Part D Plans
- Formulary and Pharmacy Network
- Enrollment Periods
  - October 15 – December 7 (AEP)
  - Special Enrollment Periods
- Part D Plan Cost-Sharing
  - Premium
  - $320/$2,960/$4700
- Extra Help/Limited Income and Assets
  - Partial and Full
Medicare Prescription Drug Coverage (Part D)
Part D and Other Drug Coverage

- Medicaid
  - Must have Part D plan
- Employer/Union
  - If creditable, no Part D
- Medicare Advantage
  - NO stand-alone Part D (HMO or PPO)
- VA
  - May also want to have Part D
- EPIC
  - MUST also have Part D
  - NEW Income Limits (April 2014)
Medicare Savings Programs

• NO resource limit for NYS residents

• Qualified Medicare Beneficiary (QMB)
  – $993/month individual - $1,331/month couple
  – Covers premiums, deductibles and coinsurance

• Specified Low Income Beneficiary (SLMB)
  – $1,187/month individual - $1,593/month couple
  – Covers Part B premium ONLY

• Qualified Individual 1 (QI-1)
  – $1,333/month individual - $1,790/month couple
  – Covers Part B premium ONLY

• Automatically qualify for Part D Full Extra Help