

# 2021 Medicare Update

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# Top 10 Things to Know About Medicare (and EPIC) for 2021

- Part B Special Enrollment Period
- COBRA and Medicare (Part B)
- Part B Premium/"Hold Harmless"
- DME Competitive Bidding
- Medigap Plan C and Plan F and Part B Deductible
- Medicare Advantage MOOP and ESRD
- Medicare Advantage Open Enrollment Period
- Plan Termination/Reassignment
- Senior Savings Model
- Part D LIS Special Enrollment Periods
- EPIC Update

# Part B Special Enrollment Period (SEP)

- Qualify for Special Enrollment Period if Covered under Group Health Plan (GHP) based on current employment of beneficiary or Spouse
  - Current employment first
    - Must be covered starting first month of eligibility
  - Part B first
    - Enrolled in Part B during IEP and later terminated
      - (Part B ends at end of month following disenrollment)
        - » Must be covered starting first month of termination
- Time Period
  - While still covered under active employment or
    - Within 8 full months following month of loss of active employment

# COBRA and Medicare (Part B)

- Misunderstanding: People with COBRA can delay enrollment in Medicare Part B
- Does not extend Medicare enrollment period
  - People with COBRA when first eligible for Medicare
    - And who do NOT have Part B
    - Are NOT entitled to Part B Special Enrollment Period
      - » Even if later covered under Active/Current employment
  - Even if COBRA is free/subsidized by former employer
- COBRA may not continue to pay as primary
  - If you do not enroll in Medicare when first eligible

# Part B Premium/"Hold Harmless"

- Part B Premium (\$144.60 in 2020)
- Predicting \$153.30 Part B premium for 2021
  - Also predicting low or no SSA COLA (Cost of Living Adjustment) for 2021
    - Final Premium and COLA to be announced in October
- "Hold Harmless" provision protects Social Security checks from being reduced
  - Due to increase in Part B premium
- Premium will increase for each beneficiary only up to amount of COLA increase
- If no COLA for 2021, most beneficiaries' premium will remain at \$144.60
- Who is Held Harmless?
  - Beneficiaries receiving Social Security benefit for November and December
    - Part B Premiums for December and January deducted from these benefits
- Who is Not Held Harmless?
  - Beneficiaries who are not collecting Social Security
  - Beneficiaries subject to the higher Part B premium (IRMAA) based on income
- Note: Late Enrollment Penalty based on current year's standard premium

# DME Competitive Bidding

- Suspended for 2019 and 2020 Returning in 2021
- For 15 DME Product Categories:
  - Commode Chairs; Continuous Positive Airway Pressure (CPAP) Devices and Respiratory Assist Devices (RADs); Enteral Nutrition; Hospital Beds; Nebulizers; Negative Pressure Wound Therapy (NPWT) Pumps; Off-The-Shelf (OTS) Back Braces; OTS Knee Braces; Oxygen and Oxygen Equipment; Patient Lifts and Seat Lifts; Standard Manual Wheelchairs; Standard Power Mobility Devices; Support Surfaces (Groups 1 and 2); Transcutaneous Electrical Nerve Stimulation (TENS) Devices; Walkers
- For beneficiaries residing in Competitive Bidding Areas
  - <https://www.dmecompetitivebid.com/cbic/cbic2021.nsf/DocsCat/H5O2KFK4HO>
- Must use Contracted Supplier
  - Mandated to Accept Assignment on claims

# Medigap Plan C and Plan F and Part B Deductible

- People newly eligible for Medicare in 2020 or later cannot purchase Medigap plan that covers Part B deductible
  - Medigap Plan C and Plan F (including High Deductible Plan F)
- People eligible for Medicare prior to 2020, have right to purchase Plan C or Plan F even if not enrolled in Medicare prior to 2020
- Annual Part B Deductible (\$198 in 2020)
- Applied to first claim(s) that Medicare receives and processes
  - Not necessarily to first services that beneficiary receives each year
- Medicare allowed amount applied to deductible
  - Deductible may be met through more than one claim

# Medicare Advantage Maximum Out-of-Pocket (MOOP)

- Includes all Part A and B Covered Services
  - Does not include any premium
  - Does not include Part D drug coverage
  - Does not include any added benefits
- Services covered at 100% after MOOP is met
- NEW: Mandatory MOOP Amounts for 2021
- HMO \$7,550 (2021) In-network (\$6,700 in 2020)
- PPO \$7,550 (2021) In-network (\$6,700 in 2020)
  - \$11,300 (2021) In and Out of network Combined (\$10,000 in 2020)



# Medicare Advantage and ESRD

- Eligibility
  - Must have BOTH Part A and Part B
  - Must live in service area of plan
  - Must NOT have ESRD (End Stage Renal Disease)
- NEW for 2021
  - All beneficiaries with ESRD will have option to enroll in Medicare Advantage plan
  - Caution: MA plan may have up to 20% cost-sharing for dialysis (up to MOOP)

# Medicare Advantage Open Enrollment Period (OEP)

- Began in 2019
  - January – March
- Medicare Advantage (MA) plan change
  - Change from MA plan to MA plan or to Original Medicare
    - With or without Part D
  - CANNOT change from Original Medicare to MA plan
    - CANNOT change stand-alone Part D plan (PDP)
- One change effective 1<sup>st</sup> of following month
- New Medicare beneficiaries who enrolled in MA plan during ICEP
  - MA OEP starts month of entitlement to Part A and Part B and ends the last day of the 3rd month of entitlement

# Plan Termination/Reassignment

- Magellan and Journey Stand-Alone Part D Plans (PDP)
  - Will no longer be available in 2021
    - Some counties will have Medicare Advantage plan terminations
- Reassignment Due to Plan (PDP or MA-PD) Termination
  - ALL Extra Help/LIS recipients will be reassigned
    - Will be assigned to random “benchmark” Part D plan
- Members without Extra Help/LIS will NOT be reassigned
  - If do not enroll in new plan, will have NO Part D drug coverage on January 1
  - Entitled to Special Enrollment Period to enroll in Part D plan
    - Through end of February 2021

# Part D Senior Savings Model

- NEW for 2021
  - Part D Senior Savings Model
- Enhanced alternative Part D plan options that offer lower out-of-pocket costs for insulin
  - Will provide 30-day supply of a broad set of plan-formulary insulins costs no more than \$35
    - During Deductible, initial coverage, and coverage gap phases of the Part D benefit
- 8 of 28 Stand-Alone Part D Plans (PDP) in New York State for 2021
  - Part D Plan Finder – Filter Plans by “Insulin Savings”

# LIS Special Enrollment Periods

- Limitation on Extra Help/LIS Special Enrollment Period (SEP)
  - Prior to 2019, beneficiaries with LIS can change Part D/MA plans at any time
- Effective 2019: Limited to 1 change per quarter
  - During first 9 months of year
- SEP is provided for individuals who receive Extra Help/LIS
  - Become eligible for LIS
  - Lose eligibility for LIS
  - Have a change in the level of assistance
- Individuals who are enrolled into a plan by CMS
  - Through auto-enrollment, facilitated enrollment, and reassignment

# EPIC Update

- SPAP (EPIC) Special Enrollment Period
  - Available for all SPAP (EPIC) members
  - One election every calendar year
    - Can enroll or switch plans
- NEW EPIC Application
  - Asks for Current income AND Resources/Assets
    - In order to apply to SSA for Extra Help/LIS on behalf of member
  - Can still use old EPIC application
    - Or use new application and skip sections on Current Income/Resources
- Fee Plan Members
  - If did not pay 2<sup>nd</sup> or 3<sup>rd</sup> quarter bills, EPIC did not cancel members
    - Instead, Fee added to 4<sup>th</sup> quarter bill