

# Medicare Update:

- ✓ Medicare A, B, C, D
- ✓ EPIC
- ✓ MSP
- ✓ Medicaid

**NY StateWide Senior Action Council**

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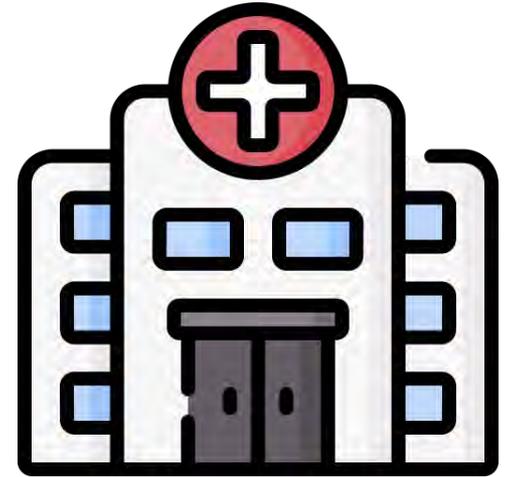
**STATE**  **WIDE**

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# Part A: Hospital Insurance

## Part A COSTS – (Hospitalization)

- Premiums for Part A are:
  - ✓ **Premium free** if you worked 40 quarters
  - ✓ \$274/month for 30-39 quarters or
  - ✓ \$499/ month for under 30 quarters
- Deductible is not annual. In 2022, it is \$1,556 per benefit period.



These amounts will change in 2023, we will not have the updated amounts until later in the year.

# Part A: Hospital Insurance

## Part A Benefit Period – (Hospitalization)

- A benefit period begins the day you're admitted as an inpatient in a hospital or SNF.
- The benefit period ends when you haven't received any inpatient hospital care (or skilled care in a SNF) for 60 days in a row.
- If you go into a hospital or a SNF after one benefit period has ended, a new benefit period begins. You must pay the inpatient hospital deductible for each benefit period.
- There's no limit to the number of benefit periods.



# Part B: Medical Insurance

## Part B – (Medical) covers:

- most medically necessary doctors' services
- preventive care
- durable medical equipment
- hospital outpatient services
- laboratory tests
- x-rays
- mental health care
- some ambulance services



Over-the-counter (OTC) hearing aids are a new category of hearing aids that consumers can buy directly, without visiting a hearing health professional. These devices are intended to help adults with perceived mild to moderate hearing loss as of October 2022.

# Part B: Medical Insurance

## Part B premiums:

Your Part B premium is automatically deducted from your benefit payment if you get benefits from one of these:

- Social Security   ▪ Railroad Retirement Board
- Office of Personnel Management

If you don't get these benefit payments, you'll get a bill. Most people will pay the standard premium amount.

**Premiums will be higher for singles making \$91,000 or more and couples \$182,000 or more.**

The Part B premium for 2023 has not been announced yet

**\$170.10**

**Standard Part B  
Premium for  
2022**

# Part B: Medical Insurance

## Part B Deductible & Coinsurance

- After you meet your annual deductible for the year, you typically pay 20% of the Medicare-Approved amount for these:
  - ✓ Most doctor services (including most services while you're a hospital inpatient)
  - ✓ Outpatient therapy
  - ✓ Durable Medical Equipment (DME)

**\$233**

**Standard Part B  
Deductible for  
2022**

The deductible amount for 2023 has not been announced yet

# Part B: Penalties

- If you didn't sign up for Part B when you're first eligible, your monthly premium may go up 10% of the current Part B monthly premium for each 12-month period you could've had Part B but didn't sign up.
- In most cases, you'll have to pay this penalty each time you pay your premiums, for as long as you have Part B.
- The penalty is cumulative and increases the longer you go without Part B coverage.

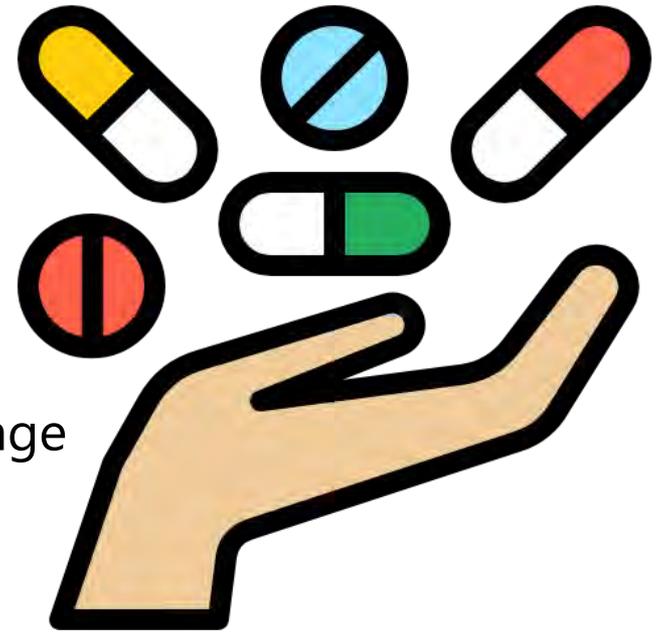
## EXAMPLE

- ✓ **Initial Enrollment Period ended December 2017.** You **sign up for Part B in March 2020** during the General Enrollment Period.
- ✓ Your **coverage starts July 1, 2020** and **your Part B premium penalty is 20%** of the standard premium.
- ✓ **You'll have to pay this penalty for as long as you have Part B.**

# Part D: Drug Coverage

## Medicare Part D – Drug Coverage:

- Helps pay for prescription drugs you need.
- Is optional and offered to everyone with Medicare.
- If you decide not to get it when you're first eligible, you'll likely pay a late enrollment penalty (LEP) if you join a plan later.
- You must join a Medicare-approved plan that offers drug coverage.
  - ✓ Each plan can vary in cost and specific drugs covered.
  - ✓ Prescriber must be enrolled in Medicare to use your Part D coverage for that prescription.



# Part D Penalties

- The late enrollment penalty is a cumulative monthly amount that's **permanently added** to drug coverage (Part D) premium. It is 1% of the “national base beneficiary premium” (\$33.37 in 2022), rounded to the nearest \$.10.
- The national base beneficiary premium may change each year, so your penalty amount may also change each year.
- The current projected amount for 2023 is projected to be approximately \$31.50 in 2023. This expected amount is a decrease of 1.8% from \$32.08 in 2022.\*



Late Enrollment  
**PENALTY**

\*The 2023 amount is a projection and is subject to change

# Part D Penalties

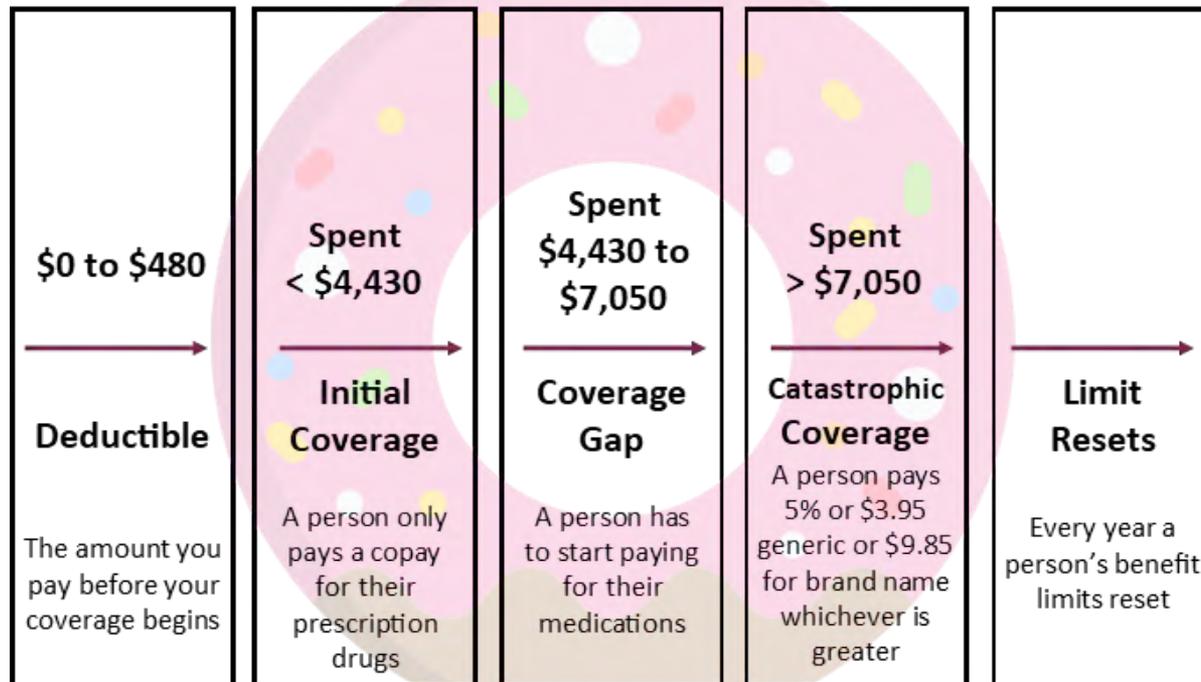
- You may owe a late enrollment penalty if at any time after your Initial Enrollment Period is over, there's a period of 63 or more days in a row when you don't have Medicare drug coverage or other creditable prescription drug coverage.
- Creditable drug coverage is coverage that is as good or better than what Medicare offers. If you have drug coverage outside of Medicare and you are not sure if it is creditable, the benefits administrator for your plan should be able to tell you if it is.
- If you have a penalty that you feel is unjust, call us and we can assist you to appeal.

**800-333-4374**



# Part D: The Donut Hole

Most Medicare drug plans have a coverage gap (also called the "donut hole"). This means there's a temporary limit on what the drug plan will cover for drugs. Once you reach the coverage gap you will pay no more than 25% of the retail cost of the medication.



# Inflation Reduction Act

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- The Inflation Reduction Act (IRA) is a historic piece of legislation that was passed in 2022.
- This act has many important provisions, including changes that will impact older Americans and Medicare recipients.
- We will review the changes that impact prescription costs and accessibilities.

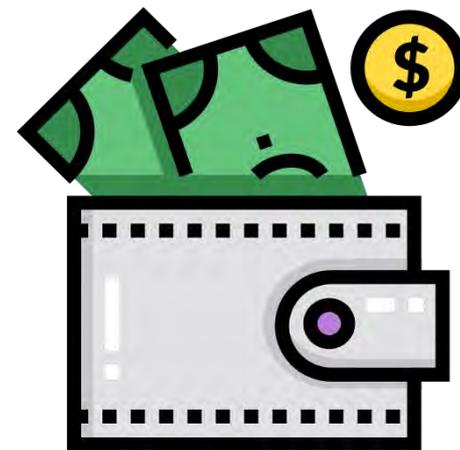


# Exciting Changes to Part D

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## Caps to Medicare Part D Out-of-Pocket Costs

- All people with Medicare Part D coverage will have their out-of-pocket prescription drug costs limited to \$2,000 per year. **This out-of-pocket cap begins in 2025** and applies to people enrolled in both stand-alone prescription drug plans (PDPs) and Medicare Advantage drug plans (MA-PDs).
- **In 2024**, cost sharing will be eliminated in the Part D catastrophic phase, effectively capping out-of-pocket costs at the catastrophic threshold.
- **In 2025**, a new monthly cost-sharing cap policy will allow people to choose to spread their out-of-pocket costs throughout the year. This option will also be available to people with Extra Help.



# Exciting Changes to Part D

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- **In 2023**, insulin costs for people with Medicare will be capped at \$35 per month with no deductible.
- **For plan years 2024 - 2029**, annual premium growth for Part D coverage will be limited to 6%.
- These out-of-pocket limits will greatly help people with chronic conditions who face high drug costs and older adults living on fixed incomes by providing more predictability and protection from catastrophic costs.



# Exciting Changes to Part D

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## Lowers Prescription Drug Prices

- For the first time since the Part D program was established, **the Medicare program will be required to negotiate the prices of certain high-cost prescription drugs covered under either Part D or Part B.**
- Though negotiated prices will be phased in, the requirement **will yield savings for people with Medicare**, the Medicare program itself, and consumers across the health system.
- The IRA also requires prescription drug manufacturers to pay rebates to the government if they raise the price of a drug covered by either Part D or Part B above the inflation rate. **This inflationary rebate rule, which will be applied in 2023**, is similar to existing rebates in the Medicaid program and its aim is to discourage pharmaceutical companies from making large price hikes.

# Exciting Changes to Part D

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## Expands No-Cost Coverage of Vaccines for People with Medicare

- **In 2023**, people with Medicare will be able to receive all recommended vaccines without cost sharing.
- The IRA aligns vaccine coverage under Part B and Part D and eliminates cost-sharing and deductibles for vaccines covered under Part D, such as shingles.
- The IRA also improves access to vaccines for adults with Medicaid by requiring coverage of all recommended vaccines, including administration, with no cost sharing and enhancing federal reimbursement to states.



# Enrollment – When Can I Make a Change?



# Annual Notice of Change

## **IMPORTANT!**

If you're in a Medicare plan, your plan will mail you the Annual Notice of Change (ANOC) in September. The ANOC includes any changes in coverage, costs, or service area that will be effective on January 1<sup>st</sup> of the following year.

If you have not received this document by October 7<sup>th</sup>, call your plan and request it.



# Medicare Open Enrollment Period

- The Medicare Open Enrollment Period, often called the Annual Election Period (AEP) is Oct 15<sup>th</sup> through Dec 7<sup>th</sup> every year.
- During this time, you can enroll, dis-enroll or switch – Original Medicare, Medicare Advantage Plan and/or Part D.
- Last choice made during the AEP will be Effective January 1, of the following year.



# **Medicare Advantage Open Enrollment**

- January 1<sup>st</sup> through March 31<sup>st</sup> every year.
- Starting in 2019, You can switch from a Medicare Advantage Plan to Original Medicare or another Medicare Advantage plan.
- If you switch to Original Medicare, you will have until March 31 to join a Part D plan.



**MEDICARE ADVANTAGE OPEN ENROLLMENT PERIOD**

# Medicare Advantage Open Enrollment

- Your coverage will begin the first day of the month after the plan gets your enrollment form.
- During the New Enrollment Period:
  - You will be able to switch between Medicare Advantage Plans.
  - You will not be able to switch from one Stand alone Part D plan (PDP) to another.



# Common Enrollment Fraud Tactics

- Contacting potential enrollees directly without prior permission.
- Pressuring enrollees with false time limits, limited time offers or non-existent early bird discounts.
- Cherry picking – only enrolling healthy candidates.
- Offering free gifts of more than \$15 in value or that are given on condition of enrolling in a plan.
- Dishonest brokers enrolling beneficiaries in plans without their knowledge. Ex: by colluding with nursing home or retirement community administrators.

**ENROLL NOW RECEIVE  
FREE GIFT**



# Medicare Special Enrollment Periods

These are situations anytime during the year that may allow you to make changes to plans. There are several different Medicare Special Enrollment Periods (SEP's), some examples are:

- Qualify for low-income subsidy (LIS) Extra Help or Medicare Savings Program (MSP) or Elderly Pharmaceutical Insurance Coverage (EPIC)
- Change in residence – move out of service area
- Move out of the USA permanently or become incarcerated
- Lose Employer group health plan
- Involuntary loss of creditable coverage
- Institutionalized individuals
- Plan non-renewals



# Change to Part B Enrollment

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- When you are enrolling in Part B outside of your initial enrollment period, a 7-month window that begins when you are **first eligible** for Medicare, you enroll using the Part B general enrollment.
- The Part B general enrollment period is January 1<sup>st</sup> to March 31<sup>st</sup> every year. In the past, coverage would not begin until July 1<sup>st</sup> after you enroll.
- **As of January 1<sup>st</sup> 2023**, coverage for Part B will begin the 1<sup>st</sup> of the month following the month you enroll within the Part B general enrollment window.

If you delay Part B coverage and sign up for Part B during the general enrollment period, you may be subject to the Part B penalty.

# Let's Talk About Savings



## EPIC is the New York State **E**lderly **P**harmaceutical **I**nsurance **C**overage Program.

It is always secondary to Part D.

### Qualifications:

- Must be a New York state resident
- Must 65 years of age or older
- Be enrolled or eligible to be enrolled in a Part D
- Cannot have Full Medicaid (Spendedown OK)
- Must have previous year annual income of:
  - ✓ **Single: \$75,000 or less**
  - ✓ **Married living together: \$100,000 or less, combined**

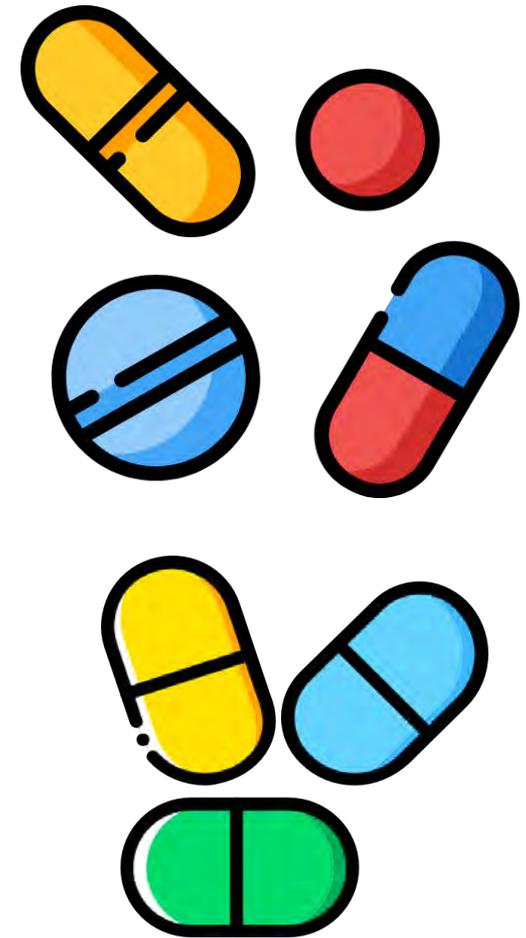


## Why Join/Keep It?

- EPIC has a low-cost Fee Plan and a no annual fee Deductible Plan
- EPIC pays Medicare D premium, up to \$42.43 per month in 2022 if single making \$23,000 or less or married \$29,000 or less.
- EPIC members qualify for an annual SEP (Special Enrollment period).
- EPIC members pay a **maximum of \$20** for covered medications. EPIC will cover Medicare Part D- and EPIC-covered drugs after any Medicare Part D deductible is met.
- EPIC will also cover approved Part-D excluded drugs once a member is enrolled in a Part D plan.

# EPIC

- EPIC will not work until you have met your Part D plan's deductible, if any and your EPIC deductible if any.
- EPIC works during all levels of Medicare Part D except the Part D deductible phase.
- EPIC is not Creditable Coverage (primary coverage) for members.
- EPIC doesn't work with every manufacturer.



# EPIC and SSA

- If you have questions about EPIC or you would like assistance applying, the representative from EPIC will be here to answer questions. The representative will be in the Exhibit Hall at 2:30pm.
- If you have questions or need assistance after you leave convention, you can always call StateWide's hotline, **1.800.333.4374** to speak with one of our trained counselors.
- We will also have a representative from the Social Security Administration on hand to answer any questions you may have.

**VISIT THE EXHIBIT HALL 2:30 PM**



# The Medicare Savings Program: MSP

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**The NY StateWide Senior Action Council worked to get the income guidelines expanded for the MSP program for 2023.**

- By securing expanded income guidelines that will go into effect January 1<sup>st</sup> 2023, we have also ensured that more beneficiaries will have Extra Help which will help with prescription drug costs.
- This will be a life changing difference for people just like you. There are many individuals who cannot afford their medications and have to choose between the prescriptions they need and the basics of survival like food or rent.
- StateWide is proud to have helped make this life saving change a reality for so many and we will continue to work on behalf of all New Yorker's to bring prescription savings and relief.

# The Medicare Savings Program: MSP

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**You can get help from your state paying your Medicare premiums.**

In some cases, Medicare Savings Programs may also pay Medicare Part A (Hospital Insurance) and Medicare Part B (Medical Insurance) deductibles, coinsurance, and copayments if you meet certain conditions and income guidelines.



# The Medicare Savings Program: MSP

## To Qualify:

### **MSP in 2022: (NO asset test)**

- Individuals' income cap \$1,549 per month
- Couples' income cap \$2,080 per month (including a standard \$20 disregard) are eligible for an MSP.

### **MSP in 2023: (NO asset test)**

- Individuals' income cap \$2,107 per month
- Couples' income cap \$2,839 per month (including a standard \$20 disregard)

The numbers for 2023 are projected amounts that are subject to change. The income guidelines are based on the Federal poverty rates which have not been announced for 2023



# Extra Help with Part D

## What is the Extra Help Program?

Extra Help is a program to help people with limited income and resources pay Medicare prescription drug program costs, like premiums, deductibles, and coinsurance.

- Pays Part D premium assistance of up to \$42.43 in 2022 and lowers cost of covered drugs to no more than \$3.95 for each generic/\$9.85 for each brand-name covered drug for those enrolled in the program as of 2022.\*

\*All of these amounts are subject to change in 2023

# Extra Help with Part D

## The Extra Help Program:

### Can be obtained through:

- Low-income Subsidy (LIS) - apply for though Social Security must meet income and resource limits tests.

### Medicare Savings Program (MSP) –

- Apply through County DSS must meet income limits only, there is **no asset/resource limit test** in New York. Primary benefit is payment of Part B monthly premium (\$170.10 in 2022). If approved for MSP, will receive Extra Help automatically.



# Extra Help with Part D: 2024

- **In 2024**, eligibility for the full Part D low-income subsidy (“Extra Help”) will be expanded to people with income below 150% of the federal poverty level (\$20,385 for a single person in 2022). The partial subsidy will be eliminated.
- People with incomes between 135% and 150% FPL who previously qualified for the partial subsidy will now have the full subsidy with lower co-pays and no deductible.
- Asset limits for the full subsidy will continue to apply. (If you apply through Social Security). **If you apply through MSP, there is no asset test and MSP is 186% of the FPL vs 150% if you apply through SSA.**
- This will be of particular assistance to older adults of color who represent a disproportionate share of Medicare beneficiaries with low income.

# Dual Eligible

- **Dual-eligible beneficiaries refers to those qualifying for both Medicare and Medicaid benefits.**
  - ✓ Any Medicaid recipient that is new to or becomes eligible for Medicare must show proof to the Department of Social Services (DSS) they have applied for Medicare or **they will lose eligibility** for Medicaid.
  - ✓ People transitioning from Exchange to Medicare.

During the COVID public health emergency, no one with Medicaid will lose their coverage. This is subject to change once the public health emergency declared to be over. The Public Health Emergency (PHE) is not set to expire until at least January 2023

# Medicaid

The IRA also resulted in changes to the Medicaid income guidelines, but in addition, StateWide supported NYS budget action to change the amount of income allowed which combined, resulted in a significant increase.

## **Medicaid in 2022: (Subject to asset test)**

- Individuals' income cap \$954 per month with asset limit of \$16,800
- Couples' income cap \$1,387 per month with asset limit of \$24,600(including a standard \$20 disregard).

## **Medicaid in 2023: (Subject to asset test)**

- Individuals' income cap \$1,563 per month with an asset limit of \$26,134
- Couples' income cap \$2,106 per month with an asset limit of \$37,908

\*The numbers for 2023 are projected amounts that are subject to change. The income guidelines are based on the Federal poverty rates which have not been announced for 2023

# Any Questions?

Not sure if you qualify?

Need help applying?

Have questions about  
your individual situation?

You can speak with a trained  
counselor at the Exhibit Hall

-or-

**Call the StateWide Helpline at  
1.800.333.4374**

## Thank You!

**STATE**  **WIDE**

**New York StateWide Senior Action Council, Inc**  
*Improving The Lives of Senior Citizens & Families in NY State*

