What’s New for Medicare & Senior LinkAge Line®

Rachel Von Ruden, LSW
Community Outreach Specialist
Senior LinkAge Line®

Medicare Parts A & B Costs – 2019

• Medicare Part A Premium – most often $0
  – Medicare Part A Deductible - $1,364 (per benefit period)
  – Per day copayment starts after 60 days in the hospital (per benefit period)
• Medicare Part B Premium:
  – $135.50/month for new beneficiaries
  – SSA will inform current beneficiaries of their 2019 premium (these enrollees are Held Harmless)
  – Medicare Part B Deductible - $185 per year
  – 20% coinsurance for Medicare Part B services
The Coverage Gap (The “Donut Hole”)

- **Maximum deductible** – up to $415 for 2019
- **Initial Coverage Period** – Plan pays 75% of drug costs and beneficiary pays 25% (up to $2,865-plan and $955-beneficiary)
- **Donut Hole** – After Initial Coverage Limit is reached ($3,820 total beneficiary costs + plan costs)
  - Brand Name Drugs – 75% discount; beneficiary pays 25%
  - Generic Drugs – 63% discount; beneficiary pays 37%
- **Catastrophic Coverage** – Begins when total amount spent during Initial Coverage Period and Coverage Gap is $7,653.75. Beneficiary then pays 5% co-insurance or $3.40 / $8.50 per drug (whichever is greater)

MEDICARE PART D PRESCRIPTION DRUG BENEFIT IN 2019

Medicare’s Basic Benefit: Besides the monthly premium, you pay...

100% of your annual deductible (min. $415)

25% of prescription costs during your Initial Coverage Period ($995 for someone with no deductible, $495 for someone in a $415 deductible plan)

You reach the $3,820 initial coverage limit – you’re headed for the donut hole.

Donut Hole/ Coverage Gap – drug costs of $3,820 to $7,653.75

Your drug costs have reached $7,653.75 and catastrophic coverage begins. (You pay 5% or $3.40 for generics and $8.50 for brand name drugs, whichever is greater)

Before the Affordable Care Act, you paid 100% out of pocket while in the donut hole.

After the Affordable Care Act in 2019, you pay 25% for brand-name drugs and 37% for generics while in the donut hole.

Need help paying for drugs? You may be eligible for Extra Help. Visit Medicare.gov or call 1-800-633-4258.
Medicare Cost Plan ‘Sunset’

- The Medicare Access and CHIP Reauthorization Act (MACRA) was passed by Congress in 2015
- Cost Plans will be discontinued in 2019 in counties that have at least two competing Medicare Advantage plans
- All current Cost Plan coverage will remain in effect until December 31, 2018
- On January 1, 2019 Cost Plans will no longer be available in most Minnesota counties, including the 7-county Metro area

What if I Have a Cost Plan?

Deemed

- Cost Plan includes Part D or enrolled in a stand-alone Part D through the same company
- Total Beneficiary Cost* is met

Not Deemed

- Enrolled in a stand-alone PDP
- Enrolled in a Cost Plan that exceeds the Total Beneficiary Cost*

*No significant increase in cost sharing or reduction in benefits. $36 increase per member per month for 2019 is the limit.
Important Dates:

- **Annual Open Enrollment Period**: October 15 – December 7, 2018
- **Medigap Enrollment Window**: November 2, 2018 – March 4, 2019
  - For those who lost their Cost Plan
  - A chance to purchase a Medicare Supplement Policy ("Medigap") without a health screening
- **Special Enrollment Period**: December 8, 2018 – February 28, 2019
  - For those who lost their Cost Plan
  - A chance to enroll in a different Medicare Advantage or Part D Drug Plan than the one selected during Open Enrollment
- **Medicare Advantage Enrollment Period**: January 1 – March 31, 2019
  - For all those enrolled in a Medicare Advantage plan
  - A chance to switch to a different Medicare Advantage plan or return to Original Medicare

Cost Plan Enrollee – Deemed

- Auto-enrolled into a Medicare Advantage Plan on January 1, 2019
- Options:
  - Be auto-enrolled
  - Enroll into a Medicare Advantage Plan
    - October 15th, 2018 – March 31st, 2019
  - Purchase a Medigap Policy
    - November 2nd, 2018 – March 4th, 2019
  - Return to Original Medicare A & B
    - Medicare Part D penalty will apply if there is no creditable coverage for 63 consecutive days
Cost Plan Enrollee – Not Deemed, Cost Plan w/ Part D

• Cost Plan and Part D will be ending December 31st, 2018
• Options:
  – Enroll into a Medicare Advantage Plan
    • October 15th, 2018 – March 31st, 2019
  – Purchase a Medigap Policy
    • November 2nd, 2018 – March 4th, 2019
  – Return to Original Medicare A & B

*Medicare Part D penalty will apply if there is no creditable coverage for 63 consecutive days

---

Cost Plan Enrollee – Not Deemed, Cost Plan w/ stand-alone Part D

• Cost Plan will be ending December 31st, 2018. Part D plan will continue, if unchanged, into 2019
• Options:
  – Enroll into a Medicare Advantage Plan
    • October 15th, 2018 – March 31st, 2019
  – Purchase a Medigap Policy
    • November 2nd, 2018 – March 4th, 2019
    • Any changes to Part D would need to happen between Oct. 15th and Dec. 7th
  – Return to Original Medicare A & B
    • Medicare Part D penalty will apply if there is no creditable coverage for 63 consecutive days
### Key Differences Between Insurance Plan Types

<table>
<thead>
<tr>
<th>Medigap</th>
<th>Medicare Advantage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Limited Guaranteed Issue</td>
<td>Guaranteed Issue (except ESRD)</td>
</tr>
<tr>
<td>Standardized - plans by all companies the same</td>
<td>Provisions vary by company and plan</td>
</tr>
<tr>
<td>No provider network (except Medicare SELECT)</td>
<td>Provider networks - can change</td>
</tr>
<tr>
<td>Policy provisions never change</td>
<td>Annual contracts - change every year on Jan. 1</td>
</tr>
<tr>
<td>Portable - good anywhere in the US</td>
<td>Must live in service area – travel rules</td>
</tr>
<tr>
<td>No Rx coverage - need a separate drug plan</td>
<td>Includes Rx coverage - cannot have separate Rx</td>
</tr>
<tr>
<td>Few non-Medicare benefits</td>
<td>Dental, vision, hearing, gym membership, etc.</td>
</tr>
<tr>
<td>Can change plan at company’s discretion</td>
<td>Can change plans annually</td>
</tr>
</tbody>
</table>

### Extra Help & Assistance Programs

- **Low Income Subsidy – Social Security Application**
  - Full and Partial Extra Help available
  - Monthly income maximum: $1,528 single / $2,050 couple
  - Asset maximum: $13,820 single / $27,600 couple

- **Medicare Savings Programs – County Application**
  - QMB: income max. $1,032 single / $1,392 couple (+ asset limit)
  - SLMB: income max. $1,234 single / $1,666 couple (+ asset limit)
  - QI: income max. $1,386 single / $1,872 couple (+ asset limit)

- **Medical Assistance – County Application**
- **Prescription Assistance Programs**
A non-profit organization that serves Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington Counties

Serves older adults, people with disabilities, and those who care for them, through a system of information, assistance, education, and support

Mission: Assist individuals to age successfully and develop the capacity of communities to care for an aging population

Senior LinkAge Line®
1-800-333-2433
Link to a Local Aging Expert

- Statewide information & assistance for seniors, families, and caregivers
- Designated State Health Insurance Assistance Program (SHIP) for the State of Minnesota
- No cost to access our service
- Language Line for non-English speaking callers
- Hours: Monday-Friday 8:00 a.m.- 4:30 p.m.
- A service of the six Area Agencies on Aging in partnership with the MN Board on Aging
Goals of Senior LinkAge Line

- Keep people independent by connecting them to home and community-based options.
- Provide information so that individuals can make informed choices & decisions about services and benefit programs.

Our policy is to provide comprehensive and objective information – we do not recommend any person, product, service, agency or program.

Health Insurance Counseling

- Available to persons with Medicare of any age
- Counseling via telephone or in-person at community sites by state-certified Senior LinkAge Line staff and volunteers
- All information is kept confidential
- We provide comprehensive, objective information – we do not recommend any person, product, service, agency or program
- Assistance provided includes: Medicare benefits/eligibility, Medical Assistance, health insurance options, long-term care insurance options, filing insurance claims or appeals, completing forms and applications, prescription drug costs
More Information

- Metropolitan Area Agency on Aging
  - [www.metroaging.org](http://www.metroaging.org)
- Senior LinkAge Line®
  - 1-800-333-2433
  - [www.minnesotahelp.info](http://www.minnesotahelp.info)
- Minnesota Board on Aging
  - [www.mnaging.org](http://www.mnaging.org)
- Medicare
  - 1-800-MEDICARE
  - [www.medicare.gov](http://www.medicare.gov)
  - 1-800-447-8477 to report fraud/abuse