

Annual Medicare Update

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m MINNESOTA
BOARD ON AGING

Senior
LinkAge Line®
1-800-333-2433
LINK TO A LOCAL AGING EXPERT

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Medicare Parts A & B Costs – 2020

- Medicare **Part A Premium** – most often \$0
 - Medicare **Part A Deductible** - **\$1,408** (per benefit period)
 - Per day copayment starts after 60 days in the hospital (per benefit period)
- Medicare **Part B Premium:**
 - **\$144.60**/month for new beneficiaries
 - SSA will inform current beneficiaries of their new premium
 - Medicare **Part B Deductible** - **\$198 per year**
 - Beneficiary pays 20% coinsurance for Part B services

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Key Differences Between Insurance Plan Types

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

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What's New for Medicare Advantage?

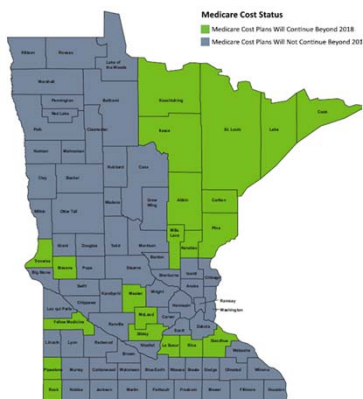
- Expanded M.A Health-Related Supplemental Benefits
 - In MN, there will be:
 - Plans that will offer supplemental benefits but only to enrollees that meet certain conditions
 - Based on assessment done by plan
 - Will vary from beneficiary to beneficiary
 - Plan decides who will get the supplemental benefits

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Has the Medigap policies changed?

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Medicare Cost Plans:

- Many ended in 2019 in many Minnesota Counties
- One can use the plan's network for lowest cost or go outside the network and fall back on Original Medicare A& B
- May include Part D coverage or can be purchased separately
- No new plans will be added. Current plans will continue in 2020 in the 21 counties

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Medicare Part D: Prescription Drugs

- Private insurance plans approved by Medicare
- Types of drugs covered:
 - Drugs that are not covered by Medicare Part A or B
 - Drugs that are approved by the FDA
 - Drugs used and sold in the U.S.
 - Drugs used for medically-accepted indication
 - Drugs available only by prescription
 - Shingles vaccine
 - **Must be on "formulary" of the drug insurance plan selected**

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Medicare Part D: 2020 Information

- Maximum deductible - **\$435**
- Plan Formularies
 - List of prescription drugs covered by the plan
 - May not include all drugs
 - If drug is not covered, usually will cover a similar drug that is safe and effective
 - Must include more than one drug in each classification
 - May have "tiers" that cost different amounts (may have more than 3 tiers)
 - Example:
 - Tier 1 – Generic Drugs: cost the least amount
 - Tier 2 – Preferred brand-name drugs: costs more than Tier 1
 - Tier 3 – Non-preferred brand name drugs: most costly
- Elimination of Gag Clauses

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Annual Open Enrollment (Part D)

- October 15 – December 7
 - Plan enrollment effective date will be January 1
 - Beneficiaries may join, drop or switch coverage
- For all policies that include prescription drug coverage
 - Stand alone Part D plans
 - Medicare Advantage plans & Cost Plans that include prescription drug coverage
- **Note:** *Veterans may not need to carry Part D*

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Medicare Plan Finder Tool

- Inaccuracies in premiums, for example, a plan might show a 0.00 premium when it charges a premium
- Inaccuracies regarding prescriptions drug costs under Medicare Advantage and standalone prescription drug plans.
- Inaccuracies in costs under the Extra Help subsidy (LIS).
- Also possible errors in the drug formularies and the listed “preferred pharmacies.”
- Exceptional Circumstance Special Enrollment Period.
 - **Available all year**
 - Approval needed through Centers for Medicare and Medicaid (CMS)

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Medicare Advantage Enrollment Period

- January 1– March 31
 - For all those enrolled in a Medicare Advantage plan
 - A chance to switch to a different Medicare Advantage Plan or return to Original Medicare w/ a stand-alone drug plan
 - Effective the 1st day of the following month
- Annual Period
- **Remember:** you cannot have both a Medicare Advantage Plan and a separate Part D drug plan

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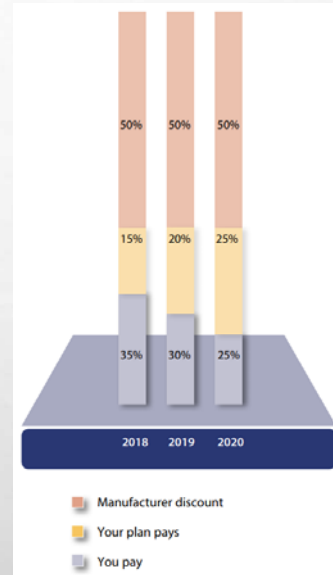
Phases of Part D Drug Coverage

- Maximum deductible- up to **\$435** for 2020
- Initial Coverage Period- Plan pays 75% of drug costs and beneficiary pays 25%
- “Donut Hole”-**Gone in 2020**
 - Brand-Name Drugs-75% discount; beneficiary pays 25%
 - Generic Drugs-75% discount; beneficiary pays 25%
- Catastrophic Coverage-Begins when total amount spent during Initial Coverage Period is **\$9,038.75**. Beneficiary then pays 5% co-insurance or \$3.60/\$8.95 per drug (whichever is greater)

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The Shrinking “Donut Hole”

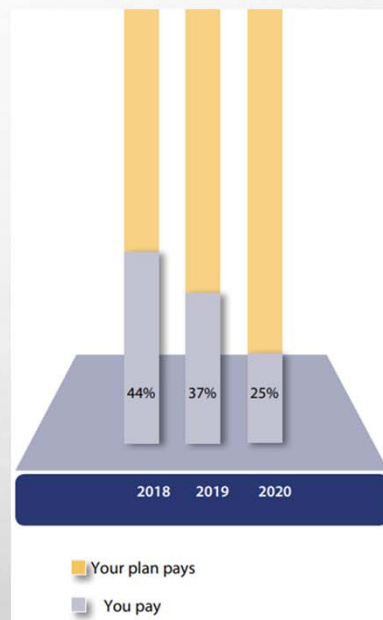
Brand-Name Prescription Drug Savings in the Coverage Gap:



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The Shrinking “Donut Hole”

Generic Prescription Drug Savings in the Coverage Gap:



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Extra Help & Assistance Programs

- Low Income Subsidy – Social Security Application
 - Full and Partial Extra Help available
 - Monthly income maximum: \$1,581 single / \$2,134 couple
 - Asset maximum: \$14,390 single / \$28,720 couple
- Medicare Savings Programs – County Application
 - QMB: income max. \$1,061 single / \$1,430 couple (+ asset limit)
 - SLMB: income max. \$1,269 single / \$1,711 couple (+ asset limit)
 - QI: income max. \$1,426 single / \$1,924 couple (+ asset limit)
- **Medical Assistance – County Application**
- **Prescription Assistance Programs**

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Seniors Partners Care (SPC)

- Program for people with incomes that are too high for public programs and too low to buy private coverage.
- **NOT INSURANCE** – a waiver of Medicare deductibles, coinsurance and co-payments. Check if your health care provider participates with the program by calling the SPC Administrator or provider's billing office.
- Administered by Senior Community Services: 1-888-541-5488
- Eligibility:
 - You must have Medicare Part A and Part B and no additional insurance.
 - You cannot be enrolled in a Medicare Advantage Plan, a Cost Plan or have Medigap insurance (stand alone Medicare Part D drug plans are OK).
 - You must apply, pay an enrollment fee, and renew annually.

Individual	Married Couple
Income is \$2,082 a month or less	Income is \$2,818 a month or less
Assets are \$51,500 or less	Assets are \$51,500 or less

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Metropolitan Area Agency on Aging



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

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The designated State Health Insurance Assistance Program (SHIP) for Minnesota

Statewide telephone info & assistance for seniors, families, and caregivers

Hours: Monday – Friday 8:00 a.m.- 4:30 p.m.

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Health Insurance Counseling

- Available to any Medicare Beneficiary
- Counseling via telephone or in-person at community sites
- All information is kept confidential
- We provide comprehensive, objective information – we do not recommend any person, product, service, agency or program

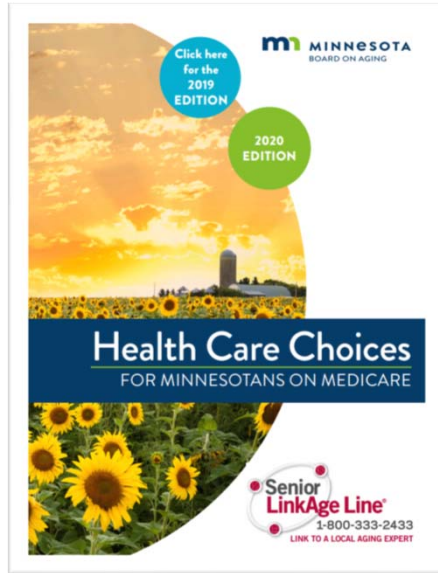


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More Information

- Metropolitan Area Agency on Aging
 - www.metroaging.org
- Senior LinkAge Line
 - 1-800-333-2433
 - www.minnesotahelp.info
- Minnesota Board on Aging
 - www.managing.org
- Medicare
 - 1-800 MEDICARE
 - www.medicare.gov
 - 1-800-447-8477 to report fraud/abuse

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www.mnhealthcarechoices.com

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Thank you!

Interested in Volunteering with the MAAA?

We are always looking for talented and enthusiastic volunteers to join our team! If you are interested, please call 1-800-333-2433 and ask to speak with our Volunteer Coordinator.

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