

Medicare and the Annual Election Period: 2024 Changes to Parts C & D



Presented by HICAP
The Health Insurance Counseling
and Advocacy Program
& Legal Assistance for Seniors

Legal Assistance for Seniors



- Our mission is to ensure the independence and dignity of seniors by protecting their legal rights through education, counseling and advocacy.
- Our legal, community education, and individual Medicare counseling services are all **free** of charge.
- LAS is a 501(c)(3) agency (non-profit) that has served seniors and others in Alameda county since 1976.

LAS Helps With...

- Government Benefits
(Social Security, SSI, CAPI)
- Senior Immigrant Issues
- Elder Abuse Prevention
- Kin Caregiver Issues
- Planning for the Future
- Health Care Coverage
(Medicare & Medi-Cal)
- Housing (limited case-by-case basis)



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Health Insurance Counseling and Advocacy Program (HICAP)



HICAP provides assistance with Medicare and related health insurance by offering **objective** information to consumers about their benefits and options.

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HICAP Services

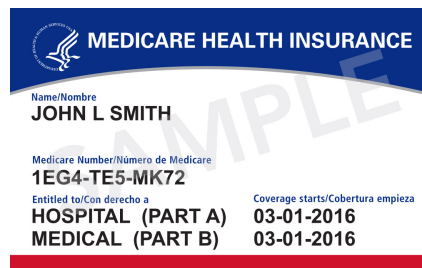
- LAS receives HICAP federal and state funds through the Alameda County Area Agency on Aging
- HICAP Counselors are registered with the state of California & must fulfill continuing education requirements
- LAS offers HICAP appointments at 30+ locations throughout Alameda County. (Phone counseling only during the Public Health Emergency)
- LAS/HICAP provides educational presentations throughout the county to help Medicare beneficiaries know their rights and options
- Difficult cases can be referred to the legal department
- All services are free



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What is Medicare?

- Federal government insurance program
- Health insurance coverage for people 65 and older, and for people with disabilities
- No financial eligibility requirements



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You are Eligible for Medicare if..

You are a U.S. citizen or legal permanent resident with **5** years continuous residence and...

- You are 65 or older
- You are under 65 and have been getting Social Security disability income (SSDI) for at least 24 months
- No waiting period if:
 - You have kidney failure (end stage renal disease)
 - You have ALS (amyotrophic lateral sclerosis), also known as Lou Gehrig's disease

Apply through the Social Security Administration:

www.ssa.gov or 1-800-772-1213

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Medicare Coverage Components:

Part A = Hospital Insurance

Part B = Medical Insurance

Part C = Medicare Advantage Plans

Part D = Prescription Drug Plans



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Medicare Part A Costs

Free if eligible for Social Security benefits:

- with 40 quarters (10 years) or more of work
- through spouse or former spouse
(previous marriage of 10 years or more)

If not automatically eligible, premium is:

-\$278/month with 30-39 quarters

-\$505/month with 29 or fewer quarters



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Medicare Part A Covers

Inpatient Hospital Care

- Deductible: \$1,632 per benefit period

Skilled Nursing

- Days 1-20: \$0 co-pay
- Days 21-100: \$204/day

Home Health Care

- Intermittent **skilled care** prescribed by doctor

Hospice

- Pain management program for terminally ill



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Medicare Part B Costs

- The Initial Enrollment Period is a 7-month window. It begins 3 months before your birth month, continues through your birth month, and lasts 3 months after your birth month.
- People who miss their IEP may qualify for a Special Enrollment Period (SEP) or they will have to enroll during the General Enrollment Period (GEP, Jan-March annually).

*As of January 1, 2023, people who enroll in month 5-7 will have their Part B effective in the month after they enroll, without delay.

*As of January 1, 2023, people who enroll in the GEP will no longer have to wait until July for coverage to become effective. It will begin the month following enrollment.

- Most Medicare beneficiaries will pay a standard premium of **\$174.70/month** in 2024.
- There are 2 costs associated with Part B:

Annual deductible = **\$240** Co-insurance = **20%**

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Medicare Part B Premium Costs

Individuals with incomes over \$103,000 and couples over \$206,000 pay more:

Beneficiaries who file an individual tax return with income:	Beneficiaries who file a joint tax return with income:	Total monthly premium amount per person
Greater than \$103,000 and less than or equal to \$129,000	Greater than \$206,000 and less than or equal to \$258,000	\$244.60
Greater than \$129,000 and less than or equal to \$161,000	Greater than \$258,000 and less than or equal to \$322,000	\$349.40
Greater than \$161,000 and less than or equal to \$193,000	Greater than \$322,000 and less than or equal to \$386,000	\$454.20
Greater than \$193,000 and less than \$500,000	Greater than \$386,000 and less than \$750,000	\$559.00
Greater than or equal to \$500,000	Greater than or equal to \$750,000	\$594.00

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Medicare Part B Covers

- Physicians
- Diagnostic Tests
- Rehabilitation Services
- Durable Medical Equipment
- Ambulance
- Mental Health Visits
- Outpatient physical, occupational, speech therapy



Aside from preventive benefits, care must be *medically necessary and reasonable*.

Medicare pays 80% of approved charges.

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New Part B Benefits in 2024

Medicare Advantage provider change notification

Plan is required to notify member of provider changes, including if provider is leaving plan, and provide access to qualified doctors and specialists. .

Lymphedema Compression Treatment Items

Coverage for prescribed gradient compression garments (standard or custom).

Telehealth

Telehealth services are continuing for 2024 and any beneficiary is eligible to receive telehealth services at any location in the U.S. Starting in 2025, you must be in an office, or medical facility located in a rural area to get most telehealth services. There are some exceptions, like mental health care.

Managing & Treating Chronic Pain

Beginning in 2024, Medicare will begin covering monthly services to treat chronic pain if it has been ongoing for more than three months.

Mental Health Care Benefits

Starting in 2024, Medicare will begin covering intensive outpatient program services provided by hospitals, community mental health centers, and other locations for mental health purposes.

*These benefits are subject to Part B cost sharing

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Preventive Benefits Under Part B Covered in Full

- | | |
|--|---|
| <ul style="list-style-type: none"> • Welcome to Medicare Exam • Annual Wellness Visit • Breast Cancer Screening • Cervical Cancer Screening including Human Papillomavirus (HPV) Testing • Colon Cancer Screening • Annual Fecal Occult Blood Test (for people 50 and over) • Colonoscopy • Flexible Sigmoidoscopy • Diabetes Screening | <ul style="list-style-type: none"> • Heart Disease Screening • Nutritional Therapy for people with diabetes, ESRD, or a kidney transplant • Osteoporosis Screening • Prostate Cancer Screening • Smoking Cessation Counseling • Vaccinations <ul style="list-style-type: none"> • Flu • Pneumonia • HEP C (high risk) • COVID-19 • Shingles |
|--|---|



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New Preventive Benefits in 2024

Starting in 2024

The RSV and COVID Vaccines are now included as preventative



Reminder of benefits added in 2022 and 2023

Starting in 2023, people with Medicare drug coverage pay nothing out-of-pocket for adult vaccines recommended by the Advisory Committee on Immunization Practices (ACIP), including the shingles and Tetanus-Diphtheria-Whooping Cough vaccines

2022 benefits

- Bariatric Surgery when certain conditions related to morbid obesity exist
- Cognitive Assessment & care plan services
- Blood-based biomarker test
- COVID-19 related services
- Added opioid risk assessment in “Welcome to Medicare” and yearly “Wellness” visit

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Exclusions from Medicare Coverage

- Routine dental care
- Routine vision care
- Routine hearing care
- Routine foot care
- Cosmetic Surgery
- Experimental Procedures
- Personal care at home or in a nursing home
(long term care)



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Appeal Rights for Part A&B

File an appeal when:

- A service or item isn't covered
- Payment for a service or item is denied
- Question the amount Medicare paid

Note: Services or items must be **medically necessary** to be covered

Five separate levels

- Initial decision by Medicare
 - Redetermination by Medicare
 - Reconsideration by Independent Contractor
 - Hearing by Administrative Law Judge
 - Review by Medicare Appeals Council
 - Lawsuit in Federal District Court
- Pay attention to deadlines, and note that the amount you're disputing may determine your options at later stages of the process

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Medicare Part D Benefit

Separate insurance plans to cover prescription drugs

- Offered through private insurance companies
- In California in 2024:
 - **23 stand-alone plans**
 - **3 Benchmark plans**



**The Inflation Reduction Act caps insulin costs at \$35/month beginning in 2023.*

Plans vary in premiums, co-insurance, and formularies (lists of covered drugs)

- Must offer at least two choices in each drug category
- Different pricing tiers of drugs
- Pharmacy network for each plan
- Exceptions (appeals) process for non-formulary drugs
- Can use www.Medicare.gov Plan Finder

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Medicare Part D Enrollment

Annual Election Period:

- **October 15th - December 7th**
- Enrollment takes effect January 1
- Enroll through www.medicare.gov or directly with the company



Penalty for late enrollment unless one has *creditable coverage* (other coverage that is as good as or better than standard Part D benefit)

Penalty = 1% of national average premium (\$34.70) times the number of months eligible but not enrolled

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Medicare Part D Standard Benefit 2024

Part D Benefit Cost Periods	Costs and Who Pays	Beneficiary Pays (TrOOP)	Plan Pays	Total Amount Spent on Plan-Covered Drugs
Initial Deductible	Beneficiary pays 100%	Up to \$545	\$0	\$545 (Amount spent on deductible, before ICP begins)
Initial Coverage Period (ICP)	Costs of covered drugs are shared: 25% by beneficiary, 75% by plan	Up to \$1,257.50* *maximum an individual would pay if in plan with no deductible	\$3772.50	\$5,030 (Amount spent during ICP including applicable deductible, before Coverage Gap begins)
Former Coverage Gap ("donut hole")	<p>While the Part D coverage gap ("donut hole") officially closed in 2020, that does not mean beneficiaries don't have to share a portion of costs after the ICP:</p> <ul style="list-style-type: none"> The beneficiary will continue to pay 25% for both generic drugs and brand-name drugs, plus a small portion of the pharmacy dispensing fee (approx. \$1-\$3) The plan pays 75% of the cost of generic drugs and 5% for brand-name drugs. The drug manufacturer provides a 70% discount on brand-name drugs. <p>Note about True Out-of-Pocket (TrOOP) costs: The total amount spent in this period (up to \$6,333.75) includes:</p> <ul style="list-style-type: none"> The drug costs paid by the beneficiary, and The 70% discount on brand-name drugs provided by the drug manufacturer. <p>Payments made by the plan during this period (75% on generics, 5% on brand-name drugs) do not count toward TrOOP.</p>			<p>Up to \$6,333.75 (Total amount spent during the period between the end of the ICP and prior to the Catastrophic Benefit Period)</p> <p>\$12,447.11 (Total amount spent during both the ICP and this period, before Catastrophic Benefit Period begins)</p>
Catastrophic Benefit Period	When an enrollee's total out-of-pocket spending reaches \$8,000, they hit the catastrophic benefits period. After this point, the beneficiary does not have to pay anything for their prescription drugs for the rest of the year.	\$0	100%	Beneficiary will remain in the Catastrophic Benefit Period through December 31, 2024. Part D benefit will reset on January 1, 2025, starting again with a deductible.

Source: 2024 Call Letter (pp. 140-142) at: <https://www.cms.gov/files/document/2024-announcement-pdf.pdf>



Extra Help for Part D Costs

- Also called the **Low-Income Subsidy (LIS)**
- For those with limited incomes and assets:
 - Individual: **\$1,823/month income; \$16,660/assets**
 - Couple: **\$2,466/month income; \$33,240/assets**
- Pays all or part of the prescription drug plan premiums, deductibles, and co-pays
- Benchmark or "standard" plans have \$0 premium for people who qualify for full LIS
- No gap or "donut hole"
- Can change Part D plans once/quarter in the first 9 months of the year
- Apply through Social Security: www.ssa.gov



Appeal Rights for Part D

If your pharmacist tells you that:

- You are taking a drug that is not on or has been removed from the formulary
- A non-formulary drug is prescribed and is medically necessary
- The co-payment for a drug you are taking changes and you can't afford the new amount you are required to pay
- You are asking the plan to cover a non-preferred drug at the preferred drug cost

▪ Then you have the right to request a coverage determination or exception from your plan

If the plan issues a coverage determination that is not in your favor, or doesn't grant an exception, you can appeal the decision

There are five levels of appeal:

- Redetermination by the Part D Plan
- Reconsideration by the IRE
- Hearing with an ALJ
- Review by Medicare Appeals Council
- Review by a Federal Court

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Ways to Supplement Medicare

- Medigap Plans
- Medicare Advantage Plans
- Employer/Retirement Plans
- Tri-Care for Life
- VA Benefits
- Medi-Cal
- Medicare Savings Programs

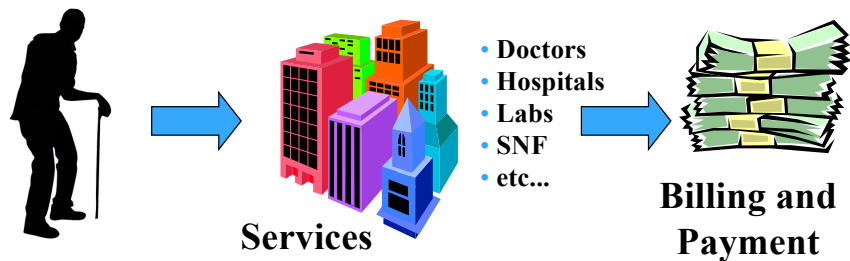


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In the Fee-for-Service System: (Original Medicare)

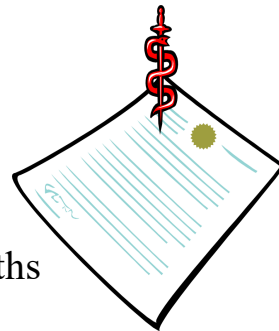
- First, the person receives treatment from a Medicare provider of their choice.
- Then Medicare, the supplemental insurance plan, and the person are billed.



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Medigap Policies and the Fee-for-Service System

- 11 “standardized” policies
- Policies pay after Medicare pays
- No network restrictions
- Policies fill Medicare “gaps,”
- Co-insurance, deductibles
- Guarantee Issue Period for 6 months
from the date Part B starts
- All companies must offer Plan A
(the basic benefit package)



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Part C: Medicare Advantage Plans



Insurance companies contract with Medicare on annual basis...

and create networks of local medical groups & hospitals

The MA plan receives an upfront monthly payment from Medicare for each enrollee

Then the MA plan provides and coordinates the services to its members.

Plan offerings and costs vary by county

Premiums and benefits can change annually

Compare health and drug plans at:

www.medicare.gov

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MA Enrollment and Eligibility

- Annual Election Period:
October 15 - December 7
- Medicare Advantage Open Enrollment Period
January 1 – March 31
- Generally, people can change plans in these periods
- Enroll through www.medicare.gov or directly with the company
- Eligibility: Must have Medicare Part A & Part B
 - Beneficiaries who have ESRD are eligible as of 1/1/2021
 - Most MA plans include Part D drug coverage

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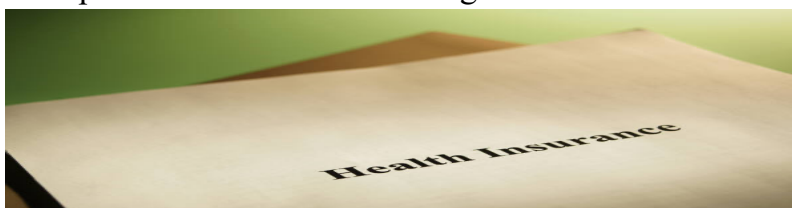
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Medicare Advantage Plans

- **Health Maintenance Organizations (HMOs)**
- **Preferred Provider Organizations (PPOs)**
- **Private Fee For Service Plans (PFFS)**
- **Medical Savings Accounts (MSAs)**
- **Special Needs Plans (SNPs)**



*Most plans include Part D coverage



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Alameda County Medicare Advantage Plans 2024

Aetna:

Medicare Core PPO	\$0
Medicare Eagle HMO	\$0 (no RX coverage)
Medicare Eagle Plus PPO	\$0 (no RX coverage)
Medicare Elite PPO	\$0
Medicare Plus HMO	\$0
Medicare Select HMO	\$0
Medicare Value Plus HMO-POS	\$13.70

Alignment Health Plan:

CalPlus + Veterans HMO	\$0
Harmony HMO	\$0
My Choice CalPlus HMO	\$0
Select HMO	\$0

Anthem Blue Cross:

Prime HMO	\$0
Select HMO	\$0

Blue Shield of CA:

Inspire HMO	\$18.50
Select PPO	\$57

Brand New Day:

Classic Care I HMO	\$37.60/\$0
Classic Care II HMO	\$0

Central Health Medicare Plan

Premier Plan I HMO	\$0
Premier Plan II HMO	\$41/\$0

“Mirror/Look Alike” are for any beneficiary for a monthly premium. For those with Medicare and full Medi-Cal (duals); they have \$0 premiums, few copays, and include Part D coverage with the full subsidy.³⁰

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Alameda County Medicare Advantage Plans 2024

Imperial Health Plan of CA:

Imperial Courage HMO (no RX coverage)	\$0
Imperial Dynamic HMO	\$0
Imperial Strong HMO	\$0
Imperial Traditional HMO	\$0

Kaiser:

Senior Advantage Basic Alameda HMO	\$0
Senior Advantage HMO	\$70

SCAN Health Plan:

Classic HMO	\$0
My Choice HMO	\$0

United Health Care:

AARP Medicare Advantage From UHC HMO	\$25
Canopy Health HMO	\$46
Medicare Advantage	
CA-001A HMO	\$27.50/\$0
AARP Medicare Advantage From UHC	
CA-0023 PPO	\$44
CA-0032 PPO	\$0

“Mirror/Look Alike” are for any beneficiary for a monthly premium. For those with Medicare and full Medi-Cal (duals); they have \$0 premiums, few copays, and include Part D coverage with the full subsidy.

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Alameda County MA Plans for People with Special Needs in 2024

C-SNPs, D-SNPs, and I-SNPs are for those with certain chronic conditions, those with Medicare and full Medi-Cal (duals), or those in skilled nursing/long-term care facilities. D-SNPs have \$0 premiums and few co-pays and they include Part D coverage with the full low-income subsidy:

Aetna:

Medicare Preferred D-SNP	\$0
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Align Senior Care:

Memory Care C-SNP (Dementia)	\$0
Kidney Care C-SNP (ESRD w/dialysis)	\$41
Premier Care I-SNP (LTC Facility or Home)	\$0
Senior Care I-SNP (LTC Facility or Home)	\$41

Alignment Health Plan:

Heart and Diabetes C-SNP	\$0
Heart and Diabetes CalPlus C-SNP	\$8.50

Anthem Blue Cross:

Dual Advantage D-SNP	\$0
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Brand New Day:

Dual Access D-SNP	\$0
Embrace Care Plan C-SNP (Cardiovascular disorders, chronic heart failure, and diabetes)	\$0
Embrace Choice Plan C-SNP (Cardiovascular disorders, chronic heart failure, and diabetes)	\$41

Central Health Medicare Plan

Focus Plan C-SNP (Cardiovascular disorders, chronic heart failure, and diabetes)	\$0
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Alameda County MA Plans for People with Special Needs in 2024

Imperial Health Plan of CA:

Senior Value C-SNP (Cardiovascular disorders, chronic heart failure, and diabetes)	\$0
Dual D-SNP	\$0

Kaiser

Medicare Medi-Cal Plan North D-SNP	\$0
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SCAN:

Balance C-SNP (Diabetes)	\$0
Heart First C-SNP (Cardiovascular disorders and chronic heart failure)	\$0

PACE plans operate like SNPs, but provide additional services and have more eligibility restrictions

- age 55+
- at risk of institutionalization
- **Center for Elders Independence: \$0**
 - for those with Medicare and full Medi-Cal
 - North & Central County only
- **On Lok Lifeways: \$0**
 - for those with Medicare and full Medi-Cal
 - South County only



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Appeal Rights for Part C

Medicare Advantage plans must cover all the services offered under Medicare

- Common appeal situations include:
- You have been denied payment for using medical services received outside the MA plan in emergency/ urgent care services
 - Your MA plan refused/failed to give you treatment in a timely manner
 - Your MA plan discontinues services you believe are still medically necessary

Five separate levels

- Redetermination by MA Plan
- External Review by IRE
- Administrative Law Judge Review
- Departmental Appeals Board
- Federal Court
- Dollar amounts and time limits apply

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Medi-Cal

- California's version of Medicaid
- For those who have low incomes and limited assets
- Pays for "medically necessary" health care and treatment
- Always the payer of last resort
- Income limits for aged, blind, disabled:
 - **\$1,696/individual; \$2,288/couple**
- Asset limits for Medi-Cal:
 - **\$130,000/individual; \$195,000/couple**



Medi-Cal Elimination of Asset Limit

Starting in 2024, California will be eliminating the asset limit for the Aged, Blind & Disabled program. This means that beneficiaries will only need to meet the income requirements to be eligible for full Medi-Cal benefits. This puts the ABD Medi-Cal requirements in line with MAGI Medi-Cal.

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Medicare Savings Programs

Federal programs for those who have low incomes and limited assets:

Qualified Medicare Beneficiary (QMB)

- Pays Medicare Part A & B premiums, deductibles, and co-insurances
- Income Limits: **\$1,235 (single); \$1,644 (couple)**
- Asset Limits: **\$130,000 (single); \$195,000 (couple)**



Medi-Cal Elimination of Asset Limit

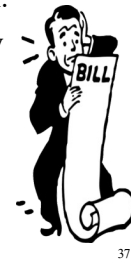
Starting in 2024, California will be eliminating the asset limit for the Medicare Savings Programs. This means that beneficiaries will only need to meet the income requirements to be eligible for the Medicare Savings Program benefits.

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Balance Billing Not Allowed for Full Duals

- Can your provider bill you if you have Medicare and Medi-Cal and/or the Medicare Savings Program called QMB???
- This is called “**Balance Billing**” and is **not allowed**.
- Some providers are not aware that they cannot bill for deductibles, co-payments, or co-insurance.
- Federal and State laws say that Medicare and Medi-Cal payments received by the provider must be considered payment in full.
- You have no legal obligation to pay anything further for any Medicare cost sharing.
- **Do not ignore the bills** that may come;
 - Talk to the doctor’s office or **call HICAP** for help.



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A Word About Medicare Fraud

Every year the Medicare program loses **billions** of dollars to waste, fraud, and abuse

-estimated at 10% of Medicare budget

Fraud fighting efforts:

-Federal Task Force = HEAT

www.stopmedicarefraud.gov

-Senior Medicare Patrol Programs



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Report Medicare Fraud

HICAP: 1-800-434-0222

CA Senior Medicare Patrol:

1-855-613-7080

Medicare: 1-800-MEDICARE

Office of Inspector General:

1-800-447-8477

FTC ID Theft Hotline:

1-877-438-4338



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More Resources



Medicare www.medicare.gov **1-800-MEDICARE**

Comparison and quality of care information on Medicare Advantage and Prescription Drug Plans; questions and complaints related to Medicare; help with plan comparisons and enrollment

CA Department of Insurance www.insurance.ca.gov

1-800-427-9357

Consumer information, including marketing guidelines for the AEP; Medigap company list and sample premiums; long term care insurance info; complaints regarding insurance policies and agents; marketing advisories

California Health Advocates www.cahealthadvocates.org

Consumer information about Medicare and related health insurance topics for California beneficiaries (Fact sheets by subscription)

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For an Appointment

with a HICAP Counselor call **(510) 839-0393**
or statewide (800) 434-0222

www.lashicap.org



Are you looking for rewarding volunteer opportunities? Call our office and ask to speak with the Volunteer Coordinator for more information about how you can become a Medicare counselor with HICAP.

If you would like us to present this information to a group or organization you know, please call our office and ask for the community education department or speak to us before you leave.

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