# Module 11:
# Medicare in a Nutshell

Maryland Department of Health
Prevention and Health Promotion Administration

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# About *Alive!* Maryland


The **Maryland Department of Health** has engaged with **HealthHIV** to launch *Alive! Maryland*, the first-ever comprehensive capacity building initiative for the infectious disease and primary care workforces in the State of Maryland.

For more information on this initiative and a listing of trainings, resources, and events, please visit

**www.alivemaryland.org**

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# Services

POINT TO POINT
*Technical Assistance Services*

- Individualized trainings and technical assistance
- CME-eligible virtual trainings and self-paced curricula

ACCESS POINT
*On-Demand Training Resources*

- Downloadable resources and toolkits for community partners
- Interactive MDH training calendar

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# CBA and Training Core Content Areas

- Effective HIV, Viral Hepatitis, STI Prevention, Care, and Treatment Programs for specific populations
- Health Equity
- Financial and Grants/Management/Compliance
- Care and Treatment
- Organizational and Infrastructure Development
- Prevention and Surveillance
- Ending the HIV Epidemic (EHE)

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# Objectives

The purpose of this presentation is to:

- give a brief overview of the Medicare program
- highlight features of Medicare Part D coverage and assistance programs


Medicare.gov
CMS.gov
Maryland Department of Aging (SHIP): **https://aging.maryland.gov/Pages/state-health-insurance-program.aspx**

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## Medicare in a Nutshell

# Overview of the Medicare Program

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# Medicare and HIV

**Medicare is the largest source of federal funding for HIV/AIDS care in the U.S. Approximately one quarter of people with HIV who are in care get their health coverage through Medicare. In 2018, 46.1% of RWHAP clients were age 50 years and older, and this is projected to rise to two-thirds by 2030.**

**What is the top challenge at your organization for supporting Medicare enrollment and coverage?**

- For example: Understanding the different parts of Medicare
- Assisting clients with Medicare enrollment
- Assisting clients who are dually eligible for Medicare and Medicaid
- Knowing where to refer clients for external Medicare enrollment support

**Primary pathways for Medicare eligibility**

- To enroll in Medicare, an individual must be a U.S. citizen or a legal resident for at least five years (with some exceptions).
- Three potential pathways:
- Age 65 or older
- Under 65 with qualifying disability
- Have end stage renal disease

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# Medicare and HIV

**United States Preventive Services Task Force:**

- Medicare provides coverage of both standard and Food and Drug Administration approved rapid HIV screening tests for eligible beneficiaries.
- Guidelines recommend screening for HIV infection in adolescents and adults aged 15 to 65 years.
- Adolescents, younger adults, pregnant women and older adults are at risk for HIV and should be screened if covered by Medicare.

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# Medicare and HIV

- Medicare spending on managing HIV infection exceeds $6 billion annually
- Medicare beneficiaries with HIV infection could become Medicare eligible in the 25th month of SSDI disability or at age 65
- Short-term skilled nursing facility care, yes; long-term nursing care, no

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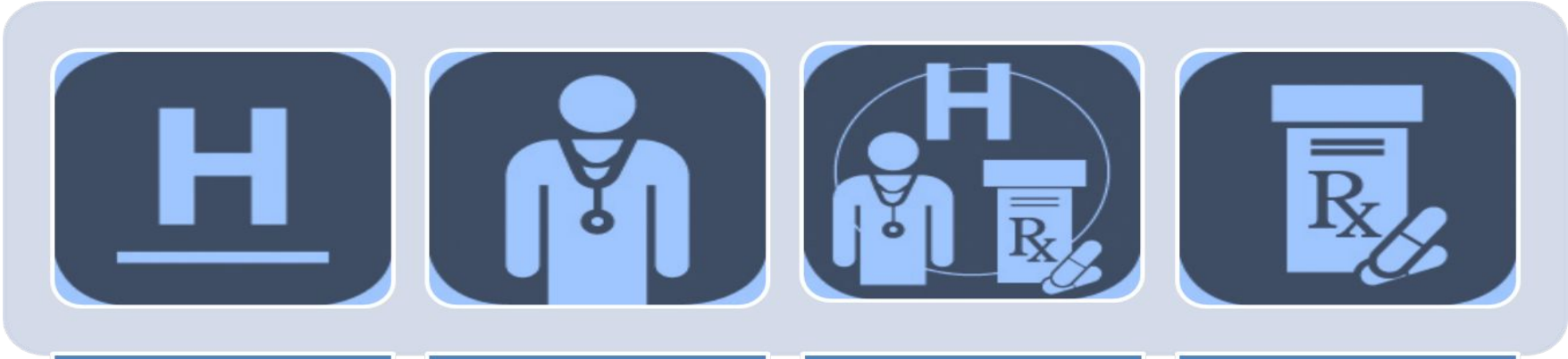
# Transitions to Medicare

- If you become eligible for premium-free Medicare Part A, but are not enrolled, you are no longer eligible to use the *Exchange* to enroll in Medicaid or receive a subsidy for a qualified health plan (QHP). If you are enrolled in Medicare A and/or B, you can not buy a QHP through the *Exchange*.
- You may apply for other MA programs for Medicare beneficiaries through your local Department of Social Services, if you qualify for financial help.
- If you are a legal resident, less that 5 years, or required to pay Part A premiums, you may still be eligible to use the *Exchange* to enroll in a QHP.
- Transitions between Medicaid, qualified health plans and Medicare, may result in changes in the providers and services that are available to clients.

# The 4 Parts



| Part A | Part B | Part C | Part D |
| --- | --- | --- | --- |
| Hospital Insurance | Medical Insurance | Medicare Advantage Plans (like HMOs/PPOs) Includes Part A, Part B and sometimes Part D coverage | Medicare Prescription Drug Coverage |

# Medicare Coverage Options

When you first enroll in Medicare, and during certain times of the year, you can choose how you get your Medicare coverage

**There are 2 main ways to get Medicare**


**Note:** Medicare Supplement Insurance (Medigap) policies only work with Original Medicare.



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# Parts A and B

## Medicare Enrollment

- Automatic enrollment for those receiving
  - Social Security benefits
  - Railroad Retirement Board benefits
- Initial Enrollment Period Package
  - Mailed 3 months before beginning of
    - Month of 65th birthday, or
    - 25th month of disability benefits
  - Includes your Medicare card


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# If It Isn't Automatic

- If you're not receiving Social Security income, you're not automatically enrolled
  - You need to enroll with Social Security
  - Call 1-800-772-1213, visit your local office or online at socialsecurity.gov
  - If retired from the Railroad, enroll with the Railroad Retirement Board (RRB), call your local RRB office or 1-877-772-5772
- You can first enroll during your Initial Enrollment Period (IEP) – 7 months
  - Begins 3 months before your 65th birthday
  - Includes the month you turn 65
  - Ends 3 months after you turn 65, your start date will be delayed

# If It Isn't Automatic

- Can enroll in premium-free Part A anytime after IEP begins
  - Don't have to be retired to get Medicare
- Can only enroll in Part B (and premium Part A) during IEP and other limited times
  - Annual enrollment: January 1 – March 31, effective July 1
  - Special enrollment periods (SEP) – up to 63 days after "creditable coverage" ends
- Beneficiary may have a penalty if not enrolled during IEP or eligible SEP
- If not deducted from Social Security income, beneficiary can
  - Be billed every 3 months, or
  - Enroll in Medicare Easy Pay to deduct premium(s) from bank account

# Medicare Part D

## Part D Enrollment

- Coverage is not automatically included with Part A or B enrollment – clients need to join a plan with a contracted private insurance carrier
- Initial Enrollment Period (IEP) follows timeframe of Part A and/or B eligibility and enrollment
- Annual Part D Open Enrollment period: October 15th to December 7th
- Enrollment in an assistance program or loss of creditable coverage provides a Special Enrollment Period (SEP) for Part D
- May have a penalty if you don't enroll during IEP or earliest eligible SEP

# Medicare Part D

## Part D Plan Formularies

- Medicare plans that provide Prescription Drug Coverage are required to include HIV/AIDS medications
- A Medicare Part D plan can remove a brand drug from the formulary mid year, if it adds a therapeutically equivalent generic drug to its formulary.
- If client's provider feels need brand – must ask plan for a formulary exception – if the exception is denied, then client's provider can go through the various levels of appeal.

# Medicare Part D

## Part D Coverage Options

- Medicare prescription drug coverage is provided through:
  - Medicare Prescription Drug Plans (PDP)
  - Medicare Health Plans that include a prescription drug plan (e.g. Medicare Advantage – HMO or PPO)

# MC Health Plans

## Medicare Advantage Plans (Part C)

- **MUST be on Medicare A and B**. These plans are a **substitute for Original Medicare – Part A and B.**
- Still in Medicare, but use Medicare Advantage Plan card, not the red, white and blue Medicare card, at point of service.
- Almost all include Prescription Drug Coverage (Part D)
- Many Include Extra Benefits (must read what exactly is covered), i.e., Vision, Hearing, Dental Services, routine physical exams
- Often low premiums (federal government subsidizes), typically are co-pays for each services. Limit on annual out of pocket medical expenses.

# MC Health Plans

## MA Open Enrollment/Re-introduction Period

- Annual Medicare Advantage Open Enrollment Period: January 1 to March 31
- Allows MA plan enrollees to:
  - Switch from a MA plan to another MA plan
  - Leave an MA plan, return to Original Medicare and enroll in Part D
- This enrollment period does not permit one to change Part D plans or initially enroll in an MA plan.

# Medigap Policies

- Sold by private insurance companies, fills gaps in Original Medicare (like deductibles, coinsurance, copayments)
- Covers one person (spouses need separate plans)
- All plans with same letter sold by different companies:
  - Have same coverage
  - Costs are different
- Individuals must have Medicare Part A (Hospital Insurance) and Part B (Medical Insurance)
- Plans do not cover the costs under other types of health coverage, including Medicare Advantage (MA) Plans, stand-alone Medicare drug plans (PDPs), employer/union group health coverage (GHP), Medicaid, Department of Veterans Affairs (VA) benefits, or TRICARE

# Medigap Plans

- Standardized plans identified by a letter (except in waiver states)
- Plans with the same letter must offer all the same benefits
- Companies don't have to sell all plans

| Plans Currently Sold | Plans that Exist, But Are No Longer Sold |
|---|---|
| A, B, C, D, F, G, K, L, M, and N | E, H, I, and J |

- Plans C and F are no longer available to people who became new to Medicare on or after January 1, 2020
- For help, contact the Maryland Insurance Administration or local State Health Insurance Assistance Program (SHIP)

# Medigap Plan Coverage

| | Medicare Supplement Insurance (Medigap) Plans | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Benefits** | **A** | **B** | **C** | **D** | **F*** | **G*** | **K** | **L** | **M** | **N** |
| Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used) | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Medicare Part B coinsurance or copayment | 100% | 100% | 100% | 100% | 100% | 100% | 50% | 75% | 100% | 100% *** |
| Blood (first 3 pints) | 100% | 100% | 100% | 100% | 100% | 100% | 50% | 75% | 100% | 100% |
| Part A hospice care coinsurance or copayment | 100% | 100% | 100% | 100% | 100% | 100% | 50% | 75% | 100% | 100% |
| Skilled nursing facility care coinsurance | | | 100% | 100% | 100% | 100% | 50% | 75% | 100% | 100% |
| Part A deductible | | 100% | 100% | 100% | 100% | 100% | 50% | 75% | 50% | 100% |
| Part B deductible | | | 100% | | 100% | | | | | |
| Part B excess charges | | | | | 100% | 100% | | | | |
| Foreign travel emergency (up to plan limits) | | | 80% | 80% | 80% | 80% | | | 80% | 80% |
| | | | | | | | Out-of-pocket limit in 2021** | | | |
| | | | | | | | $6,220 | $3,110 | | |

* Plans F and G also offer a high-deductible plan in some states. With this option, you must pay for Medicare-covered costs (coinsurance, copayments, and deductibles) up to the deductible amount of $2,370 in 2020 before your policy pays anything. (Plans C and F won't be available to people who were
newly eligible for Medicare on or after January 1, 2020.)
**For Plans K and L, after you meet your out-of-pocket yearly limit and your yearly Part B deductible ($203 in 2021), the Medigap plan pays 100% of covered services for the rest of the calendar year.
*** Plan N pays 100% of the Part B coinsurance, except for a copayment of up to $20 for some office visits and up to a $50 copayment for emergency room visits that don't result in an inpatient admission.

# The Best Time to Buy a Medigap Policy

The 6-month Medigap OEP:

- Begins the month person is 65 or older AND signed up for Medicare Part B (Medical Insurance); must have Part A
- Can't be delayed or repeated
- Medicare beneficiaries under age 65 have limited plan options, until OEP at 65

Applicants have protections—companies must sell a plan if individual is in the OEP.

- Companies can't do the following:
  - Refuse to sell an eligible beneficiary any Medigap policy they offer
  - Require a waiting period for coverage (there can be a waiting period for pre-existing conditions if beneficiaries don't have creditable coverage before the OEP)
  - Charge more because of a past/present health problem

# If Part B Enrollment is Delayed

If enrollment in Part B is delayed because a person or their spouse is currently actively working and has group health coverage:

- Medigap OEP will start when they are 65 **and** enrolled in Part B
- When the employer coverage ends, they will get a chance to sign up for Part B and won't have a late enrollment penalty

Reasons a person may want to delay enrolling in Medicare Part B

- Group health insurance often provides coverage similar to Part B
- Person would be paying for Part B before they need it
- Medigap OEP might expire before a Medigap policy would be useful

# Pre-existing Conditions and Medigap

- Pre-existing condition—Health problem for which a person was treated or diagnosed within 6 months before coverage start date
- Pre-existing condition waiting period:
  - Insurance companies can refuse to cover out-of-pocket costs for excluded condition for up to 6 months (“look-back period”)
- If person had at least 6 months of continuous prior creditable coverage (with no break in coverage for more than 63 days) insurance companies can’t make them wait before it covers their pre-existing conditions

# 2020 Medigap Changes

On January 1, 2020, Medigap plans sold to people new to Medicare stopped covering the Part B deductible

- Insurance companies are prohibited from selling standardized Plans C or F to newly eligible people with Medicare, who:
  - Turned 65 on January 1, 2020, or later
  - Are getting premium-free Part A as of January 1, 2020, or later.
- A person who wasn't "newly eligible for Medicare" on January 1, 2020, or later can apply to buy Plan C or Plan F. They'll only have guaranteed issuance if they're in their Open Enrollment Period or if they have guaranteed issue rights under other limited circumstances.

# 2020 Medigap Changes (continued)

- Insurance companies may sell Plans C or F to those getting Medicare retroactively with their Part A start date before January 1, 2020.
- Plans C and F will remain active for people who already had them
- Plans C and F are guaranteed renewable (unless the premiums aren't paid)
- No federal guaranteed issue right to transfer from Plans C or F to other plan types
- Check with carrier

## Medicare in a Nutshell

# Getting Part D Assistance

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# Help with Part D

## Assistance Programs

Assistance is available through federal and state programs to help clients cover drug costs not covered by Medicare Part D, the cost of Medicare Part D premiums and other Medicare cost, if applicable

- People with the lowest income and resources pay no premiums or deductibles, have small or no copayments and access to LI NET for interim prescription coverage
- People with slightly higher income and resources have a reduced deductible and pay a little more out-of-pocket
- Assistance programs also facilitate access to a Part D plan by providing special enrollment periods for eligible members

# Medicaid

| Dual Medicaid and Medicare |
| --- |
| **Qualified Medicare Beneficiary (QMB)**<br>MD Department of Social Services<br>(Asset limits) |
| **Specified Low-Income Medicare Beneficiary (SLMB)**<br>MD Department of Social Services<br>(Asset limits) |
| **Employed Individuals with Disabilities Program (EID)**<br>Administered by MDH<br>(Asset limits) |

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# Full Duals

## Maryland Medicaid (*Non-MAGI*)

- "Dual eligibles" receive premium and cost-sharing benefits under previously existing non-MAGI Medicaid programs
- Medicaid expansion does **not** change the rules for individuals who are eligible for both Medicaid and Medicare
- Eligibility for these benefits are based on the income and asset rules
- May result in significant changes for individuals who had Medicaid expansion before becoming Medicare eligible

# Full Duals Cont.

- Certain individuals qualify for Medicare and full benefit Medicaid coverage
  - Individuals who are disabled or over age 65 and who receive SSI as well as Medicare
  - Individuals who are disabled or over age 65 and whose income is 40% or less of the FPL
- Medicaid pays Medicare premiums and cost-sharing charges and “wraps” Medicaid to provide Medicaid services not picked up by Medicare
- If an individual over age 65 is in this medically needy group and not entitled to premium-free Medicare Part "A," the individual is required to apply for “buy-in” Medicare, for which Medicaid will pay the premium

# QMB/SLMB

## Qualified Medicare Beneficiary Program (QMB)

- Income limits: 100% or less of the FPL
- Asset limits (2022):  $9,900/individual or $15,600/couple (adjusted annually for inflation)
- Individuals are eligible to have their monthly Medicare Part "B" premiums, deductibles paid and Medicare co-pays, coinsurance capped by the Medical Assistance Program
- If an individual is enrolled in Medicare Part “B,” but is not entitled to free Medicare Part "A," Medicaid will pay the Part "A" premium as a buy-in benefit

# QMB/SLMB Cont.

**Specified Low Income Medicare Beneficiary Program (SLMB)**

- Income limits: 100% - 120% of the FPL
- Asset limits (2022):  $9,900/individual or $15,600/couple (adjusted annually for inflation)
- Individuals are eligible to have Medicaid pay their Medicare Part "B" premiums only
- Individuals with slightly higher incomes (120% - 135% FPL) can also qualify for SLMB benefits through the QI (SLMB II) program; QI beneficiaries must meet asset limitations of $9,900/individual or $15,600/couple (adjusted annually for inflation)

# EID

**Employed Individuals with Disabilities Program (EID)**

Administered by MDH

- To be eligible, individual must:
  - Be employed
  - Be disabled
  - Have <300% FPL of countable income
- Benefits:
  - Full fee for service Medicaid coverage
  - Wrap-around services for those with other health insurance or Medicare
- Asset limits: $10,000/individual or $15,000/couple (adjusted annually for inflation)
- EID clients are not eligible for MADAP

# Extra Help

| Low-Income Subsidy *(LIS)* |
| --- |
| **Full Low-Income Subsidy (LIS)**<br>Social Security Administration<br>(Asset limits) |
| **Partial Low-Income Subsidy (LIS)**<br>Social Security Administration<br>(Asset limits) |
| **Limited Income NET Program (LI NET)**<br>CMS/Humana<br>(Newly enrolled in Medicaid or LIS) |

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# Extra Help

## Low-Income Subsidy (*LIS*)

Apply through Social Security - online (ssa.gov) or call 1-800-772-1213

1. **Full Low-Income Subsidy *Extra Help***

   Income max: <135% FPL for individual or couple

   *Assets max: <$9,900 for individual, <$15,600 for couple

2. **Partial Low-Income Subsidy *Extra Help***

   Income max: 135-150% FPL for individual or couple

   *Assets max: <$15,510 for individual, <$30,950 for couple

*CY:2022

# LI NET Program

## Limited Income NET Program

The Centers for Medicare & Medicaid Services (CMS)created this program and contracted with Humana to provide:

1. **Point-of-Sale prescription drug coverage** for individuals with Medicare's Low-Income Subsidy (LIS, also called "Extra Help") who are not yet enrolled in a Medicare Part D prescription drug plan.
2. **Retroactive prescription drug coverage** for new "dual eligibles" -- those individuals who are newly eligible for both Medicare and Medicaid, or Medicare and Supplemental Security Income (SSI).

# MD SPDAP

## Maryland Senior Prescription Drug Assistance Program (SPDAP)

International Software Systems Inc. administers this program for the Maryland Department of Health

(Maryland residency: 6 months or more)

Income: <300% FPL for individual or couple
Assets not counted
Up to $50/month toward Part D premium
1-800-551-5995; Fax: 1-800-877-5156

# Closing for Module 11

Reviewed and summarized:

- resources of the State Health Insurance Assistance Program (SHIP) Counseling services
- the Medicare eligibility criteria, enrollment processes, premium costs and basic benefits
- Medicare supplement (Medigap) plans, and
- federal and state subsidies, cost savings and assistance programs,

Next: Module 12 – MADAP and Medicare

aspects of creditable coverage for Medicare eligible clients, union & retiree plans and special coverage groups.

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# Resources/References

- *Medicare Beneficiary handbook, forms and resources*
  Centers for Medicare & Medicaid Services (CMS)
  www.medicare.gov
  www.cms.gov

- Maryland Medicaid Programs
  Maryland Department of Health
  https://mmcp.health.maryland.gov

- KFF/Kaiser Family Foundation
  https://www.kff.org

- Maryland Insurance Administration
  http://insurance.maryland.gov

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# Resources/References

- State Health Insurance Assistance Program (SHIP)
  Maryland Department of Aging
  http://www.aging.maryland.gov/Pages/StateHealthInsuranceProgram.aspx

- Annual Update of the HHS Poverty Guidelines
  https://www.federalregister.gov/documents/2022/01/21/2022-01166/annual-update-of-the-hhs-poverty-guidelines

- Resource and Cost-Sharing Limits for Low-Income Subsidy (LIS)Maryland Department of Health
  https://www.cms.gov/Medicare/Prescription-DrugCoverage/LimitedIncomeandResources

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# Resources/References

- Social Security Administration (SSA)
  www.ssa.gov

- Senior Prescription Drug Assistance Program (SPDAP)
  Maryland Department of Health
  http://www.marylandspdap.com

- Medicare, Medicaid and Insurance Outreach & Education
  Centers for Medicare & Medicaid Services (CMS)
  https://www.cms.gov/Outreach-and-Education/Outreach-and-Education

- ACE TA Center/TargetHIV
  Ryan White HIV/AIDS Program (RWHAP)
  HIV/AIDS Bureau
  Health Resources and Services Administration (HRSA)
  https://targethiv.org/ac

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# Resources/References

- State Health Insurance Assistance Program (SHIP)
  Maryland Department of Aging
  http://www.aging.maryland.gov/Pages/StateHealthInsuranceProgram.aspx

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