Getting Ready for Medicare OEP: Common Questions

Shirley Thomas, Certified Medicare Counselor

470-552-3162

September 2023

SMP Senior Medicare Patrol
Preventing Medicare Fraud

ACL Administration for Community Living

SHIP State Health Insurance Assistance Program

What is SHIP ?

- The S.H.I.P. is a national program that offers one-on-one counseling and assistance to people with Medicare and their families. We provide free, factual, unbiased counseling and assistance via telephone, face-to-face sessions, presentations, programs, and media activities.
- Currently there are SHIPs in all 50 states and Washington, D.C., Puerto Rico, Guam, and the Virgin Islands.
- State Health Insurance Assistance program also known as SHIP. We do not attempt to sell or solicit for insurance companies.

Medicare

Part A (Hospital Insurance) helps cover:

- Inpatient care in hospitals
- Skilled nursing facility (SNF) care
- Hospice care
- Home health care

Part B (Medical Insurance) helps cover:

- Services from doctors and other healthcare providers
- Outpatient care
- Home health care
- Durable medical equipment (like wheelchairs, walkers hospital beds, and other equipment)
- Many preventive services (like screenings, shots or vaccines, and yearly “Wellness” visits)

Drug coverage (Part D) helps cover:

- Helps cover the cost of prescription drugs (including many recommended shots or vaccines)
- Plans that offer Medicare drug coverage are run by private insurance companies that follow rules

Medicare Advantage Plans (Part C)

An alternative to Original Medicare, these plans may:

- Have a yearly maximum out of pocket cost
- Require you to use doctors who are in the plan's network (in most cases)
- Offer some extra benefits like vision, hearing, and dental services

☑ Part A

☑ Part B

Most plans include:

☑ Part D

☑ Some extra benefits

Some plans also include:

☐ Lower out-of-pocket costs

Medicare Innovation Projects

What they do:

- Help find new ways to improve health care quality and reduce costs
- Operate for a limited time and for a specific group of people and/or are offered only in specific areas
- Examples of current models include:
  - Accountable Care Organizations (ACO) Realizing Equity, Access, and Community Health Reach Model
  - Comprehensive Care for Joint Replacement Model
  - Kidney Care Choices Model
  - Enhancing Oncology Model
  - Primary Care First Model Options

Agenda

- Special Enrollment Periods & Conditions
- Low Income Subsidy
- Plan Sanctions & Suppressions
- Medicare Advantage Supplemental Benefits
- Inflation Reduction Act
- Unwinding – Medicaid Renewal

SPECIAL ENROLLMENT PERIODS & CONDITIONS

5-Star Special Enrollment Period

- 5-Star SEP: Dec 8th -Nov 30th
- Beneficiaries can use this period to enroll in any 5-star Medicare plan in their area outside of the annual OEP
  - Includes MA, MAPD, and PDP plans
- Can only be used once per beneficiary per year

Disaster Declaration Flexibilities

- Special Enrollment Period (SEP):
  - Available for individuals affected by a **government entity-declared** emergency or other major disaster declared by a federal, state or local government entity who was unable to, or did not make an election during another valid election period.
- SEP ends 2 full calendar months following the end date identified in the declaration or, if different, the date the end of the incident is announced, whichever is later.

To qualify for this SEP the Medicare Beneficiary must:

1. Reside in (or resided at the start of the emergency) in the area impacted,
2. Had another valid election period at the time of the incident, and
3. Did not make an election during the valid election period due to the disaster.

Other Exceptional Circumstances SEP

- On a case-by-case basis, for individuals whom CMS determines have experienced exceptional circumstances related to enrollments into or disenrollments from an MA plan/Part D plan that are not otherwise captured in regulation.
- May Include:
  - Circumstances beyond the beneficiary's control that prevented them from submitting a timely request during a valid election period.
  - Situations where the beneficiary provides a verbal or written allegation that their enrollment into a plan was based on misleading or incorrect information provided by a plan representative or a SHIP counselor, including situation where a beneficiary states that they were enrolled into a plan without their knowledge or consent, and requests cancellation of the enrollment or disenrollment from the plan.
  - A SEP may be warranted to ensure beneficiary access to services and where without the approval of the SEP, there could be adverse health consequences for the beneficiary.
- CMS will review to determine eligibility for the SEP for exceptional circumstances.
- SEP will take effect once CMS makes its determination and notifies the enrollee.

NEW! – SEP for Those Enrolling in Part B

- **Effective 1/1/2024**
- SEP will be available to those not entitled to premium-free Part A and enroll in Part B during the Part B General Enrollment Period (Jan-March).
- SEP begins when the bene submits their Part B application and lasts through the first two months of Part B enrollment.
- Part D coverage starts the first of the month following plan enrollment request.
- Can be used for PDP or MA-PD (if also enrolled in Part A) enrollment.

MA SEP for Significant Change in Provider Network

- CMS will establish a SEP, on a **case-by-case basis**, for situations in which CMS determines that changes to an MA plan's provider network are significant based potential impact on the enrollee.
- Can be used only once per significant change in provider network.
- SEP begins the month enrollees are notified of eligibility for the SEP and continues for an additional two calendar months thereafter.

SEP for Non-Renewals or Terminations

- **Non-Renewals**: SEP begins December 8 and ends on the last day of February of the following year
  - New plan begins 1st of the month following enrollment
- **PDP Sponsor Termination**: SEP begins two months before the proposed termination effective date and ends one month after the month of termination.
- **CMS Termination**: SEP begins 1 month before the termination effective date and ends 2 months after the termination.
- **Immediate Terminations by CMS**: CMS will establish the SEP during the termination process for immediate terminations by CMS.

Plan Consolidations ≠ SEP

- Plan Consolidations occur when Plan Sponsors merge two or more benefit packages (i.e., plans) offered in the current contract year into a single renewal plan for the following contract year.
- These are not enrollment changes:
  - Plan consolidations are neither terminations nor non-renewals. Thus, individuals impacted by consolidations are not eligible for a SEP.

Duals/LIS Reassignment & SEP

- CMS will reassign Duals & LIS beneficiaries if:
  - They were auto/facilitated enrolled in their current plan and that plan will be above the benchmark amount in the next contract year, or
  - If the current plan is non-renewing (terminating).
- SEP: Duals and LIS beneficiaries are allowed to enroll or disenroll from a Part D plan once per calendar quarter during the first 9 months of the year (Jan- March; April – June; July – Sept).
  - Enrollment change is effective the first of the next month.

LINET

- Provides immediate prescription coverage for Medicare beneficiaries that qualify for Medicaid or LIS and have no other prescription drug coverage.
- Pharmacist can submit the medication claim directly to LINET
  - Will ask for evidence of eligibility
- LI NET SHIP Line: 1-866-934-2019
  - Dedicated for SHIPs, Caseworkers & Medicaid Ombudsman Offices
- CMS contract for LINET is managed by Humana

IRA Changes to LIS in 2024

- Starting January 1, 2024, the full LIS income limit will increase from 135% FPL to 150% FPL
  - Anyone receiving partial help will now be eligible for full help
- Everyone that qualifies for LIS will:
  - Have $0 monthly premium
  - Have $0 annual deductible
  - Pay reduced prescription copays at the pharmacy

MEDICARE ADVANTAGE SUPPLEMENTAL BENEFITS

MA Supplemental Benefits

- MA plans may choose to offer benefits not covered by Original Medicare.
- Most supplemental benefits must be primarily health-related and can either be:
  - Optional: Offered to everyone who is enrolled in a plan and enrollees can choose to purchase the additional benefits, or
  - Mandatory: All enrollees have access to the covered supplemental benefits and there is no option to decline the coverage.

Special Supplemental Benefits for the Chronically Ill (SSBCI)

- SSBCI = Expands the types of supplemental benefits that MA plans can offer to chronically ill enrollees.
- Chronically ill is defined as someone that:
  - Has one or more comorbid and medically complex chronic condition that is life threatening or significantly limits the overall health or function of the enrollee;
  - Has a high risk of hospitalization or other adverse health outcomes; and
  - Requires intensive care coordination.
- Expands coverage to include benefits that are not primarily health related (meals, transportation, pest control, etc.) provided that the item or service has a *reasonable* expectation of improving or maintaining the health or overall function of the enrollee.
- May be offered non-uniformly (i.e., managed/offered on a case-by-case basis)
  - Allows MA plans to vary, or target, SSBCI as they relate to the individual enrollee's specific medical condition and needs

NOTE: SSBCI are not easily communicated via MPF or Plan sites because of the non-uniform nature of the benefits.

New Coverage for Insulin

INFLATION REDUCTION ACT

IRA & Insulin

- Beneficiaries will pay no more than $35 for a one-month supply of each covered insulin:
  - For Part D covered insulin change was effective January 1, 2023
    - It doesn't matter which tier the insulin is on
  - For Part B covered insulin change was effective July 1, 2023
    - Part B covers insulin when it is taken via a pump which is considered durable medical equipment (DME)
- Plan deductible (if the plan has one) will not apply to covered insulin
- For Part D – <u>Insulin still must be on the plan's formulary</u>

IRA & Vaccines

- Vaccines are now exempt from all cost-sharing
  - Applies to any adult vaccine recommended by the Advisory Committee on Immunization Practices (ACIP)
  - Includes cost sharing for vaccine administration and dispensing fees, when administered in accordance with ACIP's recommendation, during the initial coverage and coverage gap phases
- COVID vaccines are covered by Medicare
  - OTC tests are not covered by Medicare; however, more free tests are available here: https://www.covid.gov/tests

IRA Part D Redesign

- In 2024:
  - Cost sharing during catastrophic level is eliminated
  - Plan premium increases cannot exceed 6% from one year to next
- In 2025:
  - Part D will be fully redesigned moving liability to plans
    - Government subsidy during catastrophic level will go from 80% to 20%
    - Out of pocket limit will be $2000
  - **Monthly Prescription Payment Plan** (aka “smoothing”) will be available
  - Much more detail on these changes will be provided ahead of OEP next year

IRA & Medicare Drug Negotiations

- First round of negotiations for the Medicare Drug Price Negotiation Program will occur during 2023 and 2024 and result in **prices that will be effective beginning in 2026**
- The first 10 mediations impacted include:
  - Eliquis
  - Jardiance
  - Xarelto
  - Januvia
  - Farxiga
  - Entresto
  - Enbral
  - Imbruvica
  - Stelara
  - Fiasp; Fiasp FlexTouch; Fiasp PenFill; NovoLog; Novolog FlexPen; NovoLog PenFill

Medicaid Renewal

UNWINDING

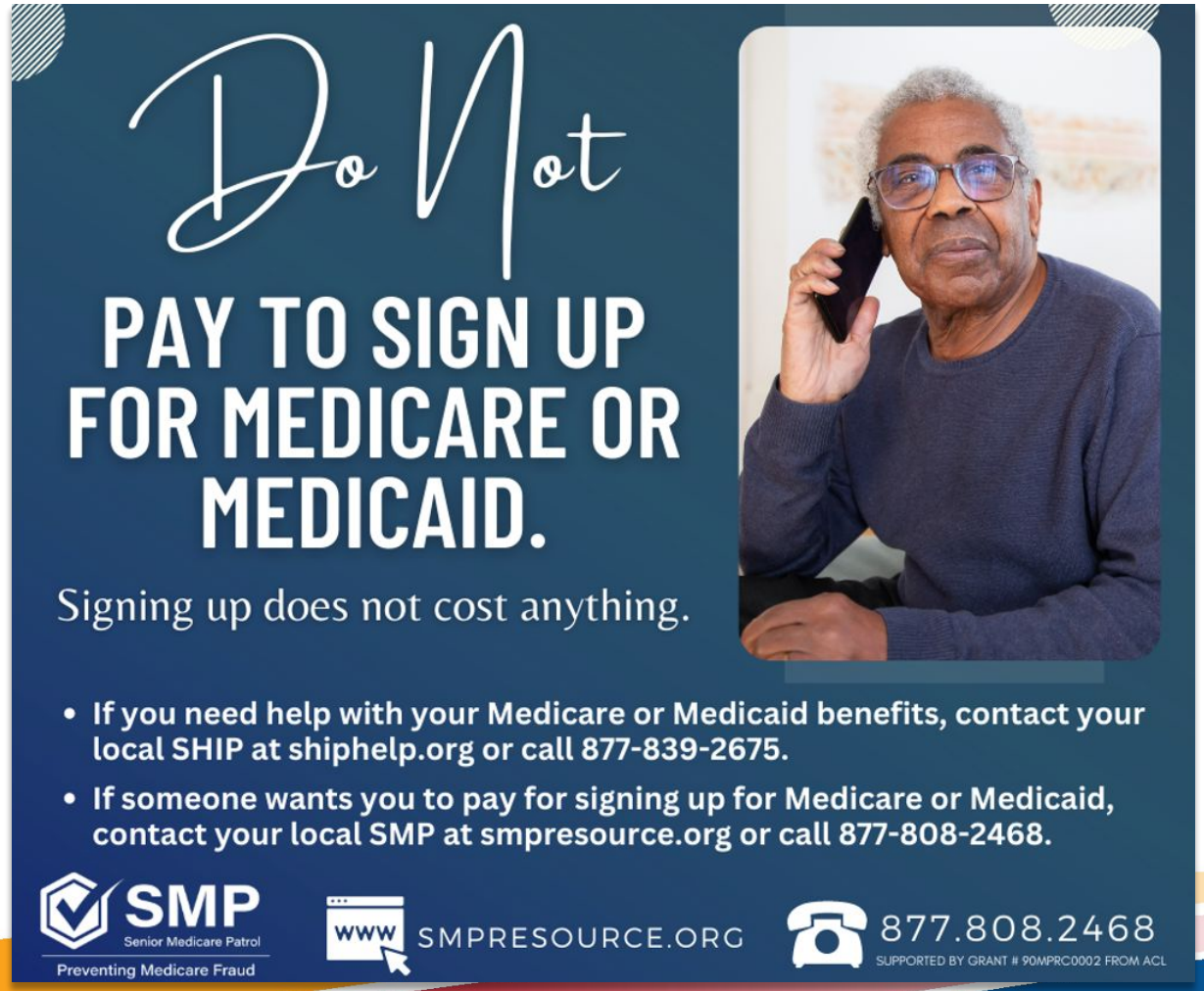
PHE Ending = Unwinding

- Medicaid continuous enrollment ended with the end of the Public Health Emergency (PHE) on March 31, 2023
- Medicaid agencies have a 12-month period starting April 1st to begin Medicaid renewal process
  - Everyone receiving Medicaid will be impacted
- Medicaid.gov Unwinding Website
- ACL Unwinding Page: Compiled information available on Unwinding in one place

Unwinding Medicare SEP

- Anyone that delayed enrolling in Medicare during the PHE due to Medicaid continuous enrollment may be eligible for a SEP for Original Medicare.
- SEP is available to those that lost Medicaid coverage on or after 1/1/2023.
- SEP:
  - Starts the day the individuals is notified that Medicaid coverage is ending and
  - Ends 6 months after Medicaid ends.
- Coverage begins the month after sign up or the date Medicaid coverage ends (start date up to beneficiary)

Unwinding Fraud



- Scammers are taking advantage of the confusion around Unwinding
  - Reports of PHI/PII fraud
  - Reports of scammers claiming benes need to pay to keep their Medicaid
- SMP Consumer Alert –
  - Targeted release within the week and found on [SMP Resource Center Consumer Alert Page]

Mailings from CMS & SSA

Mail Date	Sender	Mailing
By Sept 30	Plan	Annual Notice of Change (ANOC) and Evidence of Coverage (EOC)
By Sept 30	Plan	Plan LIS Rider – For people who qualify for LIS indicating how much help they'll get in the next year towards their Part D costs
September	CMS	Loss of Deemed Status Notice (GREY NOTICE)
Late Sept	CMS	Medicare & You
Early Oct	Employer/ Union	Notice of Creditable coverage
October	CMS	Change in Extra Help Co-payment Notice (ORANGE Notice)
November	CMS	Reassignment Notices (BLUE Notice)
Early Nov	CMS	LIS Choosers Notice (TAN Notice) – Informs people who chose their plan that their plan's premium is changing, and they'll have to pay a different premium in the next year unless they pick a new $0 premium plan.
Daily-Ongoing	CMS	Deemed Status Notice (PURPLE Notice) – Informs people that they'll automatically get LIS

Questions

Shirley Thomas, Certified Medicare Counselor

470-552-3162

SHIP
State Health Insurance Assistance Program