



Center for
Health Care Rights

MEDICARE UPDATES FOR 2021

Huntington Hospital Senior Care Network

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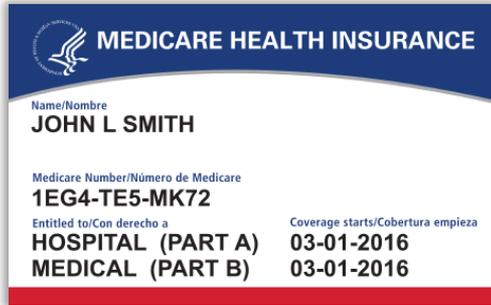
- A non-profit organization providing free Medicare and health insurance counseling and advocacy services to Los Angeles County residents.
- CHCR's services are funded by the California Department of Aging Health Insurance Counseling and Advocacy Program (HICAP).

Call Us: 1-800-824-0780

Visit our website: www.healthcarerights.org

Today's presentation

- Medicare Eligibility and Benefits
- Medicare Costs for 2021
- Options for supplementing Medicare (including Medi-Cal)



What is Medicare?

- A federal health insurance program that provides health benefits to persons who are age 65 and older and persons under the age of 65 who have a permanent disability.
- Eligibility for Medicare is **NOT** based upon income or resources.

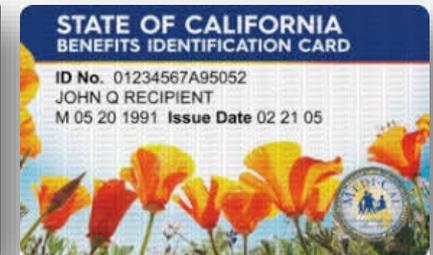
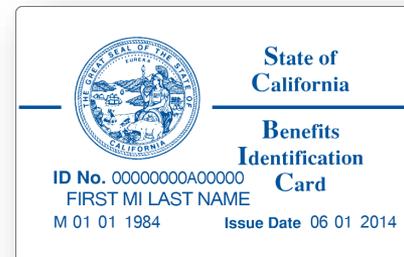
Different Eligibility Rules

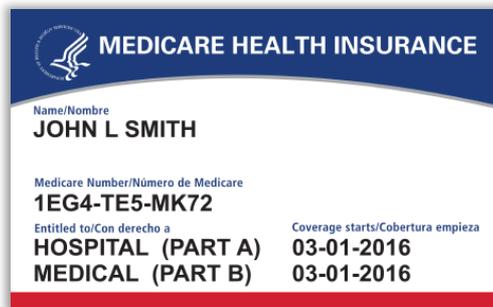
Medicare

- Eligibility for Medicare is primarily based on eligibility for Social Security retirement or Social Security disability benefits
- Medicare beneficiaries are either age 65 and older or under the age of 65 and are disabled

Medi-Cal

- Eligibility for Medi-Cal is based on income limits
- Older adults or younger persons with disabilities must also meet asset limits





Who is Eligible for Medicare?

People age 65 or older who are entitled to:

- Social Security Retirement Benefits (SSRB); or
- Are the spouse or former spouse of an individual entitled to Social Security Retirement Benefits (SSRB).

People under the age of 65 with a permanent disability who have:

- Received Social Security Disability Insurance (SSDI) benefits for 24 consecutive months.
- Amyotrophic Lateral Sclerosis (ALS), also known as Lou Gehrig's Disease, or End Stage Renal Disease (ESRD).

Who is Eligible for Medicare? (cont.)

- People who do not qualify for free Medicare Part A can still enroll if they are:
 - Age 65 or older, and
 - A United States citizen or legal permanent resident; and
 - Have lived in the United States continuously for at least five years.

Medicare Enrollment Periods



Initial Enrollment Period

- Begins 3 months before the month of a person's 65th birthday and ends 3 months after (7 months total).

General Enrollment Period

- From January through March each year, with benefits starting July 1st.

Special Enrollment Period

- Eight month period that begins on the first day of the month the person is no longer covered by an employer group health plan.

Medicare Benefits

Part A



- Hospital Services
- Home Health Care
- Skilled Nursing Care in a Skilled Nursing Facility
- Hospice Care

Part D



- Prescription Drugs

Part B



- Doctor Services
- Ambulance Services
- Labs, X-Rays, Diagnostic Tests
- Durable Medical Equipment
- Preventive Care
- Outpatient Therapy
- Mental Health Services

Medicare Preventive Benefits

- Free annual mammograms for women age 40 and over.
- Free pap smears and pelvic exams every two years.
- Free colorectal cancer screening for persons age 50 or older.
- An annual wellness visit to complete a comprehensive health assessment.
- Free flu shots each year.



Medicare Part A Premium

	Automatic Enrollee	Voluntary Enrollee
Part A (Hospital)	No premium	\$471/month if less than 30 work quarters
		\$259/month if 30-39 work quarters

2021 Medicare Part A Copayments

Coverage Per Benefit Period*

Hospital	Days 1 - 60	\$1,484 first day deductible
	Days 61 - 90	\$371/day
	Days 91 – 150 (Lifetime reserve days)	\$742/day
Skilled Nursing Facility	Days 1 - 20	Covered in full
	Days 21 - 100	\$185.50/day

2021 Medicare Part B Premium

- Standard monthly premium is **\$148.50**.
- High-income earners pay an additional amount based on income:
 - Single Filing Person:
income above \$88,000/annual
 - Jointly Filing Married Couple:
income above \$176,000/annual

2021 Medicare Part B Copayments

Service	Beneficiary Cost
Outpatient Medical Care	\$203 annual deductible
	20% of Medicare-approved charges
	15% excess charges for most unassigned claims

Do I Have to Enroll in a Part D Plan?

- Enrollment is voluntary.
- **If you have drug coverage that is equal to or better than the standard Medicare drug benefit you do not have to enroll into a Medicare drug plan.**
- If you have no drug coverage, there is a penalty for late enrollment into a Part D plan.
- The penalty is 1% of the base premium for each uncovered month.

The 2021 national base premium is \$33.06.

Medicare Part D Drug Plan Choices

Prescription drug plan (PDP)

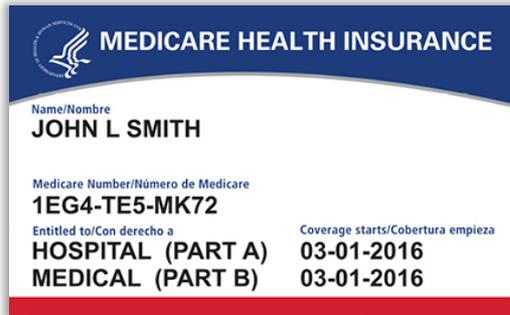
- Obtain Medicare Part D drug coverage by enrolling into a PDP plan
- Continue to use original Medicare for Part A and B services
- Plan premiums vary

Medicare Advantage drug plan (MAPD – also called Part C)

- When you enroll into a MAPD plan you assign your Medicare A, B and D benefits to the plan
- You obtain all your medical care from plan providers
- Plan premiums vary

Medicare Part D Coverage Options

Original Medicare



Enroll in a
**Prescription Drug
Plan**



or

Medicare Advantage Plan



Covers Parts A, B, D

When can someone enroll in a Part D Drug Plan?

Initial Enrollment Period

- People new to Medicare have a 7 month enrollment period. It starts 3 months before the month of eligibility and ends 3 months later.

Annual Election Period or “Open Enrollment”

- October 15- December 7 every year
- You can choose a new Part D plan or Medicare Advantage plan.
- All benefits are effective January 1st.



Special Enrollment Periods

- A person can change their Part D drug plan outside of an enrollment period in certain situations.
- Examples:
 - Lose employer based drug coverage.
 - Move out of the Part D plan service area.
 - Enter or leave a nursing home.

2021 Medicare Part D Drug Coverage

Part D Annual Deductible: \$0 - \$445

- **Initial Coverage Period**

After you pay your deductible, you pay **25%** of the total retail cost of your prescription until the total drug costs equal \$4,130.

- **Coverage Gap or “doughnut hole”**

When your total drug costs reach \$4,130, you pay
25% of the cost for each **brand name** drug;
25% of the cost for each **generic** drug,
until the total cost equals \$10,048.39.

- **Catastrophic Coverage**

Once your total drug costs reach \$10,048.39, you pay
\$3.70 to **\$9.20**, or **5%** of the cost for each prescription drug.

Financial Help with Part D Costs

- You may qualify for help with Part D expenses.
- The program is called the Low-Income Subsidy Program or Extra Help Program.



The screenshot shows the top of a webpage from the Social Security Administration. At the top left is the SSA logo, followed by the text "Social Security" and "The Official Website of the U.S. Social Security Administration". Below this is a horizontal line, and then the page title "Extra Help With Medicare Prescription Drug Plan Costs". The main content area begins with a "Welcome!" heading, followed by two paragraphs of text explaining the Medicare Prescription Drug program and the availability of extra help for eligible individuals.

 **Social Security**
The Official Website of the U.S. Social Security Administration

Extra Help With Medicare Prescription Drug Plan Costs

Welcome!

The Medicare Prescription Drug program gives you a choice of prescription plans that offer various types of coverage.

You may be able to get extra help to pay for the monthly premiums, annual deductibles, and co-payments related to the Medicare Prescription Drug program. However, you must be enrolled in a Medicare Prescription Drug plan to get this extra help.

Financial Help with Part D Costs

<i>Full LIS Extra Help</i>		
Income Limits**	Asset Limits*	Benefits:
\$1,436/month (individual)	\$9,470 (individual)	<ul style="list-style-type: none"> • \$0 annual deductible • Copays \$3.70 generic; \$9.20 brand name • Medicare pays 100% of costs when your out of pocket costs are greater than \$6,550.
\$1,940/month (married couple)	\$14,960 (married couple)	
<i>Partial LIS Extra Help</i>		
Income Limits**	Asset Limits*	Benefits:
\$1,595/month (individual)	\$14,790 (individual)	<ul style="list-style-type: none"> • \$92 annual deductible • You pay 15% of drug costs • When your total out of pocket costs reach \$6,550 you pay \$3.70 for generic; \$9.20 for brand name, or 5%.
\$2,155/month (married couple)	\$29,520 (married couple)	

*Asset limits include \$1,500 per person for burial expenses. The home you live in, your cars, and life insurance policies are not counted as resources.

**Income limits do not include the \$20 monthly income disregard.

** In-kind support is not counted towards the income limit.

Gaps in Medicare Coverage

Medicare Costs

- Medicare Part A and B:
 - Premiums
 - Copayments
 - Deductibles
- Medicare Part D
 - Premiums
 - Copayments
 - Deductibles

Benefits Not Covered By Medicare

- Dental Care
- Routine Podiatry
- Eye Glasses
- Hearing Aids
- Incontinence supplies
- Transportation to medical services
- Custodial Nursing Home or Personal Care Services at Home (IHSS)

Options for Supplementing Your Medicare

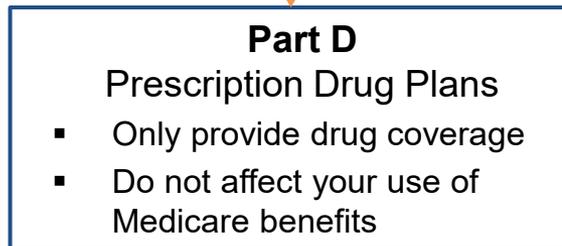
Step 1: Decide how you want to get your coverage

You want Original Medicare so that you can see any Medicare provider.

or

You want a Medicare Advantage plan to reduce your medical costs and get added benefits like dental and vision services.

Step 2: Enroll in a Part D plan if you want prescription drug coverage



Step 3: Get insurance that will cover your Part A and B copayments

Medi-Cal

Health insurance for low income Californians that provides: dental, vision, long-term nursing home services.

Medicare Supplement Insurance

- Buy a Medigap insurance policy
- These policies help pay Part A and B copayments.

Medicare Advantage Plans (HMO or PPO)

- These plans provide Medicare Part A, B and D benefits.
- **Medicare Advantage HMOs**– Your Medicare benefits are assigned to the plan and you must use plan providers.
- **Medicare Advantage PPOs**– You can see out of network medical providers but your medical costs will be higher.

Medicare Supplement Insurance “Medigap”

- Private health insurance policies that cover some or all of Original Medicare’s co-payments and deductibles.
- Must meet specific state and federal requirements and are standardized. Each policy must contain a package of benefits that match one of 10 plans, labeled A through N.
- Some Medigaps have a foreign travel benefit that covers medical care received outside the U.S.
- In California Medigap Insurance is regulated by Calif. Dept. of Insurance (CDI) www.insurance.ca.gov

Recent Medi-Cal Changes!



- Starting **December 1, 2020**, a new California law raised the monthly income limit for the **Aged, Blind and Disabled Federal Poverty Level program**.
- This means more people will be eligible for free Medi-Cal.
- If you had Medi-Cal with a Share of Cost in the past, you may now be eligible for free Medi-Cal benefits.

Aged and Disabled Federal Poverty Level Program (A&D FPL) As of December 1, 2020

	Income	Resources
Single Person	\$1468/month	\$2000
Married Couple	\$1983/month	\$3000

- Program uses SSI resource limits
- Income limits will increase again in April 2021

How Medicare and Medi-Cal Work Together

- Medicare is the primary insurance and Medi-Cal is the secondary insurance.
- If a person has full Medi-Cal with no Share of Cost, Medi-Cal pays the Medicare Part B premium (\$148.50 in 2021)
- A person with Medicare and full Medi-Cal cannot be billed for their Part A and B copayments or deductibles.
 - Federal and state laws prohibit a Medicare provider from billing a person with Medicare and full Medi-Cal. This is called balance billing.

How Medicare Part D Drug Coverage Works with Medi-Cal



- You must enroll in a Medicare Part D drug plan.
- You receive the maximum financial assistance with your drug costs. You pay:
 - \$1.30/generic drugs
 - \$4.00/brand name drugs
- You can change your Part D plan once every 3 months due to “Extra Help” special enrollment periods.

Medicare Fraud

- Beware of telemarketers and door-to-door solicitors
 - Do not respond to offers for “free” medical equipment or services, such as coronavirus testing kits
 - Check your medical statements routinely for services that were not provided
 - Do not share your Medicare card or ID with anyone other than your doctor
 - Be especially wary of stimulus or Covid-19 scams!

NEED HELP UNDERSTANDING MEDICARE OR MEDI-CAL?

**Call Center for Health Care Rights
We are here to help you!**

1-800-824-0780