

MEDICARE BEYOND - 2017

1. Medicare and You 2017 Handbook

- handbook published yearly every September
- describes the program eligibility, penalties, enrollment times, coverage

2. Who Ya Gonna Call?

How to get a copy of the Handbook

Format	Source	Comments
Internet	Medicare.gov/medicare-and-you	PDF version
Email	Sign up at Medicare.gov/gopaperless	Sent by email annually in September
Telephone	1-800-MEDICARE (1-800-633-4227)	
Alternate Formats	Medicare.gov/medicare-and-you	Large print, braille, audio CD, eBook
EReader	Medicare.gov/publications	Free digital copy
Telephone Relay service – TTY users	1-877-486-2048	For hearing-impaired individuals

3. Medicare – Through the Looking Glass

The Medicare Plan Finder

Website: Medicare.gov/find-a-plan

Compare Coverage : Benefits : Costs
 See page 23 in Handbook for points to consider

Do you live in more than one state – check if physicians and pharmacies in different states be covered in your plan
 - Page 37-61 – alphabetical list of covered services

Do you like international travel – medicare does not cover care outside the U.S.
 - Page 59 – 50 states plus Puerto Rico, US Virgin Islands, District of Columbia, Guam, Northern Mariana Island, American Samoa

Medicare covers 1 flu vaccine per season and also covers pneumonia vaccine
 - Typically, new vaccines become available in August
 - You can get the vaccine in August/September
 - It takes 2 weeks for your bodys’ immune system to respond and produce antibodies against the influenza virus

4. Personalized Counseling – Inside Out

State Health Insurance Assistance Program (SHIP)		Page 121
Medicare	1-800-MEDICARE	Say “Agent”
Medicate TTY	1-877-486-2048	Hearing impaired

5. Medicare – The Force Awakens

Sign- up for email delivery of the Medicare & You Handbook

- it will be sent annually in September
- Page 23 – Instructions for signing-up for Medicare
- Page 18 – Considerations for selecting a plan (Table)

What is a “Hospital visit?”

- Overnight stay versus hospital admission
- page 34
- overnight stays are not covered by Medicare
- Ask nurses and doctor if you are being admitted
- “Am I formally being admitted as an inpatient?”

Don’t drop insurance coverage!!

- Investigate all issues – you may not get it back
- Plan 18 – don’t drop employee insurance or union plan without investigating all issues
- You can enroll or un-enroll in Medicare Part D – Prescription Drug Plan from Oct 15th to Dec 7th, 2016

Avoid the Penalty Box - Trainwreck

- Use “Find” to search the word “penalty” in the entire document
- Be aware of your age for eligibility - Sign up for Medicare when you are eligible
- 3 months before your 65th birthday – the month of your birthday – 3 months after your 65th birthday
- 10% increase in premium for 4 years if you do not sign up for part A at eligible age

Make your pharmacist and healthcare professionals aware of all insurances

- bring cards and we will scan them
- Medicare has rules regarding which insurance is billed first. If you have employee insurance – that is billed before Medicare

I. Medicare Formulary

1. The formulary lists drugs covered under your plan
 - a. Tiers: drugs are grouped in tiers, or categories, which have different coverage rules
 - b. Tiers are organized in different levels with different rules affecting access to generic or prescription drugs

2. Coverage Rules
 - a. Brand name – proprietary name of a drug named by the manufacturer
 - b. Generic name – chemical name of the drug which is often manufactured by different smaller manufacturers

3. Types of Rules
 - a. Prior authorization
 - i. Physician must justify the reason for prescribing a medication using a form or Letter of Medical Necessity
 - ii. Did you fail other medications due to side effects or lack of response

 - b. Step Therapy
 - i. Physician must select drugs based on different steps (Step 1, Step 2, Step 3, etc)
 - ii. The steps are based on expert-guidelines and recommend first choice, second choice, third choice, etc

 - c. Quantity Limits
 - i. They set a limit at the maximum number of tablets to dispense per month; per 90 days
 - ii. The restriction fosters splitting tablets
 - iii. Example: Losartan 25 mg tablets, take 3 tablets once a day to treat heart failure
Policy directs us to prescribe Losartan 50 mg, take 1.5 tablets once daily

Q1 Medicare – search medicare plan coverage and drug costs by drug name (select your state)

https://q1medicare.com/index.php?utm_source=partd&utm_medium=textlink&utm_campaign=header

II. Medicare Part B Drug Coverage

- Drugs and biologicals that cannot be self-administered
 - Seasonal influenza vaccination
 - Pneumonia vaccination
 - Hepatitis B vaccination
- Transplant and immunosuppressive drugs, some oral anti-cancer drugs, some drugs given by nebulizer or infusion pump

III. Medicare and health insurance terms

Co-insurance: beneficiary will pay this once they exceed their limits.
Deductible: a onetime payment towards service
Deductible for Prescription Drug benefit: payment that the patient makes before the insurance company begins paying for drug benefit
Drug coverage gap (donut hole): patient is responsible for payment of all drug costs once they have paid deductible and co-insurance.
Out-of-pocket expenses (OOP): fees or deductibles that the patient (beneficiary) pays
Premium: beneficiary pays a regularly scheduled insurance premium payment to participate in a prescription drug plan, ex. A monthly payment
Co-insurance: beneficiary pays part of the costs; beneficiary will pay this once they exceed a set threshold; example: Medicare Part D

***IV. Costs**

Medicare Part D – Prescription Drug Plan

Year	Deductible	Co-Insurance	Coverage GAP	Catastrophic Care
2017	\$400	25% of total drug costs up to \$3,700	Out-of-pocket (OOP) expenses	\$4,950
	“\$400 off the top” Paid annually		You pay 40% of Brand Name Prescription Drugs	
	Paid at the first of the year – starting in January		Manufacturer pays 50% of Brand Name Prescription Drugs	
	If your monthly costs are less than \$400 – then you may pay the deductible over several months		“Extra Help-Medicare” for eligible people covers OOP	
			Medicare counts OOP expense + Manufacturers’ discount (50%) toward GAP.	
Examples				
\$60 for brand-name drug plus \$2 dispensing fee	<input type="checkbox"/> \$400 (divided by) \$62 = 6.5 months <input type="checkbox"/> Deductible paid in June			
\$400 monthly cost for all prescriptions	<input type="checkbox"/> \$400 deductible paid in January	\$3,700 (divided by) \$400 = 9.5 months (Sept)	Cover Gap reached in October	This patient does not reach CC. \$4,950 (divided by) \$400 – 12.4 months

***Costs**

Medicare Part B – prescription drug coverage

Year	Deductible	Co-insurance		
2017	Pay Medicare Part B deductible	Pay 20% of the approved drug coverage	See page 54 - Handbook	

V. Glossary

CMS: Centers for Medicare and Medicaid Services. This government program administers the Medicare programs. www.cms.gov

Medigap Insurance: This is also known as Medicare Supplement Insurance. Individuals can purchase this as private insurance to cover deductibles and gaps in standard Medicare part A and B. Why is this needed? On average Medicare only pays 45% of an elderly beneficiaries health care costs.

Extra Help: This is a Medicare program for extremely poor individuals who lack the resources to pay for drug coverage. When individuals enroll in this program, it will reduce or eliminate their deductibles, co-insurances, and coverage gap expenditures for the Prescription Drug Coverage plan.

Federal Poverty Limit (FPL): poverty limits are set by the Federal government using an annual monetary value to establish a group of individuals or families who reflect very-low income groups. **The 2016 Poverty Guidelines: Annual Income Family of 1: \$11,880, Family of 2: \$16,020, Family of 3: \$20,160, Family of 4: \$24,300**

<https://www.federalregister.gov/documents/2016/01/25/2016-01450/annual-update-of-the-hhs-poverty-guidelines>

Medically Needy Groups: Incomes or assets are above limits set by Medicaid because their medical expenses reduce their income to below the Medicaid eligibility threshold. Ex. Family of 4 earns \$25,000 plus has \$10,000 annual medical expenses

Medicare Part A - Cost-sharing: Beneficiaries DO NOT pay premiums if: they receive retirement benefits from Social Security or the Railroad Retirement Board or they were Medicare-covered government employee

Medicare Part B – Cost Sharing: Everyone pays a monthly premium that is deducted from the monthly Social Security check For \$121.80 per month (2016 data)

Medicare Part C (Medicare Advantage Plan) Some Medicare C plans do not offer the prescription drug benefit (Part D). You are not eligible to purchase Medicare Supplement Insurance (Medigap) to pay for out-of-pocket costs if you have enrolled in a Part C Program

Creditable Prescription Drug coverage: current or former employer; union plan. You can use this coverage rather than enroll in a Part D plan

Children's Health Insurance Reauthorization Act of 2009 (CHIPRA): This law will provide health care to millions of children across the country and went into effect on April 1, 2009. CMS administers the Children's Health Insurance Program (CHIP). The program helps states expand health care coverage to over 5 million of the nation's uninsured children. The program was reauthorized on February 4, 2009, when the President signed into law the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA or Public Law 111-3).

Tricare Pharmacy program: to individuals in the military, program coordinated by Department of Defense

VI. Links

Consumer link for Medicare: <http://www.medicare.gov/medicare-and-you/medicare-and-you.html>

Medicare & You 2017: <http://www.medicare.gov/Publications/Pubs/pdf/10050.pdf>

Medicare Part A and B premiums 2017 – Plus Part C and Part D - Comparison Table
<https://www.medicare.gov/your-medicare-costs/costs-at-a-glance/costs-at-a-glance.html>

Find a Medicare plan
<http://www.medicare.gov/find-a-plan>

Understanding medicare enrollment periods (Oct-2016)
<https://www.medicare.gov/pubs/pdf/11219.pdf>

CMS <http://www.cms.hhs.gov/>
Social Security Administration <http://www.ssa.gov/>
Consumer phone line 1-800-MEDICARE

Immunization: <http://www.pharmacist.com/immunization-center>