



Getting Ready for Medicare's Open Enrollment Period

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Center for Health Care Rights



- A non-profit advocacy organization that provides **free** education and assistance with Medicare and other related health insurance to Los Angeles County residents
- CHCR is not part of the Medicare program and **we do not endorse or recommend** any insurance company or Medicare Advantage plan
- Services are funded primarily by the California Department of Aging Health Insurance Counseling and Advocacy Program

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What will we discuss today?



- What is Open Enrollment?
- How to compare coverage options
- When can I change plans?
- Part D Costs
- Part D Extra Help Program

What is Open Enrollment?

Annual Election Period “Open Enrollment”

- **October 15th through December 7th** you can enroll in a Part D drug plan (including Medicare Advantage plans) or change to another plan.
- Part D plan benefits are effective January 1st.



Things to consider before/during Open Enrollment

Preparation check-list:

- What kind of coverage do you currently have?
- Are you happy with your current coverage? **Is your plan changing?**
- What is important to you when it comes to your health care?
 - Are there doctors or hospitals you want to keep using?
 - How much are you currently paying for your coverage?

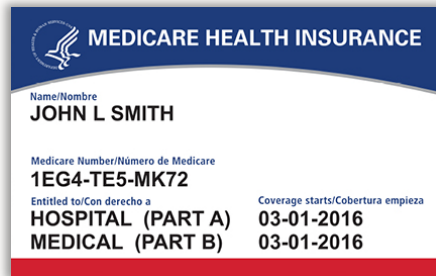


Medicare Part D Drug Plan Choices

- Prescription Drug Plan (**PDP**)
 - Continue to use original Medicare to obtain Part A and B services
- Medicare Advantage Plan (**MAPD**)
 - Receive all Medicare Parts A, B and D services from the plan



Medicare Part D Coverage Options



Original Medicare



**Enroll in a
Prescription Drug Plan (PDP)**

OR



**Medicare Advantage Plan
(MAPD)**

- **Also known as Part C**
- **Typically Covers Parts A, B, D**

Prescription Drug Plan (PDP)

- **Plans contract with Medicare to provide Part D benefits only.**
- **Keep using Original Medicare for Part A & B services.**
- **Use any providers that contract with Medicare and do not need referrals or prior authorizations for hospital and medical services.**
- **Will need to think about how to supplement Medicare.**
 - Medi-Cal
 - Medicare Supplemental Insurance (Medigaps)

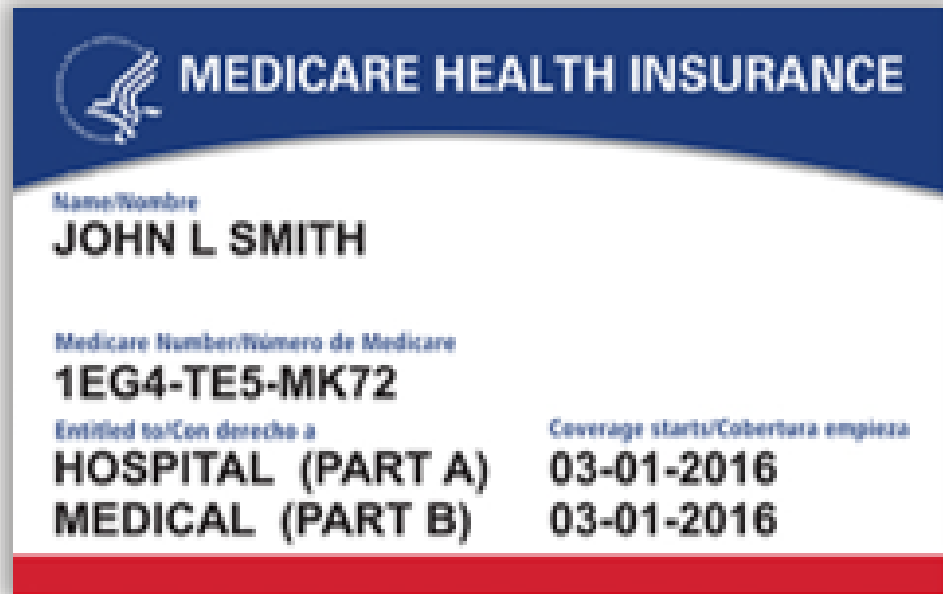
Compare Prescription Drug Plans (PDP)

What to consider?

- Which plan covers all of your prescriptions at the lowest price?
 - Monthly premium
 - Annual deductible
 - Copays
- Are there any special rules like prior authorizations, quantity limits, step therapy?
- Is your preferred pharmacy in-network?



Supplementing Your Medicare



Options to supplement Original Medicare and a stand-alone Part D plan:

- Medicare Supplement Policy (Medigap)
- Medi-Cal
- Retiree Coverage (like USC Senior Care)

Medicare Supplement Insurance

“Medigaps”

- Private 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

When Can I Enroll in a Medigap?



- Generally, you have a **6-month** open-enrollment period when you first get Medicare Parts A and B.
- During the Medigap open enrollment period, you have a **guaranteed issue right** to Medigap coverage and cannot be denied due to a pre-existing medical condition. **This period does not necessarily align with the Medicare Part D open enrollment period in the fall!**
- Medigap policies can require a 6-month waiting period for pre-existing health conditions.
- Federal and California laws provide additional guaranteed access rights based on specific qualifying events.

Original Medicare with Prescription Drug Plans (PDP)



What to consider?

- Flexibility
- Monthly Costs:
 - Part B premium
 - Part D premium
 - (possibly) Medigap premium
 - (possibly) dental and/or vision premiums
- These monthly *premiums* can be significant, but typically mean minimal out of pocket costs when getting medical services.



Medicare Advantage Prescription Drug Plan (MAPD)



- Plans that contract with Medicare to provide all Medicare Part A, B, and D benefits.
- When you enroll into an MAPD, you assign your Medicare benefits to the plan.
- You work with your primary care doctor to manage your medical care
- All specialty services must be authorized by the plan medical group.
- You can use out of plan providers only for emergency and urgent care.

Medicare Advantage Special Needs Plans (SNPs)

- Plans that provide services to specific groups of people who have special needs
- There are 3 types of SNP plans:
 - Chronic care plans for people with chronic diseases like diabetes, ESRD, HIV/AIDS, chronic heart failure, or dementia
 - Institutional plans for people who live in certain institutions (like a nursing home) or who require nursing care at home
 - Dual eligible plans for people who have Medicare and full Medi-Cal coverage (D-SNP)
- **You can join or leave a SNP at any time**

Medicare Advantage Prescription Drug Plan (MAPD)

- Generally, have lower copayments when compared to Original Medicare and have annual out of pocket maximums, unlike Original Medicare.
- Are cheaper than buying a Medicare Supplement “Medigap.”
- Added benefits may include:
 - Over-the-counter drug benefit
 - Dental coverage
 - Transportation to medical appointments
 - Vision coverage
 - Gym memberships

Compare Medicare Advantage Plans (MAPD)



- Which plans contract with the doctors and hospitals you want to see?
- How much will you have to pay for office visits, hospital care or specialty services?
- Will your prescription drugs be covered? How much will they cost?
- What added benefits does the plan offer?

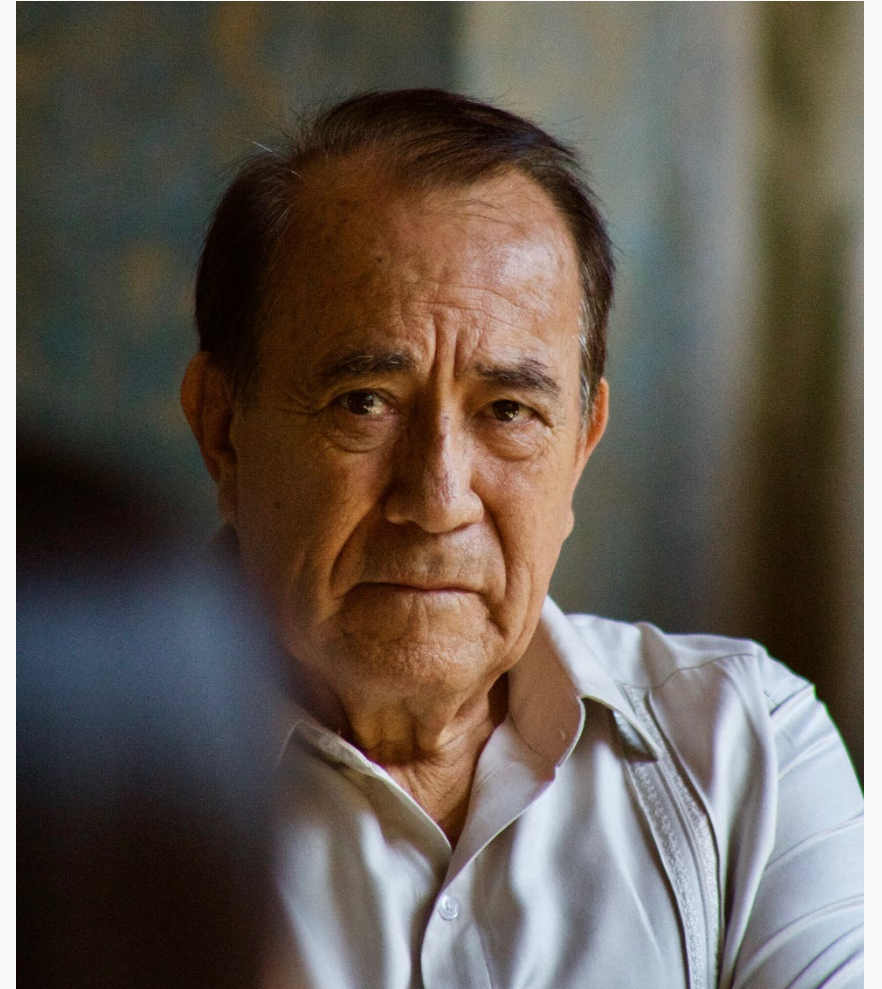
Client scenario: Maria

Maria is retiring next year and lives in California. Her daughter and grandchildren live in Arizona, and Maria plans to visit frequently to help with childcare. She keeps hearing about Medicare Advantage plans, but wants to be able to go to the doctor for routine care when she's spending time in Arizona. Maria should likely consider Original Medicare with a Medigap so that she does not need to worry about getting referrals or going out of network when she's away from home.



Client scenario: Henry

Henry has had the same insurance coverage through work for a very long time, and it is an HMO. He likes his coverage. Henry was recently diagnosed with a chronic health condition and wants to make sure he can keep his specialists when he switches over to Medicare when his employer coverage ends. Henry is concerned about his medical expenses and needs to keep his monthly costs as low as possible due to his limited income. Henry should talk to his current doctors about which Medicare Advantage plans they accept, if any, to help him decide how to obtain his coverage.



Part D Enrollment Periods

- **Initial Enrollment Period**

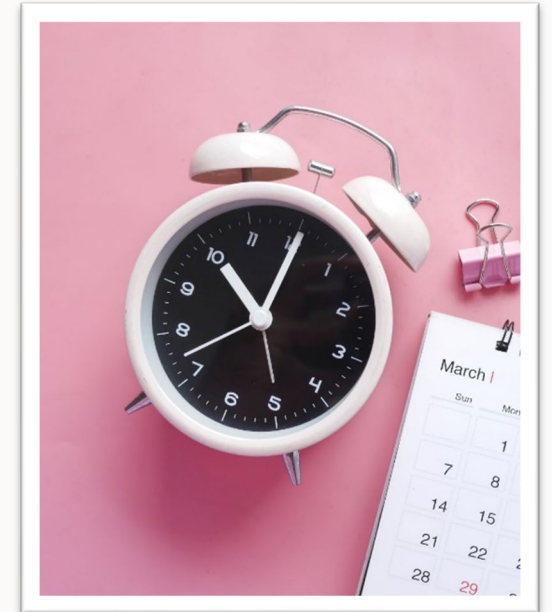
- New Medicare beneficiaries have a **7-month** enrollment period. It starts 3 months before the month of eligibility and ends 3 months later.

- **Open Enrollment Period**

- October 15th through December 7th

- **Medicare Advantage Open Enrollment Period**

- From January 1 - March 31 Medicare Advantage plan members can change their part D plan once
- Switch to a different MAPD plan, or switch to Original Medicare with or without a prescription drug plan



Part D *Special* Enrollment Periods

- You can change your Part D drug plan outside of an enrollment period in certain situations.
 - ✓ Lose employer-based drug coverage
 - ✓ Move out of your Part D service area
 - ✓ Enter or leave a nursing home
- **Special Enrollment Period for “Extra Help”**
 - ✓ If you qualify for the Part D Low Income Subsidy “Extra Help” program, you can change your Part D plan once a quarter during the first 9 months of the year.

Enrollment 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, you may be charged a penalty for late enrollment into Part D.
- The penalty is 1% of the base premium for each uncovered month.

The 2024 national base premium is \$34.70.

Do I need to change my Part D drug plan each year?



- Plans can change from year to year: costs, coverage, and service area.
- It is always a good idea to check your drug plan coverage for the new year.
- You should make sure you are getting good coverage at the lowest cost.

How to Select a Medicare Part D Drug Plan



- Shop for the lowest cost plan that covers all your current prescription drugs.
- Each drug plan has their own list of covered drugs (formulary) and copayments.
- Use the Medicare Part D Drug Plan Search Tool on the [Medicare.gov](https://www.medicare.gov) website to choose a plan.

How to Select a Medicare Part D Drug Plan



An official website of the United States government [Here's how you know](#) Cambiar a Español

Medicare.gov Basics Health & Drug Plans Providers & Services Chat Log in

There may be Medicare Advantage Plans available with lower drug costs. [Tell me more.](#) [View 67 available Medicare Advantage Plans](#)

[Back to drugs & pharmacies](#) Print

MY LOCATION: Los Angeles, CA [Change location](#) PLAN TYPE: Select a Plan Type

Filter by: Insurance Carrier Star Ratings [View all filters](#)

Showing 10 of 26 drug plans SORT PLANS BY: Lowest drug + premium cost Feedback

SilverScript SmartSaver (PDP)

Aetna Medicare | Plan ID: S5601-207-0
Star rating: ★★★★★

MONTHLY PREMIUM
\$4.50 Includes: Only drug coverage

TOTAL DRUG & PREMIUM COST (for the rest of 2023)
\$18.00 Only includes premiums for the months left in this year when you don't enter any drugs

DEDUCTIBLE
\$505.00 [Drug deductible](#)

[Enroll](#) [Plan Details](#) Add to compare

PHARMACIES

[Add your drugs & pharmacies](#)
Select pharmacies to see which are covered by this plan

DRUGS

[Add your prescription drugs](#)
Enter drugs you take regularly (if any) to see your estimated drug + premium cost

2024 Part D Plan Costs & Benefits

- What you pay for prescriptions depends on:
 - ✓ which prescriptions you take
 - ✓ which Medicare drug plan you choose
 - ✓ whether you qualify for any low-income assistance
- California Part D plan **monthly premiums** range from \$0 to \$188.40
- The Part D drug plan **annual deductible** ranges from \$0 to \$545



2024 Part D Plan Costs & Benefits

Initial Coverage Period

After the deductible, you pay **a copay or coinsurance** until the total cost reaches \$5,030.

Coverage Gap

When your total drug costs reach \$5,030 for the year, you pay **25%** of the total cost for brand name and generic drugs.

Catastrophic Coverage

When total drug costs reach \$8,000 for the year, you pay:

- **\$0**

How the Medicare Drug Benefit Works with Medi-Cal

- If you have Medicare and full Medi-Cal, you **must** enroll into a Part D drug plan or Medicare will assign you to a plan.
- For 2023, Part D drug plan copayments will be no more than:
 - **\$1.45/generic** drug
 - **\$4.30/brand** name drug



Financial Help with Medicare Part D Costs



Apply for Medicare Part D Extra Help program

The Extra Help program helps people with limited income and resources lower or cut Part D costs.

Medicare Part D provides drug coverage. The Extra Help program helps with the cost of your prescription drugs, like deductibles and copays. You can apply for Extra Help any time before or after you enroll in Part D.

Documents to help you prepare



Apply for Extra Help online

The level of help you get depends on your income and assets. You'll have to provide information about your financial situation.

Start application

Finish existing application

- You may qualify for help with Part D expenses even if you are not eligible for Medi-Cal.
- The program is called the Low-Income Subsidy Program or Extra Help Program.

Low-Income Subsidy “Extra Help” Program



Full Subsidy	Monthly Income Limit	Asset Limit*
Single	150% FPL	\$16,660
Married	150% FPL	\$33,240

Part D costs in 2024:

- Drug plan premium and deductible: \$0
- Set prescription copays (\$4.15 generic/\$10.35 brand name in 2023)
- **Note: updated income/asset limits have not been released yet**

*Limits include \$1,500/person for burial expenses. The home you live in, cars & life insurance are not counted

Medicare Marketing Violations and Enrollment Fraud



- Medicare marketing scams target people with Medicare year-round.
- You need to beware of insurance agents pressuring you to switch plans. Agents cannot:
 - Conduct marketing or sales activities at an educational event
 - Approach people in public common areas, or sell door-to-door
 - State they are calling on behalf of Medicare
 - Make unsolicited calls for potential enrollees
 - **Provide inaccurate or misleading information**

Enrollment Action Plan:



- To enroll in Medicare Parts A/B, contact the Social Security Administration
- Once you have your Medicare number, you can compare Part D and Medicare Advantage plan coverage options.
- One way to narrow your options is to confirm with your doctors whether they accept any Medicare Advantage plans at all, and if so, which ones? Same with hospitals.
- Use the Medicare.gov plan finder search tool to compare coverage options, including costs.
- Or, call Center for Health Care Rights/HICAP/SHIP for assistance!

Where to get information on Medicare Drug Plans

Medicare Website
www.Medicare.gov

Medicare Telephone Hotline
1-800-633-4227

Medicare Part D Plans

Center for Health Care Rights
1-800-434-0222



Need Help Understanding Medicare or Medi-Cal?

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

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