



MULTIPLE SCLEROSIS
ASSOCIATION OF AMERICA

presents

Understanding Medicare in the New Era

Live Webinar

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*Improving
Lives Today!*

Acknowledgements

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Providing Information . . .

- Toll-free bilingual Helpline (800) 532-7667
- Online response forum MSquestions@mymsaa.org
- New mobile phone application *MY MS Manager*[™]

Finding Answers . . .

- Website: www.mymsaa.org
- Publications, videos, webcasts
- S.E.A.R.C.H.[™] initiative
- MRI Diagnostic and MRI Institute



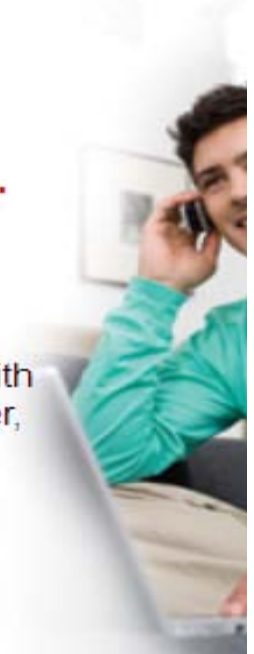
Programs and Services

Easing Daily Life . . .

- Equipment distribution
- Cooling program
- Barrier-free housing

Staying Connected . . .

- Public education & awareness events
- Social media presence with sites on Facebook, Twitter, YouTube
- Networking Program



Participating in the Webinar

MSAA encourages you to actively participate in tonight's webinar by:

- Responding to the polling questions included in the program
- Submitting your email questions during the webinar by typing in the Chat box on the lower left side. We will try to answer as many as possible at the end.
- Completing a follow-up survey at the end of the program to help us improve future webinars and develop additional programs to meet your needs

If you are experiencing any technical problems with tonight's webinar, you can also use the Chat box feature to type in your issue. The online moderator will respond to your "chat" and work to correct the problem.

Understanding Medicare in the New Era

Webinar Objectives

The goal of this program is to provide you with an understandable explanation of the new rules of Medicare under the ACA with specific examples of how these issues relate to the needs of MS community. Featured topics tonight include an:

- Overview of common insurance terms (co-pay, co-insurance, deductible, etc.)
- Understanding of the broad changes to Medicare (doughnut hole closure, preventative coverage, etc.)
- Explanation of Medicare Advantage Plans, Medigap & Part D Planning
- Engaging Q & A session toward the end of the program based on your chat submissions during the presentation

Medicare Rights Center



- The Medicare Rights Center is a national, not-for-profit consumer service organization that works to ensure access to affordable health care for older adults and people with disabilities through:
 - Counseling and advocacy
 - Educational programs
 - Public policy initiatives

Medicare

- Health insurance for people 65 and older and people with disabilities
- People of all income levels eligible
- Run by the government but can be provided by private companies
- Covers most medical services a beneficiary needs

Parts of Medicare

- Medicare benefits are administered through three parts
 - **Part A** – Hospital/Inpatient Benefits
 - **Part B** – Doctors/Outpatient Benefits
 - **Part D** – Prescription Drug Benefit
 - Added 2006
- **What happened to Part C?**
 - Private Health Plans (HMO, PPO)
 - Way to get Parts A, B and D through one private plan
 - Known as Medicare Advantage
 - Not a separate benefit

Medicare costs

- Premium
 - The amount individuals must pay for Medicare, a private health plan or Part D plan for coverage
 - Generally paid on a monthly basis
- Deductible
 - The amount individuals must pay for their health care services before their health insurance begins to pay
- Copay
 - A set amount people are required to pay for each medical service they receive (example: individuals pay \$20 each time they go to the doctor)
- Coinsurance
 - The portion of the cost of care that people are required to pay after their health insurance pays (example: they pay 20% for most Medicare approved services)

Medicare drug coverage (Part D)

- Part D is outpatient drug coverage for drugs individuals can get at a pharmacy or through mail order
 - Coverage only through private plans
 - Anyone enrolled in Medicare A or B is eligible
 - To enroll in a Part D plan, individuals must live in the plan's service area
- Each plan has different costs, but must have a benefits package at least as good as the basic plan outlined in Medicare law

Part D costs in 2014

- Each plan charges different premiums, deductibles, coinsurances and copays
- **Premium:** National average is \$32.42 in 2014
- **Deductible:** Maximum is \$310 in 2014
- **Copays:** Vary by plan
 - Pay less for drugs in lower tiers
 - Tier 1: Generics
 - Tier 2: Preferred Brand-Name
 - Tier 3: Non-Preferred Brand-Name
 - Tier 4 and above: Specialty Drugs
- People with low income and assets can get help paying these costs (Extra Help)

The Affordable Care Act and Medicare

- **Preventive Care:** There's no coinsurance or deductible for many preventive services, including:
 - Diabetes screenings
 - Colonoscopies
 - Mammograms
- **Part D Improvements:** The Affordable Care Act will close the Part D coverage gap (doughnut hole) by 2020
 - 2014: 52.5% discount on brand-name drugs; generic drug discount is 28%
 - Discounts increase until 2020, when people with Part D pay about 25% throughout the year
- ❖ **Medicare and Marketplace Plans:** Plans sold through the Marketplaces are for people with no health insurance. People with Medicare should not purchase health insurance through the Marketplaces. Medigap policies and Medicare Advantage plans will not be sold in the Marketplaces.

Drug costs during the year

Brand-name drug A costs \$100 in 2014.

	Standard (no Extra Help)
Deductible	\$100
Initial Coverage period	\$25*
Coverage gap	\$47.50
Catastrophic coverage	\$ 6.35 (5% is less)

*In this case, the plan is a basic plan with 25% copays. Costs can vary by plan.

Understanding the options

- The way people choose to get their Medicare benefits will affect the care they get
- The more people know about coverage rules, the more likely they are to get the care they need
- Most people can save money if they understand how their Medicare benefits work
- Choose carefully
 - Individuals may be locked into their plan choice for the year

Medicare options

- There are different ways to get Medicare health benefits
 - **Original Medicare**
 - **Medicare Advantage plan** (like an HMO or PPO)
- If individuals want Part D coverage, they should choose a drug plan that works with their Medicare health coverage
 - **Original Medicare:** Get a stand-alone Prescription Drug Plan (PDP) to cover drugs + Original Medicare to cover health care
 - **Medicare Advantage plan:** Generally get health and drug coverage through one Medicare Advantage Prescription Drug Plan (MA-PD)

Start

Step 1: Decide how you want to get your coverage.

ORIGINAL MEDICARE

or

MEDICARE ADVANTAGE PLAN
Part C (like an HMO or PPO)

Part A
Hospital
Insurance

Part B
Medical
Insurance

Part C
Combines Part A,
Part B, and usually
Part D

Step 2: Decide if you need to
add drug coverage.

Part D
Prescription
Drug Coverage

Step 2: Decide if you need to
add drug coverage.

Part D
Prescription Drug
Coverage
(Most Medicare
Advantage Plans cover
prescription drugs. You
may be able to add drug
coverage in some plan
types if not already
included.)

Step 3: Decide if you need to add
supplemental coverage.

Medicare
Supplement
Insurance
(Medigap)
policy


End

End

If you join a Medicare Advantage Plan, you don't need and can't be sold a Medicare Supplement Insurance (Medigap) policy.

Original Medicare

- Most people have Original Medicare
- Pay-per-visit system (fee-for-service)
- Covers care from most doctors and hospitals in the country
- Limits on doctors' fees people must pay
- Doesn't cover drugs
 - If people with Original Medicare want Part D coverage, they must buy a separate Part D prescription drug plan



A sample Medicare Health Insurance card for Jane Doe. The card is white with a red and blue header. The header contains the text "MEDICARE HEALTH INSURANCE" and the Medicare logo. Below the header, the card displays the following information: "1-800-MEDICARE (1-800-633-4227)", "NAME OF BENEFICIARY JANE DOE", "MEDICARE CLAIM NUMBER 000-00-0000-A", "SEX FEMALE", "IS ENTITLED TO HOSPITAL (PART A) 07-01-1986", "MEDICAL (PART B) 07-01-1986", and "SIGN HERE Jane Doe". A large, semi-transparent "SAMPLE" watermark is overlaid on the card.

Original Medicare – cont.

- Doesn't cover all costs
 - Many routine services such as most dental, foot, ear and eye care aren't covered
 - Doesn't cover most long-term care
- Costs can add up:
 - 20% coinsurance for most Part B services
 - Part A hospital deductible (\$1,184 in 2013)
 - No limit on out-of-pocket costs
- This is why some people want or need supplemental coverage

Supplemental coverage

❖ Medigap policies

- Help pay the out-of-pocket costs associated with Original Medicare (copays, deductibles)
- Sold only by private companies
- Don't work with Medicare Advantage

❖ Employer insurance

- Current or former

❖ Low-income programs

- Medicaid
- Extra Help
- Medicare Savings Programs
- State Pharmaceutical Assistance Programs (SPAP)

Medigap policies

- Medigaps may cover:
 - Deductibles and coinsurances
 - Usually only pays for services Medicare approves
 - Medicare pays first, Medigap can pay part or all of remaining cost
 - Some plans cover costs Medicare doesn't cover, such as emergency care outside the U.S.
- Labeled by letter: each letter covers a specific set of benefits
- Can usually only purchase a Medigap during specific enrollment periods
- Medigaps will not help pay for services not covered under Original Medicare
 - For example: Original Medicare does not cover routine dental care so a Medigap will not pay any of the cost of most dental care

Medicare Advantage plans

- Individuals can choose to get benefits from an insurance company that contracts with Medicare
 - Called a Medicare Advantage plan
- They still have Medicare if they join a private plan
- Must provide all Part A and Part B services
 - Usually have different costs and restrictions for covering those services
- May offer extra services (vision, dental, etc.)
- If they want Part D, they must generally get it from the same plan
 - Part D coverage in a Medicare Advantage plan works the same as it does in a PDP

Medicare Advantage plan costs

- Part B premium
- May charge additional monthly premium
- May charge a deductible, then usually charge fixed copays (such as \$15)
 - Instead of Original Medicare's 20% coinsurance
- People pay more if they:
 - Get care outside the plan's network or service area
 - Don't ask the plan's permission to get certain types of care or don't follow plan rules

Rules and restrictions

- **Medicare Advantage plans may:**
 - Limit people to networks of doctor and hospitals
 - May charge more than Original Medicare for certain kinds of care
 - Require them to get permission for services
 - Increase their premiums, copayments and change their benefits from one year to next
 - Close, forcing them to find a new plan next year
- Doctors and hospitals can leave a plan any time but **plan members can only leave at certain times of year**
- Must have limits on the amount members pay out-of-pocket each year (not including premiums)
 - Limits may be high but can protect people if they have high costs
- Can't buy a Medigap (supplemental insurance) to cover out-of-pocket costs

Drug coverage

- Individuals should remember to choose a drug plan that works with their Medicare health coverage
 - **Original Medicare:** Stand-alone drug plan
 - **Medicare Advantage plan:** All benefits (doctors, hospitals, drugs) covered through same plan

Original Medicare v. Medicare Advantage

- Advantages to Original Medicare
 - No plan networks
 - No referral needed for specialists or other care
 - Beneficiaries are covered anywhere in the United States
 - As long as the doctor accepts Medicare
- Advantages to Medicare Advantage
 - May get additional benefits (vision, hearing, etc.)
 - Health and drug coverage from the same provider
 - Out-of-pocket limit that protects people if their costs are high

Making choices

- People should
 - Consider whether they want to stay with Original Medicare
 - Understand that each plan has its own set of rules
 - Do their homework before switching health plans. The health plan they pick can affect the care they get.
- Most people are limited in when and how often they can switch Medicare plans

Making choices: MA plans

- When looking at Medicare Advantage plans, consider:
 - 1) Doctor, hospital and pharmacy networks
 - 2) Access to health care
 - 3) Costs
 - 4) Prescription drug coverage
 - 5) Coordination with other benefits
 - 6) Enrollee satisfaction

Doctor, hospital, pharmacy networks

- Are providers in the plan's network? If not, will the plan still pay for their services? Which specialists, hospitals, home health agencies, skilled nursing facilities and pharmacies are in the plan's network?
- What service area does the plan cover?
- What coverage do beneficiaries have if they travel to parts of the U.S. outside the service area?

Access to health care

- Do beneficiaries need to choose a Primary Care Physician (PCP)?
 - Who can they choose as their PCP?
- Do they need a referral to see a specialist?
 - How easy is it to get referrals to see specialists? How long does a referral last?
- Do their doctors need to get approval from the plan to admit them to a hospital in non-emergency situations?
- If they have or develop a complex illness, what disease-related services are covered?

Cost

- Does the plan have a monthly premium?
 - If so, how much is it?
- How much are copays?
 - For PCP visits?
 - For specialist visits?
- How much will they pay for a hospital stay?
- How much will they pay if they use a non-network doctor or hospital?
- Are there higher copays than Original Medicare for certain types of care?
 - For example, does your plan charge more than Original Medicare for skilled nursing facility care or home health care?
- What's the annual out-of-pocket maximum?
 - If someone is in a PPO, what are the out-of-pocket limits for in-network vs. out-of-network care?

Prescription drug coverage

- Are the individual's prescriptions on the plan's **formulary** (list of covered drugs)?
- Are there any restrictions on when the plan will cover their prescriptions?
 - Like step therapy, prior authorization or quantity limits
- Do they have to pay a deductible before the plan will cover their drugs?
- How much will they pay for brand-name drugs? How much for generic drugs?
- Will they be able to use their pharmacy? Is it a preferred, in-network pharmacy? Can they get their drugs by mail order?
- Can they fill their prescriptions if they travel away from the plan's network?
- Will they pay a higher premium because of their income?

Choosing a drug plan

- People with Multiple Sclerosis (MS) have to pay particular attention to their drug needs when choosing a Part D plan
 - Many drugs that treat MS are expensive, specialty drugs
- To pay the lowest cost for the best coverage, people with MS should
 - Make sure all of their drugs are on the plan's formulary
 - Make sure they have compared plans to ensure they have the best drug costs
 - See when they are going to fall into the doughnut hole and when they will come out of the doughnut hole
 - See if they can ask for a [tiering exception](#) to get their drug reclassified into a lower drug tier, at a lower cost
 - See if they qualify for [Extra Help](#), a national drug assistance program for people with Medicare Part D
 - Monthly income up to \$1,436 for singles (\$1,939 for couples) in 2013
 - Assets up to \$13,300 (\$26,580 for couples) in 2013
 - See if their State has a State Pharmaceutical Assistance Program (SPAP) to help pay for drug costs (much higher income and asset limits than Extra Help)

Coordination with other benefits

- How does the plan work with current coverage?
 - Employer, union or retiree coverage
 - Medicaid
 - Medigap

Note: If individuals have employer or union coverage, they (and their dependents) could lose it by joining a Medicare Advantage plan and not be able to get it back

Enrollee Satisfaction

- How often do members leave or disenroll from the plan?
- How do members rate the health coverage they get from the plan?
- How satisfied are members in general?
 - Especially members with complex illnesses

Do your homework

- Beneficiaries should not feel pressured to sign up for a plan before they've confirmed the facts
- Always call plans directly to confirm coverage information. Ask for information in writing.
- **Keep records.** Write down:
 - The name or ID# of the customer service representative with whom they speak
 - The date and time of their call
 - The information given to them
 - The outcome of the call

Where to find information

- Information about Part D plans and Medicare Advantage plans in a service area are available from Medicare:
 - Medicare’s Plan Finder tool (www.medicare.gov)
 - A good starting place, but a limited tool
 - 800-MEDICARE (800-633-4227)
 - Ask for the number of the State Health Insurance Assistance Program (SHIP)
 - Or, call the plan directly
- Make sure to check all information directly with the plan before enrolling
- Talk to any other health plans or drug programs they are in, such as employer coverage, Medicaid or an SPAP

How to enroll

- Generally best to enroll or make changes through 800-MEDICARE
 - Reduces chances of administrative error
- Or, people can enroll with the plan directly
- If they're already in a private health plan, it's usually best to enroll in a new plan without disenrolling from an old plan
 - They'll be automatically disenrolled from old plan
 - Ensures they have no gaps in coverage
- To go back to Original Medicare, disenroll from Medicare Advantage plan or enroll in a PDP

Things to remember

- If individuals are happy with their current coverage, they don't need to change
- But if they are in a Medicare Advantage (MA) or Medicare Part D plan, they should review how the plan is changing at the end of every year
- The Medicare plan they pick can affect the health care they get
- Be careful before changing plans
- Drug discounts during the doughnut hole are increasing each year until 2020, when the doughnut hole will close

For more information and help

- Medicare Rights Center
 - 800-333-4114
 - Medicare Interactive (www.medicareinteractive.org)
- Local State Health Insurance Assistance Program (SHIP)
 - Get the number by visiting www.shiptalk.org
- Medicare
 - 800-MEDICARE (800-633-4227)
 - www.medicare.gov

Questions?



Thank You

This concludes tonight's webinar: **Understanding Medicare in the New Era**

This webinar will soon be available on MSAA's website, www.mymsaa.org. As a reminder, additional ACA information is available now on our website under About MS.

Once again, I would like to thank Katherine Fitzpatrick and Margaret Weisser for their excellent presentation tonight as well as program sponsors Biogen Idec, Genentech, Genzyme, a Sanofi Company; and Novartis Pharmaceuticals Corporation.

Please be sure to complete the very brief survey that immediately follows the conclusion of this program. On behalf of MSAA, thank you for joining us.



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