



## Medicaid and Medicare working together in Washington

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### Today's overview

- What SHIBA is and what Medicare is
- Who and how people get on Medicare
- Medicare basics: A, B, D or C
- Original Medicare and Medicare Advantage Plans – differences that impact Health Homes benefits
- What Medicaid is and how people get on it
- What it means to be dual eligible
- How costs are paid for duals – buy-in
- Part D (prescription drug coverage) and all the colorful letters

## What is SHIBA?

### Statewide **H**ealth **I**nsurance **B**enefits **A**dvisors

- Every state and territory has a state “SHIP”
- We are a FREE program of the Office of the Insurance Commissioner called SHIBA
- We provide unbiased and confidential information about Medicare and other health insurance
- We are an educational service
- We don't sell anything
- We are funded by the federal Administration on Community Living and the Office of the Insurance Commissioner

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## What we do

- We have 400+ volunteer advisors statewide
- We have a sponsor in every county – list is attached!
- Our volunteer advisors are trained to provide the latest Medicare and health care coverage information
- We confidentially counsel and educate people about their options and help compare health insurance plans
- We provide person-centered information about programs that might save them money including Medicaid, Medicare Savings Programs and Extra Help for Prescription drugs

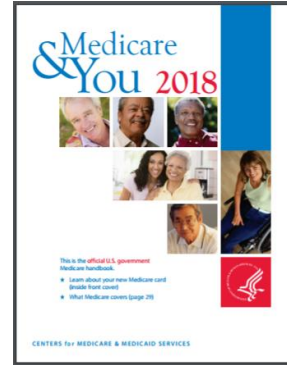
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# What is Medicare?

- Health insurance for people
  - 65 and older
  - Under 65 with certain disabilities
    - ALS (Amyotrophic Lateral Sclerosis, also called Lou Gehrig’s disease) without a waiting period
  - Any age with End-Stage Renal Disease (ESRD)



CMS Product No. 10050

**NOTE:** To get Medicare you must be a United States (U.S.) citizen or lawfully present in the U.S. for 5 years

# What Agencies are Responsible for Medicare?

They Handle Enrollment, Premiums, and Replacement Medicare Cards



**Social Security Administration (SSA)** enrolls most people in Medicare



**Railroad Retirement Board (RRB)** enrolls railroad retirees in Medicare

They Handle the Rest









**Centers for Medicare & Medicaid Services (CMS)** administers the Medicare Program



Federal retirees’ premiums are handled by the **Office of Personnel Management**

# What Are the 4 Parts of Medicare?

Throughout this training, these icons are used to identify the part of Medicare being discussed.








Original Medicare	Medicare Advantage	Medicare Prescription Drug Coverage
 <b>Part A</b> Hospital Insurance	 <b>Part B</b> Medical Insurance	<div style="display: flex; flex-direction: column; align-items: center;"> <div style="display: flex; justify-content: space-around; width: 100%;"> <div style="text-align: center;">  Part A                             </div> <div style="text-align: center;">+</div> <div style="text-align: center;">  Part B                             </div> </div> <div style="margin: 5px 0;">+</div> <div style="text-align: center;">  Part D (Usually)                             </div> </div> <p>Medicare Advantage is also called Part C</p>
		 <b>Part D</b> Medicare prescription drug coverage

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# Medicare Coverage Choices

Option 1: Original Medicare	Option 2: Medicare Advantage (Part C)
<p>This includes Part A and/or Part B.</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  Part A Hospital Insurance                             </div> <div style="text-align: center;">+</div> <div style="text-align: center;">  Part B Medical Insurance                             </div> </div> <div style="background-color: #003366; color: white; text-align: center; padding: 5px; margin: 10px 0;">You can add:</div> <div style="text-align: center;">  Part D Medicare prescription drug coverage                             </div> <div style="background-color: #003366; color: white; text-align: center; padding: 5px; margin: 10px 0;">You may have Medicaid OR add a</div> <div style="text-align: center;">  Medigap Medicare Supplement Insurance                             </div>	<p>These plans are like HMOs or PPOs and typically include Part D.</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  Part A Hospital Insurance                             </div> <div style="text-align: center;">+</div> <div style="text-align: center;">  Part B Medical Insurance                             </div> </div> <div style="text-align: center; margin: 10px 0;">+</div> <div style="text-align: center;">  Part D Medicare prescription drug coverage                             </div>

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## How do people apply or get enrolled in Medicare?

- Some people are automatically enrolled
  - Those who are on Social Security Disability Insurance
  - Those who take an “early” Social Security Retirement benefit
  
- Most people enroll online, by phone or at a Social Security Administration office

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## Automatic Enrollment—Part A and Part B

- Automatic enrollment for those receiving
  - Social Security benefits or Railroad Retirement
- Initial Enrollment Period (IEP) Package
  - Mailed 3 months before
    - 65<sup>th</sup> birthday or
    - 25th month of disability benefits
  - Includes a Medicare card



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## Medicare Cards

- CMS issues a Medicare card
- Social Security provides the mailing address
- People NEED to update Social Security if they move so continue to get benefits smoothly



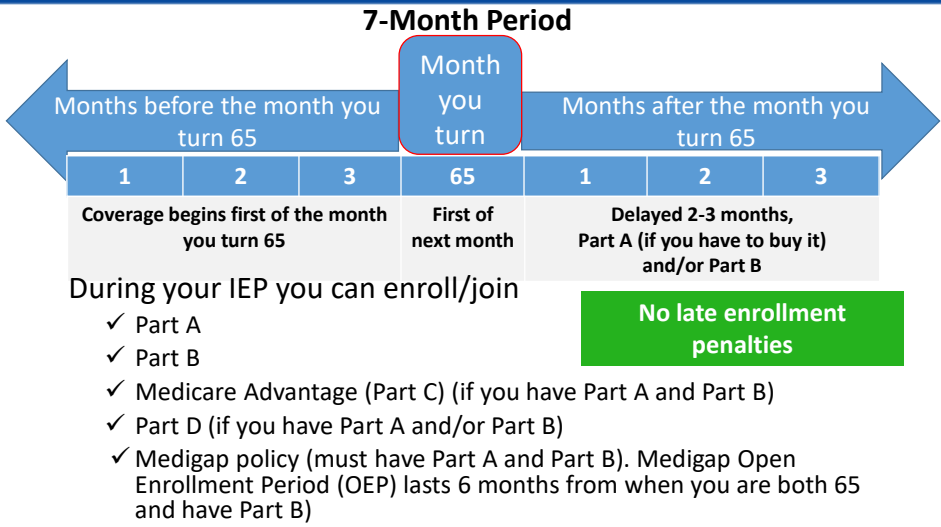
For more information, or to see when the new Medicare card will mail to your state, visit [Medicare.gov/newcard](http://Medicare.gov/newcard).

**Social Security Number  
removed from new card.  
New number unique to you.**

## There are various enrollment periods

- Initial Enrollment Period
- Special Enrollment Period
- General Enrollment Period
- Annual Open Enrollment Period

# Initial Enrollment Period (IEP)



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# Medicare Special Enrollment Period (SEP)— Group Health Plan (GHP) Coverage Ends



8-Month period when you can enroll in

- ✓ Part A
- ✓ Part B

Usually no LEPs

If you enroll during SEP

- ✓ Medicare Advantage (Part C)
- ✓ Part D

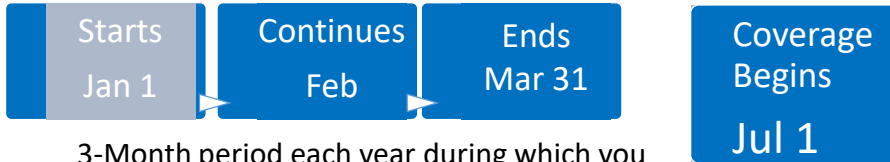
You have 6 months from the Part B effective date to buy a Medigap policy

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## General Enrollment Period (GEP)



3-Month period each year during which you can enroll/join

- ✓ Part A
- ✓ Part B

**May have LEPs**

If you enroll in Medicare during the GEP (dates above), you can then sign up for

- Medicare Advantage (Part C) (if you have Parts A and B)
- D (if you have Part A and/or Part B)

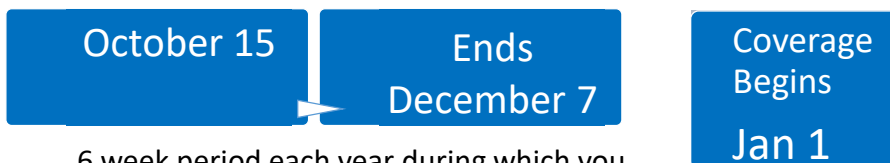
When?? from April 1-June 30

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## Annual Open Enrollment Period



6 week period each year during which you can enroll/join/switch

- ✓ Part D
- ✓ Medicare Advantage

If you enroll in Medicare during the OEP (dates above), your new Plan starts January 1 of following year

But Health Home Clients on CN Medicaid have a continuous Open Enrollment Period so they don't need to wait!

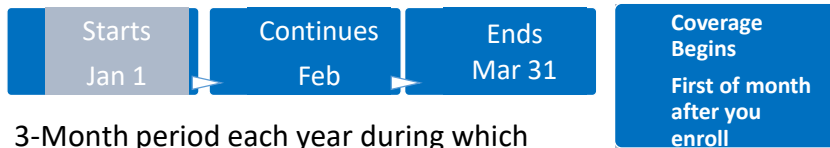
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## NEW: Medicare Advantage Open Enrollment Period (MA OEP)



3-Month period each year during which you can

- ✓ Switch MA Plans (MA-PD to MA, or MA to MA-PD)
- ✓ Drop MA Plan and return to Original Medicare
  - If you do, you can enroll in a Part D plan – which H H clients NEED

You must already be in an MA Plan on January 1 to use this enrollment period. \*\*perhaps check with your clients\*\*

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## Other Medicare Special Enrollment Periods (SEPs)

- You move out of your plan's service area
- You have Medicaid and Medicare
- Your plan leaves the Medicare Program or reduces its service area
- You leave or lose employer or union coverage
- You enter, live at, or leave a long-term care facility (like a nursing home)
- In 2018 you have a continuous (SEP) if you qualify for Extra Help
  - [New in 2019 - Once per calendar quarter during first 9 months each year](#)
- You lose your Extra Help status
- You're sent a retroactive notice of Medicare entitlement
- Other exceptional circumstances

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## Original Medicare Coverage Part A—Hospital Insurance

**Part A—Hospital Insurance** helps cover medically necessary



- ✓ Inpatient hospital care
  - Semi-private room, meals, general nursing, other hospital services and supplies, as well as care in inpatient rehabilitation facilities and inpatient mental health care in a psychiatric hospital (lifetime 190-day limit)
- ✓ Inpatient Skilled Nursing Facility (SNF) care
  - After a related 3-day inpatient hospital stay
    - If you meet all the criteria

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## Original Medicare Part A—Hospital Insurance (continued)



**Part A—Hospital Insurance** helps cover

- ✓ Blood (inpatient)
- ✓ Certain inpatient non-religious, nonmedical health care in approved religious nonmedical institutions (RNHCIs)
- ✓ Home health care
- ✓ Hospice care
- ☒ **What's not covered?**
  - Private-duty nursing
  - Private room (unless medically necessary)
  - Television and phone in your room (if there's a separate charge for these items)
  - Personal care items, like razors or slipper socks

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## Original Medicare Part B—Medical Insurance



**Part B—Medical Insurance** helps cover medically necessary

- ✓ Doctors' services – even if inpatient
- ✓ Outpatient medical and surgical services and supplies
- ✓ Clinical lab tests
- ✓ DME (may need to use certain suppliers)
- ✓ Diabetic testing supplies
- ✓ Preventive services (like flu shots and a yearly wellness visit)
- ✓ Home health care

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## Cost for Part B Premiums



### ■ Monthly Premium

- Most Americans pay around \$135 a month for Part B
- If a person is on Medicare and Medicaid the State of WA pays the Part B Premium until the Medicaid coverage ends (through Buy-In Division)
- It takes approx. 60 days for the State to start paying the premiums and for SSA to reimburse clients for monies withheld from SSA checks
- If there's a problem check with Medicare Buy-In Unit at 1-800-562-3022 x16129

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## What is Medicaid?

- Federal and state program
- Medical assistance for people with limited income and resources
- Covers about 74 million adults and children in the US
  - Medicaid—68 million individuals enrolled
  - CHIP—6 million individuals enrolled
- Supplements Medicare for more than 10 million people who are aged and/or disabled
- Washington calls it Apple Health

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## How do people apply or get on Medicaid?

- Medicaid = Washington Apple Health
- Typically apply through HealthPlanFinder (HPF) first
- Certain eligibility types (including ABD) are forwarded to DSHS:
  - Community Services Office (CSO)
  - Home & Community Services (CSO)
- If Health Plan Finder shows no Medicaid eligibility, applicants should still go to CSO
- Some will qualify for Medicare Savings Programs or Extra Help – not the full Medicaid (QMB, SLMB, QI-1)

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## Lots of people have BOTH

- We may refer to clients as “duals” or fully dual eligible
- Some states say “Medi-Medi”
- Different places have different names for Medicaid
- Washington calls it Apple Health
- Your clients are sometimes on both

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## Some don't qualify for Medicaid

- Many people on Medicare do not qualify for Medicaid. Income threshold to qualify for Medicaid is much lower for Medicare beneficiaries than for people not on Medicare.

Programs they may qualify for include:

MN Medicaid – and be on a “spenddown”

QMB – Medicare premiums, co-pays deductibles covered,  
Extra Help for prescriptions

SLMB – Medicare Part B premium covered

QI-1 – Medicare Part B premium covered

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## Health Home benefit

- 7% of people on Medicaid in Washington are eligible for the Health Home benefit
- Clients who qualify for Categorically Needy Medicaid = “Full Scope Medicaid”
- Some also have Medicare

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## Health Home Benefit

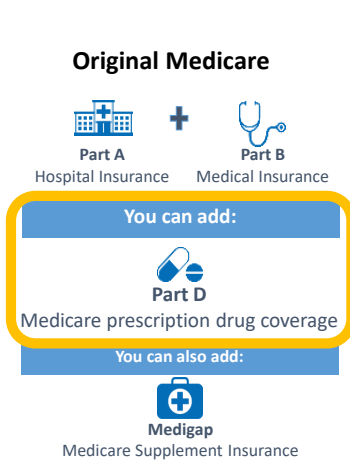
- If a person has Medicare Part A and B that is considered “original Medicare” and they can have Health Home benefit.
- A person with Part A and B should also have a part D plan to add good prescription drug coverage. Once a person has Medicare & Medicaid DSHS no longer covers medications.
- If they have a Medicare Advantage Plan aka Part C, they lose the Health Home Benefit

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## Medicare Prescription Drug Coverage (Part D)



- Available for all people with Medicare
- Run by private companies that contract with Medicare
- Provided through
  - Medicare Prescription Drug Plans (PDPs) (work with Original Medicare)
  - Medicare Advantage (MA) Prescription Drug Plans (MA-PDs)
  - Some other Medicare health plans

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## What is Extra Help?



- Program to help people pay for Medicare prescription drug costs (Part D)
  - Also called the Low-income subsidy (LIS)
- If you have lowest income and resources
  - Pay no premiums or deductible, and small or no copayments
- If you have slightly higher income and resources
  - Pay reduced deductible and a little more out of pocket
- No coverage gap or late enrollment penalty (LEP) if you qualify for Extra Help
- **Special Enrollment Period Change for 2019**



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## How Medicare Part D Works



Part D  
Medicare  
prescription drug  
coverage

- Plans have formularies
  - Lists of covered drugs
  - Must include range of drugs in each category
- Dual eligibles have zero or low monthly premium
- Dual eligible have no deductibles and low co-payment costs for medications
- Duals can change part D plans quarterly
- BUT if someone takes a medication not covered by Medicare and Medicaid they could be paying out of pocket costs

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## Your clients should have Part D



Part D  
Medicare  
prescription  
drug coverage

- Dually eligible people lose prescription coverage through Medicaid once they are eligible for MEDICARE
- Some people get automatically enrolled and get various colored letters about it
- You can help them with mail and clarifying phone calls - emphasize the importance of Medicare part D for their medications
- Your clients may already have creditable prescription drug coverage through a retiree plan, V.A., TRICARE, Indian Health and that's okay

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## Co-pay costs for Medications Vary

Co-pay levels vary from \$0 - \$8.50 or more for some

- Home & Community Based Services (Level 3) \$0
- Institutional (LTC) (Level 3) \$0
- Eligible for CN Medicaid (Level 2) \$1.25/3.80
- Full Extra Help (Level 1) \$3.40/\$8.50
- Partial Extra Help (Level 4) \$85 deductible Plus 15% costs

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## How SHIBA helps Health Home clients

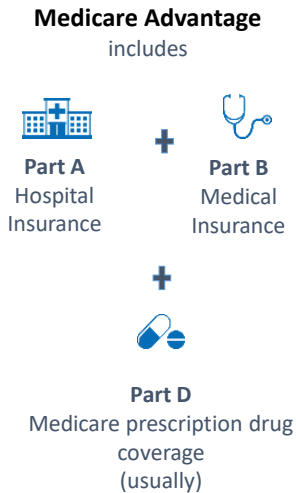
- SHIBA Advisors help people compare, select and enroll into the best Part D plan:
  - Works with their favorite pharmacy
  - Covers their specific medication needs
  - Will have zero or least amount of cost
- SHIBA will need to know the medications names, dosage and quantity to do the best analysis on Medicare.gov

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## Lesson 5—Medicare Advantage (MA) Plans



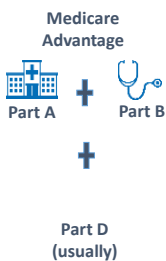
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- Offered by Medicare–approved private companies
  - Must follow Medicare rules
  - Another way to get Medicare coverage
  - Still have Medicare but your Part A and Part B coverage is from the MA Plan
- In most cases you have to use healthcare providers in the plan’s network
  - Some plans offer out-of-network coverage
- You can’t enroll in (and don’t need) a Medicare Supplement Insurance (Medigap) policy while you’re in an MA Plan

## Medicare Advantage (MA) and Health Home Clients



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- You’re always covered for emergency and urgent care.
- You’re covered by the plan for all Part A and Part B services.
  - Original Medicare will still cover the cost for hospice care, some new Medicare benefits, and some costs for clinical research studies.
- **Health Home clients may be interested in coverage for things that aren’t covered by Original Medicare, like vision, hearing, dental, and other health and wellness programs.**
- **Medicare prescription drug coverage (Part D) is usually included but not always so advocate with your clients to be sure to get Part D Rx coverage.**
- You pay your Part B premium, and you might have to pay a monthly premium for the MA Plan.
- You (or a provider acting on your behalf) can request to see if an item or service will be covered by the plan in advance (called an organization determination.) Contact your plan for more information.
- Plans charge different amounts for various services. **People on full Medicaid should not pay out-of-pocket costs.** Rules change each year.
- **If a Home Health client chooses a Medicare Advantage Plan they will lose their Health Home Benefit and then have to have a PAM score re-assessed if they drop the Medicare Advantage Plan and revert back to Original Medicare**

## Partnering with SHIBA

If something may be disconnected with Medicaid & Medicare:

- Contact the SHIBA agency nearest you
- Be prepared to explain the situation
- SHIBA advisor can best help if you provide
  - Client's MEDICARE card information, zip code, date of birth, specific medications
- Contact the SHIBA Assist Line at 800-562-6900