

JUSTICE IN AGING

FIGHTING SENIOR POVERTY THROUGH LAW

Legal Basics: Medicare Parts A, B, & C

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Justice in Aging is a national organization that uses the power of law to fight senior poverty by securing access to affordable health care, economic security, and the courts for older adults with limited resources.

Since 1972 we've focused our efforts primarily on populations that have traditionally lacked legal protection such as women, people of color, LGBT individuals, and people with limited English proficiency.

Road Map

- Medicare Overview
- Enrollment and Costs
- Part A, B & C
- Programs to Help Pay for Costs
- Appeals
- Resources

Medicare Overview

Medicare Overview

FEDERAL PROGRAM

- (1) individuals 65 and over who are eligible for Social Security retirement benefits (or Railroad Retirement) plus spouse or former spouse;
- (2) individuals under 65 with disabilities who are eligible for Social Security disability benefits

Not Means Tested nor is it Free or Comprehensive

Medicare and its Parts

Part A (Hospital Insurance)	Part B (Medical Insurance)	Part C (Medicare Advantage)	Part D (Rx Drug Coverage)
Pays for hospital, skilled nursing, hospice, some home health.	Pays for doctors, ambulances, labs, x-rays, durable medical equipment and supplies.	Receiving Parts A and B (and often D) through a private plan. There are several different types of MA plans.	Only available through private plans.
Medicaid provides additional benefits			
Medicare Savings Programs cover some costs.			Low Income Subsidy covers some costs.

Enrollment and Costs

Enrollment Periods

Initial Enrollment

3 months before month you turn 65 or qualify for disability until three months after: 7 months

General Enrollment (each year)

January - March for each year; benefits begin July 1

Special Enrollment (special)

8 month period beginning 1st day of month no longer in employer group health plan (EGHP)

Enrollment in Medicare is automatic for those already receiving Social Security benefits, but all others need to enroll.

Premiums for 2017

Part A

- If 40 quarters: free
- \$227 if 30-39 quarters
- \$413 if fewer or no quarters
- QMB can help low-income individuals

Part B

- \$134.00 (more for higher income; less for others)
- MSPs can help low-income individuals

Penalties for late enrollment

- Part A (if pay premium): 10% for each 12-mo. period w/out coverage. Lasts twice the no. of years w/out coverage
- Part B: 10% for each 12-month period not enrolled

Transitioning from Federal Marketplace Coverage

- Beneficiaries who become eligible for Medicare are no longer eligible for subsidies under the marketplace/exchanges
- Special Enrollment Period and waiver of late penalties for individuals who remained in marketplace - notices being sent by CMS
- Apply at Social Security by March 31, 2017, for equitable relief

Parts A, B, & C

Part A: Hospital

- You pay \$1,316 deductible for the first day. This single deductible covers the next 59 days in the hospital for the same benefit period.
- After 60 days, you pay \$329 per day for days 61-90.
- From the 91st day through the 150th day you are hospitalized, you pay \$658 per day for each of the 60 lifetime reserve days.

Part A: Skilled Nursing Facility

- Need to have a 3 day in-patient prior hospital stay
- Physician order
- Facility must be Medicare certified
- Skilled care must be needed at least 5 times a week (“daily basis”) Custodial care is not covered.
 - Examples of skilled care: IV feeding, physical therapy, occupational therapy, speech therapy, gait evaluation and training
- Medicare covers up to 100 days of care
 - in full for the first 20 days of a covered stay
 - Coinsurance of \$164.50 is required for days 21-100

Part A: Observation Status

When is a hospital stay *not* a hospital stay?

“Observation status”- short term treatment, assessment and reassessment while a decision is being made regarding whether patients require treatment as inpatients.

- Billed under Medicare Part B, not Part A
- Does not count as a qualifying stay for SNF coverage
- Contact Justice in Aging if your clients incur costs or can't get SNF coverage due to observation stay

Part A: Other

Home Health Care

- Need intermittent skilled nursing care, physical therapy or speech therapy
- Be homebound
- Have doctor who determines need and sets up plan of care; AND
- Choose agency providing services that is Medicare certified

Hospice

- Must be eligible for Part A
- Doctor and hospital medical director certify that patient is terminally ill
- Patient chooses hospice instead of regular Medicare for the illness
- Services received from Medicare certified provider

Medicare Part B

- Physician services
- Outpatient therapy services
- Outpatient hospital services
- Ambulance
- Other medical supplies and services
 - E.g., durable medical equipment: must be appropriate for “use in the home.”

**Part B is optional if you have an Employer
Group Health Plan**

Part B Costs

- Premium: \$134.00
- Deductible: \$183.00
- Assignment: Medicare pays 80% of x
 - Co-Pay: 20% of x
- No assignment: Medicare pays 80% of x
 - Co-pay: 20% of x
- Addition of up to 115% of x
- X= replace with Medicare-approved amount

No balance billing for most duals and all

Medicare Free Preventative Benefits

- Annual wellness visit
- Coverage of cardiovascular disease blood test
- Diabetic screening if at-risk
- Free screenings for preventive services, e.g., prostate cancer, glaucoma, diabetes, mammograms
- Certain vaccinations

Part C: Medicare Advantage

Medicare Advantage (MA) Program

- Private plans through which enrollees obtain all Medicare covered services
 - Plans must offer all services covered under Medicare Parts A and B
 - Plans may offer Part D prescription drug benefit
- Often covers additional benefits
- Must have both Parts A and B to be eligible
- Must generally see contracted providers

Medicare Advantage Plans

Three Types of MA plans:

- **Coordinated Care Plans**
 - Health Maintenance Organizations (HMOs)
 - Preferred Provider Organizations (PPOs)
 - Special Needs Plans (SNPs)
- **Private Fee-for-Service (PFFS) Plans**
- **Medicare Medical Savings Accounts (MSAs)**

Dual Eligibles and MA Plans

Dual eligibles can use their Medicaid coverage outside the MA plan only when:

- The individual has exhausted the Medicare-covered benefits through the MA plan and Medi-Cal offers additional benefits
- The individual uses Medicaid to obtain a health benefit not covered by the MA plan

Medicare Medicaid Plans

Some states offer new types of health plans called Medicare Medicaid Plans (MMPs)

- These plans are responsible for both the Medicare and Medicaid benefits, including Part D benefits
- Available in 10 states only

Medicare Advantage: Enrollment Periods

- Initial Enrollment Period: seven month window for initial Medicare eligibility (at 65); or 25th month of disability
- Annual Coordinated Election Period: October 15 - December 7
- MA Disenrollment Period:
 - January 1 - February 14
- Special Enrollment Periods

Special Enrollment Periods for Low-Income Individuals

- Special Enrollment Periods (SEPs) include:
 - Continuous SEP for all receiving the Low Income Subsidy, including dual eligibles.
 - Continuous SEP for institutionalized individuals.
 - Other circumstances (move out of service area, marketing abuse, etc.)

Programs to Help Pay for Costs

Medicare Savings Programs

- Three programs for those who have limited income and resources:
 - Qualified Medicare Beneficiary: QMB
 - Specified Low Income Beneficiary: SLMB
 - Qualified Individual: QI
- If eligible for any of these, automatically get the Medicare Part D Low Income Subsidy (aka “Extra Help”)

Qualified Medicare Beneficiary

Income and Resource Limits

- Countable monthly income below federal poverty level (\$1010 individual/\$1355 married).
- Your countable assets cannot exceed \$7,280 for an individual; \$10,930 for a couple.

Covers Medicare Part A premium (if any); Medicare Part B premium; coinsurance and deductibles

Specified Low-Income Medicare Beneficiary

Income and Resource Limits

- Your countable monthly income cannot exceed \$1208 if you are single. If married, a couple's monthly income cannot exceed \$1622.
- Your countable assets cannot exceed \$7,280 for an individual; \$10,930 for a couple.

Covers Part B premium Only

Qualified Individual

Income and Resource Limits

- Your countable monthly income cannot exceed \$1357 if you are single. If married, a couple's monthly income cannot exceed \$1823.
- Your countable assets cannot exceed \$7,280 for an individual; \$10,930 for a couple.

Covers Part B premium Only

Appeals

Appeals

Initial Determination

- Decisions made by intermediaries (for Part A) or carriers (Part B)

Redeterminations (appeal w/in 120 days)

- Also made by intermediaries or carriers

Reconsideration (appeal w/in 180 days)

- Made by QIC: Contractors with Medicare

Administrative Law Judge Hearing (if at least \$160)

Medicare Appeals Council (MAC)

Federal District Court (if over \$1560)

Appeals

Fast Track may apply to:

- Hospital discharges
- Terminations of SNF and home health services
- Apply by noon of the day prior to termination

Part C Appeals

Four options if denied or dissatisfied:

- Appeals process
 - Triggered with written denial or failure to grant w/in 14 days for service or 30 days for payment
 - 5 steps:
 - Reconsideration by plan: 60 days to appeal
 - Independent Review Entity (IRE)
 - ALJ, MAC, Federal Court

Part C Appeals Cont'd

- Expedited appeal
 - if medical conditions warrant (decision w/in 72 hours)
- Fast-track appeal
 - for hospital/SNF, Home Health discharge
- File a complaint through grievance procedures, “complaint”

Resources

Resources

- www.Medicare.gov
- 1-800-Medicare
 - TTY Users: 977-486-2048
- Medicare and You Handbook
- SHIPs 1-800-434-0222
- www.justiceinaging.org
- www.medicarerights.gov
- www.medicareadvocacy.org

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