

# Medicare Open Enrollment: What People With COPD Need to Know

October 10, 2019

# TODAY'S AGENDA

1. Let's Learn Medicare: Laurie Thomashow-Medicare Rights Center
2. COPD Care Medicare Coverage: Jamie Sullivan-COPD Foundation
3. Questions
4. Reminders

## Poll Questions

1. Do you review your Medicare options every year during open enrollment?
2. What treatments are covered under Medicare Part B?
  1. Inhalers
  2. Nebulizers
  3. Oxygen
  4. Antibiotics
  5. All of the Above
3. Medicare supplement plans cover your copays for prescription drugs like inhalers
  1. True
  2. False



# Let's Learn Medicare

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## Fall Open Enrollment

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# Medicare Rights Center

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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

# Learning objectives

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- 💡 Medicare basics
- 💡 Fall Open Enrollment
- 💡 Choosing between Original Medicare & Medicare Advantage
- 💡 Choosing between Part D plans
- 💡 Changes in 2020

# Medicare basics

# What is Medicare?

- Federal program that provides health insurance for those 65+, those under 65 receiving Social Security Disability Insurance (SSDI) for a certain amount of time, and those under 65 with kidney failure requiring dialysis or transplant
  - No income requirements
- Two ways to receive Medicare benefits



## Original Medicare

Traditional program offered directly through federal government



## Medicare Advantage

Private plans that contract with federal government to provide Medicare benefits

# Medicare eligibility – 65+

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- After turning 65, individual qualifies for Medicare if they
  - Collect or qualify to collect Social Security or Railroad Retirement benefits
  - **OR** are a current U.S. resident and either
    - » A U.S. citizen
    - » **OR** a permanent resident having lived in the U.S. for five years in a row before applying for Medicare

# Medicare eligibility – under 65

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- Individual not yet 65 qualifies for Medicare if
  - They have received Social Security Disability Insurance (SSDI) or Railroad Disability Annuity checks for total disability for at least 24 months
    - » If they have amyotrophic lateral sclerosis (ALS), there is no waiting period, and they are eligible for Medicare when they start receiving SSDI
  - OR, they have End-Stage Renal Disease (ESRD or kidney failure) and they or a family member have enough Medicare work history

# Parts of Medicare



- Medicare benefits administered in three parts:
  - Part A – Hospital/inpatient benefits
  - Part B – Doctor/outpatient benefits
  - Part D – Prescription drug benefit
- Original Medicare includes Part A and Part B
  - Part D benefits offered through stand-alone prescription drug plan
- What happened to Part C? → Medicare Advantage Plans (e.g., HMO, PPO)
  - Way to get Parts A, B, and D through one private plan
  - Administered by private insurance companies that contract with federal government
  - Not a separate benefit: everyone with Medicare Advantage still has Medicare

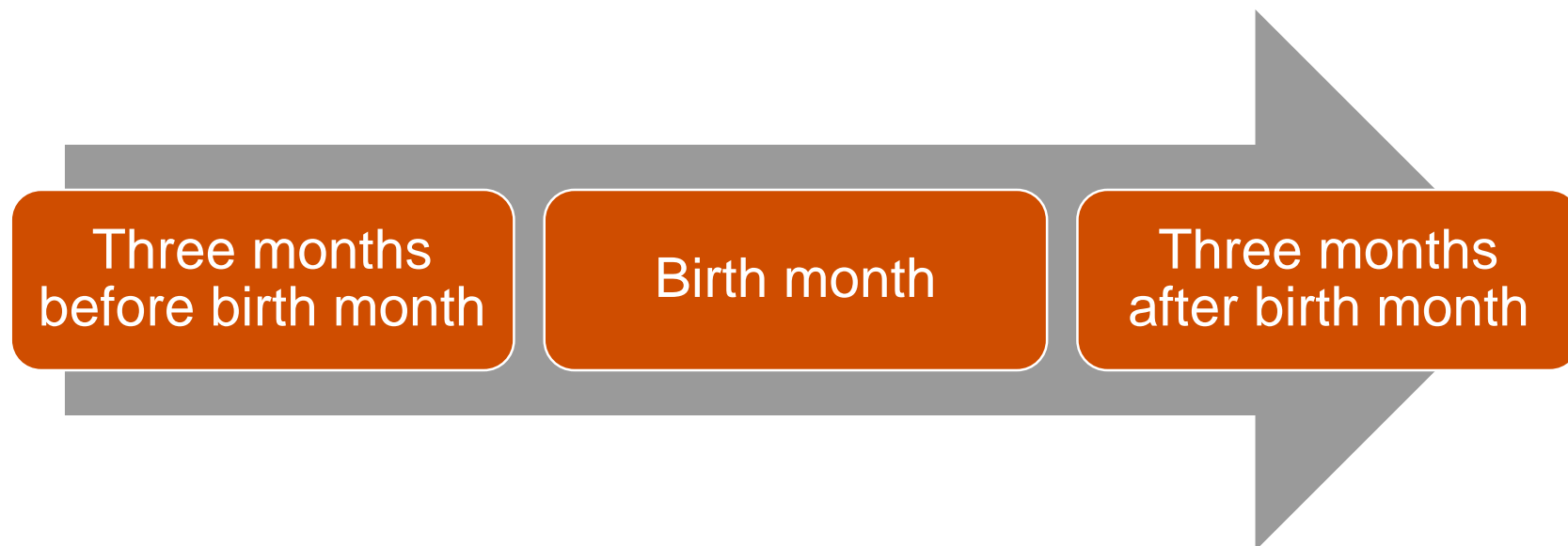
# Four ways to enroll in Medicare



1. Automatic Enrollment
2. Initial Enrollment Period
3. General Enrollment Period
4. Special Enrollment Period

# Initial Enrollment Period

- Seven-month period including the three months before, the month of, and three months following a beneficiary's 65<sup>th</sup> birthday
  - Coverage starts depending on when in the IEP a person enrolls
  - Some are automatically enrolled in Part A and B



# Other enrollment periods



- General Enrollment Period (GEP)
  - January 1 through March 31
  - Sign up for Part B with coverage beginning in July
  - Using the GEP to sign up will mean incurring a late enrollment penalty
- Special Enrollment Period (SEP)
  - Periods of time outside of the normal enrollment periods triggered by specific circumstances

# Fall Open Enrollment Period

# Basics



- Fall Open Enrollment begins October 15 and ends December 7
- During Fall Open Enrollment, beneficiaries can:
  - Make changes to Medicare health and/or drug coverage
  - Switch from Original Medicare to Medicare Advantage and vice versa, change Medicare Advantage Plans, sign up for Part D for the first time
  - Changes take effect January 1

# Important reminders

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- Be aware that plan coverage and costs change every year
- Even if someone is satisfied with their current plan, they should make sure the plan will meet their needs next year
  - Review the plan information during each Fall Open Enrollment
  - Make sure the plan continues to cover drugs the same way it has, and that current pharmacies are preferred pharmacies
  - For a Medicare Advantage Plan, making sure current doctors are still in the plan's network

# Medicare Marketing Rules



- Marketing fraud is when an insurance company deceives people about what the plan offers and how much it costs
- Insurance companies can not:
  - Call or e-mail if they were not asked to do so
  - Visit homes or nursing homes without an invitation
  - Ask for financial or personal information if they call
  - Sell life insurance or other non-health related products at the same appointment
  - Compare their plan to another plan by name in advertising materials
  - Include the term “Medicare endorsed” or suggest that it is a preferred Medicare drug plan
  - Imply that they are calling on behalf of Medicare

# Choosing between Original Medicare & Medicare Advantage

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# Original Medicare and Medicare Advantage

Original Medicare	Medicare Advantage
<ul style="list-style-type: none"><li>• Can see any doctor that accepts Original Medicare</li><li>• No referrals for specialists</li><li>• Does not include hearing, vision, or dental coverage</li><li>• No limit on out-of-pocket costs</li><li>• Medigap</li></ul>	<ul style="list-style-type: none"><li>• Networks of doctors, service areas</li><li>• Referral for specialist</li><li>• May offer additional benefits<ul style="list-style-type: none"><li>• Hearing, vision, dental</li></ul></li><li>• Limit on out-of-pocket costs</li></ul>

# Part A coverage

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- **Inpatient hospital care**
  - Formally admitted into the hospital by a hospital doctor
- **Inpatient skilled nursing facility care**
  - Beneficiary must have spent three nights as a hospital inpatient
- **Home health care**
  - Beneficiary must be considered homebound and need skilled care
  - Doctor must approve and services must be received from a Medicare-certified home health agency
- **Hospice care**
  - Comprehensive care for people who are terminally ill

# Part A costs

<b>Medicare Part A Costs for 2019</b>	
Premium	Free for those with 10 years of Social Security work history  \$240 if beneficiary or spouse worked and paid Medicare taxes for 7.5 to 10 years  \$437 if beneficiary or spouse worked and paid Medicare taxes for fewer than 7.5 years
Hospital deductible	\$1,364 for each benefit period
Hospital coinsurance	\$341 per day for days 61-90 each benefit period  \$682 per day for days 91-150 (these are 60 non-renewable lifetime reserve days)
Skilled nursing facility (SNF) coinsurance	\$170.50 per day for days 21-100 each benefit period

# Part B coverage



- **Outpatient care**
  - Care provided to a beneficiary by health care professionals if the beneficiary was not formally admitted as a hospital inpatient
- **Doctors' services**
  - Medically-necessary services provided to a beneficiary by a doctor
- **Preventive care**
  - Care to keep beneficiaries healthy or prevent illness
- **Home health care**
  - Care used to treat an illness or injury in the home
- **Durable medical equipment (DME)**
  - Medical equipment provided to beneficiaries on an outpatient basis

# Part B costs

Medicare Part B Costs for 2019	
Annual deductible	\$185
Monthly premium	<p>\$135.50 is the standard premium.</p> <p>People with high incomes pay more for the monthly premium</p>
Coinsurance	Medicare pays 80% of Medicare-approved amount for a doctor's service; beneficiary pays 20% coinsurance

Note: coinsurance is sometimes called cost sharing

# Part B coinsurance

- Coinsurance varies, depending on:
  - Type of care received
  - Provider
  - Agreement provider has with Medicare

	Original Medicare
Participating Doctor	<ul style="list-style-type: none"><li>• Accepts Medicare</li><li>• Accepts Medicare's approved amount for health care services as full payment (i.e. takes assignment)</li></ul>
Non-participating doctor	<ul style="list-style-type: none"><li>• Accepts Medicare</li><li>• Can bill up to 15% more than Medicare's approved amount for non-participating doctors</li></ul>
Opt-out Doctor	<ul style="list-style-type: none"><li>• Does not accept Medicare at all</li><li>• Can charge whatever they want</li></ul>

# Medigap policies



- Supplemental plans that pay part or all of remaining costs after Original Medicare pays first
  - Example: Medigap policy can pay for an individual's 20% Part B coinsurance
- Only work with Original Medicare
- 10 standardized plans (Plans A, B, C, D, F, G, K, L, M, and N)
- Provided by private insurance companies
- Charge a monthly premium for coverage

# What Medicare does not cover



- Most dental care
- Most vision care
- Routine hearing care
- Most foot care
- Most long-term care
- Alternative medicine
- Most care received outside the U.S.
- Personal care or custodial care if there is no need for skilled care
- Most non-emergency transportation

**Note:** Medicare Advantage Plans (or Medicaid a beneficiary qualifies) may cover these services

# MA Plans



- Offered through private insurance companies
  - Part A, Part B, and Part D
  - May need doctor's referral to see specialist
  - All costs, rules, and restrictions vary by plan
  - May cover excluded services
  - Cannot have a Medigap
- Must cover all services Original Medicare covers, but may have different costs, rules, and restrictions
- May cover additional services that Original Medicare does not cover

# Networks



	Medicare Advantage
In-network provider	<ul style="list-style-type: none"><li>• Contracts with the plan to provide health care services</li></ul>
Out-of-network provider	<ul style="list-style-type: none"><li>• Does not contract with the plan</li></ul>

- Certain plans may offer coverage for out-of-network services
  - In these cases, the beneficiary is normally responsible for a larger portion of the cost-sharing

# Questions to consider

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- Will I be able to use my doctors? Are they in the plan's network?
- Do I need a referral from my primary care provider to see a specialist?
- What costs should I expect for my coverage (premiums, deductibles, copayments)?
- Does the plan cover any services that Original Medicare does not (such as dental, vision, or hearing)?
- Are there any rules or restrictions I should be aware of when accessing these benefits?
- Does the plan cover outpatient prescription drugs?

# Choosing prescription drug coverage

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# Medicare Part D



- Outpatient prescription drug benefit for anyone with Medicare
  - A person is eligible for Part D if they have Part A or Part B
- Only available from private insurance companies
- Two ways to get Part D drug coverage:
  - If beneficiary has Original Medicare:
    - » Purchase a stand-alone prescription drug plan – private plan offers only drug coverage
  - If beneficiary has a Medicare Advantage Plan:
    - » Part D is generally included and the beneficiary receives all Medicare benefits from one plan
- Everyone is responsible for a monthly premium
  - Beneficiaries with low incomes can get help with costs

# Questions to consider

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- Are my prescriptions on the plan's formulary?
- Does the plan impose any coverage restrictions, such as prior authorization or step therapy?
- What are the costs (premiums, deductibles, copays, coinsurance)?
- What is the service area for the plan?
- Can I fill my prescriptions at the pharmacies I use regularly?

# Medicare changes for 2020

# Medigap Plans F and C in 2020

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- **Individuals newly eligible for Medicare on or after January 1, 2020**, will not be able to purchase Medigap Plan C or Plan F
  - Medigaps will no longer be able to cover Part B deductible
  - These individuals can purchase Plan D or Plan G, which provide coverage for same out-of-pocket costs, with exception of Part B deductible
- Individuals eligible for Medicare before 1/1/2020 will still be able to purchase Plan C or Plan F, and receive coverage of Part B deductible

# Supplemental benefits (new in 2019)



- Starting in 2019, Medicare Advantage Plans may offer supplemental benefits that are not considered primarily health-related and that address social determinants of health
- Possible benefits include:
  - Nutrition services
  - Non-skilled in-home support, like housekeeping
  - Home modifications

# Supplemental benefits for those with chronic conditions (new in 2020)

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- Starting in 2020, Medicare Advantage Plans can offer special supplemental benefits for certain chronically ill plan members
  - Benefits do not have to be primarily health-related
  - Plans can choose to offer these benefits for 1 or more specific chronic conditions, such as diabetes, dementia, and/or severe hematologic disorders
- Possible benefits include:
  - Therapeutic massage
  - Non-health-related benefits, such as transportation for non-medical reasons, providing food
- Plan decides whether individual beneficiary qualifies for these benefits; benefits may not apply to all plan enrollees with same chronic condition

# Additional telehealth benefits (new in 2020)



- Starting in 2020, Medicare Advantage Plans can offer additional telehealth benefits
- Each plan decides which Part B-covered services are appropriate to be offered as telehealth
  - Cost-sharing may differ for service offered through telehealth vs. in-person

- Medicare Interactive
  - [www.medicareinteractive.org](http://www.medicareinteractive.org)
- Web-based compendium developed by Medicare Rights for use as a look-up guide and counseling tool to help people with Medicare
  - Easy to navigate
  - Clear, simple language
  - Answers to Medicare questions and questions about related topics, for example:
    - “How do I choose between a Medicare private health plan (HMO, PPO or PFFS) and Original Medicare?”
  - 2 million annual visits and growing



# Medicare Interactive Pro (MI Pro)

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- Web-based curriculum that empowers professionals to better help clients, patients, employees, retirees, and others navigate Medicare
  - Four levels with four to five courses each, organized by knowledge level
  - Quizzes and downloadable course materials
- Builds on 25 years of Medicare Rights Center counseling experience
- For details, visit [www.medicareinteractive.org/learning-center/courses](http://www.medicareinteractive.org/learning-center/courses) or contact Jay Johnson at 212-204-6234 or [jjohnson@medicarerights.org](mailto:jjohnson@medicarerights.org)

- E-newsletter
  - Released every two weeks
- Clear answers to frequently asked Medicare questions
  - Links to explore topics more deeply
  - Additional resources and health tips
  - Co-branding available
- Sign up at [www.medicarerights.org/about-mrc/newsletter-signup.php](http://www.medicarerights.org/about-mrc/newsletter-signup.php)

# COPD Care Coverage In Medicare

# How are COPD treatments paid for in traditional Medicare

## Medicare Part A

- Endobronchial Valves
- Lung Volume Reduction Surgery
- Lung Transplant
- Any hospital inpatient treatment or emergency room visits for COPD exacerbations
- Skilled Nursing Facility Stays
- Hospice Care

## Medicare Part B

- Oxygen
- Nebulized Medication and Nebulizer Equipment
- Non-invasive Ventilators
- CPAP/BiPAP
- Physician administered biologics (like those for severe asthma)
- Pulmonary Rehabilitation
- Airway Clearance Devices

## Medicare Part D

- Rescue Inhalers
- Maintenance Inhalers
- PD4 Inhibitors
- Daily Antibiotics

# Considerations

- Are you taking a nebulized medication?
  - You will be responsible for 20% of the cost of the medication in traditional Medicare Part B
  - The price can fluctuate quarterly and is based on an average sales price set by CMS using data from pharma companies
  - A Medicare supplement plan will often cover the 20% coinsurance
  - Medicare Advantage plans will cover the nebulized drug you are using. They are not allowed to charge more than the 20% cost BUT they can charge more if you do not use one of their preferred, in-network pharmacies
- Does the Advantage or Part D plan you are considering cover your inhaled medications?
  - Many plans will have restrictive formularies and they do change year to year
  - Many plans will have in-network pharmacy requirements so make sure to check that a pharmacy near you is in network or be willing to use the mail order option
  - They consider some inhaled medications interchangeable BUT you will have to learn a new device and the substitutions aren't always good for patients who have been stable with their treatments
- Do you plan on being assessed for endobronchial valves in the next year?
  - Ensure the facility you will go to is included in the plan's network if looking at Medicare Advantage
  - Consider the plan's process for gaining approval if you qualify for the procedure
  - Assess total expected out of pocket costs for inpatient, procedure related costs AND outpatient costs for assessment and follow up care

## What Do Part B Treatments Cost with NO supplement?

Medicare Supplement Plans range in cost from \$31-\$344 in monthly premium costs.

Part B Examples	Example Costs (20% of ASP)
Treatment Type	Out of Pocket Costs
Nebulized LABA	\$124-\$146/month
Nebulized LAMA	\$247/month
Severe Asthma Injections	\$33/injection
Stationary Oxygen	\$13-\$41/month
Portable Oxygen	\$7-\$9/month
Noninvasive Ventilator	\$175-\$312/month
CPAP	\$8-\$21/month

A few scenarios to show you why



## Scenario One

Jim has severe COPD and multiple exacerbations each year but for the last year he has had fewer exacerbations and feels better since he started taking a LAMA/LABA/ICS and a PD4 Inhibitor.

Examples of what Jim could face monthly if he chooses a Part D Plan (before the cov. gap):

1. Premium of \$27 w/ monthly drug costs of \$803
2. Premium of \$61 w/monthly drug costs of \$94.00
3. Premium of \$80 w/monthly drug costs of \$230 but w/no deductible

Examples of what Jim could face monthly if he chooses a MA plan (before the cov. gap, premiums do not incl. \$135 part B premium):

1. Premium of \$25 w/ monthly drug costs of \$147
2. Premium of \$148 w/monthly drug costs of \$241
3. Premium of \$350 w/monthly drug costs of \$235

## Scenario Two

Jenny has been taking an ICS/LABA and wants to switch plans. She was switched to a generic option earlier this year so she figures she can pick any plan and not worry about cost.

BUT

Ex. 1: Generic and Brand NOT covered

Ex. 2: Generic is covered and monthly cost will be \$47.00 (\$33.88 in cov. Gap)

Ex. 3: Generic is not covered but brand is, copay is still \$47 before the cov. gap BUT \$99 in the cov. gap

IF Jenny chooses a Medicare Advantage Plan, doing her homework is equally as important!

In 2 of 3 MA examples ONLY the brand was covered at copays of \$47 and \$40 but higher costs in the coverage gap. In the 3<sup>rd</sup> example, NEITHER generic or brand are covered.

## Scenario Three

Jack has been having problems managing his inhaled LAMA and his doctor recently suggested switching to a new handheld nebulized version. He is thrilled because his doctor says nebulized medications are in Part B and his supplement plan usually covers the out of pocket costs and Jack is happy to hear the nebulizer is more portable since he maintains a busy volunteer schedule.

BUT

The new drug has a unique nebulizer device only used for that one medication, so it IS covered under Medicare Part D. Only 1 of the 3 examples (the one with the lowest monthly premium) provides coverage at all. None of the 3 MA Plan examples offered coverage, though others may, and the out of pocket maximum would apply after only a few months.

# COPD State Captains: Join a Network of 125+ COPD Community Leaders

COPD STATE CAPTAINS

**COPD  
Champions  
in the  
Community**

**Outreach to state agencies, health systems,  
senior facilities & more to enhance inclusion of  
COPD as a focus area**

**Advisors**

**Infuse the COPD patient and caregiver voice in  
research, regulatory decision making, innovation  
& more**

**Community  
Mentors**

**Mentor and link to the broader community,  
translate high level activities into community  
empowerment & synthesize broad needs to  
influence systems change**

Thank You to the Following  
COPD Foundation Partners for  
Their Support of the State  
Captain Program:

Mylan  
Grifols  
GlaxoSmithKline

# Reminders & Helpful Links

- ❖ Join the Conversation: [www.copd360social.org](http://www.copd360social.org)
- ❖ Find out more about the COPD Patient Powered Research Network:  
[www.copdpprn.org](http://www.copdpprn.org)
- ❖ Active Survey and Study Opportunities
  1. Johns Hopkins Oxygen Survey: <https://forms.gle/ubD6hgKRvhMqEe8u7>
  2. FDA Patient and Caregiver Connection Survey:  
<https://www.surveymonkey.com/r/56PG7TY>
  3. ReTHINC Study: <https://www.pulmonarytrials.org/ptc-studies/rethinc/>
- ❖ COPD Action Center: Connect with your members of Congress  
<https://www.copdfoundation.org/Take-Action/Get-Involved/The-COPD-Action-Center.aspx>
- ❖ Follow us on Facebook and Twitter  
<https://www.Facebook.com/COPDFoundation> and  
<https://twitter.com/COPDFoundation>

Questions?

Contact us!

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