


What Cancer Patients Need to Know about Medicare Open Enrollment


Christina Bach, MBE, MSW, LCSW, OSW-C
Clinical Oncology Social Worker

Abramson Cancer Center
Penn Medicine

OncoLink

Learning the Language of Your Health Insurance is Like Learning Another Language

NEWSFLASH

MEDICARE
DOES NOT
COVER ALL
HEALTHCARE COSTS!!!

What is Open Enrollment?

- The time each year when individuals covered by traditional Medicare or Medicare Advantage plans can make additions or changes to their coverage
- These changes include adding more coverage, changing insurance providers or changing types of coverage
- Medicare Open Enrollment in 2013 is from October 15th-December 7th
- New coverage elections begin on January 1, 2014

What does Medicare cost

- Part A
  - Usually no premium if the individual/ spouse has a work history
  - If no work history, monthly premium is $441
- Inpatient Hospital Deductible
  - Days 1-60: $1,184 for each benefit period
  - Days 61-90: $296 coinsurance per day of each benefit period
  - Days 91 and beyond: $592 coinsurance per each "lifetime reserve day" after day 90 for each benefit period (up to 60 days over your lifetime)
  - Beyond lifetime reserve days: all costs
- Part B
  - Premium for MOST people is $104.90 per month
  - Deductible $147 per year
  - Out of pocket 20% of all part B covered expenses

Medicare Part A

- Covers (with specific criteria)
  - Inpatient care in hospitals
    - Including inpatient psychiatric/mental health care
  - Skilled nursing facility care (SNF)
  - Hospice
  - Home Health Care (some)

Medicare Part B

- Is "optional," but there is a penalty if you don't elect Medicare Part B when you first become eligible
- Covers at 80%-
  - Doctors and other health care provider visits
  - Outpatient care
    - Including chemotherapy, physical/occupational therapy, x-rays, MRI's, CT scans, EKG's
  - Home health care (some)
  - Durable medical equipment
  - Mental health treatment
  - Some preventative services
  - Labs
    - No cost to you as long as the lab provider accepts "Medicare assignment"

What is NOT covered by Medicare A & B

- Long term care
- Custodial care
- Private duty homecare
- Routine dental/eye care
- Dentures
- Most prescription medications
- Cosmetic surgery
- Acupuncture
- Hearing aids

Other Important Facts About Medicare A & B Coverage

- You can go to any doctor/hospital, as long as they are participating Medicare providers (most are)
- You do not need to choose a primary care doctor
- You do not need referrals to see a specialist, but the specialist must also be a participating Medicare provider

The patient is always responsible for...

Premiums
Deductibles
Co-insurance
Copayments

Know Your Terminology!

Key terms to know

- Premium - Agreed upon fees paid for coverage of medical benefits for a defined benefit period. Premiums can be paid by employers, unions, employees, or shared by both the insured individual and the plan sponsor

- Deductible - A fixed dollar amount during the benefit period - usually a year - that an insured person pays before the insurer starts to make payments for covered medical services. Plans may have both per individual and family deductibles. Some plans may have separate deductibles for specific services

Key Terms to know

- Coinsurance - A form of medical cost sharing in a health insurance plan that requires an insured person to pay a stated percentage of medical expenses after the deductible amount, if any, was paid.
  - Once any deductible amount and coinsurance are paid, the insurer is responsible for the rest of the reimbursement for covered benefits up to allowed charges
  - The individual could also be responsible for any charges in excess of what the insurer determines to be "usual, customary and reasonable"

Key Terms to Know

- Coinsurance rates may differ if services are received from an approved provider (i.e., a provider with whom the insurer has a contract or an agreement specifying payment levels and other contract requirements) or if received by providers not on the approved list
- In addition to overall coinsurance rates, rates may also differ for different types of services
- Usually a fixed percentage with an annual out of pocket maximum or "stop-gap"

Key terms to know

- Copayment - A form of medical cost sharing in a health insurance plan that requires an insured person to pay a fixed dollar amount when a medical service is received. The insurer is responsible for the rest of the reimbursement
- Benefit Period (Medicare)
  - A benefit period begins the day the individual is admitted as an inpatient in a hospital or SNF
  - The benefit period ends when the individual hasn't received any inpatient hospital care (or skilled care in a SNF) for 60 days in a row
  - If the individual goes into a hospital or a SNF after one benefit period has ended, a new benefit period begins
  - The individual must pay the inpatient hospital deductible for each benefit period.
  - There's no limit to the number of benefit periods

Medigap/Supplemental Plans

- These policies are sold by private insurance companies
- These policies fill the gap (costs/expenses) left by traditional Medicare A and B coverage
- You are responsible for monthly Medigap premiums
- Cost is dependent on the type of plan you elect

Medigap/Supplemental Plans

- Medigap coverage does not ALWAYS include prescription drug coverage; but if it does you will not need (and cannot have) additional Rx coverage under a Part D plan
- It is always best to purchase a Medigap plan when you are first eligible for Medicare (initial coverage period); purchasing plans during other "open enrollment" periods may cost more
- Federal law does not require insurance companies to sell Medigap policies to people under 65 (the disabled with Medicare)-though some state laws supersede Federal law

There are many different TYPES of Medigap plans

	Medicare Supplement Insurance (Medigap) Plans									
Benefits	**A**	**B**	**C**	**D**	**F***	**G**	**K**	**L**	**M**	**N****
Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Medicare Part B coinsurance or copayment	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	50%	75%	**100%**	**100%**
Blood (first 3 pints)	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	50%	75%	**100%**	**100%**
Part A hospice care coinsurance or copayment	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	50%	75%	**100%**	**100%**
Skilled nursing facility care coinsurance			**100%**	**100%**	**100%**	**100%**	50%	75%	**100%**	**100%**
Medicare Part A deductible		**100%**	**100%**	**100%**	**100%**	**100%**	50%	75%	50%	**100%**
Medicare Part B deductible			**100%**		**100%**					
Medicare Part B excess charges					**100%**	**100%**				
Foreign travel emergency (up to plan limits)			**100%**	**100%**	**100%**	**100%**			**100%**	**100%**
							Out-of-pocket limit in 2012			
							$4,660	$2,330		

Do Medigap Plans Cover Pre-Existing Conditions?

- It depends -Under Federal law, you may have up to a six-month waiting period for Medigap coverage of pre-existing conditions unless you are in one of the following situations
  - You are entitled to a *guaranteed-issue right* to buy a Medigap because you recently lost certain types of other coverage
  - You purchased a Medigap during an open enrollment period and had coverage for at least six months prior to purchasing the Medigap and have had this prior coverage within the last *63 days*

What does a Medigap Plan Cost?

- Sample Insurance Company Quote for 71 year old woman

	PLAN A	PLAN B	PLAN C	PLAN F	PLAN K	PLAN L	PLAN N
Level 1 No pre-existing conditions	$161.97	$234.85	$288.75	$289.85	$102.57	$178.20	$198.82
Level 1 Tobacco Users No pre-existing conditions	$178.16	$258.33	$317.62	$318.83	$112.82	$196.02	$218.70
Level 2 Pre-existing conditions	$220.87	$320.25	$393.75	$395.25	$139.87	$243.00	$271.12
Level 2 Tobacco Users with Pre-Existing Conditions	$242.95	$352.27	$433.12	$434.77	$153.85	$267.30	$298.23

Tips When Shopping for a Medigap Plan

- Buy early in your Medicare eligibility
- Shop around, compare quotes
- Do your best guesstimate at possible medical costs to help determine what type of gap plan you need
- If you travel abroad, chose a plan that offers travel abroad emergency coverage
- Don't forget Part D coverage!
- Ask specific questions about pre-existing condition limits/periods

Medicare Advantage Plans

- Offered and managed by private insurance providers/ companies
- Required to offer the same amount of coverage as traditional Medicare
- Some also offer additional services like vision, dental, wellness program, gym memberships and Part D (prescription drug) coverage
- These plans are permitted to charge different out of pocket charges (copayments/coinsurance) than traditional Medicare-sometimes these are more, sometimes these are less than traditional Medicare

Medicare Advantage Plans

- These plans usually require the individual to choose a primary care physician and to get referrals for specialty care
- Medicare Advantage Plans have a yearly cap on how much you pay for Part A and Part B covered services each year
- You *CAN* join a Medicare Advantage plan if you are under 65 and on Medicare due to disability

Medicare Advantage Plans

- There are different TYPES of Medicare Advantage Plans
  - Health Maintenance Organization (HMO)
  - Preferred Provider Organization (PPO)
  - Private Fee-for-Service (PFFS)
  - Special Needs Plans (SNP)
  - HMO Point of Service (HMOPOS)
  - Medical Savings Account Plans (MSA)
- Make sure you understand the type of plan and how it works BEFORE you join

Medicare Advantage Plans
What do I pay?

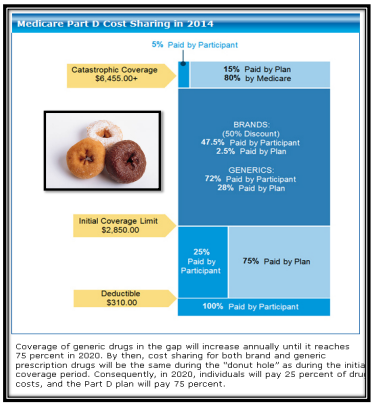
- Monthly premium, if applicable
  - Many plans have no additional premiums and include part D coverage
- Part B premium
- Deductibles
- Copayments/Coinsurance for office visits and other services
  - Medicare Advantage Plans have a STOP GAP; the maximum amount an individual has to pay annually out of pocket (MOOP)
  - The current MOOP/Stop Gap for these plans is $6700 annually

Medicare Part D
Prescription Drug Coverage

- Plans are offered by PRIVATE COMPANIES
- There are rules for WHEN you can (and should) enroll in a Part D plan
  - If you do not, you could be subject to late enrollment penalties
- Is not 100% coverage for drug costs, but can substantially reduce the cost of prescription medications

What does Part D Cost?

- Monthly Premium
  - Varies by plan
  - Is in addition to Part B premium
  - Higher income can equal higher premiums
- Yearly Deductible
- Copayments/Coinsurance



How Do I Get Out of the Donut Hole?

- The following payments COUNT towards getting you out of the donut hole
  - Yearly deductible
  - All coinsurance/copayments
  - The discount you get on brand name drugs while in the coverage gap
  - What you pay in the coverage gap for the cost of your medications

Catastrophic Coverage

- You enter this coverage phase when you have paid a certain amount out of pocket annually for your drug costs or the total costs of your medications reaches a certain amount
- Assures you will only pay a small coinsurance/copayment for the rest of the year
- In 2013
  - beneficiaries are charged $2.65 for those generic or preferred multisource drugs with a retail price under $53 and
  - 5% for those with a retail price greater than $53.
  - For brand drugs, beneficiaries would pay $6.60 for those drugs with a retail price under $132
  - ***5% for those with a retail price over $132***
- Always refer to plan FORMULARY

Where Can I Get More Help with the Cost of My Treatment or Medications?

- Extra Help/Low Income Subsidy
- Co-Pay Assistance
- State Pharmacy Assistance Programs
  - PA-PACE/PACENET
  - NJ-PAAD

Cancer Care and Medicare

- Radiation treatments are covered under PART B
  - Thus, these services are covered at 80%
- Chemotherapy treatments received in a physician's office or outpatient infusion center are covered under PART B
  - Thus, these services are covered at 80%

Cancer Care and Medicare

- Certain oral Chemotherapy drugs that have an IV equivalent (can be given by IV) are covered under PART B
  - These drugs are also covered at 80% and are available at your retail/specialty pharmacy
    - XELODA
    - MELPHALAN
    - BUSULFAN
    - TEMODAR
    - TOPOTECAN
    - ETOPOSIDE
    - METHOTREXATE
    - CYTOXAN
    - TREXALL

Chemotherapy and Medicare Advantage Plans

- Chemotherapy received in a physician's office or outpatient infusion center is covered at 80% under Medicare Advantage Plans
- Radiation is covered at 80% under Medicare Advantage Plans
- However, there is a $6700 annual out of pocket maximum for these services
- Once you have paid $6700 for all healthcare services, they will be covered at 100 % (for the remainder of that year)

Why Part D coverage can be a challenge for cancer patients

- Costs of oral chemotherapy drugs
  - Examples: Gleevec, Tarceva, Xalkori, *Thalomid, Revlimid*
- Lack of generic options for oral chemotherapy drugs
- Doesn't cover some medications for symptom management including
  - Benzodiazepines (for anxiety/sleeplessness)
    - *This CHANGED in 2013 as a result of the Affordable Care Act*
    - *These medications will be covered by Medicare Part D plans when they are being utilized for the treatment of epilepsy, cancer, or a chronic mental disorder*
  - Cough Medicine with Codeine
  - Drugs for anorexia, weight loss, or weight gain
    - Including Ensure supplements

What Do I Need to Know When Comparing Plans

- **What is covered?**
  - Primary Care
  - Specialist
  - ER
  - Urgent Care
  - Hospital Care
  - Preventative Screenings
  - Imaging (x-rays, CT scans, PET scans, MRI)
  - Surgery
  - Radiation
  - Chemotherapy
  - Clinical Trials
  - Mental Health
  - Palliative Care
  - Physical Therapy
  - Home Health Care
  - Medical Equipment
  - Genetic testing
  - Fertility Preservation
  - Transplants
  - Preventive Treatments
  - Respite Care
  - Hospice Care

- **KEY QUESTIONS**
  - What is my PREMIUM?
  - What is my DEDUCTIBLE?
  - How much are CO-PAYS?
  - How much is CO-INSURANCE?
  - What is the MOOP?
  - Does the service require a referral or prior authorization?
  - Is the provider in network or out of network?
  - Are their limits?
  - Are their maximums?

- REMEMBER TO REVIEW YOUR TERMINOLOGY!

How do I Change or Add to my Coverage?

http://www.medicare.gov/
1-800-MEDICARE

Contact Information

Christina Bach, MBE, MSW, LCSW, OSW-C

Clinical Oncology Social Worker, Penn Medicine
Psychosocial Content Editor, Oncolink

christina.bach@uphs.upenn.edu

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Abramson Cancer Center of the University of Pennsylvania

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