

Valley Program for Aging Services

Your local experts in aging

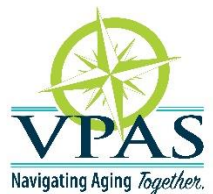


Medicare 2023: What You Need to Know

**Presented by Amy Adkins Taylor
VICAP Program Coordinator**

The Virginia Insurance Counseling and Assistance Program

Your source for Medicare information



Review of Parts of Medicare

Original Medicare

Part A
(Hospital Insurance)



Part B
(Medical Insurance)



Part D
(Drug coverage)



Medigap coverage optional

Medicare Advantage Part C

Combination of:

Part A



Part B

Part D (usually)



Medicare Part D Drug Coverage

Medicare drug plans are:

- Approved by Medicare
- Run by private companies
- Available to everyone with Medicare



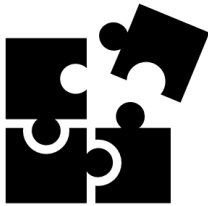
There are 2 ways to get coverage:

1. Medicare stand-alone drug plans (PDP)
2. Medicare Advantage plans with drug coverage (MA-PD)

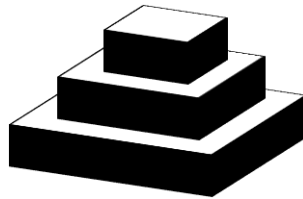
Medicare Part D Drug Coverage

Must offer at least a standard level of coverage set by Medicare.

These plans can differ in:



Combinations of coverage and cost-sharing



Benefit structures, including “tiers” of copayments and coinsurance



Costs for different types of drugs

Medigap

Medigap is private health insurance that's designed to supplement Original Medicare Part A and Part B, often called a Supplement



Fills “gaps” in Original Medicare (like deductibles, coinsurance, copayments)



Sold by private insurance companies



Standardized policies, and in most states are named by letters. Ten plans are available:
A,B,C,D,F,G,K,L,M,N



You must have Part A and Part B to buy a policy

When to Buy Medigap

- When you're 65 or older AND enrolled in both Part A and Part B, you have a Guaranteed Right to purchase any Medigap sold in your state with no medical questions for a 6-month period
 - **6-month period starts when your Part B starts**
- After this period, you may apply for a Medigap plan any time of the year, but the application will have medical questions and the company can deny enrollment based on medical underwriting
- There are some situations when you could get a policy outside of the 6-month window without medical questions.

Medicare Advantage

Medicare Advantage plans are:

- Approved by Medicare
- Available to everyone with Medicare
- Run by private companies
- Still in Medicare with all rights and protections
- Part A and Part B services
- Inclusive of Part D usually but available without drug coverage



Medicare
Advantage

Medicare Advantage

How Medicare Advantage works:

- Medicare pays a fixed amount for your coverage each month to the companies offering Medicare Advantage Plans
- Plans can charge different out of pocket costs than Original Medicare except for certain services, like chemotherapy, dialysis, and skilled nursing facility (SNF) care
- Plans have a yearly limit on your out-of-pocket costs, called a Maximum Out of Pocket (MOOP) Limit for Part A & B services
- Plans can include extra benefits like dental, vision, and fitness
- Each plan has a service area in which its enrollees must live
- Plans usually have a network of providers
- Plans can have different rules for how you get services and rules can change each year

Medicare Coverage Choices



NOTE: Medigap policies only work with Original Medicare.

Original Medicare vs Medicare Advantage

Doctor and Hospital Choice

Original Medicare	Medicare Advantage (Part C)
You can go to any doctor or hospital that takes Medicare , anywhere in the U.S.	In many cases, you'll need to use doctors and other providers who are in the plan's network (for non-emergency care). Some plans offer non-emergency coverage out of network, but typically at a higher cost.
In most cases, you don't need a referral to see a specialist.	You may need to get a referral to see a specialist.

Original Medicare vs Medicare Advantage Cost

Original Medicare	Medicare Advantage
For Part B-covered services, you usually pay 20% of the Medicare-approved amount after you meet your deductible. This is called your coinsurance.	Out-of-pocket costs vary —plans may have different out-of-pocket costs for certain services.
You pay a premium (monthly payment) for Part B . If you choose to join a Medicare drug plan, you'll pay a separate premium for your Medicare drug coverage (Part D).	You pay the monthly Part B premium and may also have to pay the plan's premium . Plans may have a \$0 premium and may help pay all or part of your Part B premium. Most plans include Medicare drug coverage (Part D).
There's no yearly limit on what you pay out of pocket, unless you have supplemental coverage—like Medicare Supplement Insurance (Medigap).	Plans have a yearly limit on what you pay out of pocket for services Medicare Part A and Part B covers. Once you reach your plan's limit, you'll pay nothing for services Part A and Part B covers for the rest of the year.
You can get Medigap to help pay your remaining out-of-pocket costs (like your 20% coinsurance). Or, you can use coverage from a former employer or union, or Medicaid.	You can't buy Medigap .

Original Medicare vs Medicare Advantage Coverage

Original Medicare	Medicare Advantage (Part C)
Original Medicare covers most medically necessary services and supplies in hospitals, doctors' offices, and other health care facilities. Original Medicare doesn't cover some benefits like eye exams, most dental care, and routine exams.	Plans must cover all of the medically necessary services that Original Medicare covers. Most plans offer some extra benefits that Original Medicare doesn't cover —like some routine exams and vision, hearing, and dental.
You can join a separate Medicare drug plan to get Medicare drug coverage (Part D).	Medicare drug coverage (Part D) is included in most plans. In most types of Medicare Advantage Plans, you can't join a separate Medicare drug plan.
In most cases , you don't have to get a service or supply approved ahead of time for Original Medicare to cover it.	In some cases , you have to get a service or supply approved ahead of time for the plan to cover it.

Medigap vs Medicare Advantage

	Medigap Policies	Medicare Advantage Plans
Offered by	Private companies	Private companies
Government oversight	State, but must also follow federal laws	Federal (plans must be approved by Medicare)
You must have	Part A and Part B	Part A and Part B
Covers	Gaps in Original Medicare coverage, like deductibles, coinsurance, and copayments for Medicare-covered services.	All Part A and Part B covered services and supplies. May cover additional benefits like vision and dental. Most include Medicare drug coverage.
Out of pocket	Depends on plan but most commonly purchased Medigap plans have little to no out of pocket for Part A & B services.	Copays for most hospital and medical services, with a maximum out of pocket for the year, ranging from about \$3,400 to \$12,400.
Provider network	No	Usually
Do you pay a premium in addition to the Part B premium	Yes	In some cases. There are a number of \$0 premium plans.

Marketing



MEDICARE COVERAGE HELPLINE

**Up To
\$1,700
A Year**

CERTAIN BENEFICIARIES MAY QUALIFY FOR HELP PAYING THEIR PART B PREMIUM AS PART OF EACH STATE'S MEDICAID OR MEDICAL ASSISTANCE PROGRAM.

CALL THE
1-800-217-8143
Calls answered 24 hours a day, 7 days a week
www.MedicareCoverageHelpline.com

TTY: 711
Call To Speak To A Licensed Insurance Agent

Medicare Coverage Helpline® is not affiliated with or acting on behalf of any government agency or program.

0:29 / 1:06



All At No Additional Cost!

1-800-531-3809

VPAS
NAVIGATING AGING TOGETHER

Medicare Open Enrollment

Starts
October 15

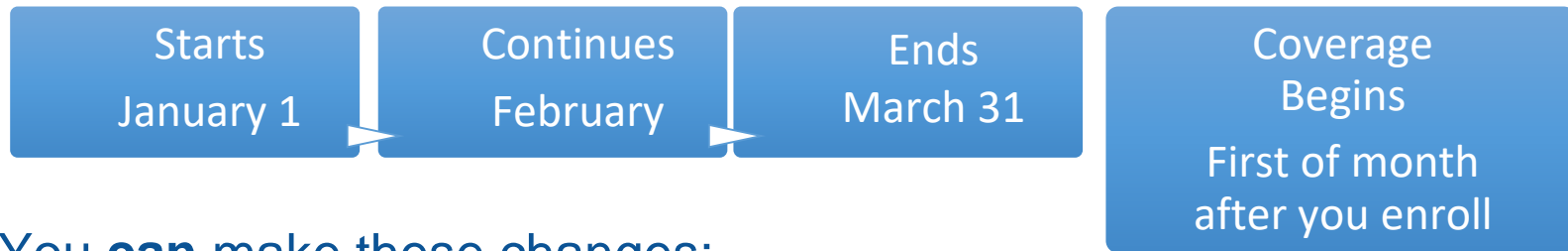
Continues
November

Ends
December 7

Coverage
Begins
January 1

- The 7-week period each year where you can enroll in, disenroll, or switch Medicare Advantage Plans or Medicare drug plans
- This is a time to review health and drug plan choices

Additional Medicare Advantage Open Enrollment Period



- You **can** make these changes:
 - If you're in a Medicare Advantage (MA) Plan, you can switch to another Medicare Advantage Plan
 - You can drop your Medicare Advantage Plan and return to Original Medicare. You'll also be able to join a Medicare drug plan if your MA plan included drug.

- You **can't** make these changes:
 - Switch from Original Medicare to a Medicare Advantage Plan.
 - Join a stand-alone prescription drug plan if you're in Original Medicare.
 - Switch from one stand-alone prescription drug plan to another.

2023 Medicare Updates

Part B Updates

Medicare Part B premium is **\$164.90** in 2023

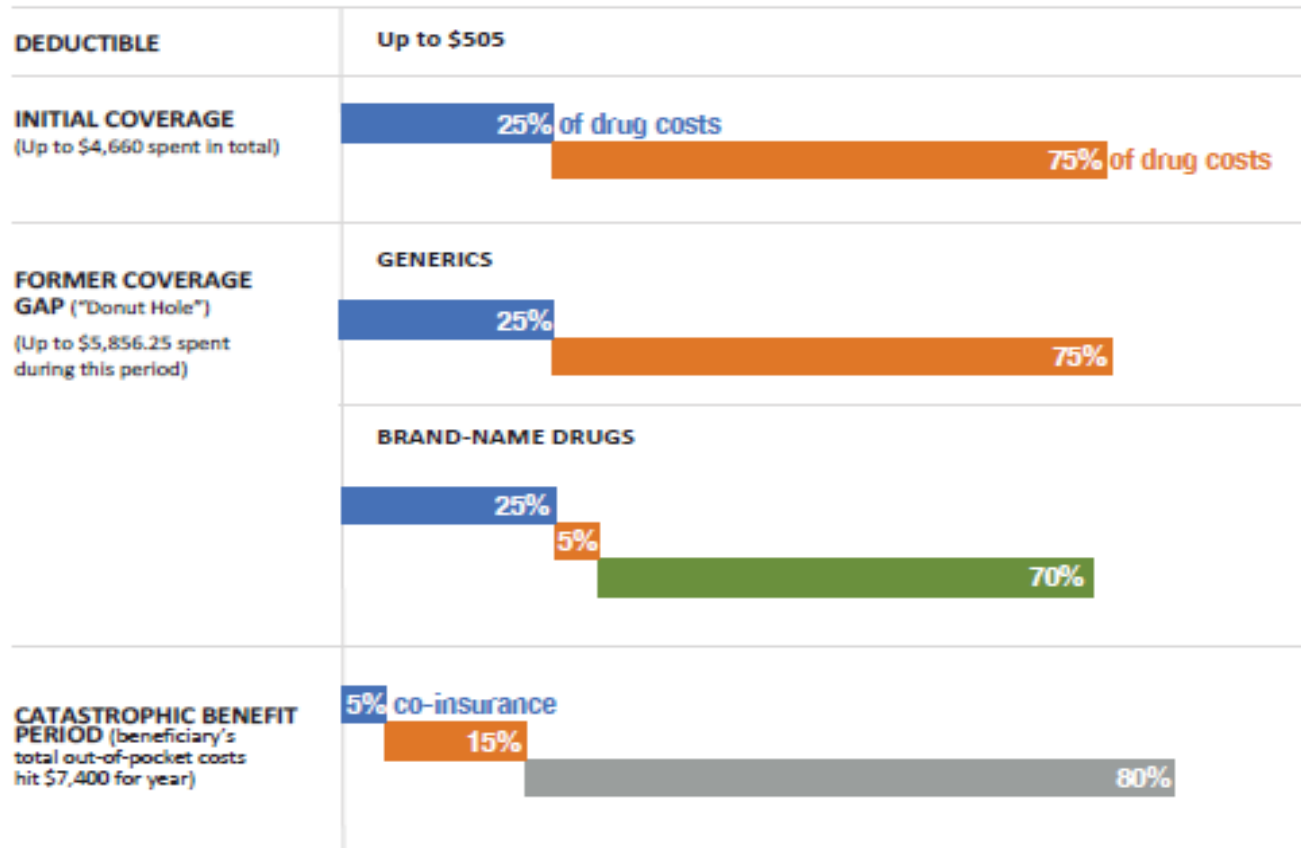
- Decrease of \$5.20 from 2022 premium

Part B annual deductible is **\$226** in 2023

- Decrease of \$7 from 2022 deductible

Lower-than-projected spending on the new drug Aduhelm and other Part B items and services resulted in much larger reserves in the Part B account of the Medicare Trust Fund. The decision was made to use the surplus to reduce the Part B premium & deductible for 2023.

Who Pays What in 2023 for Part D



Part D Standard Structure in 2023

Yearly deductible	Initial coverage phase	Coverage gap	Catastrophic coverage
Ms. Smith pays up to the first \$505 of her drug costs before her plan starts to pay its share.	She pays a copayment (that averages 25% of the cost), and her plan pays its share (75%) for each covered drug until their combined amount (plus the deductible) reaches \$4,660 . The \$4,660 is based on the full cost of the drug.	Once Ms. Smith and her plan have spent \$4,660 for covered drugs, she's in the coverage gap. She'll pay no more than 25% of the cost for prescription drugs until her out-of-pocket spending is \$7,400 . She gets a 70% discount from the drug manufacturer on covered brand-name prescription drugs that counts as out-of-pocket spending, and helps her get out of the coverage gap. She gets an additional 5% coverage from her plan on covered brand-name drugs and 75% coverage on covered generic drugs while in the coverage gap.	Her coverage gap ends when her total annual expenses, including the manufacturer discount payment, reach \$7,400 . Now she only pays not more than 5% coinsurance for each covered drug until the end of the year.



Navigating Aging *Together.*

Inflation Reduction Act (IRA)

- The IRA became public law on August 16, 2022
- It has implications for climate change, prescription drug costs, health care costs, and taxes
- The Centers for Medicare & Medicaid Services (CMS) is implementing parts of the law related to prescription drug and health care costs

IRA Medicare Prescription Provisions Timeline

2023

- Limits monthly out-of-pocket spending for insulin to \$35
- Eliminates cost sharing for vaccines covered by Medicare Part D (shingles, flu, TDAP)

2024

- Eliminates 5% copay in Part D catastrophic coverage
- Expands access to the Part D low-income subsidy (“Extra Help”)
- Part D premium growth limited to no more than 6%/year

2025

- Caps beneficiary out-of-pocket Part D drugs costs at \$2,000 per year

2026

- Allows Medicare to negotiate with drug manufacturers for the price of some Part D and Part B drugs

IRA Medicare Prescription Provisions in 2023

- **Limits on drug price increases:** Requires drug companies to pay rebates to Medicare if drug prices rise faster than inflation. Financial penalties would be levied for non-compliance.
- **Caps on insulin costs:** Limits monthly out-of-pocket cost sharing for insulin products at **\$35**.
- **Zero vaccine cost-sharing:** Eliminates cost sharing for Medicare Part D vaccines including shingles and T-DAP

IRA Medicare Prescription Provisions in 2024

- Eliminates the 5% coinsurance for catastrophic costs
- Expands Part D LIS full benefit to \$150% of FPL
- Caps Part D premium increases to no more than 6% in years 2024-2029

IRA Medicare Prescription Provisions in 2025

- Caps beneficiary out-of-pocket Part D drug costs at \$2,000 per year

IRA Medicare Prescription Provisions in 2026

- Allows Medicare to negotiate with drug manufacturers for the price of some Part D and Part B drugs

IRA and Vaccines

Medicare Part D

- Eliminates cost sharing for adult vaccines covered under Medicare Part D that are recommended by the Advisory Committee on Immunization Practices (ACIP), such as for shingles and T-DAP

IRA and Insulin – Part D

- Beneficiaries will pay no more than **\$35** for a one-month supply of each covered insulin
- For Part D covered insulin the change is effective **January 1, 2023**
 - It doesn't matter which tier the insulin is on
- Plan deductible (if the plan has one) will not apply to covered insulin
- For Part D – Insulin still must be on the plan's formulary

IRA and Insulin – Part B

- Beneficiaries will pay no more than **\$35** for a one-month supply of each covered insulin
- For Part B covered insulin the change is effective **July 1, 2023**
 - Part B covers insulin when it is taken via a pump which is considered durable medical equipment (DME)
- No deductible applies to Part B covered insulin
- **NOTE:** if you use a **disposable** pump, the insulin for that pump is covered under Medicare Part D and is included in the benefit that starts on January 1, 2023

Beneficiary Real Time Benefit Tool

Drug plans to offer real-time comparison tools, called beneficiary Real Time Benefit Tools (RTBT) to enrollees starting January 1, 2023 by providing access to real-time formulary and benefit information, including cost-sharing. This will allow enrollees to:

- Compare cost sharing to find the most cost-effective drugs for their health needs
- Be better able to know what they'll need to pay before standing at the pharmacy counter

Plan Finder

Alert

Boost your protection from COVID-19. [Find out how Medicare can help.](#)

Open Enrollment
starts October 15

Welcome to Medicare

Get Started with Medicare



**Log in or create
an account**

Access your information
anytime, anywhere

Log in/Create Account



**Find health &
drug plans**

Find & compare plans in
your area

Find Plans Now



**Find care
providers**

Compare hospitals,
nursing homes, & more

Find Providers Near Me




Talk to someone

Contact Medicare & other
helpful resources


Get Help


Medicare Accounts

 An official website of the United States government [Here's how you know](#) ▼ [Cambiar a Español](#)


Medicare.gov Basics ▼ Health & Drug Plans ▼ Providers & Services ▼ [Chat](#) [Log in](#)

Explore your Medicare coverage options



 Don't have Medicare Part A or B yet?
[Get started with Medicare.](#)

Find Medicare health & drug plans


 Use your account

Save time by logging in

- Get a summary of your current coverage
- Use your saved drugs & pharmacies to compare plan costs

[Log in](#)

Don't have an account? [Create one.](#)

 Continue without logging in

ZIP CODE

PLAN TYPE

Next, you can add your drugs and pharmacies for personalized cost information. Need help picking a plan type?

[Start](#)

[Looking for PACE plans?](#)

Insulin Pop-up Sample on Plan Finder

Your drug list



IMPORTANT! New insulin benefit:

- Starts January 1, 2023
- **\$35 cap** for a one-month supply of each Medicare Part D-covered insulin
- This new \$35 cap may not be reflected when you compare 2023 plans



You have 3 drugs. When you've entered your drugs, you'll find out how much they cost in each plan.

Insulin glargine
100unit/ml solution
generic

Package Type
10ml vial

Quantity
3

Frequency
Every month

Plan Details: Check for Insulin Coverage

OTHER DRUG INFORMATION				
	Tier	Prior authorization	Quantity limits	Step therapy
Atorvastatin 40mg tablet	Tier 1	–	Yes	–
Bupropion hydrochloride 300mg tablet extended release 24 hour	Tier 3	–	–	–
Lantus 100unit/ml solution pen injector	Not covered	–	–	–

If insulin shows as “Not Covered”
then \$35 cap does not apply

Plan Comparisons and The Bottom Line

Wellcare Value Script (PDP)

\$9.60

Monthly premium

Your current plan

SilverScript Plus (PDP)

\$70.40

Monthly premium

SilverScript SmartSaver (PDP)

\$5.10

Monthly premium

Overview

Star rating	★★★★☆	★★★★☆	★★★★☆
Total monthly premium	\$9.60	\$70.40	\$5.10
Yearly drug deductible	\$505.00	\$0.00	\$505.00

Drug coverage & costs

Drugs covered/Not covered	6 of 6 Prescription drugs covered	6 of 6 Prescription drugs covered	6 of 6 Prescription drugs covered
Estimated total drug + premium cost	CVS PHARMACY #06322 ✓ Preferred \$1,816.33 WALGREENS #17279 ✓ Preferred \$1,799.27	CVS PHARMACY #06322 ✓ Preferred \$1,484.41 WALGREENS #17279 ✓ In-network \$1,921.10	CVS PHARMACY #06322 ✓ Preferred \$2,134.69 WALGREENS #17279 ✗ Out-of-network \$8,386.46

Total Yearly Drug + Premium Cost

ESTIMATED TOTAL DRUG + PREMIUM COST

	Kroger Pharmacy #228 ✓ Preferred	CVS Pharmacy #00074 ✓ In-network	Walgreens #19660 ✓ Preferred	Martins Pharmacy ✓ Preferred	Augusta Health Prescription Services ✓ Preferred
Total yearly drug + premium cost	\$3,014.09	\$3,804.65	\$3,163.26	\$3,183.17	\$3,041.72
When you'll meet your deductible	March 2023	March 2023	March 2023	March 2023	March 2023
<u>When you'll enter the coverage gap</u> ▼	August 2023	July 2023	July 2023	August 2023	August 2023
When you'll get out of the coverage gap	You won't get out of the coverage gap in 2023	You won't get out of the coverage gap in 2023	You won't get out of the coverage gap in 2023	You won't get out of the coverage gap in 2023	You won't get out of the coverage gap in 2023

Needy Meds

<https://www.needymeds.org/>



Start typing drug name

Drug Search

Example: Merck Patient Assistance

Merck Patient Assistance Program

This program provides brand name medications at no or low cost

Provided by: Merck Patient Assistance Program, Inc.

PO Box 690
Horsham, PA 19044-9979

TEL: 800-727-5400

Languages Spoken:

English, Spanish

[Program Website](#)

Medications

- Januvia tablet (sitagliptin)

Eligibility Requirements

FPL Income
Calculator

Insurance Status

Those with Part D Eligible?

Income

Diagnosis/Medical Criteria

US Residency Required?

Determined case by case

Contact program for details.

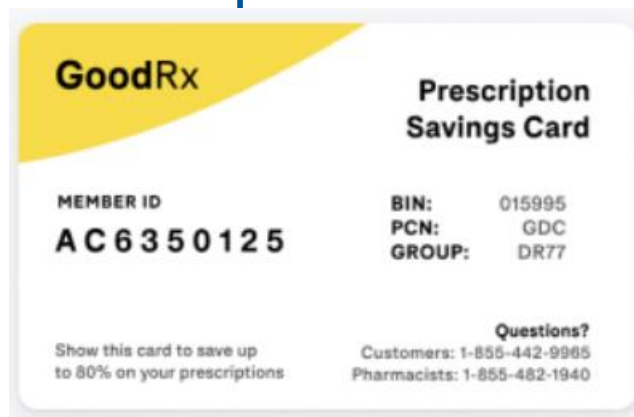
At or below 400% of FPL

Not specified

Must be residing in the US or a US territory.

Drug Discount Cards

- Can use in place of Part D insurance to get lower copays
- Amounts you pay do not count toward your drug plan's deductible, coverage gap, or catastrophic coverage
- Using for some drugs can help with a lower cost choice of Part D plan





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