

City of Alexandria, Virginia

Understanding Original Medicare

Division of Aging and Adult Services

City of Alexandria, VA

VICAP Program

(703) 746-5999





Objective

We will cover:

- What is VICAP?
- What is Medicare?
- When and how to enroll
- Medicare A: Inpatient Insurance
- Medicare B: Outpatient Insurance
- Medicare Saving Programs
- Preventing Fraud and Abuse



What is VICAP?

VICAP: Virginia Insurance Counseling and Assistance Program

Located in the Division of Aging and Adult Services

4850 Mark Center Drive, 9th floor

Alexandria, VA 22311

703-746-5999

www.alexandriava.gov/aging

VICAP@alexandriava.gov

- **Volunteers with one full-time coordinator**
- **Funded by the City and The Administration for Community Living (ACL) to provide free, independent, unbiased Medicare counseling**

What is Medicare?



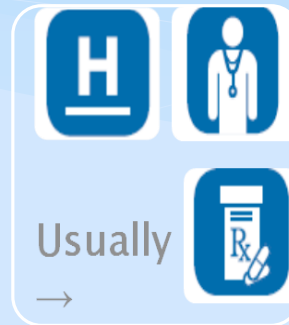
Federal Government Medical Insurance Program for:

- **Adults 65 and Older**
 - **Adults on SSDI for 2 years**
 - **People with ESRD (End-Stage Renal Disease) and ALS (Amyotrophic Lateral Sclerosis)**
-
- **Administration**
 - **Centers for Medicare & Medicaid Services (CMS)**

 - **Enrollment**
 - **Social Security Administration (SSA) for most retirees**
 - **Railroad Retirement Board (RRB)**



The Four Parts of Medicare



Part A
Hospital
Insurance

Part B
Medical
Insurance

Part C
Medicare
Advantage
(like HMOs
and PPOs)

Part D
Medicare
Prescription
Drug
Coverage

*** AB = Original Medicare**



Medicare History

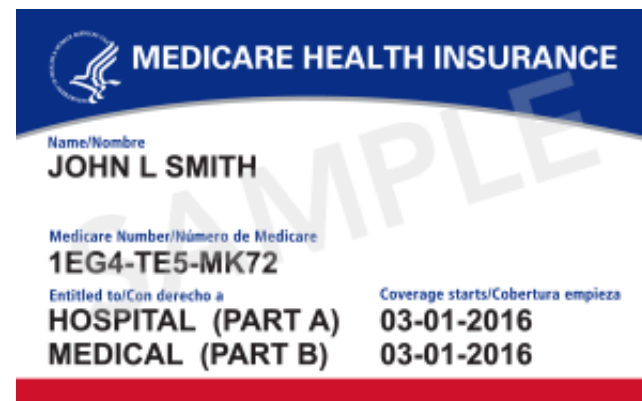
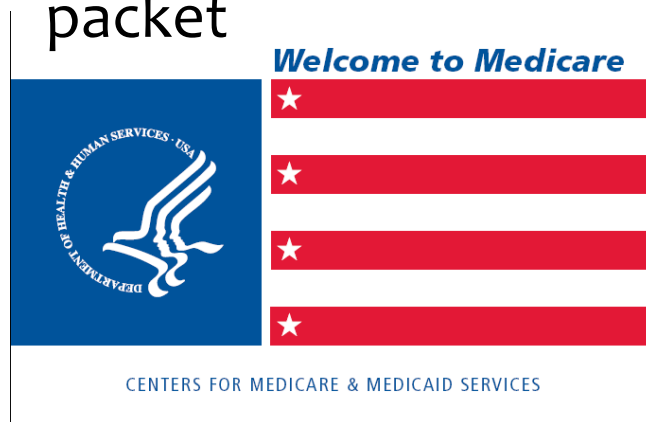
- Started in 1965 with Part A and B
- Now called Original Medicare
- Part C -Medicare Advantage or Medicare Managed Care stated in 1980s.
- Part D- prescription drug coverage started in 2006

***this presentation will focus on Original Medicare
ONLY***

Enrollment



- Automatic if you already get Social Security
 - 3 months before age 65, or
 - 3 months before your 25th month of disability benefits
- You will Receive Initial Enrollment Package (IEP) in mail
 - Includes your Medicare card
 - If you don't want Part B, follow directions in IEP packet



You Must Take Action to Enroll in Medicare When It's Not Automatic



- If you're not currently receiving Social Security or Railroad Retirement benefits you **WILL NOT** be automatically enrolled in Medicare
- To enroll
 - Visit [socialsecurity.gov](https://www.socialsecurity.gov), or
 - Call 1-800-772-1213
 - TTY: 1-800-325-0778, or
 - Make an appointment to visit your local office

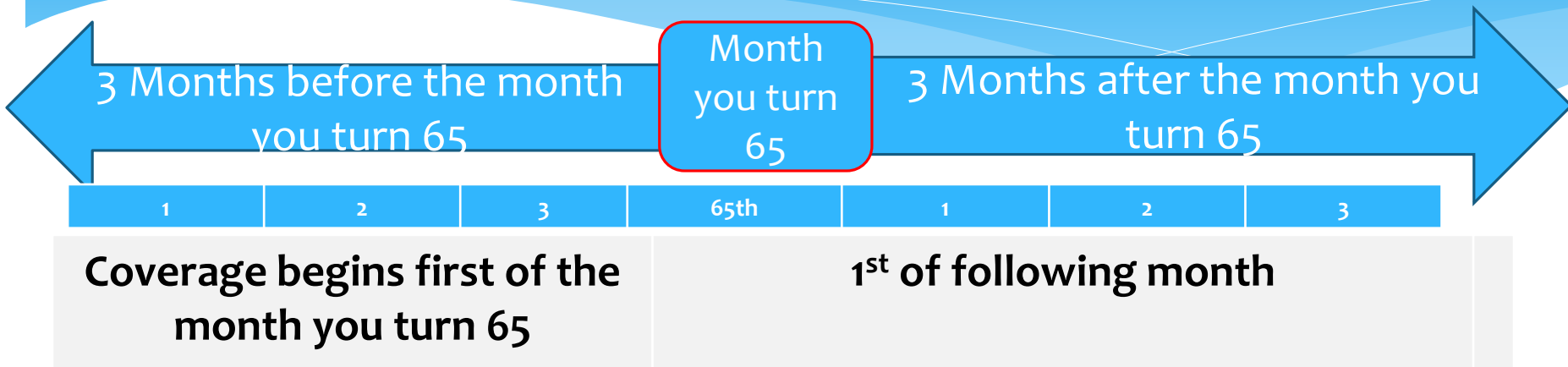
******If retired from Railroad, you must enroll with the RRB**



When to Enroll in Medicare

During your 7 Month Initial Enrollment Period (IEP)

7-Month Period



- Can enroll in premium-free Part A anytime after IEP begins
- Can only enroll in Part B (and premium Part A) during IEP and other limited times
- May have a lifetime penalty if you don't enroll during IEP

When will my coverage start?



If you sign up for Part A (if you have to buy it) and/or Part B in this month:	Your coverage starts:
Before your turn 65	Your birthday month
The month you turn 65	1 month after you sign up
1 month after you turn 65	1 month after you sign up
2 months after you turn 65	1 month after you sign up
3 months after you turn 65	1 month after you sign up
During the January 1–March 31 General Enrollment Period	1 month after you sign up



Original Medicare

- **Run by the Federal government**
- Provides your Part A and/or Part B coverage
- Go to any doctor or hospital that accepts Medicare
- You pay
 - Part B premium (Part A free for most people)
 - Deductibles, coinsurance or copayments
 - Can buy a Medigap policy to help pay some of these costs
- Can join a Medicare Rx Plan to add drug coverage
- Read Medicare Summary Notice (MSN): to help prevent Fraud & Abuse. This notice also has appeal information

Can you defer Medicare Coverage?



Most people need to enroll in Part B when they turn 65.

- Only people who have health insurance from their (or their spouse's) current employer may be able to delay enrolling in Part B and will be granted a Special Enrollment Period (SEP) when retiring
- Employer must have 20 or more employees to postpone enrollment in Medicare. If enrolled, Medicare is secondary insurance.
- Employers with fewer than 20 employees can require Medicare enrollment; Medicare will be primary insurance
- COBRA or ACA does not count as current employment insurance

Medicare Part A (Hospital Insurance)



- Most people receive Part A premium free if paid Medicare taxes for at least 10 years.
- If fewer than 10 years of employment, you pay a premium to get Part A
- For information, call SSA at 1-800-772-1213
 - TTY users call 1-800-325-0778
- Deductible for 1st 60 days (benefit period): **\$1,600**
 - Co-payment Days 61 – 90: **\$400 per day**
 - 60 Lifetime days: **\$800 per day**
 - Skilled Nursing Facility co-insurance: **\$200 per days 21-100 after 3 days of inpatient hospitalization**

***Medicare Outpatient Observation Notice (MOON) doesn't qualify as hospitalization and requires hospital to provide to individuals in outpatient care for more than 24hrs.

Medicare Part A Helps Pay For

Hospital Stays If you are Admitted as an Inpatient	Semi-private room, meals, general nursing, and other hospital services and supplies. Inpatient mental health care in psychiatric hospital (lifetime 190-day limit).
Skilled Nursing Facility Care	Semi-private room, meals, skilled nursing and rehabilitation services, and other services and supplies.
Home Health Care Services	Can include part-time or intermittent skilled care, and physical therapy, speech-language pathology, and occupational therapy.
Hospice Care	Includes drugs and medical, and support services from a Medicare-approved hospice.
Blood	In most cases, if you need blood as an inpatient, you won't have to pay for it or replace it.

Outpatient procedures requiring prior authorization



Procedures often considered cosmetic will require prior authorization when performed in a hospital outpatient department

- blepharoplasty (droopy eyelids),
 - rhinoplasty (nose reshaping),
 - vein ablations (varicose veins),
 - botox injections (migraine, muscle spasms)
- Proof of medical necessity/authorizations required 10 days prior to procedure



Medicare Part B

- Medical Insurance
- Enroll during your 7-month Initial Enrollment Period (IEP)
- You are eligible for a Special Enrollment Period (SEP) if you or your spouse are employed and covered by an Employer Group Health Plan
- If granted SEP, you have 8 months to sign up for Part B and 2 months to sign up for Part D to avoid penalties
- COBRA or ACA coverage does not count as “Current Employee” Coverage!



Part B Covers

- Doctors' services
- Outpatient medical/surgical services and supplies (Durable Medical Equipment)
- Diagnostic tests
- Outpatient therapy
- Outpatient mental health services
- Some preventive health care services
- Other medical services

Enrolling in Medicare Part B

Automatic Enrollment for Some	<ul style="list-style-type: none">▪ If you already get Social Security, Railroad Retirement, or disability benefits▪ Must opt out if you don't want to be enrolled
Self-enrollment	Initial Enrollment Period (IEP)- 7 months around 65 th birthday
General Enrollment Period (GEP)	<ul style="list-style-type: none">▪ January 1 through March 31 each year▪ Coverage effective the 1st of the month after signing up▪ Premium penalty<ul style="list-style-type: none">– 10% for each 12-month period eligible but not enrolled– Paid for as long as the person has Part B– Limited exceptions

Medicare Part B Premium



Premium: **\$164.90** if you paid this amount out of your SSA check last year or newly enrolled

***highest premium is **\$560.50** (**\$500,000**) single
(\$750,000) married

Deductible: **\$226 per year**

Co-insurance: **20%** for most services Part B covers



Medicare Part B Premium

Higher Part B premium for higher-income beneficiaries

- Income Related Monthly Adjustment Amount (IRMAA) this percentage increases as income increases
- Income is based on **2021** income reported to the IRS
- The IRMAA premium can be deducted from a beneficiary's monthly SSA benefit
 - Beneficiaries will receive a notice from SSA
 - If it is not paid, you will lose your Part B coverage
- You can request that Social Security revisit its decision if you have experienced a life-changing event that caused an income decrease, or if you think the income information Social Security used to determine your IRMAA was incorrect or outdated. You must submit form: SSA-44

Paying the Part B Premium



- Deducted monthly
 - Social Security
 - Railroad retirement
 - Federal retirement payments
 - If not deducted
 - Billed every 3 months, or
 - Use Medicare Easy Pay
- (Authorization Agreement for Preauthorized Payments form (SF-5510))
- Contact SSA, RRB or OPM about paying premiums

Part B Penalty



- If you sign up late for Medicare Part B, you will incur a late penalty, which will be added to your monthly premium, **for as long as you have Part B.**
- Your Part B premium will go up 10% for each full 12-month period that you could have had Part B but did not.

Assignment



- Medicare doctors, providers and suppliers who
 - Accept the Medicare-approved amount
 - As full payment for covered services
 - Only charge Medicare deductible/coinsurance amount
 - They submit your claim to Medicare directly
- Applies to Original Medicare Part B claims
- We say “accepts assignment”

Providers who do NOT Accept Assignment



- May charge more than Medicare-approved amount
 - Limit of 15% more for most services:
“The limiting charge”
- May ask you to pay entire charge at time of service; you may have to submit claim to Medicare
- Providers sometimes must accept assignment
 - Medicare Part B-covered Rx drugs
 - Ambulance providers



Private Contracts

- Written agreement between patient and health care provider who does not provide services to Medicare beneficiaries
- Medicare will deny any service from these providers - the provider cannot bill Medicare nor can you
- If you have private secondary insurance, you may need to submit to Medicare and denied before submitting reimbursement request to your private secondary insurance
- See pages **59-60** of Medicare & You **2023**

Medicare Coverage Exclusions



- Long-term care
- Routine dental care and dentures
- Cosmetic surgery
- Acupuncture

some exceptions

- Chronic pain as defined by CMS
 - If eligible, Medicare allows 12 session in a 90- day period with the possibility of 8 additional sessions annually
- Hearing exams and hearing aids
 - Vision exams and eyeglasses

***Medicare will cover cataract surgery, if it's medically necessary and corrective lenses after surgery.

Medicare Savings Programs



Help from Medicaid paying Medicare premiums, deductibles, and/or coinsurance

- For people with limited income and resources
- Programs include
 - Qualified Medicare Beneficiary (QMB)
 - Specified Low-income Medicare Beneficiary (SLMB)
 - Qualifying Individual (QI)



Medicaid

- Federal-state health insurance program
 - People with limited income and resources
 - Certain people with disabilities
- If eligible, most health care costs covered
- Eligibility determined by state
- Apply online at <https://commonhelp.virginia.gov>
- Call-855-635-4370

Medicaid Expansion and Medicare



Once an individual receiving Medicaid turns 65:

- If eligible for Medicare, beneficiary will be dis-enrolled from Medicaid Expansion and should enroll in Medicare
- If not eligible for Medicare, Medicaid will continue with eligibility determination based on beneficiary's assets and income within the last 5 years

Steps to Take to apply for Medicaid Services



- If you think you might qualify for Medicare Savings Program (MSP) or Medicaid Expansion:
 1. Review guidelines
 2. Collect your financial documents
 3. Get more information and to apply:
 - Call Human Services Office: 855-635-4370
 - Go to <https://commonhelp.virginia.gov>
 - Call your local VICAP: 703-746-5999

Fraud Prevention: Senior Medicare Patrol



▶ **Read Your Medicare Summary Notices**

- Report and prevent health care fraud and abuse.
- If you suspect fraud, contact the medical provider about discrepancy
- Report suspected fraud or abuse to Senior Medicare Patrol at 1-800-938-8885



■ **Other web sites**

Virginia Bureau of Insurance:

877-310-6560 www.scc.virginia.gov/boi

Stop Medicare Fraud:

<https://stopmedicarefraud.org/>

For More Information



- Your local VICAP: 703-746-5999
- 1-800-MEDICARE (1-800-633-4227)
 - TTY users should call 1-877-486-2048
- *Medicare & You* handbook, CMS Pub. #10050-33
 - Other Medicare publications on www.medicare.gov
- www.medicare.gov
- www.cms.gov

QUESTIONS?



- **VICAP Office**

Division of Aging and Alexandria
Department of Human Services
4850 Mark Center Drive, 9th floor
Alexandria, VA 22311

- 703-746-5999
- WWW.Alexandriava.gov/aging
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