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MEDICARE 101 AND THE SENIOR HEALTH INSURANCE INFORMATION PROGRAM (SHIIP)
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>> TRACY PAKORNSAWAT: Hello, everyone. Welcome to today's Money Follows the Person Lunch & Learn Webinar. I am pleased to have everyone with us today.

My name is Tracy Pakornsawat. I am the Professional Development Coordinator. And I am the one who sets up and schedules these webinars as well as a range of other professional development opportunities for individuals out in the field. I just wanted to cover a couple very brief housekeeping items.

First, everyone is on mute. So, if you have questions or need assistance if you could go ahead and enter that in the chat or questions box and I will address that. And the materials we have for today I will be sending out after the conclusion of today's webinar.

At this time, I'd like to introduce our presenter. I am very pleased to have Lisa Barker with us here today up. She graduated from the University of Wisconsin Stevens Point with a Bachelor of Science. She has been working with seniors since 1998. And she's been working with Medicare since 2006 when Medicare Part B was established. She worked from 1998 to 2007 as an information and options counselor in Wisconsin. And that was with the Aging and Disability Resource Center of Portage County. She moved here to North Carolina in 2009 where she game a SHIIP volunteer with the Wayne County Senior Center. And afterwards she took a full-time position as an Information and Options Counselor and has been the Northeast Regional Manager with the North Carolina Department of Insurance Senior Health Information -- health -- Health Insurance Information Plan -- a little bit of a tongue twister -- since September 2017. And she does SHIIP trainings as well as with volunteers and staff in 23 counties across the Northeast Region in North Carolina.

So, at this time I'd like to welcome Lisa to the webinar and turn it on over to you. Thanks so much.

>> LISA BARKER: Good morning, everybody. It was funny, as Tracy was introducing me I was like, oh, I guess I have really done all of that. And my background also was -- our Senior Center turned into an Aging and Disability Resource Center in Wisconsin. So, I've also worked some with people that have physical and developmental disabilities and brain injuries. So, it's been an interesting road but it's all led me here today.

There's going to be a couple of different things that I go over. I know Tracy said that she's going to send them out to each of you. I'm just going to tell you a little bit today about SHIIP. It's a tricky word, especially if you're talking fast or you're on a radio program but SHIIP is the Senior Health Insurance information program. North Carolina saw there was such a need of Medicare beneficiaries to have somebody be able to explain things and help people with appeals and different things like that. So, they created the North Carolina SHIIP I guess a little over 30 years ago.

We have a call center in Raleigh. Actually, on Salisbury Street in the North Carolina Department of Insurance, and we have call center staff there Monday through Friday, 8:00 to 5:00. I know the phone number will be on the information but the best phone number to reach SHIIP is 855-408-1212. We do have 100 coordinating sites. So, we have one coordinating site at least for each county. In some counties we have a coordinating site in a county but then we also have complementary sites in that county as well. So, a couple of my counties have their coordinating site at one of the Senior Centers, but they have a cooperating relationship either with their Cooperative Extension or maybe there's more than one Senior Center in the county. So, every county has a little bit different makeup.

SHIIP has -- at least last year, we don't have the numbers for 2019 yet, we're work on wrapping up 2018 Open Enrollment, but we have that we have counseled over 100,000 North Carolina people this past year and saved them over $60 million. How we calculate those savings is if somebody was not to receive the assistance through SHIIP and they just stayed on the drug program or no coverage or Medicare Advantage plan that they're on what wouldn't be covered for them.

Everyone's situation is different but the rules for Medicare are basically the same. So, whether you're talking about a person who is 65 plus or you're talking about somebody who is a Medicare beneficiary who is under the age of 65. So, for the most part, the rules are the same. There's a couple of exception that I'll talk about a little bit later. If a person were to have TRICARE for Life, VA coverage, a corporate retirement package, federal retirement, state retirement, or Affordable Care Act, those different situations, understanding Medicare we can help them make informed choices. And it would help them avoid penalties.

So, when we're looking at my screen now and we're looking at *The Road to Medicare* -- I'm not going to read this. You're professionals out there. I'm happy you're going to have this as a resource. But a couple of things I'm going to pull your eye to when you're looking at this information is just kind of that *Caution: Slippery Road Ahead.* So, this kind of talks about when somebody would be eligible for their Medicare or what they need to do. So, when they are looking at their Medicare eligibility, because they or their spouse has paid in for 30 quarters but 10 more years, they're eligible for premium-free Medicare Part A at age 65.

Now, strangely enough, and this is not something I knew until I became a regional manager, but if somebody had to pay for Part A, it's almost $440 a month that the government pays for Medicare Part As for every Medicare beneficiary that has put in 10 or more years.

If a person is on Medicare due to disability, they have a brand-new Open Enrollment Period once they turn 65. So, when somebody goes on disability, let's say they are one of those lucky ones who when their disability is approved they actually get it and then they're on it and in two years their Medicare gets approved. That happens. I know most people appeal and appeal and it takes a bit, but if it's one of those people, they actually have a period to enroll in their Medicare much like somebody who is 65, depending on when their two years is up. And we'll look a little bit more at that. But they have a new Open Enrollment Period as well when they turn 65. So, any penalties or anything that they might have had due to not taking their Part B when they could have will go away at 65. It will refresh. If they don't take it then at 65, then it starts occurring again.

So, there are some penalties affiliated with Medicare. Now, when somebody is Medicare Part B eligible and they don't take it and they don't have other credible coverage -- so, they are not -- they or their spouse are not employed and do not have credible coverage and they are Medicare Part B eligible if they don't take that Medicare Part B, there's a 10% penalty for every 12 months that you go without your Part B.

So right now, the Medicare premium is $135.50 a month and it would be 10% of that -- -- -- there is also a Part D penalty for your drug coverage. And we'll talk a little bit more about that when I get to the Medicare basic handout. But that's a 1% penalty of the national average for Prescription Drugs Program. And right now, it's about 35 cents per month that you did not go without a Prescription Drug Plan and you should have had that. So, we won't go into great detail about that but.

Oftentimes when I meet with somebody who is turning 65 and they are trying to decide are they going to continue to work or are they going to retire or are they going to continue to work and take their Medicare, we just look at some of these things in regard to an Employer Group Health Plan. And Medicare, we explain to people what will happen if they do both. Medicare pays secondary. If you're not covered by an Employer Group Health Plan, it will pay secondary to Medicare.

So, there's different things, and there's supplemental insurances out there that will help people with Medicare. A lot of people go the route of a Medicare Part A and B.

All right. Let me just get down here. Just really quickly if a person started collecting their Social Security at the age earlier than 65, they will automatically be enrolled in Medicare at 65. They should get their Medicare card three months before the month that they are eligible and in order for us to do specific assistance with the person, they would need to have their Medicare card in order for us to kind of give them detailed information in regard to their coverage pertaining specifically to their medication and things like that.

But people do have a timeframe of when they can enroll, when they're turning 65. They've got three months before their 56th birthday, the month of their birth day and three months after.

It talks a little bit about somebody who did not take their Medicare Parts A & B when they could have and when the general enrollment period is. Now, the catch with this general enrollment period is that you can enroll January 1 through March 31 if you didn't take it. And I'll give you a little scenario.

I had a lady who back in the day didn't think she could afford it, so she took her A because it was free, but she couldn't afford the $135 a month so she didn't take her Part B. She was very healthy and so she didn't think she needed it well, she started having medical issues and she needed Part B. So, her provider sent her over to see me. And luckily, she had come to see me I think it was in December, so we worked on getting her enrolled in her Part B in January. It still doesn't take effect, though, until July 1. Unless somebody were to be eligible for extra help, which is a financially based program and there's different levels, which we'll talk about in a little bit.

Ok. There are some Special Enrollment Periods if somebody's working passed 65 -- I know I'm focusing right now on a lot of people who are 65-plus but a lot of the rules do apply the same whether they are 65-plus or if they are somebody on disability with Medicare. So, if somebody's working passed 65, the biggest thing they need to do is make sure their employer has 20 or more employees for it to be considered credible coverage and they need to talk to the HR Department to make sure they don't require them at 65 to take their Medicare. There are more and more companies it seems that they are requiring them to take their coverage, take their Medicare coverage.

I'm not going to go over the Medicare supplement and prescription drug and the rest of this in detail right now because I'm going to go to another form called Medicare Basics but there's good resources on here. It gives you the dates of Medicare Open Enrollment. Each of the 100 counties, against will have different types of enrollment events, some schedule appointments some have walk-ins but these are some good resources for you guys.

Looking at the Medicare Basics, the one thing I'll apologize about to you guys is that we have not updated the numbers in here yet. We have the Medicare numbers in November, but we don't always have the Medicaid numbers until March or we're not allowed to publish them until March or April. So, we've got some numbers in here that I'll explain you what they actually are this year.

So, this front page is a lot of what I've talked about on *The Road to Medicare*. So, I'm not going to go over specifically this front page but takes got a lot of resources. Here it's got the 855 number for reaching SHIIP Raleigh. It also has the SHIIP website. You go to that website, even in documents today, it is something that's download possible to for you. So, this is a great resource website if you have questions about things. It also has some different contact numbers and different information like that.

I know that Tracy mentioned that I am the regional manager for one of 23 counties. We actually have five regional managers. So, if you're in an area that is not necessarily mine, I go from Person County all the way to Currituck and Dare and over to Martin -- that big Northeast Region. I still have happy to help anybody at any time that I can, but I can also put new contact with the regional manager for your area or your county and/or you can contact the 855 number and either they can help you or if you need a presenter, we can make sure we get something for you.

So, looking at the information, we scroll down, one of the things -- and I will not spend a lot of time on this one but part of SHIIP, it's also North Carolina Senior Medicare Patrol. With Senior Medicare Patrol, basically they try to help people reduce Medicare fraud or fraud and abuse through the state. So, they have three staff.

Actually, they just hired a fourth staff person. And they are under the guise of SHIIP. And they travel through the state of North Carolina. If any of you have ever been to a Scam Jam, which is a lot of times presentations, they usually have a shred event and different things, and it talks about how to protect yourself from insurance or Medicare fraud specifically and how to look over your Explanation of Benefits or your Medicare Summary Notice. So, this is just some additional information that we put in our *Medicare Basics* handout.

So, looking at your Medicare coverage choices, this is a summary page that I often use when I am counseling somebody. I'm going to come back to this after I go over my next part.

Oh, I forgot this was turned to the side. Ok, you guys –

>> TRACY PAKORNSAWAT: Lisa, if you go up to view, you can rotate it on view at the top. Right there. Yeah.

>> LISA BARKER: All right. Thank you.

>> TRACY PAKORNSAWAT: No problem.

>> LISA BARKER: I know I've done it before.

Again, these are 2018 numbers. I'm just going to kind of give you guys the basics about Medicare. And when I'm done going through this flyer there will be some information, additional information, I'll just show you but then I'll open up the floor for questions.

So, with Medicare and how Medicare works, Medicare Part A is the one that takes care of inpatient hospitalization, also takes care of post-hospital skilled nursing care, some home healthcare, hospice care, and there's some benefits for blood in there.

So, to just clarify that a little bit more, your inpatient hospitalization, that means if you're actually admitted. So, if somebody is admitted, they will have a $1,340 deductible. Actually, I think this year in 2019 it's $1,346. With that, that $1,340, actually happens every 60 days. So, let's say a person goes into the hospital January 5 and they go back into the hospital March 5, they are still within the 60-day window. They have this 60-day window where that deductible covers it but let's say they go into the hospital January 5 and they go back in partied too much July 4, they go back in July 5, they will pay a second $1,346. Ok? Really good reason for people to have some coinsurance, whether it's they're lucky enough to have retired with some additional insurance through an employer or to purchase a supplemental insurance or maybe have a Medicare Advantage plan depending on what part of the state they live in.

This is also where that hospital inpatient stay comes into play and is very important. In order for Part A to pay for post-hospital skilled nursing care, the person must have been inpatient in the hospital for at least three days. So, they have made some new rules about inpatient hospital stay versus people being in the hospital under observation. It used to be you didn't know. And so now there's a rule that if you are in the hospital and you've been there for more than 24 hours and they do not have an admitting code -- you know, so many of the insurance -- so much of Medicare and the different insurance things are dictating to the doctors what they're allowed to do nowadays that they have to have a code and a proper code to admit you. So, this is a time where I

always tell people, you know what, if you're there and they're not quite sure what to admit you for -- I'm one of those people that I try to really focus on the positive. This is where I want people to focus on the negative. I don't care if you've had a headache on and off for the past month. I don't know if you've been having to use the restroom a lot more. Whatever it is, I want that person to just give all of that information to the providers at the emergency room. We don't go to the emergency room because we want to hang out there. So that's a good time. Because maybe some of those things that you tell them will add up to be enough to allow the doctor to actually do an admission. Because there's just some additional services that become available to you if you are admitted.

So, if you are admitted to the hospital and you're there three or more days and you have a need once you leave the hospital, you could have the rehab say in a nursing home or rehab facility. And the first 20 days are 100% covered by Medicare as long as there is a Medicare documental reason that the person is there and improving. If there's somebody who is there and failure to thrive, it's hard to prove to Medicare that they are there doing occupational or physical therapy or speech therapy to improve to go home.

And then after those 20 days, the 21st day to the 100th day, Medicare will pay all but $167.50 per day. And, again if you're still there that 21st to 100th day, it's important to have some coinsurance.

And then this is all -- your Part A is also your full scope of hospice care. Hospice care is very important. I think people need to remember and use that service that's not just at death's door, even though it does require a terminal diagnosis. There's a lot of people who actually come out of hospice. It gives you a lot more quality days of life.

So, looking at Part B. So, you have Part A is your hospital coverage. Part B is your medical insurance. So, with your medical insurance, this is an 80/20 coverage. So, you've got your doctor services, outpatient medical and surgical, diagnostic tests, different things like that. There is $185 deductible in 2019. So, the first time the person goes to the doctor or receives some services in the year, that's not in the hospital, they will have $185 deductible and then once that has been met, their coverage will be 80/20.

One of the other things I guess I just would like to mention is when somebody is looking at the deductible and the 80/20 is that some doctors don't accept what's called Medicare assignments. And if somebody goes to that doctor and the doctor wants to charge $200 for something and Medicare says we're only going to allow you to charge $100 for something, Medicare is going to pay 80% of that $100. They're going to pay $80. You will pay $20. But the doctor could bill that person that additional $100 if they signed a contract to say they will pay above and beyond, that they've informed the patient that they do not accept Medicare assignments.

There's very few doctors that I found in North Carolina -- sometimes a few specialists -- but most doctors are taking Medicare assignments.

Medicare Part B is also your clinical or laboratory services.

Your preventative benefits. There's a lot of preventative benefits paid at 100% for your Medicare Part B

and some are 80/20 coverage like the other part of your Part B.

This is also where some of your home healthcare comes in and your outpatient hospital treatment. And, again, there's coverage with your blood coverage, first three pints of blood and things like that.

So just a couple of things to remember. All doctors do not have to accept Medicare. And all doctors do not have to accept Medicare assignments. But if they do accept Medicare but they don't accept what Medicare pays or assignment, they can only charge 15% more than the Medicare-approved amount. Those are what are called excess charges. And we'll talk a little bit more about those on the next page when I talk about supplemental insurance.

Scrolling down here a little bit. The monthly premium for Part B right now for 2019 is $135.50. Now, that is for most of us Americans, and it will be me some day. However, there's something called IRMA. And IRMA is based on your tax return two years ago. So, let's say you have somebody that maybe had been paying the $134 last year and all of a sudden, they come in and they talk with me and they're like, all of a sudden, they're taking almost $200 out of my check and I don't understand why. Well, one of the things I will ask the person about, did they maybe inherit some money, or did they cash something out. Because when IRMA comes in to impact either the Part B or the Part B premium is if their income as an individual is $85,000 or more in a year or as a couple $170,000 or more. For me there's not many people that I'll come across since 2006, but I have to say in the past five years I've had three people. So, it is just something I'd like to call to your attention. If your income is above those amounts, you will pay higher for your Medicare Part B.

All right. Let me turn this one.

So, talking about supplemental insurance. It's kind of adds to the alphabet soup. So, you have Medicare Part A and Part B. Medicare Part A is your hospital and Part B is your medical. And then you have supplemental insurance plan. Now, one of the things that I will let you know is that plan F, here in the middle, and plan C in 2020 will no longer be able to be sold to new beneficiaries, people newly turning 65 or newly becoming Medicare eligible.

Now, one of the things with Plan F is if somebody has Plan F now, they certainly can stay on it and they will be grandfathered in and can keep it. My only concern is as you notice up here, there's other plans, H, I, and J that have gone away and those premiums have gone up exponentially over the years. So now would be the time, when I talk with people, that I encourage them if they have a Plan F, talk with their provider. Whoever they have their supplemental insurance through may either if they stay with that same company, have an Open Enrollment every year where they can change to a lesser plan and they won't have to undergo medical writing.

So, with supplemental insurance right now the way things work is that Plan F is the most inclusive but it's also the most expensive of the ones sold right now. So, you've got a Plan G, is basically what people are looking at now is going with the Plan G, Plan N, or Plan D.

The basic difference with those is that none of them, basically the government passed a law that no supplemental insurance plans sold after 2020 will be able to cover the Part B deductible. The only other

difference is the Part B excess in D and in N does not cover the excess. What the excess means is what I talked a little bit about saying that if the doctor does not accept Medicare assignments. So that extra 15% that some specialists might charge, it is something that the supplemental insurance won't cover whereas if they had a Plan G and they went to a doctor that accepted met care but didn't accept Medicare assignments, the Plan G would pick up that excess amount.

So, when people are looking at supplemental insurance, I just remind them that they have their Medicare Part A for hospital, Part B for medical, and then a D plan, which we'll talk about in a minute, for their prescription drug. And then they have to choose one of these supplemental insurances to cover the 20%. Ok?

So, when they're looking at that, I talk with them -- I believe there's 60 different companies in North Carolina that right now are allowed to sell the different supplemental insurance plans. People who are newly Medicare eligible have seven months to choose a supplemental insurance. Just like their drug plan, when they're newly turning 65 or say they have been on disability and they know that their Medicare is going to take effect, the two years after, they have three months before their Medicare takes effect, the month that it takes effect, and three months after and they're considered guarantee issue.

So that's really, really important. For a person who, say, has been on disability and whatever their medical issues are whether they've had cancer, maybe they have Lupus, maybe they have Fibromyalgia, maybe they have some very expensive things that an insurance company has given them a hard time about underwriting them for. When they are either just becoming Medicare eligible because they've had their two years and now they're going on disability or they are turning 635, they're considered guarantee issue. However, only people 65-plus receive a discounted rate during that timeframe. So, a lot of times a person who is under 65 and going on Medicare will go on Medicare Part A and B with either a drug plan or will go on Medicare Part A and B and choose a Medicare Advantage plan because that will take over managing their Medicare Parts A & B. I'll talk about that more in a minute.

So, again, if you have people who have questions about Medicare, even if they are somebody who has been on Medicaid and now their Medicare is taking effect, it's a good thing to refer them either to the 855 number or into one of the local SHIIP offices because it will just help give them a little less worry.

One of the biggest things that I hear when I talk with groups of people that their Medicare is taking effect and they've heard about penalties and they've heard about they have to do this and they're concerned about not doing the right thing, is that when they leave that group or they maybe e-mail me later on and they just say you have just really helped a lot of my worry, you've really just helped clarify things.

So, with the supplemental insurance, again, F is the most comprehensive coverage but it's going away in 2020 for newly turning 65 and newly eligible beneficiaries.

One of the things that we encourage people to do that are computer savvy is somebody is become -- if somebody is becoming Medicare eligible, I encourage people to go in and look at supplemental insurance. Because when you do that all you have to do is you fill in your age, your gender, and what plan you're looking at. And I'm actually going to show guys real quick here how it will look.

Let me show you. All right. We'll go back to this. I'm sorry.

If you go there, the big thing that I try to explain to people that are under 65, if you look, the rates for supplemental insurance for people under 65, is that oftentimes you are looking at fewer choices and the plans are often $300 to $400 per month in premium. So, you don't get a discount for your plan until you're 65-plus. We're hoping that's going to change but right now that is how it is. There's not a discount for you if you're not over the age of 65.

Now, again, going back to Medicare, Part A is your hospital, Part B is your medical. Part D. So, Medicare Part D is your Prescription Drug Plan. What I have seen in my region, most beneficiaries are going with their Parts A & B and then a drug plan and if they can afford it they will go with a up supplemental insurance as well. So, they have A, B, D, and a supplemental insurance.

So Open Enrollment for Medicare Part D every year is October 15 through December 7. And we encourage people to actually use that every year because if you're not using that Open Enrollment timeframe, you might not have the best coverage for you.

I had a couple come in this Open Enrollment Period that had gone on a drug plan, back in 2008. And when they first went on it, it was $17 a month. This year it was going to be $79 a month. So that was enough of alarm to them that they came in and they met with a SHIIP counselor because it was like, whoa, that's a big increase. And they were on the same plan, which oftentimes a couple is not on the same plan because it's decided the best plan for each beneficiary is decided by their medication.

So, some plans, the plans are as low as $15 a month. I think the most expensive plan this year is like $89 a month. Some have deductibles, some don't. But they all cover the medication at different levels. So, it's always good to put the person's Medicare information in with their prescription so you can determine which prescription drug plan or Medicare Advantage plan will be best for them.

I'm going to talk about the bottom part of the page and then I'll go back up to the extra help. So, Medicare Part C is a Medicare Advantage plan. The thing with the Medicare Advantage plan is especially for somebody under 65 this would be a way for that person to access some additional coverage. What I talk about with beneficiaries about a Medicare Advantage plan is you are looking at provider network, an HMO or a PPO. And you have to make sure your providers are in network or out of network and they will bill a coverage.

One of the things that happened last year -- actually two years ago, at the end of 2017, there was a United Healthcare plan that came out that was for dual eligible beneficiaries. So here where it talks a little bit about specialized needs, we had a plan through United Healthcare -- and there's also I believe a Well Care plan and one other plan available in different parts of the state -- that are special needs plans. So, the special need portion of the United Healthcare plan that had come in new for 2018 but at the end of `17 was a dual eligible special needs plan. People had to have Medicare and Medicaid.

Now, no matter what you think about it, Medicaid in North Carolina is a fairly rich Medicaid program. We're very blessed that our Medicaid can do medical transportation. It's got quite a bit of pretty inclusive coverage. Whereas if you're on a Medicare Advantage plan, you have to make sure that your providers are in the network or that they will bill. The good thing about the United Healthcare plan, even if the provider is out of network, as long as they will bill that plan, the coverage is the same. But people have to do their due diligence and make sure with the Medicare Advantage plan that their providers will take it.

So, in order for somebody to be eligible for a Medicare Advantage plan, they must have both Part A and Part B. And then once they enroll in the Medicare Advantage plan, they need to put the red, white, and blue card, the Medicare card, away. Don't throw it away. Don't shred it. They just need to put it in a secure place because they're going to be using their Medicare Advantage plan coverage. Their Medicare Advantage plan will take over administering their Medicare A & B and will provide the dug coverage as well.

So, a Medicare Advantage plan is just a little bit different. One of the things that I think people get confused by is they think they will never need to use their Medicare card again. Well if you come in and see a SHIIP counselor, we're going to ask you to see the Medicare card because that's how we look you up on Medicare.gov.

So, if somebody wants a Prescription Drug Plan and they only have a Medicare Part A and they never took their B, they can do that. They can have just the Part A and the drug plan, but we do strongly encourage everybody to take their Part B just because if they don't, there will be a penalty at some point when they do need it.

So, going back up here, there is something called extra help or low-income subsidy. So, with the extra help program, it's available to Medicare beneficiaries with limited income and resources these numbers have gone up just a smidge this year. These are 2018 years. If you know somebody that is an individual and their income is around $1,500 a month, as a couple right around $2,000 a month, and then their assets are at or below those elements, that is something that we can go ahead and at least put in an application to see if they're eligible for extra help with their Prescription Drug Plan.

So, when we submit that, we ask the beneficiary if they would also like to have their information sent in to their local county government, social services to then process a Medicaid application.

I try -- if they come in and they tell me they are just, just, eligible for extra help, they're at that $1,500 mark, you know, I talk with them -- I know a little bit about Medicaid, basically enough to be dangerous. I worked Medicaid for a couple of years. But I try to send those applications through because if they have old medical bills, if they have different things that might help them to get on Medicaid even if it's for six months, it's best that they go in and talk with a Medicaid specialist because as a SHIIP volunteer or SHIIP counselor. I'm not -- I don't have all the details with Medicaid as I used to. But we can do those extra help applications and we can either do it just for the Part D or for also getting help with the Part B premium and possibly co-pays and deductibles.

So, this is just a summary. And you guys will get a copy of all of that. This is just a summary of some of

the preventative services. And, remember, some of these are covered at 100% and some of these are covered 80/20.

I'll remind you that the SHIIP phone number, 855-408-1212.

And the last thing, I'm just going to go back on this form and show you that middle page that I skipped.

When I talk with somebody, I use this summary page. I say -- I look at this and say, ok, you're Part A hospital coverage, zero premium. Your Part B is $135.50. Your supplemental insurance, if you're somebody newly turning 65, you're looking at a G, probably runs between $111 up to $220. The catch is a plan G is a plan G is a plan G. I don't care if you go with A, B, C, X, Y, Z supplemental insurance, the actual healthcare coverage is standardized but the premiums are not. Some of them might offer perks like silver sneakers or a discount if you and your spouse or your homeowners' insurance or something like is that is on the same company.

And then on this column, you've got your drug plan. So, I add up about the $135, $125, and maybe $25 and their drug plan and I say, you know, if you do this, this is what your out of pocket will be. In addition, you'll have your co-pays at the pharmacy. And if you take a G plan, you'll also have that $185 as your deductible.

Then I go over here and say you can look at a Medicare Advantage plan. You still pay your Part B premiums, $135. And then if the Medicare Advantage plan has a deductible or a monthly premium, write that over here and then we talk about that. It looks a little bit different. So, with the Medicare Advantage plan, instead of over here where you pay your premiums and you've got a few co-pays, especially at the pharmacy, and you've got $185 deductible, over here it's going to be more of a fee-for-service. So, you're looking at you're going to go to your primary care in-network person, it's probably about $15 a visit. Out of network may not be covered at all or it's going to be at a higher co-pay. So, I just talk with people about the differences and what's most cost effective for them.

And I'm just going to show you one other thing real quick. Just so you have the numbers for this year. And then I'll open the floor for questions.

Your Part B premium, $135.50. Deductible is -- Your Part A, deductible $1,364 this year. The coinsurance for the additional days in the hospital. Your coinsurance for day 21 through 100 is $170.50. And, again, it talks about what the cost would be. And it lists the information about where the Raleigh office is located.

So just a reminder or just a summary. Your Medicare Part A is your hospital coverage. Part B is your medical coverage. Part D is your drug coverage. You may choose to go with a C but I kind of look at that as like Pacman and your Medicare Advantage plan or your Part C takes over your A, B, and D or you can do your Medicare Part A, Part B, Part D, and then purchase a supplemental insurance.

I'm ready for questions.

>> TRACY PAKORNSAWAT: Thank you so much for that, Lisa.

I do have a couple of questions that have come in. The first one -- I think you just answered this. Does the Medicare Advantage cover prescriptions?

>> LISA BARKER: So, I think that they all should but there are Medicare Advantage plans that are sold that do not have prescription drug coverage. The only time I can find those to be beneficial is let's say you had somebody who had some other coverage, maybe they use the VA for everything that they get -- all of their medicine through the VA but they want to have some additional coverage locally in case they go to the doctor. I've never been able to really justify in my brain why would have a Medicare Advantage plan that doesn't have drug coverage, but they are available out there.

>> TRACY PAKORNSAWAT: Great. The next question is: Is there a preexisting condition that kicks in when a beneficiary switches between the traditional Medicare and a Medicare Advantage plan?

>> LISA BARKER: Preexisting -- that's one of those questions that's a bit of a slippery slope. Preexisting condition, when somebody is going from Medicare to Medicare Advantage plan. So, Medicare has certain things that you have to get prior authorization for. It seems that Medicare Advantage plans have a few more hoops that you have to jump through. So not that it necessarily has preexisting condition clauses but there's additional things that -- like, even if -- if I'm comparing apples to apples and I have somebody that has been in the hospital and they are on original Medicare, with or without a supplemental insurance, or I have somebody on a Medicare Advantage plan, and they are looking at the same skilled nursing rehab facility, it's very possible that the rehab facility won't take or doesn't have a contract with the Medicare Advantage plan. Medicare Advantage plans just have a different billing process. And not as many providers are willing to have a contract with a Medicare Advantage plan.

Does that answer the question?

>> TRACY PAKORNSAWAT: Great. If not, the question will come back in asking for more details. For right now we're good.

So, the next one is: What are the eligibility criteria for individuals who have a disability, are not age 65, and they are eligible for Medicaid, but they also receive Medicare?

You started talking a little bit about the Medicare-Medicaid kind of combination. Are there eligibility criteria that apply to the Medicare?

>> LISA BARKER: Not necessarily eligibility criteria. If they are somebody who has been on Social Security Disability for two or more years, then they are awarded their Medicare. If they are Medicare and Medicaid, they actually have the best insurance that's available out there, in my opinion, because they've got Medicare paying 80%, the Medicaid should be picking up 20%, and their co-pays at the pharmacy for their medication should be very, very low. I think this year I want to say it's $3.30 is the maximum their copay is supposed to be.

So, there's not any extra eligibility criteria whether they're Medicare or Medicaid dual eligible. They do have some perks because they're Medicare and Medicaid eligible, they might be eligible to enroll in some of the dual special needs Medicare Advantage plans. Some of them have perks like $200 a quarter that people can spend on over-the-counter medical supplies from that insurance company.

Also, let's say you have somebody who is Medicare and Medicaid eligible and they're having a problem with their Prescription Drug Plan or their Medicare Advantage plan. They can actually change outside of Open Enrollment. They do not have to adhere to just the October through December. They can change once a quarter the first three quarters of the year.

>> TRACY PAKORNSAWAT: Great.

The next question is related to the Medicare Advantage plan. The question is: It looks like some of the plans are now covering medical transportation and in-home care aides. Do you know anything about this? Is there any other kind of information you have about this?

>> LISA BARKER: So, they are but they are very plan specific. Right now, I believe the only ones consistently doing it are for people who are dual eligible.

I would want to look at the specific plan that you might be interested in or that your client is talking to you about. You know, what is the beneficiary seeing? Is it a commercial they've seen? A lot of times the things we see on TV aren't even necessarily North Carolina-specific, sadly enough, but they are expanding. Actually, the federal government is doing more subsidizing with Medicare Advantage plans. So, I think we're going to see them grow and the services that they offer get better and better. But they've just newly started doing this. And I don't know that they have their network of providers set up to do this successfully. I think they're trying to tap into some things that are already established.

I always say give it a chance to work out the kinks and certainly have that person talk with a SHIIP counselor so that they can look at the actual Explanation of Benefits or at the summary we can go and look at the actual plan and what they are saying that they provide.

>> TRACY PAKORNSAWAT: Ok. So, the next question is: Does a person under age 65 who has been on disability, do they have to apply for Medicare or are they automatically enrolled?

>> LISA BARKER: If a person is under 65 and they've been on disability, after they've been on disability for 21 months they should start receiving notice that's their Medicare is going to take effect in that 24th month. So, they should not have to apply unless there's a glitch in the system. They should automatically -- kind of like that person who might take their Social Security retirement at 62, when they turn 65 that person will automatically be enrolled in Medicare.

For a person who is say, 45, and they've had their disability for 16 months, at that 21st month they should start receiving information about Medicare. And that's a good time for them to go in and talk with somebody and make sure -- they might even want to go into Social Security and make sure -- what their

Medicare number will be, verify all of that information, maybe apply for some extra help depending on what their Social Security Disability payment is, and then at the 24th month their A & B should take effect and then they need make some decisions about their additional coverage they want to take.

>> TRACY PAKORNSAWAT: Great. Coming back to that preexisting condition question. I got some additional information. So, the example is if a Medicare Advantage beneficiary has cancer and they are treated successfully and in remission and have no trace of cancer, can the beneficiary switch to the traditional Medicare without a preexisting condition coverage on day one, under traditional Medicare?

>> LISA BARKER: My answer in regard to Medicare is yes. A person can go from an advantage plan to Medicare during Open Enrollment and that would take effect January 1. However, the catch is depending on the person's age, again, if they're going back on Original Medicare, they are not guarantee issue if they want to go on a supplemental insurance.

So, let's say the person is 48 years old and they had cancer and they were on a Medicare Advantage plan when they had their cancer and they've decided, you know what, I want to be back on original Medicare. They can go back on Original Medicare -- and there's an Open Enrollment Period right now January 1 through March 31, for anybody on a Medicare Advantage plan to go back on Original Medicare with a drug plan. The catch would be is that they would only have that 80/20% coverage because they may or may not be underwritten for supplemental insurance. The only thing that requires underwriting, medical underwriting, is supplemental insurance.

>> TRACY PAKORNSAWAT: Thank you.

There was a question about the Part C and Plan F plans. Did you mention that those are going away in 2020?

>> LISA BARKER: Part C -- so there's a Medicare Part A, Part B, Part C, Part D. Those are all staying in place. But the supplemental insurances Plan C and Plan F, those are going away. So, Part C is a Medicare Advantage plan and you can't have a Medicare Advantage plan and a supplemental insurance. But as far as supplemental insurance goes, Plans C and F are going away in 2020 for newly eligible beneficiaries.

>> TRACY PAKORNSAWAT: Nothing like alphabet soup.

>> LISA BARKER: Oh, it is. It is. It's crazy.

>> TRACY PAKORNSAWAT: Ok. So, the next question is: Is there any benefit to having a Medicare Advantage plan if they have an employer-sponsored plan as well?

>> LISA BARKER: It depends on the employer-sponsored benefit. Like, what has happened with the state is that a lot of people -- they have -- either they're on disability and they've got Medicare and they worked enough years with the state, but they've earned state retiree benefits, the state has actually gone -- they still have the Blue Cross/Blue Shield 70/30 but it has a deductible of almost $1,100 a year. So, a lot of the people are going with the United Healthcare based or enhanced plan. So, it kind of depends if the person is actually working and has

employer-sponsored benefits and then take their Medicare -- I guess I would want to know more information just to make sure it's cost effective for the person and they're not over-insured. I don't want them paying more than they really need.

>> TRACY PAKORNSAWAT: Great. And I know we're pushing time, so I'll just take one more question here. Can people get Medicaid guidance through the SHIIP offices?

>> LISA BARKER: To a certain extent. We do have some access -- let's say somebody is trying to figure out if they're eligible or why something got kicked out of the system or something like that. There are a few staff in Raleigh that have access to a system that they can look into and see, you know, was it that a recertification wasn't done or different things.

We don't generally help with, like, appeals and that through Medicaid. I know that there's been times that I've helped people process, get the paper application started for Medicaid. And for some reason, you know, they're limited mobility and they also are not computer savvy. I know SHIIP counselors have helped people do a Medicaid application. But we try to leave Medicaid to the Medicaid experts. We try to help everybody but we're not the ones that know Medicaid the best.

>> TRACY PAKORNSAWAT: Great. Thank you so much.

So, I'm going to call it on the questions there. If people have additional questions, feel free to e-mail me. There will be a survey that will go out automatically when we're done with the webinar today and there will be an option for you to ask additional questions there. And then I can work with you, Lisa, to get those questions answered.

I wanted to let everybody know when we're done here today, I'll go ahead and e-mail out a copy of all these materials. Like I said, there will be an automatic survey that pops up. If you could complete that for me, I would appreciate it. I'm always looking for new topics for our monthly webinars and that would be where you could put some information in to let me know what topics you're interested in. Again, I'll send these out.

Lisa, thank you so much for your time today. I appreciate it. I'm glad that we were able to connect so that we could do this. If there's anything we can do to kind of get information out for you, please let me know and we'll send it out to our listserv.

Thank you, everybody, for joining us today. We will see you next month. Thanks so much. Good-bye.