

## Medicare & Medicaid: Marci's Q&A

# Medicare to Open Advantage Plan Disenrollment; Other Key Information in Marci's Medicare Answers

**Marci's Q&A has information about Medicare in the new year that may be critical to some senior citizens: changing back to original Medicare, changes in 2014, getting Extra Help**

Dec. 27, 2013 – Although Medicare just closed “Open Enrollment” earlier this month, there is a new “Disenrollment” period about to open, when seniors enrolled in Medicare Advantage can switch to Original Medicare. This and other important information about Medicare in 2014 are explained below in the “Dear Marci” Q&A from the Medicare Rights Center.

**Dear Marci,**

**I was told that I could switch from a Medicare Advantage plan to Original Medicare during the Medicare Advantage Disenrollment Period. What is the Medicare Advantage Disenrollment Period? — Carlie**



Dear Carlie,

The Medicare Advantage Disenrollment Period (MADP) occurs January 1 to February 14 of each year. During this time, people who have a Medicare Advantage plan, also known as a Medicare private health plan, can switch to Original Medicare, the traditional Medicare program administered by the federal government.

They may also sign up for a Medicare prescription drug plan, also known as a Medicare Part D plan, to work with their Original Medicare coverage. Any changes made during this time generally take effect the first of the month following the enrollment change.

For example, if you switched from a Medicare Advantage plan to Original Medicare and a Part D plan on February 1, 2014, your new coverage would begin March 1, 2014. Remember, people who get their Medicare benefits through Original Medicare cannot make changes during this time; only those who get their Medicare benefits through a Medicare Advantage plan can switch to Original Medicare and a Part D plan during the Medicare Advantage Disenrollment Period.

Before making any changes to your Medicare coverage, be sure to think about your health care costs and needs. Also, know that federal law may not give you the right to purchase a **Medigap** plan if you disenroll from your Medicare Advantage plan and enroll into Original Medicare.

Medigap plans are supplemental policies that can help pay for out-of-pocket Original Medicare costs, such as deductibles and coinsurances. You can only purchase a Medigap plan if you get your Medicare benefits through Original Medicare. Keep in mind that certain states may have more generous Medigap enrollment rules. For more information on Medigap enrollment rules, contact your State Department of Insurance or your State Health Insurance Assistance Program (SHIP). —*Marci*

**Dear Marci,**

**What are some changes that will be made to Medicare in 2014 as a result of the health care law? — David**

Dear David,

The Affordable Care Act (ACA), also known as the health care law, has made a few changes that have benefited people with Medicare, such as the expansion of cost-free preventive services to people with Medicare and the gradual closure of the Part D doughnut hole.

In 2014, the ACA will continue to reduce the doughnut hole, also known as the coverage gap. The doughnut hole is the period of time in the calendar year during which the amount you pay for your prescription drugs suddenly increases.

You enter the doughnut hole in 2014 when your total drug costs (i.e. what you and your plan have paid towards your prescription drugs) reaches \$2,850. After both you and your plan have paid this amount towards your prescription drugs in 2014, you will enter the doughnut hole.

While you are in the doughnut hole, you will pay less for generic drugs in 2014. Specifically, you will be responsible for 47.5% of the cost of brand-name drugs and 72% of the cost of generic drugs while you are in the doughnut hole in 2014.

Due to the ACA, the doughnut hole will be completely phased out in 2020, meaning that people will not have to pay more than 25% of the cost of their covered brand-name and generic prescription drugs at any point during the year.

In addition, barbiturates (anti-anxiety drugs), which were only covered by Medicare Part D plans for certain diagnoses in 2013, will be covered by Medicare Part D plans in 2014, regardless of what type of health condition you may have.

Note that while there are quite a few changes that are occurring as a result of the ACA, such as the implementation of Health Insurance Marketplaces, you should be aware that people with Medicare should generally not sign up for Marketplace plans. If you have questions about your Medicare benefits or coverage, you can always contact 800-MEDICARE or go online and visit [www.medicare.gov](http://www.medicare.gov). — *Marci*

**Dear Marci,**

**I was told that I would no longer qualify for Extra Help this year. What are some other ways that can help me save on my prescription drug costs? — Parsha**

Dear Parsha,

If you received a notice from the Social Security Administration (SSA) saying that you would no longer qualify for Extra Help, the federal drug assistance program that helps people afford their prescription drugs, know that there may be other ways to save on your drug costs.

Contact your State Health Insurance Assistance Program (SHIP) to check whether there is a State Pharmaceutical Assistance Program (SPAP) available in your state. These programs may be able to help you pay for your Medicare prescription drug costs. However, keep in mind that not all states have an SPAP.

In addition, eligibility rules and program benefits vary by state. Contact your State Health Insurance Assistance Program to ask about existing SPAPs in your state by going online and visiting [www.shiptalk.org](http://www.shiptalk.org).

You may also want to take a look at drug manufacturer assistance programs called Patient Assistance Programs (PAPs). These programs vary depending on what type of prescription drug you need. Note that not all drugs have related PAPs. In addition, each PAP varies and may have different eligibility rules and program benefits.

To learn more about different PAPs, you can go online and visit [www.needymeds.org](http://www.needymeds.org) or [www.rxassist.org](http://www.rxassist.org). — Marci

**I want to make changes to my Medicare coverage. What is the difference between Original Medicare and a Medicare Advantage plan?**

**—Lyndsay**

Dear Lyndsay,

That's a great question to ask, particularly during Fall Open Enrollment. If you have Medicare, you can receive your Medicare benefits through either Original Medicare or a Medicare Advantage plan.

Original Medicare is the traditional Medicare program administered directly through the federal government. Original Medicare consists of Part A (hospital insurance) and Part B (medical insurance). If you have Original Medicare, you can get Medicare prescription drug coverage by signing up for a stand-alone Part D plan. Listed below are some important things to know about Original Medicare.

Original Medicare:

- Lets you see any doctor in the country, as long as the doctor accepts Medicare.
- Does not require you to get a referral from your primary care doctor before seeing other doctors or specialists.
- Pays 80 percent of the cost of most outpatient medical services you receive. You are generally responsible for paying the remaining 20 percent coinsurance.
- Does not cover certain services such as vision, dental and hearing care.

On the other hand, Medicare Advantage plans generally offer hospital, medical and prescription drug coverage under one private insurance plan. These plans must offer at least the same benefits as Original Medicare; however, each plan may have different costs and rules. Listed below are some important things you need to know about Medicare Advantage plans.

Medicare Advantage plans:

- Typically require you to see a doctor or health care provider who is in the plan's network.

- May require you to get a referral from your primary care doctor before seeing other doctors or specialists.
- May have different costs and rules, depending on the plan.
- May cover limited health care services that Original Medicare does not cover.
- Must have a maximum limit on out-of-pocket costs, meaning that once you spend a certain amount for covered health care services out of your own pocket, you pay little to nothing for services thereafter.

Keep in mind that knowing the difference between Original Medicare and Medicare Advantage plans is especially important during Fall Open Enrollment. Fall Open Enrollment occurs each year from October 15 to December 7. During this time, people with Medicare can make changes to their Medicare coverage with their new coverage taking effect January 1 of the following year. Outside of this time, people with Medicare generally cannot make changes to their Medicare coverage unless certain circumstances qualify them for a Special Enrollment Period. If you want to switch from a Medicare Advantage plan to Original Medicare or vice versa during Fall Open Enrollment, it's best to call 800-MEDICARE to make this change in order to avoid enrollment errors.

—Marci

**Dear Marci,**

**I received a notice in the mail that said my Medicare Advantage plan would not be offered in 2014. I do not qualify for any assistance programs. What are my options?**

—Jason

Dear Jason,

If your Medicare Advantage plan is ending on December 31, 2013 and you do not qualify for any assistance programs that may entitle you to a Special Enrollment Period, you need to make decisions about your Medicare coverage before the end of the year. If your plan will not be available in 2014, your plan should send you a notice informing you of this change by October 2, 2013. This notice may also include a list of other Medicare Advantage plans in

your area. Remember, you can get your Medicare benefits either through Original Medicare, the traditional Medicare program administered directly through the federal government, or a Medicare Advantage plan, also known as a Medicare private health plan.

If you want to join another Medicare Advantage plan, you can sign up for a new plan at any time between October 15, 2013 and February 28, 2014. You can learn about the different plans offered in your area by going online and visiting [www.medicare.gov](http://www.medicare.gov) or by calling 800-MEDICARE. Keep in mind that it's best to sign up for a new plan by December 31, 2013, so you can get plan coverage beginning January 1 of the following year. If you wait until January or February to enroll, your coverage will start the first of the month after you enroll. You will have Original Medicare with no drug coverage until your Medicare Advantage plan coverage starts.

Keep in mind that if you decide to have Original Medicare in 2014, you will most likely need to sign up for a Medicare Part D plan. While you have until February 28, 2014 to sign up for a Part D plan, you should sign up before December 31, 2013 so that you can get drug coverage beginning January 1, 2014. If you wait until January or February to enroll into a Part D plan, your coverage may not begin until the first of the month following the month of enrollment.

—Marci

**Dear Marci,**

**I received a tan notice in the mail that said I would need to pay a Part D plan premium in 2014 unless I join a plan with a cheaper Part D premium. What does this notice mean?**

—Ben

Dear Ben,

This tan notice is sent out to people who have Extra Help, the federal assistance program that helps people with Medicare pay their prescription drug costs. You will receive this particular notice if you were awarded the Extra Help benefit and you chose your own Medicare prescription drug plan (Part D plan) in the past.

This notice tells you that your Part D plan premium is increasing above the Part D regional benchmark amount. If you have Extra Help, you will not have to pay your plan's premiums, as long as they are below the yearly determined regional benchmark amount. If you get this notice, you can do one of two things:

- You can keep your plan and pay for some of your Part D plan premium in 2014; or
- You can switch to a Part D plan that has a premium below the regional Part D benchmark amount.

In order to pay \$0 premiums for your Part D coverage in 2014, you can look for other Part D plans in your area by calling 800-MEDICARE or by going online and using the Plan Finder tool at [www.medicare.gov](http://www.medicare.gov). Keep in mind that it's best to make this change in early December, so that you will not have to pay any premiums to have Part D coverage in 2014.

—Marci