




**Regional
Financial Security
Agency**

**Understanding
Medicare and Medicaid**

Introduction



Lovell T. Harmon
Regional Financial Security Agency
President/CEO

AV International
Executive Vice President, Health Plan and Provider
Services

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Introduction

**Senior Management and Plan Development
Experience**



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Introduction

Social Change Leader



- Adult Education
- Children/Foster Care Services
- Economic Development
- Education
- Ex-Offender Support/Re-entry
- Homelessness
- Housing Development
- Social Services
- Workforce Development

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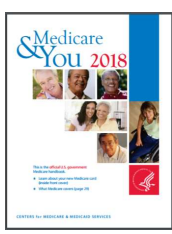
What is Medicaid?

- Federal and state program
- Medical assistance for people with limited income and resources
- Covers about 74 million adults and children
 - Medicaid—68 million individuals enrolled
 - CHIP—6 million individuals enrolled
- Supplements Medicare for more than 10 million people who are aged and/or disabled

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What is Medicare?

- Health insurance for people
 - 65 and older
 - Under 65 with certain disabilities
 - ALS (Amyotrophic Lateral Sclerosis, also called Lou Gehrig's disease) without a waiting period
 - Any age with End-Stage Renal Disease (ESRD)



NOTE: To get Medicare you must be a United States (U.S.) citizen or lawfully present in the U.S.

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How Are Medicare and Medicaid Different?

Medicare	Medicaid
National program that's consistent across the country	Statewide programs that vary among states
Administered by the federal government	Administered by state governments within federal rules (federal/state partnership)
Health insurance for people 65 and older, people under 65 with certain disabilities, or any age with End-Stage Renal Disease (ESRD)	Health insurance for people based on need, financial and non-financial requirements
Nation's primary payer of inpatient hospital services to the disabled, elderly and people with ESRD	Nation's primary public payer of acute health care, mental health, and long-term care services

What Are the 4 Parts of Medicare?



Part A
Hospital Insurance


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Part A—What Beneficiary Pays in Original Medicare


Hospital Inpatient Stay	<ul style="list-style-type: none"> ▪ The \$1,364 deductible and no coinsurance for days 1–60 of each benefit period ▪ \$341 per day for days 61–90 each benefit period ▪ \$682 per "lifetime reserve day" after day 90 of each benefit period (up to 60 days over your lifetime) ▪ All costs for each day after the lifetime reserve days ▪ Inpatient mental health care in a psychiatric hospital limited to 190 days in a lifetime
Skilled Nursing Facility Care	<ul style="list-style-type: none"> ▪ \$0 for the first 20 days of each benefit period ▪ \$170.50 per day for days 21–100 of each benefit period ▪ All costs for each day after day 100 in a benefit period
Home Health Care Services	<ul style="list-style-type: none"> ▪ \$0 for home health care services

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What Are the 4 Parts of Medicare?



Part A
Hospital Insurance



Part B
Medical Insurance

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Part B—What Beneficiary Pays in Original Medicare

Yearly Deductible	\$183
Coinsurance for Part B Services	<ul style="list-style-type: none">▪ 20% coinsurance for most covered services, like doctor’s services and some preventive services, if provider accepts assignment▪ \$0 for most preventive services▪ 20% coinsurance for outpatient mental health services, and copayments for hospital outpatient services


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What Are the 4 Parts of Medicare?

Original Medicare






Part A
Hospital Insurance



Part B
Medical Insurance

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What Are the 4 Parts of Medicare?

Original Medicare		Medicare Prescription Drug Coverage
 Part A Hospital Insurance	 Part B Medical Insurance	 Part D Medicare prescription drug coverage




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Part D—What Beneficiary Pays in Original Medicare (standard plan)

- **Yearly deductible: \$415**
- **Copayments or coinsurance**
 - Varies by plan, pharmacy, which drugs are prescribed
 - Pay regular copayment or coinsurance until beneficiary and the drug plan have spent a certain amount of money for covered drugs (**\$3,820**) and you reach the **Coverage Gap**
 - You pay **37%** for covered brand-name drugs in the coverage gap
 - You pay **25%** for covered generic drugs in the coverage gap
 - Pay a small coinsurance amount or copayment for covered drugs after spending **\$5,100** out-of-pocket (out of the Coverage Gap) and automatically get Catastrophic Coverage
- **Monthly plan premium**
 - Income-Related Monthly Adjustment Amount (IRMAA) applies




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What Are the 4 Parts of Medicare?

Original Medicare		Medicare Prescription Drug Coverage
 Part A Hospital Insurance	 Part B Medical Insurance	 Part D Medicare prescription drug coverage







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What Are the 4 Parts of Medicare?

Original Medicare		Medicare Advantage	Medicare Prescription Drug Coverage
 Part A Hospital Insurance	 Part B Medical Insurance	Part C	 Part D Medicare prescription drug coverage







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What Are the 4 Parts of Medicare?

Original Medicare		Medicare Advantage	Medicare Prescription Drug Coverage
 Part A Hospital Insurance	 Part B Medical Insurance	Part C  +  Part A + Part B +  Part D (Usually)	 Part D Medicare prescription drug coverage

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Two Primary Medicare Choices

Option 1: Original Medicare	Option 2: Medicare Advantage (Part C)
This includes Part A and/or Part B.  +  Part A + Part B Hospital Insurance + Medical Insurance <div style="background-color: #0056b3; color: white; padding: 2px; text-align: center; margin: 5px 0;">You can add:</div>  Part D Medicare prescription drug coverage	These plans are like HMOs or PPOs and typically include Part D.  +  Part A + Part B Hospital Insurance + Medical Insurance +  Part D Medicare prescription drug coverage

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2 Primary Medicare Choices

Option 1: Original Medicare	Option 2: Medicare Advantage (Part C)
<p>This includes Part A and/or Part B.</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;"> Part A Hospital Insurance </div> <div style="font-size: 24px; font-weight: bold;">+</div> <div style="text-align: center;"> Part B Medical Insurance </div> </div> <p style="background-color: #4F81BD; color: white; text-align: center; padding: 2px;">You can add:</p> <div style="text-align: center;"> Part D Medicare prescription drug coverage </div> <p style="background-color: red; color: white; text-align: center; padding: 2px;">You can also add:</p> <div style="text-align: center;"> Medigap Medicare Supplement Insurance </div>	<p>These plans are like HMOs or PPOs and typically include Part D.</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;"> Part A Hospital Insurance </div> <div style="font-size: 24px; font-weight: bold;">+</div> <div style="text-align: center;"> Part B Medical Insurance </div> </div> <div style="text-align: center; margin-top: 10px;"> Part D Medicare prescription drug coverage </div>

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Decision Comparison Summary: How They Work—Coverage

Original Medicare	MA Plan (Part C)
<ul style="list-style-type: none"> Covers Part A and Part B benefits Medicare provides this coverage directly You have your choice of doctors and hospitals that are enrolled in Medicare and accepting new Medicare patients Generally, you or your supplemental coverage pay deductibles and coinsurance You usually pay a monthly premium for Part B 	<ul style="list-style-type: none"> Covers Part A and Part B benefits and may cover additional benefits (like vision or dental) Coverage provided by private insurance companies approved by Medicare In most plans, you need to use plan doctors, hospitals, or other providers or you pay more or all of the costs You may pay a monthly premium (in addition to your Part B premium) and a copayment or coinsurance for covered services

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How Are Medigap Policies and MA Plans Different?

	Medicare Supplement Insurance (Medigap) Policies	Medicare Advantage (MA) Plans (Part C)
Offered by	Private companies	Private companies
Government Oversight	State, but must also follow federal laws	Federal (plans must be approved by Medicare)
Works with	Original Medicare	N/A
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 also cover things not covered by Original Medicare, like vision and dental coverage. Most MA Plans include Medicare prescription drug coverage.
You must have	Part A and Part B	Part A and Part B
Do you pay a premium?	Yes. You pay a premium for the policy and you pay the Part B premium.	Yes. In most cases you pay a premium for the plan and you pay the Part B premium.

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Special Needs Plans

Medicare Special Needs Plans (SNPs) are a type of Medicare Advantage Plan that serve individuals with chronic or disabling conditions.

To be eligible for a special needs plan, an individual must fit into one of the following groups:

- People who live in certain institutions (like nursing homes) or who require nursing care at home (ISNP)
- People who are eligible for both Medicare and Medicaid (DSNP)
- People who have specific chronic or disabling conditions (like diabetes, End-Stage Renal Disease, HIV/AIDS, chronic heart failure, or dementia) (CSNP)

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How DSNP Programs Work

The purpose of DSNPs is to coordinate Medicare and Medicaid services and provide a model of care that focuses on the special characteristics and needs of Medicare-Medicaid enrollees.

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How DSNP Programs Work

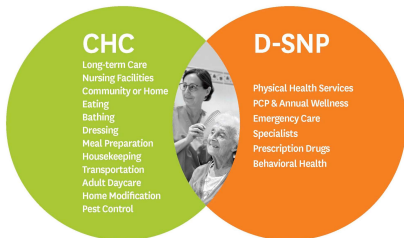
The purpose of DSNPs is to coordinate Medicare and Medicaid services and provide a model of care that focuses on the special characteristics and needs of Medicare-Medicaid enrollees.

In Community HealthChoices (CHC), the DSNP is responsible to coordinate payment, care, and benefits of participants who are eligible for both Medicare and Medicaid. The DSNP will arrange for Medicare benefits, either directly through providers in their network or providers with providers who have contractual arrangements with the Pennsylvania Department of Human Services (DHS) to provide Medicaid services.

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How CHC and DSNP Programs Work Together

Dual-eligible participants are at the intersection of the LTSS services and their health care benefits provided by Medicaid and Medicare.



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Outreach Goals

Increase awareness of the critical link between the CHC and Medicare Advantage Programs

- Increase consumer, medical provider, key service providers and community awareness of the process and key points to consider during:
 - Medicare Open Enrollment
 - CHC Conversion process
- Promote **ACTIVE** participation of beneficiaries in the selection of both **Medicare Advantage (DSNP)** and **CHC**

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