



Executive Office of Elder Affairs
RESPECT INDEPENDENCE INCLUSION



Cost Savings Strategies for Medicare Beneficiaries

MassHealth
Training Forum

July 20, 2022
July 21, 2022

AGENDA

- What is SHINE?
- What is Medicare?
- Medicare Costs in 2022
- Medicare Penalties in 2022
- Medicare Savings Programs
- Assistance with Prescription Costs
- Additional Cost Savings Opportunities
- Where to Go for Help

SHINE

- **SHINE**= **S**erving the **H**ealth **I**nsurance **N**eeds of **E**veryone...*on Medicare*
- We are a federally funded program by the **Administration for Community Living** which is a part of the U.S. Department of Health and Human Services
- Mission: To provide free, unbiased health insurance information, counseling and assistance to Massachusetts Medicare beneficiaries of all ages and their caregivers
- Provide screening for Public Benefit programs
- 13 Regional Offices cover entire state and the Greater Boston Chinese Golden Age Center (statewide)
- 650+ SHINE counselors (60% volunteers)
1-800-243-4636

SHINE@mass.gov

What is Medicare?

- Medicare is the federal health insurance program that helps with the cost of healthcare, but it is not comprehensive; it does not cover all medical expenses or the cost of long- term care

- 3 different parts of Medicare help cover specific services



Part A – Hospital Insurance



Part B – Medical Insurance



Part D – Prescription Drug Coverage

Part C – Medicare Advantage combines A, B & usually

Part D



2022 Medicare Costs

- Part A Premium- Free for most
- Part A Hospital Deductible \$1,556 per benefit period*
 - Part B Premium \$170.10
 - Part B Annual Deductible \$233.00*
 - Part D Premium: \$7.40 to \$136.20

Important: Part B and D Premiums can be higher if individual's income exceeds \$91,000; \$182,000 for a couple

- Part D copays and plan deductibles
- Medigap plans in Massachusetts: premiums range from \$113-\$319

* After deductible, co-pays/20% co-insurance may apply; many preventive services are available and not subject to deductibles/co-insurance.

Medicare Penalties



- Part A Late Enrollment Penalty
 - If you enroll late, and aren't eligible for premium-free Part A, your monthly premium may go up 10% for twice the number of years you signed up late
- Part B Late Enrollment Penalty
 - If you enroll late, the Part B penalty is a surcharge added to your monthly Part B premium for life. The Part B late enrollment penalty is calculated as 10% of the current Part B premium for every 12 month period you were not enrolled and did not have employer coverage through current employment
- Part D Enrollment Penalty
 - If you do not have Part D coverage, even if you take no prescription drugs, you can incur a lifetime penalty. If you enroll late, the Part D penalty is calculated as 1% of the national base beneficiary premium for each month you were not enrolled in a Part D plan and did not have creditable coverage

Medicare Savings Program (MSP)

What is it?

- Medicare Savings Programs—also known as “MassHealth Buy-In” programs—are three different programs that help older residents and people living with disabilities save money on their Medicare coverage

Senior Buy In (Qualified Medicare Beneficiary-QMB)

- Pays Medicare A and B premiums, deductibles and co-pays
- Automatic Full Extra Help

Buy In (Specified Low-Income Beneficiary- SLMB)/Qualified Individual (QI-1)

- Pays Medicare B premium
- Automatic Full Extra Help

Medicare Savings Programs (MSP)

Do I qualify?

Senior Buy-In (QMB)

Current Eligibility

- Income up to or equal to 130% FPL
 - \$1,473/month for an individual
 - \$1,984/month for married couples who live together
- Asset/Resource Limits
 - \$16,800 individual
 - \$25,200 married couples who live together

Buy-In (SLMB and QI-1)

Current Eligibility

- Income up to or equal to 165% FPL
 - \$1,869/month for an individual
 - \$2,518/month for married couples who live together
- Asset/Resource Limits
 - \$16,800 individual
 - \$25,200 married couples who live together

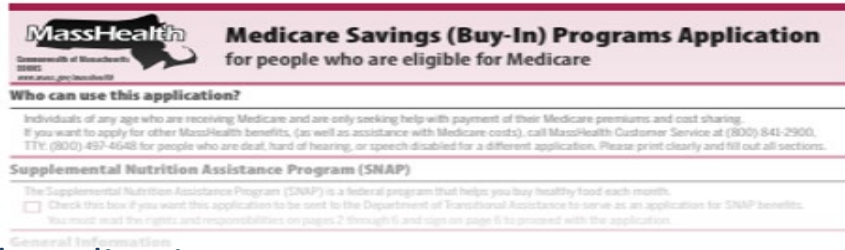
Medicare Savings Programs (MSP)

How do I apply?

1. Get the application. You can ask for a MassHealth Buy-In application by calling the MassHealth Customer Service Center at (800) 841-2900 or TTY at (800) 497-4648.

You can download a MassHealth Buy-In application from:

www.mass.gov/lists/applications-to-become-a-masshealth-member.



The image shows a screenshot of the MassHealth application form. At the top left is the MassHealth logo with the text 'Commonwealth of Massachusetts DEPARTMENT OF TRANSITIONAL ASSISTANCE www.mass.gov/masshealth'. To the right of the logo is the title 'Medicare Savings (Buy-In) Programs Application for people who are eligible for Medicare'. Below the title is a section titled 'Who can use this application?' with the text: 'Individuals of any age who are receiving Medicare and are only seeking help with payment of their Medicare premiums and cost sharing. If you want to apply for other MassHealth benefits, (as well as assistance with Medicare costs), call MassHealth Customer Service at (800) 841-2900, TTY: (800) 497-4648 for people who are deaf, hard of hearing, or speech disabled for a different application. Please print clearly and fill out all sections.' Below this is a section titled 'Supplemental Nutrition Assistance Program (SNAP)' with the text: 'The Supplemental Nutrition Assistance Program (SNAP) is a federal program that helps you buy healthy food each month. Check this box if you want this application to be sent to the Department of Transitional Assistance to serve as an application for SNAP benefits. You must read the rights and responsibilities on pages 7 through 8 and sign on page 8 to proceed with the application.' At the bottom of the screenshot is the text 'General Information'.

2. Mail the completed application to:

MassHealth Enrollment Center
Central Processing Unit PO Box 290794
Charlestown MA 02129-0214

or

3. FAX it to: (857)-323-8300

Extra Help/Limited Income Subsidy(LIS)

What is it?

- Federal assistance program to help reduce the cost of **Part D (Prescription Drug Plans or Medicare Advantage plans with Part D coverage)** for beneficiaries with limited resources
- Extra Help subsidizes:
 - Part C/D Premiums, deductibles, copays
 - Eliminates any late enrollment penalty
- Two levels available based on income/assets: Full Extra Help and Partial Extra Help.

Extra Help/Limited Income Subsidy

Do I qualify?

Full Extra Help

Current Eligibility

- Income up to or equal to 135% FPL
 - \$1,529/month for an individual
 - \$2,060/month for married couples who live together
- Asset/Resource Limits
 - \$9,900 individual
 - \$15,600 married couples who live together

Partial Extra Help

Current Eligibility

- Income up to or equal to 150% FPL
 - \$1,699/month for an individual
 - \$2,289/month for married couples who live together
- Asset/Resource Limits
 - \$15,510 individual
 - \$30,950 married couples who live together

Extra Help/Limited Income Subsidy

How do I apply?

Complete Social Security's *Application for Extra Help with Medicare Prescription Drug Plan Costs* (Form SSA-1020)

Use one of these methods:

1. Apply online at www.socialsecurity.gov/extrahelp
2. Call Social Security at **1-800-772-1213** (TTY **1-800-325-0778**) to apply over the phone or to request an application
3. Apply **in person** at your local Social Security Office (Appointments recommended)
<https://www.ssa.gov/locator/> Field Office Locator | SSA

Prescription Advantage

What is it?

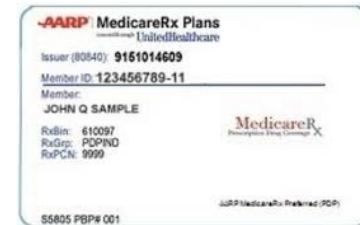


- Prescription Advantage (PA) is a state-sponsored prescription drug program for seniors and people with disabilities
- PA offers comprehensive prescription drug coverage for consumers who are not eligible for Medicare
- PA provides financial assistance to lower prescription drug costs and fill coverage gaps
- PA also provides a one-time Special Enrollment Period (SEP) each year

Prescription Advantage

Do I qualify?

- Must be enrolled in a Part D Plan or a Medicare Advantage plan with drug coverage or creditable coverage plan to receive assistance
- Eligibility based on gross annual income only; assets not counted
- Cannot be eligible for MassHealth or Medicare Savings Programs



Age 65+ Income up to or equal to 500% FPL

- \$3,398/month for an individual
- \$4,579/month for married couples who live together
- Asset/Resource Limits- **None**

Under 65 on Medicare w/ Income up to or equal to 188% FPL

- \$2,129/month for an individual
- \$2,869/month for married couples who live together
- No monthly premium or enrollment fee
- Must meet disability guidelines –documentation required
- Asset/Resource Limits- **None**

Prescription Advantage

How do I apply?

- **Apply [Online](#)**
- **By Phone:** 1-800-243-4636
- **By Mail:** Mail application to
P.O. Box 15153 Worcester,
MA 01615
- **By Fax:** 508-793-1166

Prescription Advantage Application Form

for Massachusetts residents 65 years of age and older or under age 65 and disabled



A. Applicant and Spouse Information

► **Is this form being completed by someone other than the applicant?** Yes No

If yes, provide the person's name and relationship to the applicant (ex. relative, friend, advocate)

Name:

Relationship:

If you and your spouse live together, you must complete the *Spouse* sections even if he/she is not applying.

► **Who is applying on this application?** You You and your spouse

- Can enroll anytime- year-round Open Enrollment
- No need to re-apply each year

Pharmacy Outreach Program

Who are we?

- Free information and referral service to help people take medications appropriately
- Mission: To promote medication adherence for the community through cost solutions and education
- Pharmacists, SHINE counselors, and pharmacy students on staff
- Funded by EOEa, City of Boston, Central Mass Agency on Aging, and the Massachusetts College of Pharmacy and Health Sciences



Pharmacy Outreach Program

What do we do?

1

Evaluate insurance plans, including Medicare Part D

2

Research ways and assist with applying to programs to help save on the cost of medications

3

Answer questions about medications and diseases

4

Provide medication reviews

5

Educate at community events

- Call 1-866-633-1617
- www.mcphs.edu/patient-centers/pharmacy-outreach-program
- Monday-Friday: 8:30-5 pm

Pharmacy Outreach Program

Special Generic Pricing Programs

- Low cost generic medications offered at specific retail sites
- Not considered insurance
- Available to anyone regardless of insurance status, income, assets
- Examples:
 - Walmart
 - Price Chopper



Pharmacy Outreach Program

Rx Outreach

- Low cost mail order program offering over 600 medications
- Not considered insurance
- Eligibility: income limit over \$54,000/\$73,000
- No enrollment or shipping fees
- Access program at www.rxoutreach.org or 1-888-796-1234



Pharmacy Outreach Program

Copayment Foundations

- Charitable organizations that help pay for certain prescription co-payments and plan premiums
- Medication and Diagnosis Specific
- Medication must be a covered drug with current insurance
- Income guidelines vary – some as high as 500% of the FPL
- Grants are typically awarded on an annual basis



Pharmacy Outreach Program

Manufacturer Patient Assistance Programs

- Free or low cost brand name medication
- Shipped to patient or healthcare provider; or use card at pharmacy
- Not considered insurance
- Income guidelines tend to be up to 250% of the FPL
- Most often need to be uninsured or underinsured



Pharmacy Outreach Program

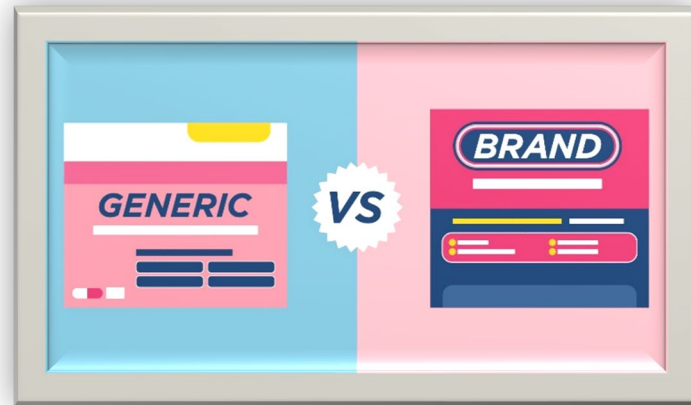
NeedyMeds

- Website supported by non-profit organization to find information about programs that help with cost
- Searchable database
 - Drug name
 - Condition or disease
- Listings of free clinics, low cost retail options
- www.needymeds.org

Pharmacy Outreach Program

Strategies to Reduce Medication Cost

- Brand vs. generic
- Plan restrictions
- Alternative medications in drug class
- Diagnosis
- Available as an OTC product
- Formulation



Alternative Prescription Coverage Options

- Consumers may wish to check with one of several available pharmacy discount plans to see if they can save on co-pays:

- GoodRx: www.goodrx.com
- SingleCare: www.singlecare.com
- NeedyMeds: www.needymeds.org



- Accepted at most major pharmacies including CVS, Walgreens, Rite-Aid, and Walmart
- Downloadable app lets you search for best price

**** Purchases will NOT AUTOMATICALLY COUNT towards Part D out-of-pocket spending
Consumers should contact their Part D plan directly to see if they can submit receipts/documentation of purchases made outside of their plan to be included in the calculation of their total out of pocket costs.**

Part D Senior Savings Model


- The Part D Senior Savings Model is a five-year voluntary Model for Part D plans and insulin manufacturers which started on January 1st, 2021
- 7 Part D plans and 3 Medicare Advantage plan insurers offer some formulary insulins at a maximum of \$35 each for a month's supply in the deductible, initial coverage, and coverage gap phases



Additional Cost Savings Tips and Reminders


Medicare Plan Finder

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

Select a 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?](#)

The Plan Finder Tool available on Medicare.gov allows you to search for the lowest cost options for health and prescription drug coverage available in your area.

Medigap Initial Enrollment Discounts

- Offered to all Massachusetts Medicare beneficiaries turning 65 by all Medigap plans
- Details vary between plans:
 - Initial eligibility period
 - Length of availability of discount (years 1-3)
 - Discount percentage
- Discounts start at 15% off of base premium and may gradually decrease to 5% over 2-3 year period
- Some plans may offer additional discounts for multiple persons insured and premium payments by EFT (electronic funds transfer)
- Should contact Medigap plans to verify individual eligibility

MA Plan Part B Premium Reductions



- The Medicare Giveback Benefit is a Part B premium reduction offered by some Medicare Advantage Plans in which the MA plan may pay some of your Part B premium (currently \$170.10/month)
- In 2022, 4 plans (3 insurance companies) offer this Premium Reduction
 - Premium Reduction Amount may range from \$30 up to \$69
- Reduction is reflected in the beneficiary's net Social Security payment

***BUT...Before choosing these plans, you must ensure that providers accept the plan, and that all of your current medications are covered!
These are not always the best plan choice for every beneficiary***

Working Past Age 65 and on Medicare?

- You may be eligible for one or more MassHealth programs due to the MassHealth **Earned Income Disregard**
- MassHealth treats *Earned* Income and *Unearned* Income differently.
- *Unearned* Income- e.g. Social Security, pensions, IRA distributions, investment income - **100% is countable income**
- *Earned* Income- Wages from employment
 - Formula to calculate countable earned income:

$$\begin{array}{c} \text{Gross Wages} \\ \text{from} \\ \text{employment} \end{array} - \$65 \div 2 = \text{Total countable} \\ \text{Earned Income}$$

➔ MassHealth program income eligibility based on:

$$\begin{array}{c} 100\% \text{ Gross} \\ \text{Unearned Income} \end{array} + \begin{array}{c} \text{Total countable} \\ \text{Earned Income} \end{array} = \begin{array}{c} \text{Total Income reported} \\ \text{to MassHealth} \end{array}$$

Where to Go for Help

Social Security:	1-800-772-1213 www.SocialSecurity.gov
SSA Office Locator:	https://secure.ssa.gov/ICON/main.jsp
Medicare:	1-800-MEDICARE www.MEDICARE.gov
Pharmacy Outreach: (MCPHS University)	1-866-633-1617 www.mcphs.edu
Prescription Advantage:	1-800-243-4636 (choose option for PA) www.prescriptionadvantagemma.org
SHINE:	1-800-243-4636 (choose option for SHINE) www.shinema.org




Thank you



The SHINE Program

SHINE@mass.gov

 @Mass_EOEA

1-800-243-4636

<https://shinema.org/>

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Grantees undertaking projects with government sponsorship are encouraged to express freely their findings and conclusions. Points of view or opinions do not, therefore, necessarily represent official ACL policy.