

Questions from Medicare Webinar Part 1

Can someone with end stage renal disease continue on Medicare indefinitely or is there a limited coverage period?

Individuals diagnosed with ESRD stay on until they get a kidney transplant or until they die. It is not otherwise time-limited.

There is a historical disservice in most Medicare publications in that they do not state that Medicare beneficiaries do not need Part B if they work. What is not said is that you don't need Part B when you work in a TEFRA size group (20 or more people for 20 or more weeks in the preceding or current calendar year) group. People who don't buy Part B in a non-TEFRA size group must pay out of their own pocket. There is one publication, "Who Pays First", that addresses group size, but this information should be included in the Medicare handbook as well.

Thanks for that suggestion – we'll pass it on to CMS and also post the document on our Website.

Will employers as well as Medicare beneficiaries be receiving notification of Medicare Part D?

Employers will not automatically be notified. NAHU has begun a campaign to get information out to employers about the new requirement. More information is available at www.nahu.org.

Does Medicare pay for rebuilding repair of bone ridge underneath dentures?

No. Dental services are generally excluded from Medicare coverage; however, there are a few minor exceptions. Payment may be made under Part A for inpatient hospital services in connection with the provision of dental services if the individual, because of an underlying medical condition and clinical status or because of the severity of the dental procedure, requires hospitalization in connection with the provision of such services.

Currently, Medicare will pay for dental services that are an integral part either of a covered procedure (e.g., reconstruction of the jaw following accidental injury), or for extractions done in preparation for radiation treatment for neoplastic diseases involving the jaw. Medicare will also make payment for oral examinations, but not treatment, preceding kidney transplantation or heart valve replacement, under certain circumstances. Such examination would be covered under Part A if performed by a dentist on the hospital's staff or under Part B if performed by a physician.

See <http://www.cms.hhs.gov/oralhealth/2.asp> for more information.

I understand that any Medicare beneficiary may purchase Part D. Why does the information say it is available to employers that offer coverage to retirees?

Employers who offer coverage to retirees have several options, one of which is the purchase of Part D for covered retirees. However, most employers are selecting the 28 percent subsidy. More information will be available on this during Part 2 of our series on August 11th.

Will part D be available to anyone who is eligible for or who purchases Part A and/or B? Example, someone eligible to purchase Part A but who has not worked the 40 quarters to automatically qualify.

According to information on the CMS website, individuals with Medicare Part A or Medicare Part B and who live in the service area of a prescription drug plan or MA-PD plan are eligible to enroll.

If a doctor does not accept Medicare assignment, can the doctor force the patient to sign the contract promising that patient will never bill Medicare?

No. To clarify, there are three basic categories of doctors concerning Medicare. First, there are those who accept Medicare and Medicare assignment. They agree to accept the Medicare rate as the rate for their services. Patients will be responsible for the Part B deductible, but their 20% coinsurance will be based on the Medicare rate. The second category of doctor is one who accepts Medicare but not Medicare assignment. They are still required to bill Medicare, but may only charge 15% above the Medicare approved rate. The third category of doctor is one who does not accept Medicare at all. Some of these will not accept Medicare covered patients at all. Others will accept a patient covered by Medicare, but only if the patient signs a contract that says they understand the doctor will not bill Medicare and that they are responsible for 100% of the charges. No doctor may ask a Medicare patient to sign a contract in an urgent or emergency medical situation. More on this subject is covered in the "Medicare and You" handbook distributed each year to Medicare beneficiaries. A link is provided on the Medicare page of the NAHU website.

Just want to make sure I understand that if a physician does not accept Medicare then the beneficiary would have to pay the entire bill? Medicare does not reimburse at all even up to the approved charges?

That's right.

Is it logical/beneficial to have a discount drug card if the individual has TriCare now since most prescriptions are at a low copay?

Probably not. If the person is presenting a drug card at the pharmacy counter and paying a copay, it is likely that discounts have already been negotiated.

Janet referred to an RX program that is temporary and no new enrollees allowed soon. Part D is for 2006 forward? Can you clarify?

That is the prescription drug discount card program that will expire the end of 2005.

Do you have to be a citizen to be eligible for Medicare or just live in the U.S.?

No, citizenship is not a criterion.

What are the enrollment timelines for Part D?

Important Dates for Medicare Prescription Drug Coverage

October 2005

Watch the mail for the Medicare & You handbook. Look for community events throughout the fall.

November 15, 2005

First day you can join a plan.

January 1, 2006

Coverage begins for those who join by December 31, 2005.

May 15, 2006

Last day to join a plan without paying a penalty.

Please confirm that those who qualify for financial assistance will have no coinsurance or “donut hole.”

That is correct. They will only pay a small copay per prescription.

I thought a person no longer had to physically sign up for Part B – it was said earlier that it was automatic. Now a person has to physically sign off - notify that they did not want Part B?

They will automatically be enrolled in Part B unless they notify CMS that they do not want it.

I understand that you will be talking about employer requirements in a later session, but since we have time today, can you discuss the creditable coverage disclosure notice and what employers should be doing to receive the 28% subsidy?

Please see the NAHU website at www.nahu.org for information about the employer disclosure notice. The 28% subsidy is a complicated topic that requires significant explanation. Please plan to attend our second web seminar on August 11th for more information. If you are not able to attend that day, a recording of the session will be available.

I was always told that if a doctor accepted a patient in Ohio they must accept what Medicare pays – there is no balance billing in Ohio. Can you explain the 15% that a physician can charge?

The 15% is allowable under federal law. States may have other laws expanding the federal requirements.

When a person retires, are they eligible for COBRA if they are on Part A and Part B?

Yes but they should enroll in Part B during the first eight months that they have COBRA coverage otherwise they must wait until the next General Enrollment Period (Jan 1 – March 31). Part B coverage doesn't begin until July of that year. You also want to avoid the 10% penalty for each 12-month period that they could have enrolled but didn't take it (unless they had special enrollment rights).

Problem with delaying Part B is that they may disqualify for some Medigap plans.

That's right. Once a person becomes eligible for Part B, their six month Medigap open enrollment period begins where they can enroll in any Medigap plan regardless of health status. We'll cover this in more detail in our third Webinar.

Does a kidney transplant patient that qualified for Medicare get it for life or a limited time period?

For life.

Can you go over the COBRA on Medicare coverage again?

Individuals should enroll in Part B during the first eight months that they have COBRA coverage otherwise they must wait until the next General Enrollment Period (Jan 1 – March 31). Part B coverage doesn't begin until July of that year. You also want to avoid the 10% penalty for each 12-month period that they could have enrolled but didn't take it (unless they had special enrollment rights). Also, individuals who delay enrollment may be disqualified for some Medigap plans.

If a person is actively working and has health coverage through a group, but Medicare would be primary due to the size of the group, how would that impact signing up for Part B when the group coverage terminates?

It shouldn't be a problem, but it must be done precisely. Things like signing up for COBRA, the size of the group, and other factors can complicate the decision. Our third Webinar series will go into this in detail.

What is the current FPL?

For 2005 it is \$9,570 for a single person and \$12,830 for two people.

Will there be an increased premium for late enrollees in Part D?

Yes, 1% for every month the enrollment is delayed (if the beneficiary was not covered by another plan that provided coverage at least as good as the Medicare plan.)

What is the dollar amount that is defined by 135% of FPL?

For a single person it is \$10,862 and for two people it is \$14,562.

Is the \$30 fee per individual or for a family?

Per individual.

Can you provide a brief overview of Medicare history “original plan” for x years, significant changes occurred in 19xx, new Bush administration changes, etc.

Medicare was signed into law on July 30, 1965 to provide primarily hospital care (part A) and outpatient services (part B) based on a model then used by Blue Cross Blue Shield. In 1972, Medicare eligibility was extended to two other groups that were facing similar problems in obtaining reliable health coverage—people with disabilities and people with end-stage renal disease.

For a more comprehensive list of milestones, go to <http://www.cms.hhs.gov/about/history/milestones.asp>

Can you go over the 10% added charge if they don't sign up for Medicare initially (discussed early in this presentation)

Enrollment in part B is your choice. If you get Social Security or Railroad Retirement benefits, you are automatically enrolled in Part B starting the first day of the month you turn age 65. If you are under age 65 and disabled, you are automatically enrolled in part B after you get Social Security or Railroad Retirement benefits for 24 months.

Most people pay the monthly premium of \$78.20 in 2005 for Medicare Part B. However, the cost will go up 10% for each full 12-month period that you could have had Part B but didn't sign up for it, except in special cases. You might have to pay this extra amount as long as you have Part B. You also pay a \$110 Part B deductible each year before Medicare starts to pay its share.

For more information go to <http://www.medicare.gov/Choices/Original.asp>.

What are the requirements for a non US citizen to be come eligible for Medicare? Specifically, a British citizen who retires and moves to the US with his American wife.

Since the British citizen would not have worked the required 40 quarters to automatically qualify for Medicare, he would have to purchase Part A and Part B. Contact Medicare (1-800-Medicare) for rate information.