

# What's New with Medicare in 2024



Information as of October 30, 2023

*SHIP is administered by the NJ Department of Human Services under a federal grant from the U.S. Administration for Community Living.*

1

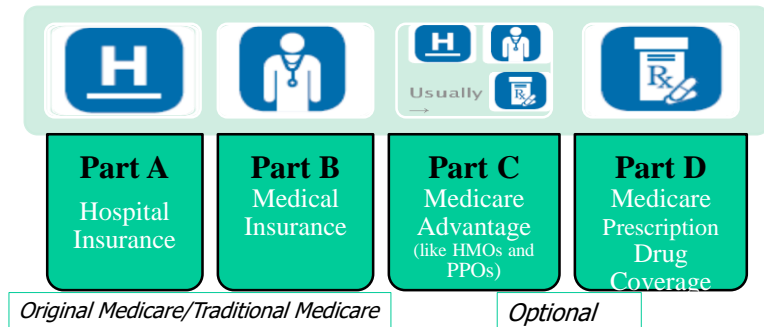
## Social Security Cost of Living Adjustment

2

- COLA for 2024 will be **3.2%** increase in benefits
- Average Retirement benefit amount will increase **\$50** per month



## Review of Basics: Medicare has Four Parts



Each part of Medicare has different:

- ✓ Rules for enrollment
- ✓ Monthly premiums
- ✓ Deductibles
- ✓ Cost sharing for services (coinsurance and copays)

3

## 2024 Original Medicare : Your Part B Costs

- **Premium:** **\$174.70** /month for most beneficiaries (\$164.90 in 2023)
- **Annual Deductible** **\$ 240** ( was \$226 in 2023)
- **Coinsurance:**
  - **20%** for most Part B services
- **Excess Charge** – additional 15% coinsurance for providers who do not accept Medicare allowed amount as payment in full (assignment)

### NOTE:

If you have **Medicare Supplement Policy (Medigap)** or have retiree health benefits from former employer, usually covers some or all of Medicare Part A and Part B cost sharing.

## 2024 Medicare Part B Premiums

If Your Yearly Modified Adjusted Gross Income in 2022 was		Premium you paid for Part B in 2023	Premium you pay per month for Part B in <b>2024</b>
File Individual Tax Return	File Joint Tax Return		
\$103,000 or less	\$206,000 or less	\$164.90	<b>\$174.70</b>
\$103,001 - \$129,000	\$206,001 - \$258,000	\$230.80	<b>\$244.60</b>
\$129,001 - \$161,000	\$258,001 - \$322,000	\$329.70	<b>\$349.40</b>
\$161,001 - \$193,000	\$322,001 - \$386,000	\$428.60	<b>\$454.20</b>
\$193,001 - \$500,000	\$386,001 - \$750,000	\$527.50	<b>\$559</b>
Above \$500,000	Above \$750,000	\$560.50	<b>\$594</b>

**IRMAA- Income-related Monthly Adjustment Amount**

5

## COVID-19 Vaccines for People with Medicare And COVID Boosters



**What does it cost?** You pay nothing for the vaccine!



**Where do I get it?** COVID-19 vaccines are available at pharmacies, clinics, doctors' offices, hospitals, or even in the home. Find a vaccine near you at [www.vaccines.gov](http://www.vaccines.gov).



**What do I bring?** Bring your red, white, and blue Medicare card to your appointment, even if you have a Medicare Advantage Plan. Otherwise, you may be asked for your Social Security number to verify you're on Medicare.



**I'm already vaccinated. Do I need a booster?** If you are age 65 and older or have certain health risks, a booster may be recommended. Speak with your doctor to learn more.

6

## COVID-19 Testing

7

- Covered under Part B as clinical laboratory test
  - No cost-sharing
  - Applies to Original Medicare and MA Plans
- First test is covered without a prescription
  - ✦ Subsequent testing requires a prescription
- Medicare covers COVID antibody tests, and anti-body treatments.
- Medicare **no longer covers** at-home rapid Covid tests purchased over-the-counter at local participating pharmacies. Get free tests at [www.Covid.gov](https://www.Covid.gov)



## COVID Treatment

8

- Covered by Medicare A and B or your Medicare Advantage Plan
  - Regular cost-sharing applies for Part A and B services
  - Medicare Advantage plans may waive cost-sharing for COVID-19 treatments per CMS guidance



# Annual Enrollment for People with Medicare

- From **October 15** to **December 7** you can
  - ✓ Join or switch a **Medicare Prescription Drug Plan**
  - ✓ Join or switch a **Medicare Advantage Plan**
- Time to **shop & compare** health and drug plan choices
  - ✓ Is your current plan still best one for you (*best costs and coverage*)
  - ✓ Choose the plan that fits your needs
- Coverage begins on January 1, 2024
  - ✓ You'll have membership card/materials in hand

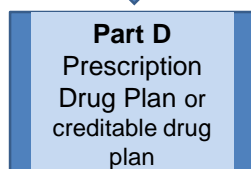
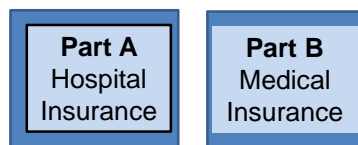


**NOTE:** You are locked into your Part D plan for all of 2024 once Open Enrollment Period ends. (*some exceptions*)

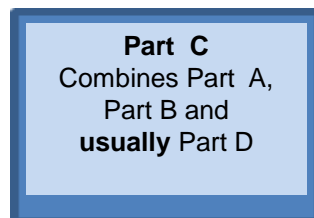
9

## Review: Your Medicare Coverage Choices

### Original Medicare



### Medicare Advantage Plan (HMO or PPO)

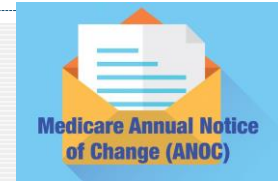


10

## What if I am happy with my current drug plan?

11

- Read how your plan will change for 2024
  - Plan still offered next year?
  - Premium amount changing?
  - Deductible amount changing?
  - Coverage for your medications- still on the plan formulary?
  - Copays for your medications?
- Compare your plan with other plans available.
  - May be able to find a cheaper plan to save money.
- If decide to stay with current plan, no action needed. Will be automatically re-enrolled for 2024



NJ Division of  
**Aging Services**



## NJ Medicare Drug Plans 2024

- 21 drug plans available
- **Elixir Rx Secure Plan ending:** Members will need to enroll in another Part D plan.
- Many plans with significant premium increase:
  - AARP Walgreens Plan from UHC from \$28.20 to **\$54.20**
  - AARP Saver Plus Plan from UHC from \$36.10 to **\$68.40**
  - Cigna Secure from \$34.20 to **\$60.60**
  - Humana Basic from \$37 to **\$58.50**
- Lowest Premiums:
  - **Wellcare Value Script - \$0**
  - **SilverScript Smart Saver Rx - \$12.40**
  - **Cigna Saver Rx - \$16.80**
- **Clear Spring Health Value Rx-** Low Performance Rating

NJ Division of  
**Aging Services**



12

## WHO PAYS WHAT UNDER PART D IN 2024



BENEFICIARY



PLAN



DRUG MANUFACTURERS



GOVERNMENT

### DEDUCTIBLE

Up to **\$545**

### INITIAL COVERAGE

25% of drug costs

Up to \$5,030 in drug cost received.

75% of drug costs

### COVERAGE GAP ("Donut Hole")

Until Total out of pocket costs hit \$8,000 for the year.

#### GENERICS

25%

75%

#### BRAND-NAME DRUGS

25%

5%

70%

These payments from drug company counts towards your \$8000 out of pocket!

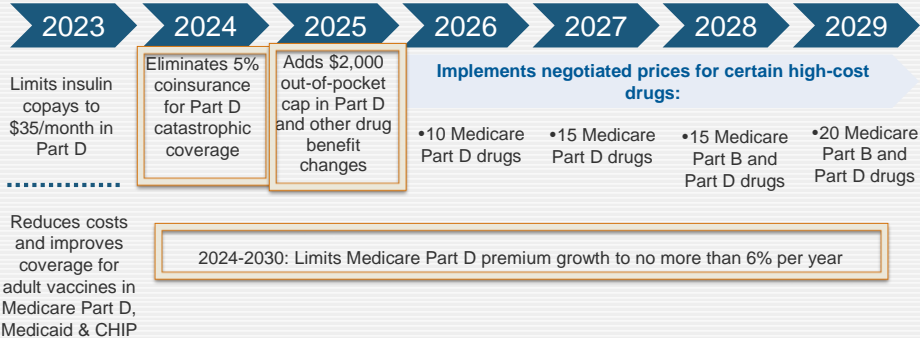
### CATASTROPHIC BENEFIT PERIOD (beneficiary's)

\$0 cost share for all covered drugs **NEW FOR 2024**

15%

85%

## Implementation Timeline of the Prescription Drug Provisions in the Inflation Reduction Act



Source: Kaiser Family Foundation



## \$35 cap on Insulin copay

15

- Started 1/1/2023, insulin covered by Medicare plans cannot have copay higher than \$35 per month for EACH insulin
  - No deductible, No Coverage Gap
- All Medicare drug and health plans can choose which insulins to cover on their drug list (formulary)
  - Need to enroll in plan that has your insulin covered.
  - Need to use your plan's in-network local pharmacy or mail order.
  - Cap does NOT apply to disposable insulin pump (ex Omnipod) or to non-insulin diabetic drugs such as Ozempic, or Januvia



## \$0 Cost for Medicare Covered Vaccines

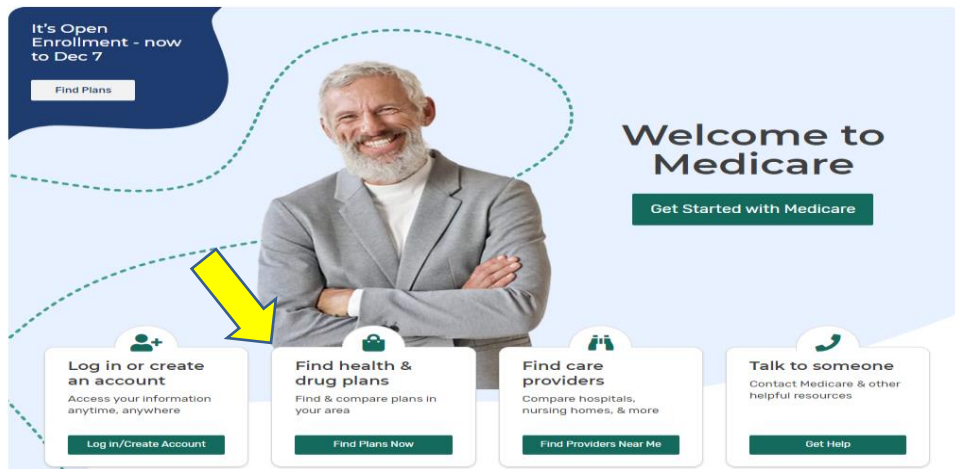
16

- Part D-covered adult vaccines recommended by the Advisory Committee on Immunizations Practices (ACIP) will be covered by Medicare Part D at 100%.
  - Includes vaccines for shingles (**Shingrix**)
  - and Tetanus-Diphtheria-Whooping Cough
  - **New vaccine for RSV also covered**
- **ALL Medicare drug and health plans MUST cover these vaccines on their plan formulary.**





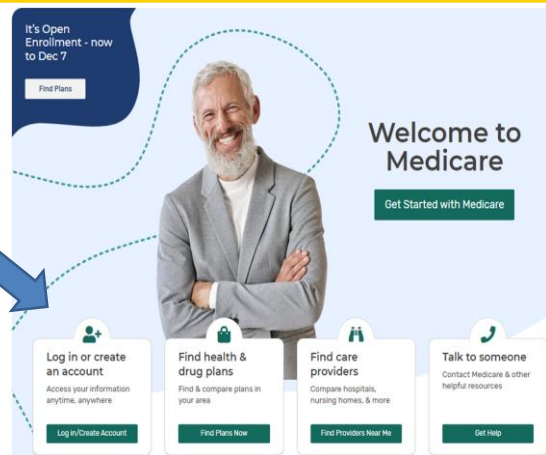
## Medicare Plan Finder at medicare.gov



17

## Create a Medicare Account

- Go to [www.Medicare.gov](http://www.Medicare.gov)
- After creating an account, will be able to see all your Medicare Claims for Parts A and B (hospital and medical)
- List of your medications already uploaded if you have a Medicare Part D plan.
- How to video found on You Tube <https://www.youtube.com/watch?v=i6imlBKikSg&feature=youtu.be>



## How To Compare Plans:



- **Coverage:** Are my drugs covered by the Plan? Are there any restrictions (*prior authorization, step therapy*)?
- **Costs:** Look at premium, copays, deductibles. Compare “*total yearly drug + premium cost*”.
  - Remember to NOT include costs for insulin or vaccines based on prices shown on the Plan Finder.
- **Convenience:** Is my pharmacy in plan’s network? Offer mail order? Have preferred pharmacy with lower copays?
- **Coordination:** Will it work with my other health or drug benefits?

## Sample Page on Medicare Plan Finder

### Plan Details Page:

ESTIMATED TOTAL DRUG + PREMIUM COST

		CVS Pharmacy #00824 Preferred Preferred in-network pharmacy
Total yearly drug + premium cost		\$1,508.19
When you'll meet your deductible	→	January 2024
When you'll enter the coverage gap ▼	→	September 2024
When you'll get out of the coverage gap	→	You won't get out of the coverage gap in 2024

## What if your prescription is not covered by the plan you choose?

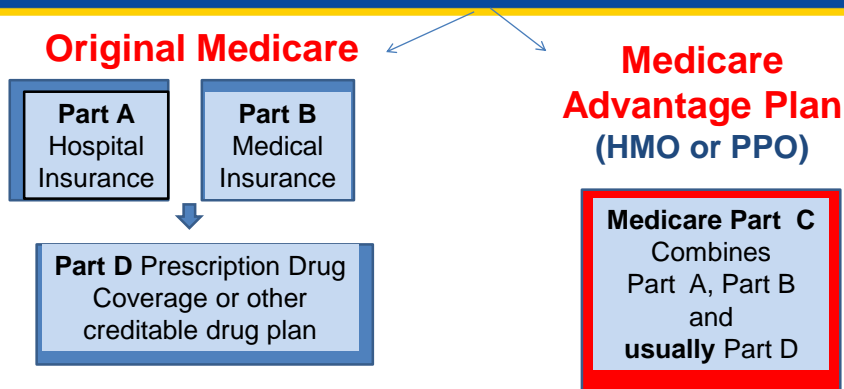


Once open enrollment is over, you are locked into your plan for the year.

1. You and your doctor should work with the plan
  - **Switch** to similar drug that is on the formulary
2. If you cannot switch drugs:
  - Your doctor can request an **Exception** to have it covered
  - If plan denies your exception request can **Appeal**
3. Change to Plan that covers your drug during next Annual Enrollment or special enrollment

21

## Your Medicare Choices



22

## TV Ads offering “extra benefits” in Medicare



Ads will link you to insurance agents selling Medicare Advantage Plans

23

## What is Medicare Advantage?

24

- Structured as HMOs or PPOs
- Insurance companies contract with Medicare to provide your benefits
- You must get all medical services and drugs through the plan
  - ✦ May have to use specific doctors, hospitals and labs
  - ✦ May need referrals for services and specialists
- May get extra benefits not covered by Original Medicare
  - eyeglasses, hearing aids, dental services, gym discounts
- NOT supplements to Medicare
  - ✦ No claims go to Medicare, all claims processed by plan



## Medicare Advantage Overview



- Plans offered differ by county-
- **Premiums** range from \$0 to \$120 per month
  - Many plans have \$0 premium
  - some plans also offer reduction in member's Part B premium
  - *If plan has premium of close to \$100, better to look at different Medicare plan or consider a Medigap Policy*
- Some plans have **deductible** before plan will pay
- Plans charge you **copay** every time you use a service
  - until you reach your **maximum out of pocket** (usually \$8,000 - \$11,000), then plan covers 100%



25

## Sample of “Supplemental” or “Extra” benefits offered by some Medicare Advantage plans:



- **Dental benefits**- some only “routine/preventive” some cover comprehensive up to dollar cap
- **Home-delivered meals** after hospital stay
- \$100 to \$400 **spending card** to be used to purchase over-the-counter health related items *such as adult diapers, shower chairs, cold medicine*
- **Transportation** to medical appointments
- **World-wide coverage** for medical emergencies
- **“Travel benefit”**- use providers in other states
- **Cash rewards for getting “wellness” services** like flu shots and mammograms



Check each Plan's **Summary of Benefits** for details.



26

## Some Plans Not Renewing. Plan ends 12/31/2023

27

**All members need to take action by 12/31 to enroll in another plan!**

- **Amerivantage Choice and some other Amerivantage plans**
- **Braven Medicare Plus**



## Your rights if your plan ending.

28

- If take no action, you will Traditional Medicare Part A and B, but have no drug coverage on January 1<sup>st</sup>.
- Have extended open enrollment until 2/28/2024 to enroll in another Part D or Medicare Advantage Plan
- If MA plan is ending, you can return to Original Medicare and have Guaranteed Issue until March 2, 2024 to purchase a medigap policy and not be turned down.



## Questions to ask before enrolling in MA Plan

- Are my doctors and hospitals in the network?
- What are copays/coinsurance for each service?
  - Doctor visits , outpatient procedures
  - Specialists, physical therapy, medical tests
  - Hospital stays, medical equipment
- Out of network coverage and costs?
- Referrals required?
- Are my drugs covered?
  - ***CANNOT ENROLL IN SEPARATE MEDICARE PART D PLAN WHEN ENROLLED IN MA PLAN***
- Will it affect my employer or union coverage?
- Details on eyeglass and dental coverage?
- What if I travel out of state?



29

## How to Join a New Plan

Enroll in a Medicare Health or Prescription Drug Plan by

- Enrolling on the Medicare website [www.medicare.gov](http://www.medicare.gov)
- Calling 1-800-MEDICARE (1-800-633-4227)
- Calling the Plan
- **Enrolling in a new plan will disenroll you from your previous drug or health plan**
- If you have other coverage, like from an employer or union



Check with your plan's benefits administrator before making any changes to your coverage

30

## Medicare Advantage Open Enrollment Period



What if you don't like your Medicare Advantage Plan?

- From **January 1** to **March 31** you can
  - ✓ **Switch** Medicare Advantage Plans or
  - ✓ **Leave** Medicare Advantage and return to Original Medicare with a Part D Drug Plan



31

## Can I switch from a Medicare Advantage Plan to Medigap?

Only if the following applies:

1. You are in a Medicare Open Enrollment Period; AND
  - October 15 – December 7
  - January 1 – March 31
2. You are in good health OR
3. You are in “Special Enrollment Period”
  - Lost other coverage
  - Moved outside service area of your Medicare Advantage Plan



## Medicare Advantage “No Risk” Trial Situations

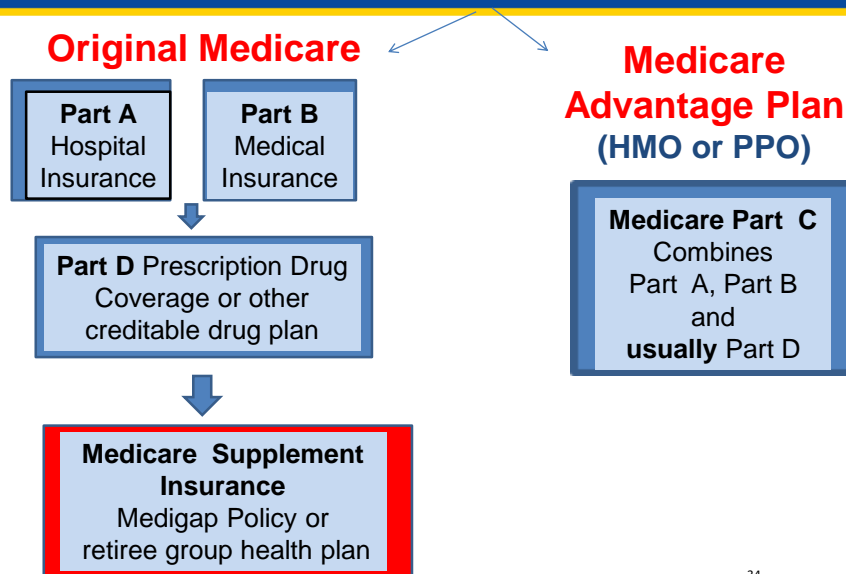
✓ If you cancel a Medicare Supplement policy 12/31/23 to enroll into a 2024 Medicare Advantage plan for the first time.

➤ *You have one year “trial” and any time during 2024 you can:*

- Disenroll from MA plan and return to Original Medicare; and
- Enroll in a Part D Drug plan; and
- Can purchase a Medicare supplement policy and not be turned down.
  - Get back the medigap policy you had in 2023
  - If that plan no longer sold, can purchase certain medigaps from any company

33

## Your Medicare Choices



34

## If stay with Original Medicare, and want a Medigap Policy

- Policies sold by insurance companies
- Cover “cost sharing” in Original Medicare Plan:  
Part A & B Deductibles, Co-pays, Coinsurance
- Also called “**Medicare Supplement Insurance**”
- 10 Standardized Policies Available
  - Labeled Plan A thru N
  - Plans of same letter have same coverage
  - Only premium costs are different
- **Can go to any doctor, hospital, or provider that accepts Medicare in any state**

## How Medigap Policies Work

- You pay monthly premium for Medigap in addition to Medicare Part B premium
  - \$100 - \$300 per month based on plan and age
- Medigap pays claim after Medicare pays
- Only covers Medicare services
- **Company can turn you down for coverage after your first six months with Part B**
- Does NOT cover prescription drugs, need separate Medicare Part D Prescription Drug Plan
- Premiums increase with age, and increase any time of year with state approval
- Can keep the policy if you move anywhere in the U.S.

## Medigap Policies

Covered by the Policy:	Plan A	Plan B	Plan D	High Deductible G*	Plan G	Plan K**	Plan L**	Plan M	Plan N
<b>MEDICARE PART A COSTS</b>									
Hospital Deductible		★	★	★	★	50%	75%	50%	★
Hospital Copayment	★	★	★	★	★	★	★	★	★
Skilled Nursing Facility Copay			★	★	★	50%	75%	★	★
Hospice Care	★	★	★	★	★	50%	75%	★	★
<b>MEDICARE PART B COSTS</b>									
Part B Annual Deductible									
Part B Coinsurance	★	★	★	★	★	50%	75%	★	\$20 copay for doctor visits and \$50 copay for ER visits
Part B Excess/Limiting Charges				★	★				
<b>OTHER</b>									
First three pints of blood.	★	★	★	★	★	50%	75%	★	★
Foreign Travel Emergency			★	★	★			★	★

\* Plan G High Deductible: In 2024, policy holder pays \$2,800 before the policy pays any claims.

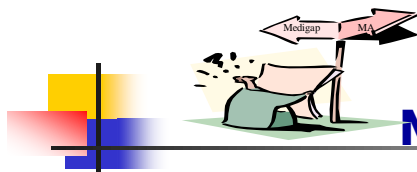
\*\*Plans K and L pay percentage of Part A and Part B cost sharing until you spend a certain amount out-of-pocket.  
The 2023 out-of-pocket maximum is \$7,060 for Plan K and \$3,530 for Plan L.

37

## Where to get Medigap Information

- Call 1-800-Medicare and ask for free publication  
*“Choosing a Medigap Policy”*
- Call companies selling Medigaps for premium quote
- Charts available from NJ SHIP
  - 1-800-792-8820 or [www.aging.nj.gov](http://www.aging.nj.gov)
- If age 65+ can apply at **anytime**,
- Not limited to Medicare Annual Enrollment Period





## Should I choose Original Medicare or Medicare Advantage Plan?

Stay with Original Medicare if...

- You have health coverage from former employer or union and want to keep it
- You are "snow bird" or travel long periods outside NJ
- You want freedom to go to any Medicare doctor anywhere in the U.S.

39

### Example #1:

**Mrs. Healthy' s costs with Medigap vs. Medicare Advantage Plan**

Expense	Medicare Advantage Plan	Medigap Plan G
Part B Premium	$\$175 \times 12 = \$2,100$	<b><math>\\$175 \times 12 = \\$2,100</math></b>
Plan Premium	\$0	<b><math>\\$135 \times 12 = \\$1,620</math></b>
Part B Deductible	\$0	<b>\$240</b>
Primary Doctor Visit	2 @ \$20 = \$40	<b>\$0</b>
Specialist Visit	2 @ \$50 = \$100	<b>\$0</b>
Outpatient surgery	\$125	<b>\$0</b>
Monthly diabetic supplies	20% of \$100 x 12 = \$240	<b>\$0</b>
Routine dental	\$0	<b><math>\\$150 \times 2 = \\$300</math></b>
Eyeglasses	\$100	<b>\$500</b>
Blood work	\$13	<b>\$0</b>
<b>TOTAL FOR YEAR</b>	<b>\$2,718</b>	<b>\$4,760</b>

## Example #2:

### Mr. Sick's costs with Medigap vs. Medicare Advantage Plan

Expense	Medicare Advantage Plan	Medigap Plan G
Part B Premium	$\$175 \times 12 = \$2,100$	$\$175 \times 12 = \$2,100$
Plan Premium	\$0	$\$160 \times 12 = \$1,920$
Part B Deductible	\$0	\$240
Primary Doctor Visit	6 @ \$20 = \$120	\$0
Specialist Visit	12 @ \$50 = \$600	\$0
MRI outpatient	\$125	\$0
Monthly DME	20% of \$100 x 12 = \$240	\$0
2 Hospital Stays 5 days	$\$295 \times 10 = \$2,950$	\$0
Nursing home rehab	$\$125 \times 10 = \$1,250$	\$0
Blood work	$\$13 \times 4 = \$52$	\$0
Ambulance	\$250	\$0
ER visit	\$90	\$0
Outpatient surgery	20% of \$2000 = \$400	\$0
Physical Therapy	$\$50 \times 11 = \$550$	\$0
Eyeglasses	\$100	\$500
Routine dental	\$0	$\$150 \times 2 = \$300$
<b>TOTAL FOR YEAR</b>	<b>\$8,827</b>	<b>\$5,060</b>

## Programs to help with Medicare Costs

1. Medicaid
2. Medicare Savings Programs
3. NJ PAAD
4. NJ Senior Gold Drug Discount



## NJ Family Care Medicaid Program

43



- Who is eligible? (2023 rates)
  - Monthly income less than **\$1,215 (single), \$1,644 (married)**
  - Assets less than \$4,000 (single) , \$6,000 (married)
    - ✦ Does not include value of your home or car
- Medicaid pays all your Medicare costs:
  - all Part A and B items
    - ✦ premiums, deductibles
    - ✦ coinsurance for hospital, doctors, tests
  - Lowers Prescription copay to \$1.55 or \$4.60 in 2024
- Medicare pays first, Medicaid HMO pays second
- Apply at County Board of Social Services



## Help Paying Part B Premium- Medicare Savings Programs

44

- Specified Low Income Medicare Beneficiary  
**SLMB** and **Qualified Individual**
- Who is eligible in 2023?
  - Monthly income less than  
**\$1,641 (single) , \$2,219 if married**
  - Resources less than \$9,090 (single), \$13,630 (married)
- If you qualify for SLMB or QI, you will net additional  
\$165/month in your Social Security check
- Apply at 1-800-792-9745 or  
**[www.aging.nj.gov](http://www.aging.nj.gov)**



## NJ's Pharmaceutical Assistance to the Aged and Disabled Program (PAAD)

45

- Must meet 2024 income limits
  - single: less than **\$52,142 /yr** (about \$4,345/mth)
  - married: less than **\$59,209/yr** (about \$4,934/mth) PAAD members pay no more than
    - \$5 for generic drugs**
    - \$7 for brand name drugs**
- PAAD pays premium for Part D plan
- No Part D deductible, copay, or donut hole
- Apply at 1-800-792-9745 or **www.aging.nj.gov**



## NJ Senior Gold Prescription Discount

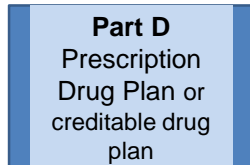
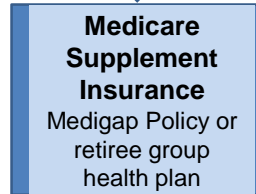
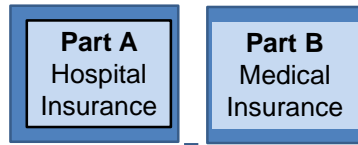
46

- Sr. Gold income eligibility higher than for PAAD
- Income Limits 2024:
  - single: less than **\$62,142/yr** (about \$5,178/mth)
  - married: less than **\$69,209/yr** (about \$5,767/mth)
- You pay \$15 plus 50% of remaining cost for each drug
- You must be enrolled in Part D drug plan
- Senior Gold does NOT pay Part D premium
- Apply at 1-800-792-9745 or **www.aging.nj.gov**

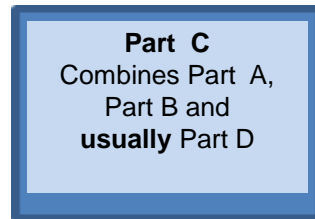


## Review: Your Medicare Coverage Choices

### Original Medicare



### Medicare Advantage Plan (HMO or PPO)



47



- Medicare will NOT call you and ask for your bank information or Social Security number
- Protect your Medicare number same as you would your credit card
- Medicare will NOT send representatives to your home--- these are insurance agents trying to sell you health care policies.



## Where to Get Help

49

- **Medicare.gov**
- **Contact the Plan**
- **Call 1-800-Medicare**
- **www.aging.nj.gov**
  - Click “Medicare Options” link in blue box
- **Call Medicare Information Line**
  - **NJ SHIP 1-800-792-8820**

