

# SHIC

# talk

A program of the North Dakota Insurance Department • Adam Hamm, Insurance Commissioner

August 2009



Dear friends,

In the last issue of SHIC Talk, I mentioned that the Department is working on a unique health insurance study called CHAT, which stands for Choosing Health Plans All Together. CHAT is the beginning of a conversation about what North Dakotans want and need from their health insurance. Gathering input from the citizens of North Dakota is especially important during this time of intense national debate on health care.

Online participants are taking part in the exercise July 27–Aug. 14; the following week, we hit the road to visit 13 cities around the state to facilitate face-to-face CHAT sessions. I look forward to hearing from North Dakotans what is most important when choosing a basic health plan.

I will be visiting several cities at the beginning of next year to report the results from the CHAT study. We will be sure to alert you to those events.

Please note: this event is for non-Medicare eligible North Dakotans. If you or someone you know may be interested in participating, please contact the North Dakota Insurance Department at 1-800-247-0560 by July 30, or register online at [www.nd.gov/ndins/about/chat](http://www.nd.gov/ndins/about/chat). Registration is required.

Although the Medicare Part D annual enrollment period is still a few months away, 2-1-1 will again start accepting calls Oct. 1 to do Part D plan comparisons. The Department is doing some additional promotion of the 2-1-1 service this fall to hopefully take some of the pressure off our counselors and staff during that busy season. The schedule of Insurance Department 2009 Medicare Part D events is available online: [www.nd.gov/ndins/uploads/resources/453/2009annualenrollmentevents.pdf](http://www.nd.gov/ndins/uploads/resources/453/2009annualenrollmentevents.pdf)

Sincerely,

A handwritten signature in blue ink, appearing to read "Adam Hamm".

Adam Hamm  
Insurance Commissioner



## Turning 65 events

---

The North Dakota Insurance Department is once again hosting free Turning 65 events. Presentations will include Medicare 101 training, Medicare Part D, Medicare supplements and Medicare Advantage plans.

### **Dickinson**

6:30–9 p.m. MT Tuesday, Aug. 4  
Hillside Baptist Church, 1123 E. 10th St.

### **Minot**

6:30–9 p.m. Tuesday, Aug. 11  
Minot Commission on Aging, 21 1st Ave. SE

To register or for more information, call 1.888.575.6611 or email [janfrank@nd.gov](mailto:janfrank@nd.gov).

## AARP Doughnut Hole Calculator

---

By the end of this summer, more than 24,000 older North Dakotans will have fallen into the “doughnut hole”—a coverage gap in Medicare’s prescription drug program that leaves individuals on the hook for all of their own drug costs while still paying premiums. AARP recently launched a new online resource to help more than one million older Americans avoid this dreaded coverage gap.

The AARP Doughnut Hole Calculator, available at [www.aarp.org/doughnuthole](http://www.aarp.org/doughnuthole), guides visitors through their prescription drug options using localized information about their plans and prescriptions to determine if or when they will fall into the coverage gap. This type of printout can also be viewed by inputting prescription drugs on the [www.medicare.gov](http://www.medicare.gov) website. In about 15 minutes, visitors can view a graph of their out-of-pocket spending by month, look up lower cost drugs for their conditions, create a Personal Medication Record and print out personalized letters to their doctors to help start a conversation about safely switching prescriptions.



As a part of its Health Action Now campaign, AARP is calling on Congress to close the doughnut hole and lower prescription drug prices so that no one has to go without the prescriptions they need to stay healthy. Recently, AARP joined President Obama to

endorse an agreement by Senate leaders and the pharmaceutical industry that would reduce brand name drug costs for most people who fall into the doughnut hole by half. Research has shown people cut back on their prescription drugs when their costs become unaffordable, which can lead to more serious health conditions and larger health care bills.

For details on AARP’s health reform priorities, visit <http://www.aarp.org/governmentwatch>.

## Fall SHIC update training Sept. 16

---

Fall SHIC update training will be held 8:30 a.m.–4 p.m. Wednesday, Sept. 16 at the Comfort Inn, 1030 E. Interstate Ave., Bismarck.

Please call or email Jan at [janfrank@nd.gov](mailto:janfrank@nd.gov) or 1.888.575.6611.

## Important MIPPA changes effective January 2010

---

The Medicare Improvement for Patients and Providers Act (MIPPA) encompasses significant changes and opportunities effective January 2010.

### Low income subsidy and medicare savings programs:

- All Medicare Savings Programs (QMB, SLMB and QI) have an asset limit concurrent with the full LIS subsidy (i.e. in 2009 this would be \$7,790 for a single person/\$12,440 for a couple).
- States are prohibited from recovering the value of Medicare cost sharing paid under Medicare Savings Programs.
- When an applicant applies for LIS, upon consent of the beneficiary, the application will then be forwarded to their state for consideration of Medicaid or MSP eligibility.
- SSA will not consider in-kind support and maintenance as income for LIS application. SSA will

not consider the cash surrender of life insurance policies as a resource.

### Psychiatric services:

Medicare coverage of psychiatric services increases from 50 to 55 percent.

### Medigap:

Medicare supplement plans must meet certain changes recommended by the National Association of Insurance Commissioners (NAIC) by June 1, 2010. More information to follow in a later addition of SHIPTalk.

### Prescription Drug Coverage and Part D:

Medicare PDP's are allowed to cover barbiturates and benzodiazepines.

### Medicare Advantage Plans:

Plans must include the type of the plan (i.e. PFFS, HMO, etc.) in the plan name.

## SHIC available at Bismarck Senior Center starting Aug. 4

---



Starting Aug. 4, and every other week on Tuesdays and Thursdays after that, SHIC counselors will be available at the Bismarck Senior Center to answer your questions.

SHIC counselors can help with things such as:

- Paperwork and statements—understand paperwork and statements that you receive after a doctor visit,

hospital stay or other experience.

- Bills—sort out and reconcile statements, hospital or clinic bills and help you determine what you need to pay.
- Claims and appeals—claims filing and appeals assistance if payment has been denied.
- Options for assistance with prescription drug costs or Medicare premiums.
- Coverage—options for private insurance or to supplement your Medicare, such as Part D plans, Medicare Supplement plans or Medicare Advantage plans.

To schedule an appointment with a SHIC counselor at the Bismarck Senior Center, please call 1.888.575.6611.

## 2-1-1 to start Oct. 1

The North Dakota Insurance Department encourages you to review your Medicare Part D plan every year. Call 2-1-1 for a plan comparison beginning Oct. 1. Have a list of your medications ready, along with your health insurance information. After answering a few questions, you'll get a customized comparison list of Part D plans mailed to you.



## Quality assurance: case study

**Q:** William came into the SHIC office and was concerned that his Medicare claim for a doctor service had been denied. It was denied because he had received the prevention service (flu vaccination) too early. William had double checked with the clinic and they concurred that his last flu shot had been received 15 months ago and it should have been covered. William wanted to appeal the Medicare denial.

**A:** William was very sharp; he had recently retired from the federal government as an accountant. After the SHIC counselor assessed his competence, it was determined that he would be able to process the appeal semi-independently.

Recently, SHIC put together a packet for independent appeals (SHIC green folder). It has easy-to-read documents for beneficiaries to independently use the Medicare appeals process. The SHIC counselor also reiterated that William could call with any questions or concerns in the process. By putting William in control of the appeals, the SHIC counselor was able to free up their schedule and empower the Medicare beneficiary if this should happen in the future.

If you would like a copy of the appeals packet, please contact Cindy or Jan at 1.888.575.6611.

## Other Medicare Part D appeals help for advocates is here!

Medicare Part D appeals: An advocate's manual to navigating the Medicare private drug plan appeals process by the Medicare Rights Center offers an easy-to-understand, comprehensive overview of the entire appeals process, including real-life case examples, a glossary of important appeals terms, a sample protocol for advocates and links to important resources.

Click here to download a free copy of this great resource.

Click here to read the appeals section of the SHIC counselor manual: <http://www.nd.gov/ndins/uploads/resources/485/section-1.pdf>

## Remember to use the yellow drug retrieval cards during annual enrollment period

Remember to use the yellow Medicare drug retrieval cards when doing drug plan comparisons for 2010. Entering the retrieval code in the Medicare Plan Finder will make it faster and easier to assist beneficiaries.

Note: the SHIC office recommends tracking this data for each of your clients in an Excel spreadsheet in case a beneficiary forgets his or her card.

<b>Medicare drug retrieval code</b>	
Your name	
Retrieval code or ID	
Date or password date	
Pharmacy ZIP code	
Bring this card with you to Medicare Part D open enrollment events.	
NORTH DAKOTA Insurance Department	Prescription Connection and <b>SHIC</b> State Health Insurance Counseling Program Adam W. Horn, Commissioner
1-888-575-6611	



# Benefit changes for NDPERS Dakota Retiree Plan—similar to a type F supplement

The Dakota Retiree Plan design change is effective July 1, 2009. Under the new plan design you will no longer be assessed deductible or coinsurance amounts. Please refer to the schedule of benefits outlined below.

The following information is intended to provide a brief summary of your Benefit Changes effective July 1, 2009. You will receive an updated Benefit Plan in the near future. If you have any questions, please call the number listed on the back of your ID card.

<b>Part A – Hospital Benefits for Medicare Approved Services</b>			
<b>Services</b>	<b>Medicare Pays</b>	<b>Dakota Retiree Plan Pays</b>	<b>Member Pays</b>
<b>Hospitalization</b>			
<i>Semiprivate room and board, general nursing and miscellaneous services and supplies</i>			
First 60 days	All but \$1,068 (Part A deductible)	\$1,068	\$0
61st thru 90th day	All but \$267 a day	\$267 a day	\$0
91st day and after:	All but \$534 a day	\$534 a day	\$0
While using 60 lifetime reserve days			
Once lifetime reserve days are used:	\$0	100% of Medicare	\$0*
Additional 365 days		eligible expenses	
Beyond the additional 365 days	\$0	\$0	All costs
<b>Skilled Nursing Facility Care</b>			
<i>You must meet Medicare's requirements, including having been in a hospital for at least three days and entered a Medicare-approved facility within 30 days after leaving the hospital</i>			
First 20 days	All approved amounts	\$0	\$0
21st thru 100th day	All but \$133.50 a day	Up to \$133.50 a day	\$0
101st day and after	\$0	\$0	All costs
<b>Blood</b>			
First Three Pints	\$0	Three Pints	\$0
Additional Amounts	100%	\$0	\$0
<b>Hospice Care</b>			
<i>Available as long as your doctor certifies you are terminally ill and you elect to receive these services</i>			
	All but very limited	\$0	Balance
	Coinsurance for Outpatient drug and Inpatient respite care		

## What is a Medicare cost plan?

---

In eastern North Dakota, cost plans have become very popular. Here is an overview of what a cost plan, a Medicare Part C, will look like. Medicare cost plans are a type of HMO that contracts as a Medicare Health Plan. As with other HMOs, the plan only pays for services outside its service area when they are emergency or urgently needed services. However, when you are enrolled in a Medicare cost plan, if you get routine services outside of the plan's network without a referral, your Medicare-covered services will be paid for under Original Medicare, and you will be responsible for the Original Medicare deductibles and coinsurance.

Other interesting characteristics:

- You can join even if you only have Part B.
- You can join a Medicare cost plan anytime it's accepting new members.
- You can leave a Medicare cost plan any time and return to the Original Medicare Plan.
- You can either get your Medicare prescription drug coverage from the plan (if offered), or you can buy a stand-alone Medicare Prescription Drug Plan (Part D) to add prescription drug coverage.

## "Choosers" plans rising above 2010 LIS benchmark

---

CMS states that "Choosers," or those who are receiving some low-income assistance from federal or state government for their prescription drugs and have chosen a Part D plan at any time, will possibly be receiving a letter in October. The letter states that the

premium of their current plan is rising above the LIS benchmark for 2010. Individuals may want to enroll in a new plan that covers their current medications and is below the benchmark. These individuals will not be auto-enrolled into a plan that is below the benchmark.

## N.D. Drug Repository Program—a link to free local medications

---

The Drug Repository Program developed a simple way to obtain available prescription medications in North Dakota for those who cannot pay for their medications, regardless of insurance coverage.

The program allows prescription drugs, devices and supplies to be collected and distributed by local pharmacies and hospitals.

Medications and supplies available for health conditions include:

- Diabetes medications and supplies
- Respiratory care and inhalers
- Antibiotic medications
- Cardiac and cholesterol health
- Gastrointestinal issues
- Eye care
- And much more

How to receive your prescription needs:

1. Visit the North Dakota Board of Pharmacy website at [www.nodakpharmacy.com](http://www.nodakpharmacy.com).
2. Click on Prescription Drug Repository Program.

3. Search for a specific medication or device by clicking on Search for Donated Drug.
4. Scroll or type through the list of options and select your choice, then click Enter (leaving the participant window blank allows a state-wide search).
5. Once the needed item is found, click on the highlighted Participant for contact information on how to receive the medication or supply.

This is a great state program and in order to keep it a success, facilities and organizations such as nursing homes, hospitals and local hospices are needed to donate unopened medications, devices or supplies. Please encourage others to give to this program and local pharmacies to take part in helping fellow North Dakotans receive available prescription medications and supplies. All can be referred to the North Dakota Board of Pharmacy website, [www.nodakpharmacy.com](http://www.nodakpharmacy.com).

## Director's corner

---

Greetings!

At the Department, we have been getting ready for implementation of the CHAT project. As you have seen in other additions of SHIC Talk, we will be visiting 13 sites across the state to meet face-to-face with individuals regarding healthcare. Each session will last about two and a half hours and include up to 15 attendees. Participants will work alone and then in groups to discuss a health plan.

The CHAT program was developed by the University of Michigan and the National Institutes of Health and has proven to be very helpful and educational for participants and organizers. We hope it is the start of a conversation about what is important to North Dakotans, especially as we head into uncharted waters and potential national plans. After the New Year, we plan to invite all participants, community leaders and other interested parties to attend a community discussion on the results.

2-1-1 will begin accepting calls Oct. 1 to do plan comparisons. We are trying to get a head start on the annual enrollment period by encouraging people to call early. Please help us get the word out to relieve pressure during this year's annual enrollment period. We will also be airing radio ads promoting 2-1-1 assistance starting Oct. 1.

One other noteworthy item is the positive changes MIPPA will enact starting Jan. 1, especially for low-income beneficiaries. Individuals applying for LIS will have an application automatically sent to their specific state for the Medicare Savings Program screening. Additionally, the asset limit is being raised. These are two positive steps in the right direction.

As always, we will keep you updated on any federal changes that will affect health care as soon as a decision is made. We appreciate your time and dedication to the SHIC program and continue to value the countless hours you give to North Dakota beneficiaries.

Sincerely,



Cindy Sheldon

---

**SHIC** **talk**

is published by the  
N.D. Insurance Department—Dept. 401  
600 East Boulevard Avenue  
Bismarck, ND 58505  
Phone: 701.328.2440  
Toll-free: 888.575.6611  
Fax: 701.328.4880  
TTY: 800.366.6888  
Web: [www.nd.gov/ndins](http://www.nd.gov/ndins)  
Email: [ndshic@nd.gov](mailto:ndshic@nd.gov)

If you have questions about any content or have suggestions for content for our next publication, please contact Cindy Sheldon, director, at 701.328.9604 or [csheldon@nd.gov](mailto:csheldon@nd.gov).

For Medicare-related resources, please visit  
[www.medicarerights.org](http://www.medicarerights.org).