

SHIC Talk

A publication of the North Dakota Insurance Department's SHIC program



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February 2010

Changes to the Medicare Savings Program

The Medicare Saving program (MSP), a program that assists with paying Medicare Part B premiums and possibly copays, changed as of Jan. 1, 2010.

- As of Jan. 1, 2010, by filling out an LIS application, beneficiaries' applications may (with consent) be sent directly to the state to be screened for the Medicare Savings Program. This means that

the North Dakota Department of Human Services will now receive leads about individuals who have applied for the Low-Income Subsidy program, and may qualify for the MSP. **See the letter on page 6 that will be sent to applicable parties.**

- Estate recovery eliminated: States are now prohibited from recovering Medicaid expenditures for Medicare premiums and cost sharing paid

under the Medicare Savings Programs.

- In-kind support and life insurance will be eliminated from the MSP questions.
- Future trainings will be held to train SHIP counselors on the MSP application process.





Adam Hamm
Insurance Commissioner

February 2010

A note from the Commissioner

Dear friends,

As you can see, we have changed *SHIC Talk's* format. We hope you like this new, updated look. If you have any articles or items of interest that you would like to share with others receiving this newsletter, please contact Cindy Sheldon.

In 2009, SHIC held 10 Medicare Part D events around the state. Staff and volunteers helped more than 1,000 consumers compare their Part D plans at these events. The most challenging part of the events continues to be the weather, technology and the surprise in attendance numbers. However, we always enjoy getting out in the communities to meet the volunteers and the beneficiaries we serve.

The most attended Part D events were in Fargo, Bismarck,

Dickinson and Jamestown. In 2010, we plan on doing more partnerships with entities to provide enrollment events. For instance, Options, Inc. in the Grand Forks area holds enrollment events that are financially sponsored by the SHIC program. SHIC provides advertising and marketing for these events. If your organization is interested in hosting a Part D event in 2010, please contact Cindy Sheldon.

The preliminary data from the annual enrollment period—Nov. 15 to Dec. 31—shows that SHIC staff and volunteers helped a total of 8,200 Medicare beneficiaries. That's amazing! Another interesting fact is that SHIC staff and volunteers assisted more than 18,000 Medicare beneficiaries in 2009.

This is a testimony to how North Dakota comes together for the good of its citizens. Thank you to all the volunteers, partners—including 2-1-1 and RSVP—and staff that help make a difference in North Dakota.

Sincerely,

A handwritten signature in black ink, appearing to read 'Adam Hamm', written in a cursive style.

Adam Hamm

What is an advance beneficiary notice?

a.k.a. waiver of liability

An advance beneficiary notice (ABN), also known as a “waiver of liability,” is a notice that suppliers and other medical providers are required to give you when they offer you services or items that they know or have reason to believe Medicare will determine to be medically unnecessary for you, and therefore, will not pay for.

Providers are not required to give you an ABN for services or items explicitly excluded from Medicare coverage (items that are never covered by Medicare even if medically necessary, such as hearing aids). In addition, ABNs only apply if you are in Original Medicare, not if you are in a Medicare private health plan (HMO, PPO or PFFS).

If you do not get an ABN to sign before you get the service or item from your provider, it is not specifically excluded from



coverage, and Medicare does not pay for it, then you do not have to pay for it. You may need to file an appeal to show that you should not have to pay.

If the provider does give you an ABN that you sign before you get the service or item, and Medicare does not pay for it, then you will have to

pay your provider for it.

There will be an option on the ABN to check whether or not you want your doctor to submit a claim to Medicare for the service. You should always select that you want your doctor to submit the claim

to Medicare. If you do not, your doctor is not required to submit the claim. You should check this option, because Medicare may still pay for the services after all.

If you sign an ABN but ask your doctor to bill Medicare, and Medicare then denies coverage, you can always appeal.

Medicare Rights Center

Q: Do I need a Part D plan if I have TRICARE coverage?

A: Medicare’s prescription drug coverage, Medicare Part D, is available to anyone who’s eligible for Medicare (Part A and/or Part B).

You don’t need to enroll in a

Medicare Part D prescription drug plan to keep your TRICARE benefits.

If you decide to enroll in a Medicare Part D prescription drug plan outside of your Initial Enrollment Period, you won’t be required to pay the Medicare Part D late enrollment penalty

because TRICARE prescription drug coverage is creditable coverage.



Medicare

New changes in 2010

As many of us are finding ways to incorporate our 2010 resolutions into our daily routines, the Medicare program too, has made changes in the New Year—many that will benefit the people it serves. Here are just a few of the changes, most of which were brought about by the Medicare Improvements for Patients and Providers Act (MIPPA) of 2008.

New MSPs resource amounts

As of Jan. 1, 2010, all resource (asset) limits for the Medicare Savings Programs (MSPs)—QMB, SLMB and QI-1—increase to match the full low-income subsidy (LIS) asset limits. The MSP resource limits for 2010 are \$6,600 for an individual and \$9,910 for a couple*. The asset tests for LIS and MSPs will be

indexed each year. Note that the resource amounts for MSPs do not include the burial fund allowance (\$1,500 and \$3,000 respectively). The burial fund allowance is typically added automatically to the LIS asset amounts in many published tools, creating a total asset limit in 2010 for LIS of \$8,100 for an individual and \$12,910 for a couple.

*Some state Medicaid programs may allow higher resource limits or eliminate resource tests entirely. Check your state's rules for official guidelines.

Increased outpatient psychiatric service coverage

Medicare beneficiaries seeking outpatient mental health care will pay less in coinsurance in 2010. As of Jan. 1, Medicare will cover

55 percent of outpatient psychiatric services such as counseling and psychotherapy, and beneficiaries will be responsible for the remaining 45 percent (compared to 50 percent in 2009). Inpatient mental health services remain covered and under Part A, with Medicare paying 80 percent.

LI NET program

As of Jan. 1, the Centers for Medicare and Medicaid Services (CMS) replaced the former Point-of-Sale (POS) process, which helped dual-eligibles without a drug plan get prescription drugs at the pharmacy, with a new, enhanced Limited Income Newly Eligible Transition (LI NET) Program. The new LI NET, administered by Humana, will provide all prospective low-income subsidy (LIS) eligible individuals who present at the pharmacy with temporary drug coverage as well as auto-enrollment into a Part D plan. The program also provides new dual-eligibles reimbursement when they are eligible for retroactive LIS coverage.

HAP

Limited Income NET for people at the pharmacy counter

Coverage for people with Medicare

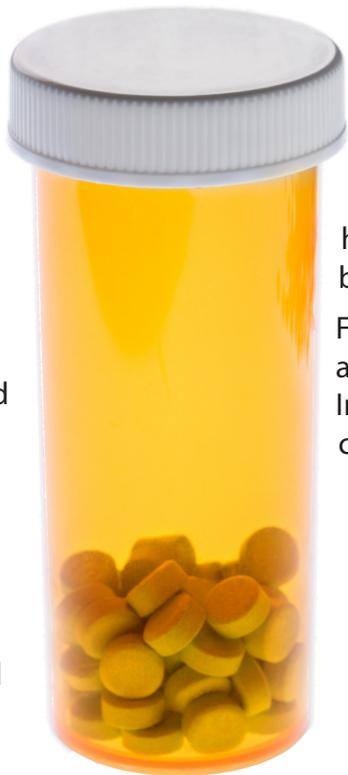
Limited Income NET will provide immediate prescription drug coverage for people with Medicare who are at the pharmacy counter and qualify for Extra Help, but aren't enrolled in a Medicare drug plan. Limited Income NET covers all Part D covered drugs, and there are no prior authorization or network pharmacy restrictions during the time period covered by this program. The person will be charged the reduced copayment based on the level of Extra Help they get.

Limited Income NET will also cover prescriptions that eligible people filled within the last 30 days.

(Editor's note: All beneficiaries enrolled in the Limited Income Net program will be randomly enrolled into a below benchmark Part D PDP beginning on the first day of the second month after their

enrollment into the Limited Income NET. Therefore, if a pharmacy processes claims for an eligible beneficiary with the Limited Income NET on Jan. 15, that individual will have prospective coverage in the Limited Income NET for the remainder of January and all of February. Coverage in a new below-benchmark PDP will be effective on March 1 for that hypothetical beneficiary.)

For more information about the Limited Income NET Program, call 1-800-783-1307.



ND SHIC counselor saves consumers \$24k during AEP

A North Dakota SHIC counselor kept a running tally of money she saved beneficiaries during the annual enrollment period (AEP) in 2009. The total beneficiary savings was more than \$24,000 in one month. Thank you so much, counselors!

Do you have a similar story? SHIC wants to know about it for upcoming SHIC Talk newsletters. Send your story to csheldon@nd.gov for consideration.

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(Date)

(Name)

(Address line 1)

(Address line 2)

(Address line 3)

(Address line 4)

(City, State, Zip5,Zip4)

To prevent unnecessary delays, please address all questions and submit your information and forms to **your local county social services office.**

Dear (Name):

You are receiving this letter because you applied for the Extra Help with Medicare Prescription Drug Plan Costs and indicated that you would like your information sent to the state to determine your eligibility for the Medicare Savings Programs. The Medicare Savings Programs may assist you with your Medicare Part B premiums, and in some circumstances, your Medicare co-insurance and deductibles.

Because the North Dakota Department of Human Services only receives partial information from the Social Security Administration, we are enclosing an application that you will need to complete to provide the additional information we need. This application can also be used to apply for other programs such as SNAP, Basic Care Assistance, Child Care Assistance, and TANF. Also enclosed is an application Guidebook and a Fact Sheet entitled "MEDICARE Savings Programs (QMB, SLMB, QI)".

Please complete the application and provide the required documents as soon as possible, but no later than 14 days from the date of this mailing to your local county Social Services office. If not received within 35 days of the date of this mailing, your application will be denied.

This action is based on N.D.A.C cite 75-02-02.1-02.1 and 75-02-02.1-22.

For assistance in completing the application, please contact your local county Social Services office, or the State Health Insurance Counseling Program (SHIC) at 1-888-575-6611.



There is no better exercise for your heart,
Than reaching down and helping to

Lift someone up.

Bernard Meltzer

New Part B premiums with income thresholds

2010 Part B Monthly Premium per Income Table		
	Beneficiaries who file an individual tax return with income	Beneficiaries who file a joint tax return with income
Your 2010 Part B Monthly Premium Is	If Your Yearly Income Is	
\$96.40 if beneficiary has SSA withhold in 2009 \$110.50 for all others	\$85,000 or less	\$170,000 or less
\$154.70 (increased by \$44.20 due to IRMAA)	\$85,001-\$107,000	\$170,001-\$214,000
\$221.00 (increased by \$110.50 due to IRMAA)	\$107,001-\$160,000	\$214,001-\$320,000
\$287.30 (increased by \$176.80 due to IRMAA)	\$160,001-\$214,000	\$320,001-\$428,000
\$353.60 (increased by \$243.10 due to IRMAA)	Above \$214,000	Above \$428,000

Low-Income Subsidy mailing

North Dakota SHIC will be sending out informational mailings to county Social Services offices, Human Service Centers and other entities in six Low-Income Subsidy effected counties (Mercer, McHenry, Pierce, Morton, Kidder and Lamoure).

The Centers for Medicare and Medicaid Services (CMS) has designated these six counties to have the most LIS eligible beneficiaries that are eligible for help but have not accessed services. The Low Income Subsidy program assists low income Medicare beneficiaries with their prescription drug premiums and their medication copays.

If you are in one of the six counties, please advise beneficiaries. See eligibility and contact information below.

To be eligible for extra help from Medicare for prescription costs, your annual income must not exceed:

- Single—\$16,245
- Couple—\$21,885

Your assets cannot exceed:

- Single—\$12,510
- Couple—\$25,010

To find out if you are eligible for this program, contact Social Security.

SSA: 1-800-772-1213

SSA TTY: 1-800-325-0778

SHIC: 1-888-575-6611

www.socialsecurity.gov

Director's corner

Cindy Sheldon



Greetings!

We made it through another annual enrollment period! As the Commissioner addressed on the front page, we cannot adequately express how much your volunteerism means to us. We appreciate each minute you spend helping our North Dakota citizens.

SHIC will be holding new counselor training May 18, 19 and 20 in Bismarck. If you have someone that may be interested, please let us know. As always, training is free and all expenses are paid.

SHIC counselor update training will also be held in May via IVN.

Some topics that are going to be covered are long-term care and long-term care insurance. Also, Sharon St. Aubin will present her CSI (Crime Scene Investigation) presentation that has become a popular tradition regarding real beneficiary case scenarios. If you have a case that has perplexed you, I am sure Sharon would love to hear about it!

After completing the SHIC grant this past month, I would like to share some of the goals we have coming up in the next grant cycle. Along with our Turning 65/Welcoming to Medicare seminars, we will be conducting some public Long-

Term Care training seminars. SHIC will be airing a Low-Income Subsidy announcement on the Turtle Mountain Chippewa reservation. We will also be looking into developing more collaborative, third-party Part D events as Adam mentioned on the first page. Please let us know if you are interested as we would love partnering with you!

Again, thank you for what you do! Your assistance is invaluable.

Sincerely,

Cindy Sheldon

For more information

SHIC Talk is published by the North Dakota Insurance Department.

600 E. Boulevard Ave.
Bismarck, ND 58505
701.328.2440
888.575.6611

Fax 701.328.4880
TTY 800.366.6888
www.nd.gov/ndins
ndshic@nd.gov

If you have questions about any content or have suggestions for content for our next publication,

please contact SHIC Director Cindy Sheldon at 701.328.9604 or csheldon@nd.gov.

For Medicare-related resources, please visit www.medicarerights.org.