

Medicare Minute Script – January 2019 What's New in 2019?

Your Medicare coverage can change each year, so it is important to understand and review your benefits.

Point 1: Understand your Part A and Part B costs in 2019.

Part A premium: Medicare Part A covers inpatient hospital services, skilled nursing facility services, home health care, and hospice. The Part A premium may be different depending on your work history. If you or your spouse has worked more than 10 years, you will not have to pay a Part A premium because the Medicare taxes you paid cover it. If you have worked between 7.5 and 10 years, your Part A premium will be \$240/month. If you have worked less than 7.5 years, your Part A premium will be \$437/month.

Part A deductible and coinsurance: The Part A hospital deductible (the amount you have to pay out of pocket before Medicare begins covering your costs) has increased to \$1,364 for each benefit period. You will still pay \$0/day for days 1 – 60 of a hospital stay after meeting your deductible, but the hospital coinsurance has increased to \$341/day for days 61 – 90 and \$682/day for days 91 – 150. For a skilled nursing facility, there is no coinsurance charge for the first 20 days after a three-day inpatient hospital stay, and the copay has increased to \$170.50/day for days 21-100 in each benefit period. If you have a Medicare Advantage plan, the amount you pay for deductibles, copays, and/or coinsurance charges varies by plan.

Part B premium: The standard Part B premium is \$135.50 for people with a yearly income below \$85,000 (\$170,000 for a married couple). If your income is higher than that, you may have to pay an income-related monthly adjustment amount, also known as IRMAA. If you have a Medicare Advantage plan, you may also pay an additional monthly premium for being enrolled in that plan.

Part B deductible and coinsurance: If you have Original Medicare, you will pay a Part B deductible of \$185 in 2019. You will continue to pay a 20% coinsurance for most services covered by Part B. The amount you pay for Medicare Advantage plan deductibles, copayments, and/or coinsurances varies by plan. Contact your Medicare Advantage plan for more information.

Point 2: Review your Medicare Part D costs, benefits, and any changes in 2019.

The national average for a Part D prescription drug plan premium in 2019 is \$33.19 per month. Your other monthly drug costs may vary based on your plan and which coverage period you are in.

- **Deductible period:** Period when you pay the full cost of your drugs until you meet the deductible. While deductibles vary from plan to plan, no plan's deductible in 2019 can be higher than \$415.
- **Initial coverage period:** Begins after you meet your deductible (if your plan has one). During this period, you will pay a portion of the cost of your drugs (coinsurance or copayment: varies by drug and by plan), and your plan will pay the rest. Most plans' initial coverage period ends after you have accumulated \$3,820 in total drug costs in 2019.
- **Donut hole/coverage gap:** Period when your plan does not pay as much for your drugs. For most plans, this period begins when the amount paid by you and your plan for drugs for the year totals \$3,820, and ends when you have spent \$5,100 out of pocket on covered drugs (including your costs before the coverage gap begins, but not including premiums). Your costs during this period will often be higher than at other times. Due to federal legislation, the donut hole is closing for brand-name drugs in 2019. This means that you will be responsible for 25% of the cost of your brand-name drugs in the donut hole this year. The donut hole will close for generic drugs in 2020.

Catastrophic coverage: After you have spent \$5,100 out of pocket on covered drugs for the year, you reach catastrophic coverage, the period when you will pay 5% of the cost of each drug, or \$3.35 for generics and \$8.35 for brand-name drugs—whichever is greater—in 2019.

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Point 3: Know your opportunities to change coverage in 2019.

You may have the opportunity to change your coverage in 2019, depending on your circumstances.

- **If you have a Medicare Advantage plan:** You may be able to use the Medicare Advantage Open Enrollment Period (MA OEP) to switch from your Medicare Advantage plan to another Medicare Advantage Plan or to Original Medicare with or without a prescription drug plan. The MA OEP occurs each year from January 1 through March 31. Changes made during this period are effective the first of the month following the month that you make the change.
- **If you have Extra Help:** If you have Extra Help in 2019, you have a special enrollment period (SEP) to enroll in a Part D plan or switch between plans. This SEP is available once per calendar quarter for the first three quarters of the year (January through March, April through June, and July through September). If you use this SEP to change your coverage, the change will become effective the first of the month following the month that you make the change.
- **If you qualify for another Special Enrollment Period (SEP):** There are several situations in which you might qualify for an SEP to change your Medicare health and/or drug coverage, like if you move outside your plan’s service area, if your Medicare Advantage plan terminated a significant amount of its network providers, or if you enroll in certain State Pharmaceutical Assistance Programs (SPAPs). If you have questions about your SEP eligibility, contact your State Health Insurance Assistance Program (SHIP).

Take action:

1. Review and understand your Medicare health costs. If you have Original Medicare, review your *Medicare and You 2019* handbook or request one by calling 1-800-MEDICARE. If you have a Medicare Advantage plan, review your Evidence of Coverage booklet or call your plan to learn more about your costs and coverage.
2. Anticipate your Part D plan costs to see when or if you may enter the coverage gap this year. Contact your SHIP to see if you are eligible for any programs that can help with drug costs.
3. If you are unhappy with your coverage for 2018, find out if you can make changes during the MA OEP or an SEP. Contact your SHIP or 1-800-MEDICARE for more information.
4. If you suspect Medicare fraud, errors, or abuse, contact your Senior Medicare Patrol (SMP).

Local SHIP Contact Information	Local SMP Contact Information
SHIP toll-free: SHIP email: SHIP website: To find a SHIP in another state: Call 877-839-2675 or visit www.shiptacenter.org .	SMP toll-free: SMP email: SMP website: To find an SMP in another state: Call 877-808-2468 or visit www.smpresource.org .

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