

HEALTH INSURANCE COUNSELING
AND ADVOCACY PROGRAM

MEDICARE 2025 Open Enrollment Choices & Changes



SLO County Commission on Aging - October 23, 2024


Presenter: Buff Lawson, Registered Counselor

Serving San Luis Obispo & Santa Barbara Counties

Funded by the Area Agency on Aging

www.CentralCoastSeniors.org





HICAP

Health Insurance Counseling & Advocacy Program

- part of the national **State Health Insurance Program** “**SHIP**” offering assistance to people with Medicare
- publicly funded through the Older Californians Act and the Centers for Medicare and Medicaid Services
- only agency authorized by the California Department of Aging to provide Medicare counseling
- offers individual counseling and community education about Medicare, financial assistance programs, and long-term care insurance



HICAP Provides **FREE and UNBIASED SERVICES**

- HICAP does not sell anything
- No affiliation with agents, brokers, insurance companies or HMOs
- Counseling is confidential and available by appointment
- Network of local volunteers
 - Trained by local Central Coast HICAP and the California Health Advocates organization
 - Registered by California Department of Aging



Topics for Today

- 2025 Medicare Parts A & B Costs
- Medicare Open Enrollment Choices
- 2025 Part D – Prescription Drug Plans
- 2025 - Medicare Advantage Plans

2025 Medicare Part A & B Costs	
Part A - Hospital	
Monthly Premium	\$0 for most people – \$285 to \$518 if you buy it
In-hospital per Benefit Period	Deductible: \$1,676 Co-insurance days: 1 – 60: \$0 Days 61 – 90: \$419 Days 91 and up: \$838
Skilled Nursing Facility (post-hospital) per Benefit Period	Co-insurance days 1 – 20: \$0 Days 21 – 100: \$209.50
Part B - Medical	
Monthly Premium	\$185 standard may be higher depending on your income
Annual Deductible	\$257
Co-insurance for most services	20% of approved Medicare rate
Parts C and D	
costs vary by Plan	

MEDICARE OPEN ENROLLMENT

October 15 – December 7

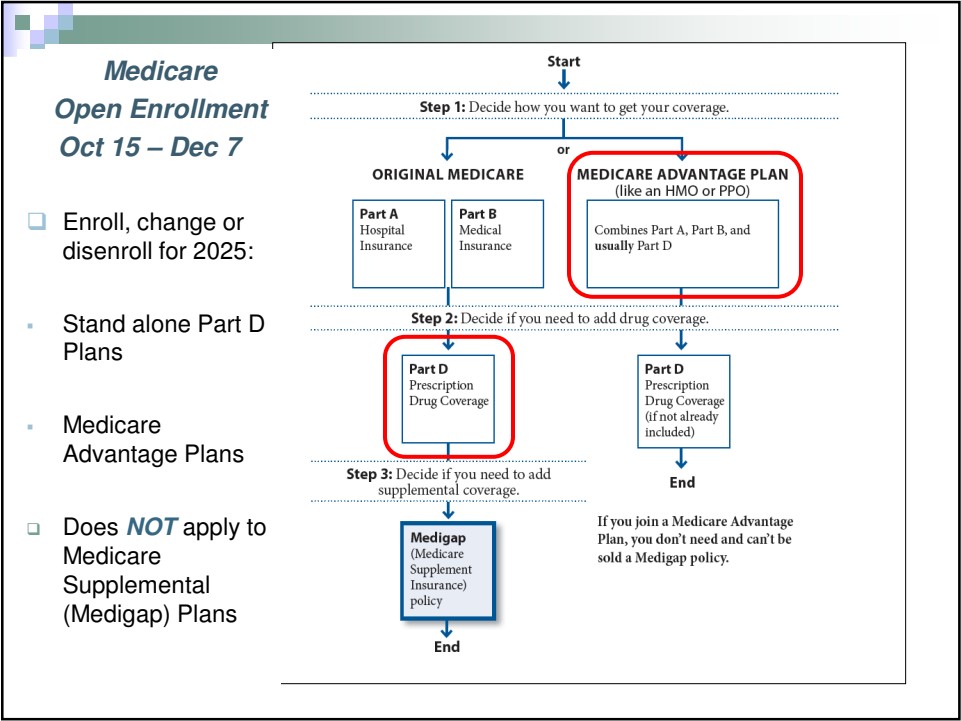
- Can join, switch, or drop Prescription Drug Plans (Part D) or Medicare Advantage (MA) plans for 2025
- Enrolling in new plan automatically disenrolls you from old plan at the end of 2024 and new plan starts Jan 1, 2025

Plans can change ~ and so can you!

this is the time to do a new PDP comparison

☐ To enroll in a new plan for 2025:

- Call the plan you want to join, or
- Enroll online at Medicare.gov or the new plan website





Inflation Protection Act of 2022 2025 Medicare Part D - Design Changes

continued

- Caps Medicare Part D out-of-pocket costs for formulary drugs at \$2,000 (Maximum Out of Pocket – MOOP)
 - The \$2,000 out-of-pocket spending limit can increase every year like other Medicare Part D parameters
- Gives option to break that amount into even monthly payments
 - Creates **Medicare Prescription Payment Plan**
 - Requires option in all Part D plans (Stand-alone & MAPD)
 - Participation is voluntary
 - No cost to the beneficiary



Medicare Part D Prescription Drug Plans

- Prescription drug insurance sold by private insurance companies
- Plans approved and monitored by Medicare to ensure strict guidelines are followed
- Voluntary (but subject to late enrollment penalty)
- Must have Medicare Part A **or** B to enroll in a stand-alone plan
- Two ways to enroll in a Part D plan:
 - **Prescription Drug Plans** – PDP – stand-alone plans offered by private health companies
 - **Medicare Advantage** – MA-PD – plans such as HMOs and PPOs that include prescription drug coverage

Note: the same coverage levels apply to both enrollment types



Part D - 2025 Levels of Coverage

The Levels of Coverage are reduced starting in 2025:

- **Deductible** – 0 to **\$590** – you pay full plan cost for drugs subject to the deductible
- **Initial Coverage** – after deductible you pay on average 25% of drug cost – continues until member has paid **\$2,000** for drugs under the plan
- **Catastrophic Coverage** – begins after beneficiary out-of-pocket spending reaches **\$2,000** – 0 co-pays

No cost-sharing for Part D formulary drugs for the remainder of the year after you reach the out-of-pocket threshold of \$2,000

- You have the option to enroll in the plan's **Medicare Prescription Payment Plan**



2025 Part D

Medicare Prescription Payment Plan

- Part of all Part D plans, whether stand-alone or included in a Med Adv plan
- Participation is voluntary and optional – i.e., you must “opt in” by notifying your Part D provider that you wish to participate
- There is no cost to participate, and your payments will never exceed the \$2,000 cap

How does it work?

- you continue to pay your plan premium
- you will also get a bill from the plan each month for your prescription drugs
 - **You do not pay the pharmacy**

How is your monthly bill calculated?

- your bill is based on what you would have paid for any prescriptions you get plus your previous balance, divided by the number of months left in the year. For examples, go to **Medicare.gov**

Part D 2025

Late Enrollment Penalty

- Part D *Late Enrollment Penalty* (LEP) applies if you had Medicare A or B but did not enroll in a Part D plan or have other creditable Rx coverage for over 60 days
- Formula for LEP is **1% of base premium x # months** you did not have Rx coverage and is added to your Part D premium for as long as you are enrolled in a Part D plan
- Base premium used to calculate LEP in 2025 is **\$36.78**
- Examples: If you had Medicare and opted not to enroll in a plan for 2024 but enroll in a 2025 plan, your LEP in 2025 would be:
 - $\$.3678 \times 12 \text{ months} = \4.4136 - rounded to nearest .1 = **\$4.40**
- If you were Medicare eligible in 2005 and did not enroll in a plan by May 2006 or since then, but enroll in a 2025 plan your LEP in 2025 would be: **\$82.00**

2025 Part D - California Prescription Drug Plans

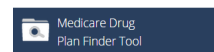
- **18** stand alone plans in California (23 in 2024)
 - 2 Clear Spring Health plans are under sanctions and cannot enroll new members
- monthly premiums
 - **12** plans have increased premiums up to \$35 – **6** have decreased
 - lowest = **\$ 1.80** *Cigna Assurance Rx* (\$0.40 in 2024)
 - highest = **\$183.50** *Blue Shield Rx Enhanced* (\$188.40 in 2024)
- deductibles on some or all drugs
 - range from **\$120 to \$590**
 - some plans have increased applicable Rx levels
 - 3 plans have 0 deductible (one is a sanctioned Clear Spring plan)
 - lowest premium plan with 0 deductible:
 - *AARP MedicareRx Preferred* - **\$115.40** (\$82.60 in 2024)

2025 Part D California Plan Changes

- ☐ 2025 Discontinued Plans
 - ☐ AARP Medicare Walgreens from UHC
 - Changing name to **2025 AARP Medicare Rx Preferred**
 - ☐ SilverScript Plus & SilverScript SmartSaver
 - Both are being combined with **2025 SilverScript Choice**
 - ☐ Cigna Healthcare Secure
 - Members are being moved to **2025 Cigna Healthcare Assurance**
 - ☐ All Mutual of Omaha Plans
 - *if you do not enroll in a 2025 plan you will not have coverage*
 - *you have an extended Special Enrollment Period until Feb 28, 2025*
- ☐ New 2025 Plans
 - Cigna Healthcare Assurance
 - Clear Spring Health Premier
 - Both Clear Spring Plans are Sanctioned and are not allowed to enroll new members

Part D Choosing a Prescription Drug Plan

- Prescription Drug Plan Finder tool at www.Medicare.gov gives drug plan cost information for stand alone Part D plans and MA-PD plans
- Complete your own online search at Medicare.gov:
 - ☐ find and compare all plans in your area
 - ☐ enroll in a plan
 - ☐ view your current plan
- Have HICAP complete the search for you:
 - ☐ www.CentralCoastSeniors.org/hicap
 - ☐ complete the simple form online, or
 - ☐ mail a paper worksheet to HICAP
 - ☐ receive search results of the top 3 plans specific to your medications

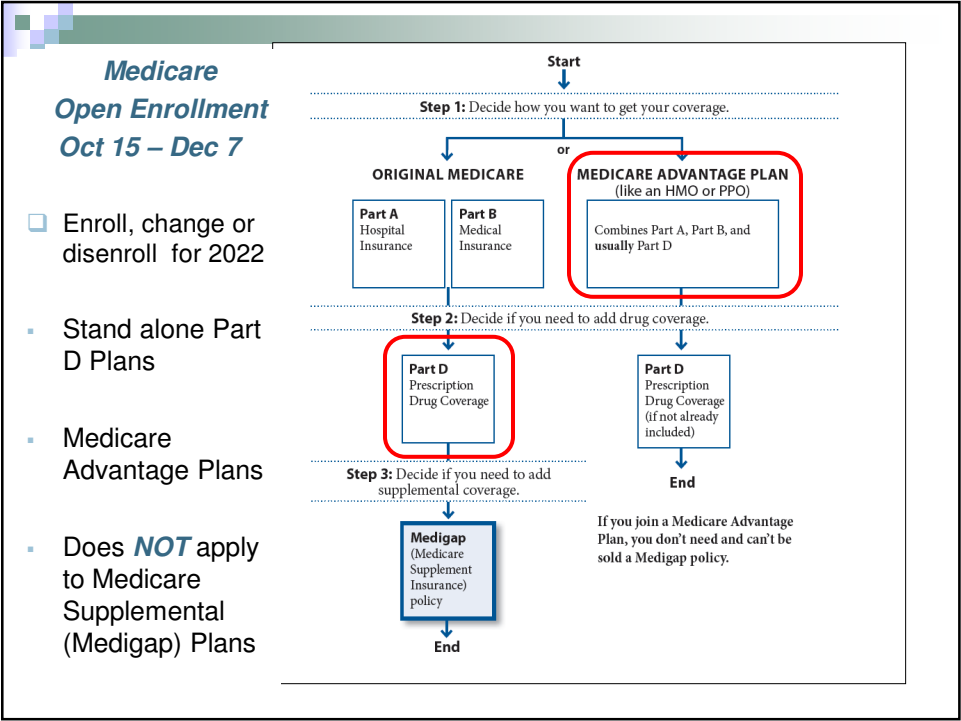


Ways to Lower Drug Costs

- Consider Switching to Generic Drugs
- Use of Mail Order pharmacies
- Prescription Discount cards
- Pharmaceutical Assistance Programs
 - **Alliance for Pharmaceutical Access**
www.apameds.org
 - Office in Santa Maria - (805) 614-2040
 - Email - Advocates@apameds.org
- Apply for **Extra Help with Part D** Costs

Low Income Assistance Program Extra Help with Part D Costs

- Social Security program that provides assistance to Medicare beneficiaries
- Can help pay costs charged by Part D plan, including premium, deductible and co-pays for covered drugs
- To be eligible must:
 - have countable monthly income below 150% of the Federal Poverty Level: **\$1,903** Individuals - **\$2,576** couples
 - have resources (excluding house & car) that are less than: **\$17,220** for single people and **\$34,360** for couples
 - Apply on-line at www.ssa.gov
 - Call Social Security at 1-800-772-1213
 - Call HICAP for assistance at 1-800-434-0222




Medicare Advantage Plans

- Alternative to fee-for-service delivery of Medicare Part A and Part B benefits - may have monthly premium and co-pays for services
- Must have Medicare Parts A & B to enroll - still pay Part B Premium
- Medicare sponsors MA plans and pays private insurance companies to provide health services to beneficiaries who have enrolled in plans
- Plans are geographic-specific and can change each year
- MA plans with Part D follow the same rules and coverage periods as stand-alone Part D
- MA plans are required to have **Maximum Out of Pocket** limit
 - after reach this amount, co-pays are waived for the rest of the year
- Can include benefits in addition to Medicare covered services

ORIGINAL MEDICARE Fee for Service	MEDICARE ADVANTAGE Plans
Can go to any doctor or provider who sees you as a Medicare patient	In most plans must only use doctors or providers in the plan's network
In most cases do not need a referral to see specialist	May need to get a referral to see a specialist or tests get special tests
<ul style="list-style-type: none">• Must pay Part B premium• Enroll in a separate Part D plan and pay its premium	<ul style="list-style-type: none">• Must pay Part B premium• Plan may have a premium• Plan usually includes Part D
Cost for Part A & B services usually the same in all areas	Out-of-Pocket costs vary with plans and areas
No annual limit on what you pay out of pocket for Parts A & B services (may buy supplemental insurance)	Plans must have yearly limit on what you pay for services Medicare Parts A & B covers

2025 Medicare Advantage Plans San Luis Obispo County


- **12 - Health Maintenance Organizations (HMO)** - generally must get your care and services from doctors, other health care providers, and hospitals in the plan's network
- **4 - Preferred Provider Organization (PPO)** - include network health care providers with generally lower co-pays, but can also use out-of-network providers for covered services if the provider agrees to treat you and hasn't opted out of Medicare
- **11 - Special Needs Plans (SNP)** - are a type of Medicare Advantage Plan which limits membership to people with specific diseases or characteristics, and may tailor their benefits, provider choices, and drug formularies to best meet the specific needs of those groups



San Luis Obispo County 2025 Medicare Advantage Plans

- **SLO 2024 Plans – Discontinued in 2025 ***
 - Alignment Health CalPlus + Veterans - HMO
 - Humana Gold Plus (150) HMO
 - Note two other Humana Gold Plus HMOs will continue in 2025
- **SLO New Plans in 2025**
 - Alignment Health Heroes+ - HMO
 - Alignment Health My Choice Cal Plus - HMO

* Beneficiaries enrolled in non-renewing plan without reassignment have SEP to enroll in another 2025 plan: through Feb 28, 2025



2025 Medicare Advantage Plans San Luis Obispo County

Health Maintenance Organizations (HMO)

- **Blue Shield 65 Plus - HMO** - \$54.00/mo
 - Maximum Out of Pocket Costs \$3,600
- **AARP MA Patriot - HMO** - \$0/mo - **No Part D**
 - Maximum Out of Pocket Costs \$4,900
 - Part B Premium Reduction - \$25/mo
- **AARP Medicare Advantage from UHC - HMO** - \$31/mo
 - Maximum Out of Pocket Costs \$3,400 - Part D Deductible \$255




2025 Medicare Advantage Plans

San Luis Obispo County

cont'd

- **Humana Gold Plus - HMO** (119) \$0
 - Maximum Out of Pocket Costs \$1,000
- **Humana Gold Plus - HMO** (148) \$0
 - Maximum Out of Pocket Costs \$2,900
- **Alignment Health My Choice - HMO** - \$0
 - Maximum Out of Pocket Costs \$698
- **NEW Alignment Health CalPlus - HMO** - \$0/mo
 - Maximum Out of Pocket Costs \$3,499
- **NEW Alignment Health Heroes+ - HMO** - \$0/mo
 - Maximum Out of Pocket Costs \$5,900 – Part D Deductible \$590



2025 Medicare Advantage Plans

San Luis Obispo County

cont'd

- **Imperial Traditional - HMO** - \$0
 - Maximum Out of Pocket Costs \$1,499
- **Imperial Dynamic Plan - HMO** - \$0
 - Maximum Out of Pocket Costs \$297
- **Imperial Giveback - HMO** - \$0
 - *Name change from 2024 Imperial Strong*
 - Maximum Out of Pocket Costs \$9,350 – Part D Deductible \$590
 - Part B Premium Reduction \$100/mo
- **Imperial Courage - HMO** - \$0/mo - **No Part D**
 - Maximum Out of Pocket Costs \$2,999



2025 Medicare Advantage Plans

San Luis Obispo County

cont'd

Preferred Provider Organizations (PPO)

- **AARP Medicare Advantage from UHC - PPO - \$40/mo**
 - Maximum Out of Pocket Costs - In network \$6,700 - In + Out \$10,100
 - Part D Deductible \$420
- **Aetna Medicare Elite Plan - PPO - \$24/mo - \$250 deductible**
 - Maximum Out of Pocket Costs - In network \$5,500 - In + Out \$8,950
 - Part D Deductible \$590
- **Aetna Medicare Eagle Plus Plan - PPO - \$0/mo - No Part D**
 - Maximum Out of Pocket Costs - In network \$6,750 - In + Out \$9,500
 - Part B Premium Reduction \$25/mo
- **Aetna Medicare Core Plan - PPO - \$0/mo**
 - Maximum Out of Pocket Costs - In network \$5,900 - In + Out \$8,950
 - Part D Deductible \$590




Medicare Advantage

Open Enrollment Period

January 1 to March 31, 2025

If you **are enrolled in an MA plan on January 1**

- You can switch to another MA plan
- You can disenroll from your MA plan and return to Original Medicare and if you choose enroll in a Part D plan
- You can only make **one change** during this period, and any change will be effective the first of the month after making the change
- During this period you **cannot**
 - Switch from Original Medicare to an MA Plan
 - Join a Part D Plan if you're in Original Medicare
 - Switch from one PDP to another of you're in Original Medicare




Senior Medicare Patrol


How the Senior Medicare Patrol (SMP) Can Help

The local SMP is ready to provide beneficiaries and others with the information they need to **PROTECT** themselves from Medicare fraud, errors, and abuse; **DETECT** potential fraud, errors, and abuse; and **REPORT** concerns.

To locate the state Senior Medicare Patrol (SMP):
Visit www.smpresource.org or call 1-877-808-2468
Or call your local HICAP for assistance




Area Agency on Aging
San Luis Obispo and Santa Barbara Counties




HICAP
Health Insurance
Counseling and
Advocacy Program

In partnership with

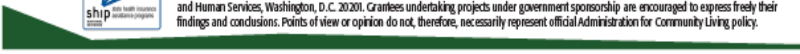



California
SMP
Senior Medicare Patrol
Empowering Seniors To
Prevent Healthcare Fraud



SHIP
State Health Insurance
Program

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Questions?

- **HICAP** 1-800-434-0222 or 805-928-5663
- **Senior Connection** 1-800-510-2020
- **Medicare** 1-800-633-4227
- **Social Security** 1-800-772-1213
 - San Luis Obispo 855-207-4865
 - Santa Maria 866-331-2316
 - Santa Barbara 866-695-6285

for further information and upcoming HICAP seminars go to
www.CentralCoastSeniors.org

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