# Medicare Part B Contents

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# Part B Coverage

- Doctors' services
- Outpatient medical/surgical services and supplies
- Diagnostic tests
- Outpatient therapy
- Outpatient mental health services
- Some preventive health care services
- Other medical services

# Enrolling in Medicare Part B

| | |
|---|---|
| **Automatic Enrollment** | ▪ If you already get Social Security, Railroad Retirement, or disability benefits<br>▪ Must opt out if you don't want to be enrolled |
| **Initial Enrollment Period (IEP)** | ▪ 7-month period. Starts 3 months before month of eligibility, and includes the month you turn 65 and 3 months after the month you turn 65 |
| **General Enrollment Period (GEP)** | ▪ January 1 through March 31 each year<br>▪ Coverage effective July 1<br>▪ Premium penalty<br>– 10% for each 12-month period eligible but not enrolled<br>– Paid for as long as the person has Part B<br>– Limited exceptions |

# Part B and Employer or Union Coverage

- Find out how your insurance works with Medicare
  - Contact your employer/union benefits administrator
- You may want to delay enrolling in Part B if:
  - You have employer or union coverage and
  - You or your spouse is still working

# Employer or Union Coverage Ends

- When your employment ends
  - You may get a chance to elect COBRA
  - You may get a special enrollment period
- Sign up for Part B without a penalty
- Important -- Medigap open enrollment period
  - Starts when you are both 65 and sign up for Part B
  - Once started cannot be delayed or repeated

# 2016 Part B Amounts

- Part B Monthly Premium - $104.90*

  *$121.80 (new in 2016 and those without auto-deductions)
- Part B Annual Deductible - $166
- Part B Coinsurance - generally 20%

| **If your yearly income in 2014 was:** | | **You pay** |
|---|---|---|
| File individual tax return | File joint tax return | |
| $85,000 or less | $170,000 or less | $104.90/121.80 |
| above $85,000 up to $107,000 | above $170,000 up to $214,000 | $170.50 |
| above $107,000 up to $160,000 | above $214,000 up to $320,000 | $243.60 |
| above $160,000 up to $214,000 | above $320,000 up to $428,000 | $316.79 |
| above $214,000 | above $428,000 | $389.90 |

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# Paying the Part B Premium

- Deducted monthly
  - Social Security
  - Railroad retirement
  - Federal retirement payments
- If not deducted
  - Billed every 3 months, or
  - Use Medicare Easy Pay

- Contact Social Security, Railroad Retirement Board or Office of Personnel Management about paying premiums

# Part B Late Enrollment Penalty

- Penalty for not signing up when first eligible
  - 10% more for each full 12-month period
  - May have penalty as long as you have Part B

- Usually no penalty if you sign up during a Special Enrollment Period

# Part B Penalty Calculation

- Mary delayed signing up for Part B two full years after she was eligible. She will pay a 10% penalty for each full 12-month period she delayed. The penalty is added to the Part B monthly premium ($104.90 in 2016). So for 2016, her premium will be as follows:

- $104.90 (2016 Part B standard premium)
  + $20.98 (20% [of $104.90] (2 X 10%)
  _____
- $125.88 (Mary's Part B monthly premium for 2016)*

*volunteers should always refer a beneficiary to Social Security for penalty calculations

# Paying for Part B Services

- In Original Medicare you pay
  - Yearly deductible of $166 in 2016
  - 20% coinsurance for most services
  - Some copayments
- Some programs may help pay these costs

# Assignment

- Medicare doctors/providers/suppliers
  - Accept the Medicare-approved amount
    - As full payment for covered services
    - Only charge Medicare deductible/coinsurance amount
  - They submit your claim to Medicare directly
- Applies to Original Medicare Part B claims
- We say “accepts assignment”

# Providers who do NOT Accept Assignment

- May charge more than Medicare-approved amount
  - Limit of 15% more for most services
    - "The limiting charge"
- May ask you to pay entire charge at time of service
- Providers sometimes must accept assignment
  - Medicare Part B-covered Rx drugs
  - Ambulance providers

# Balance Billing Ban

- Non-participating providers in Ohio may NOT charge the up-to 15% excess surcharge
- Report violations to the Ohio Department of Health
- Ohio residents traveling outside Ohio may be subject to the excess charge if they see a non-participating provider in another state

# Private Contracts

- A beneficiary is always free to obtain non-covered services
- A beneficiary can enter into a private contract with a provider
  - Payment is worked out between the beneficiary and provider
- A provider can never ask to sign a private contract in an emergency

# Medicare Part B Helps Pay For

| | |
|---|---|
| **Doctor Services** | Services that are medically necessary (includes outpatient and some doctor services you get when you're a hospital inpatient) or covered preventive services. |
| **Medical and Other Services** | For approved outpatient procedures (like a cast or stitches). |
| **Tests (other than lab tests)** | Including X-rays, MRI's, CT scans, EKG's, and some other diagnostic tests. |
| **Clinical Laboratory Services** | Includes certain blood tests, urinalysis, some screening tests, and more. |
| **Preventive Services** | Certain health care to prevent illness or detect illness at an early stage, when treatment is likely to work best (for example, preventive services include Pap tests, flu shots, and screening mammograms). |

# Medicare Part B Helps Pay For (continued)

| | |
|---|---|
| **Home Health Services** | Covers medically-necessary part-time or intermittent skilled nursing care, or physical therapy, speech-language pathology, or a continuing need for occupational therapy. A doctor must order the care from a Medicare-certified home health agency. |
| **Mental Health Services** | To get help with mental health conditions such as depression or anxiety. Includes services generally given outside a hospital or in a hospital outpatient setting, including visits with a psychiatrist or other doctor, clinical psychologist, nurse practitioner, physician's assistant, clinical nurse specialist, or clinical social worker; substance abuse services; and lab tests. |
| **Outpatient Therapy** | Physical therapy, speech-language pathology therapy, and occupational therapy when your doctor certifies you need it. |

# Non-Covered Services

- Medicare does not cover services or supplies that are not medically necessary

  For example – hearing aids, dental services, routine vision services and routine foot care are not covered

# Limited Coverage

- Medicare covers limited services from
  - Chiropractors
    - Manipulation of the spine is covered when medically necessary to correct a subluxation
  - Optometrists
    - Services that are involved in the treatment and diagnosis of eye disease
  - Podiatrists
    - Medically necessary treatment of foot injuries or diseases

# Ambulance Services

- Medicare Part B covers ambulance services to or from a hospital, critical access hospital, or a skilled nursing facility only when other transportation could endanger your health.
- In some cases, Medicare may cover ambulance services from your home or a medical facility to get care for a health condition that requires you to be transported only by ambulance.
- Medicare may also cover ambulance services to or from a dialysis facility for people with End-Stage Renal Disease (ESRD) who need dialysis, and other transportation could endanger their health.

# Medicare Preventive Benefits

- "Welcome To Medicare" physical exam
- Bone mass measurement
- Annual Wellness Exam
- Cardiovascular screening
- Colorectal cancer screening
- Diabetes screening, services and supplies
- Obesity screening
- Depression screening
- Vaccinations
  - Flu, Pneumococcal and Hepatitis B
- Glaucoma screening
- Hepatitis C screening
- Pap test and pelvic exam with clinical breast exam
- Prostate cancer screening
- Screening mammogram
- Smoking cessation counseling
- Alcohol misuse screening

Part B Deductible and Coinsurance is waived for most preventive care services.



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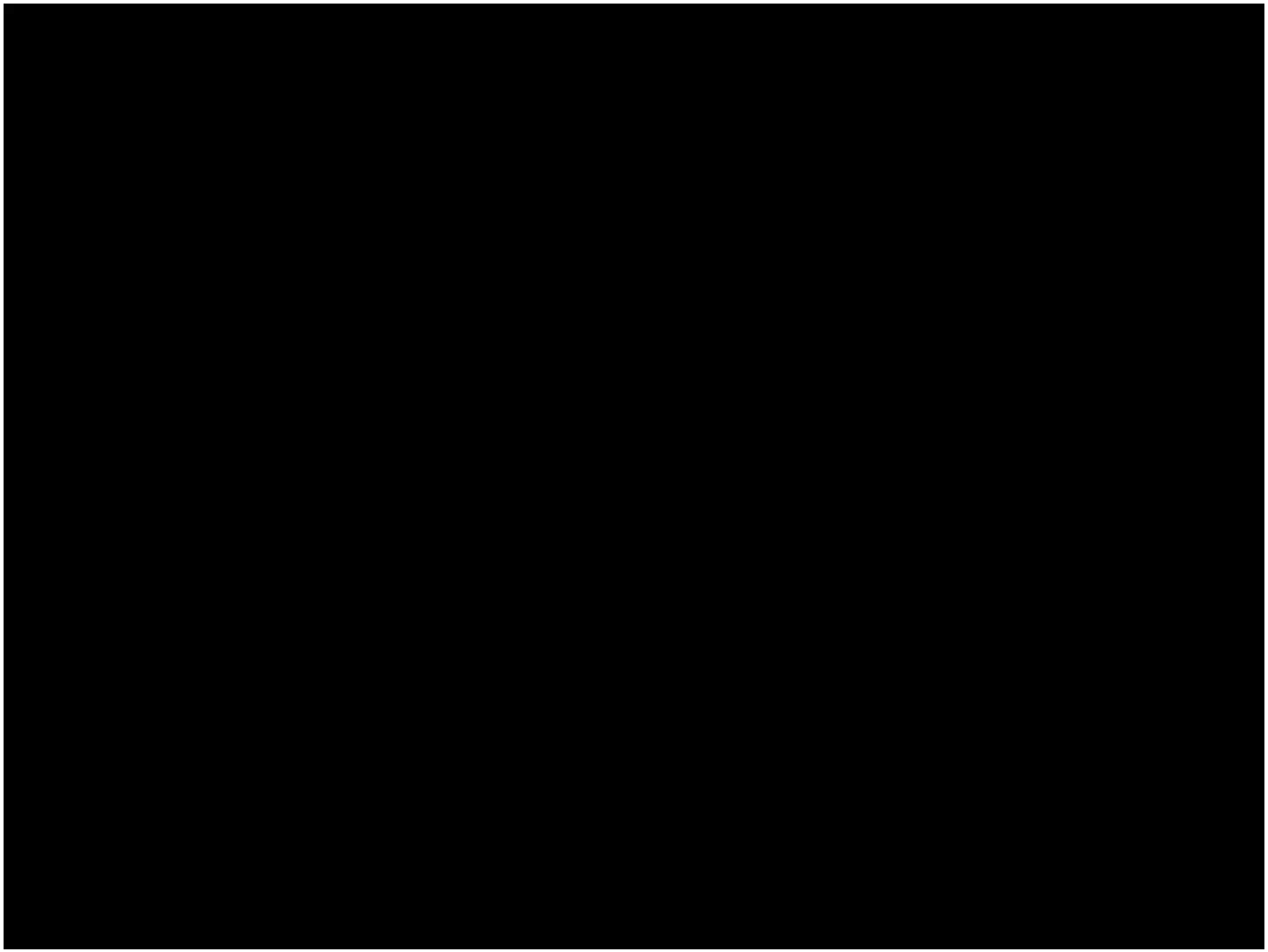
# DMEPOS—What You Need to Know

- DMEPOS stands for
  - Durable Medical Equipment, Prosthetics, Orthotics and Supplies
- Equipment/supplies covered under Medicare Part B
- New competitive bidding program
- If you live in an affected area and need certain products
  - You must use contract supplier, or Medicare won't cover

# Who Will Competitive Bidding Affect?

- Beneficiaries who have Original Medicare and
  - Permanently reside in a ZIP Code in a CBA
  - Obtain competitive bid items while visiting a CBA
- To find out if a ZIP Code is in a Competitive Bidding Area
  - Call 1-800-MEDICARE
  - Visit medicare.gov
- Medicare Advantage enrollees can use suppliers designated by their plan

# Overview of Competitive Bidding Program



# Round 1 Rebid CBAs

- California – Riverside, San Bernardino, Ontario
- Florida – Miami, Fort Lauderdale, Pompano Beach
- Florida – Orlando, Kissimmee
- Missouri and Kansas – Kansas City
- North and South Carolina – Charlotte, Gastonia, Concord
- Ohio – Cleveland, Elyria, Mentor
- Ohio, Kentucky, and Indiana – Cincinnati, Middletown
- Pennsylvania – Pittsburgh
- Texas – Dallas-Fort Worth, Arlington

# Round 2

- Expanded program to 91 Metropolitan Statistical Areas in July 2013
- Visit cms.gov/DMEPOSCompetitiveBid/
- Midwest Areas:

- **Akron, OH**
- Chicago-Naperville-Joliet, IL-IN-WI
- **Columbus, OH**
- **Dayton, OH**
- Detroit-Warren-Livonia, MI
- Flint, MI
- Grand Rapids-Wyoming, MI
- **Huntington-Ashland, WV-KY-OH**
- Indianapolis-Carmel, IN
- Milwaukee-Waukesha-West Allis, WI
- Minneapolis-St. Paul-Bloomington, MN-WI
- Omaha-Council Bluffs, NE-IA
- Toledo, OH
- Wichita, KS
- **Youngstown-Warren-Boardman, OH-PA**

# Products Included in the Program

1. Oxygen, oxygen equipment, and supplies
2. Standard, manual and power wheelchairs, scooters
3. Complex rehabilitative power wheelchairs
4. Mail-order diabetic supplies
5. Enteral nutrients, equipment, and supplies
6. Continuous Positive Airway Pressure (CPAP) devices and Respiratory Assist Devices (RADs)
7. Hospital beds and related accessories
8. Walkers and related accessories
9. Support surfaces (Group 2 mattresses/overlays) Miami only
10. Negative pressure wound therapy pumps

# Using Contract Suppliers

- Must use contract supplier
  - Item and services included in Competitive Bidding Program living in a CBA
  - Traveling to or visiting a CBA
- Exceptions
  - Providers can supply certain items (example: walkers)
  - Nursing facility can supply directly if a contract supplier

# Identifying Contract Suppliers

- Call 1-800-MEDICARE (1-800-633-4227)
- TTY users call 1-877-486-2048
- Visit medicare.gov/supplier
  - DMEPOS Supplier Locator Tool

# Therapy Caps

- Patients may be limited in outpatient therapy services
  - $1,960 in physical therapy / language therapy combined in 2016
  - $1,960 in occupational therapy

# Coordination of Benefits (COB)

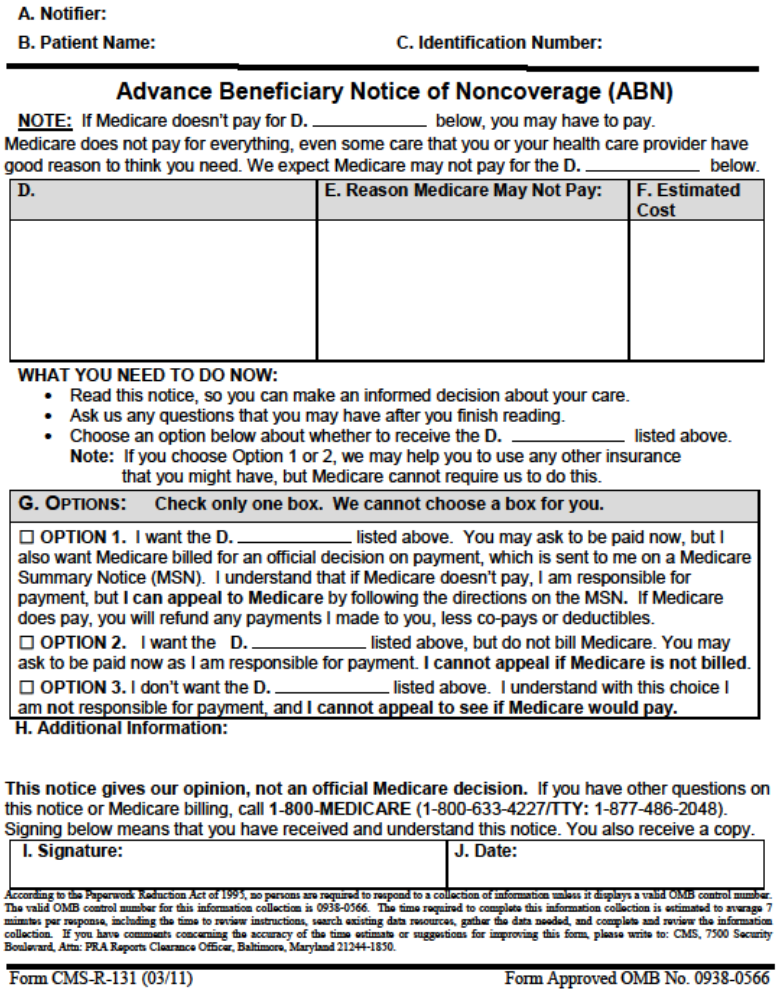
- Medicare usually pays primary
- Exceptions
  - Over age 65 and group plan has more than 20 members
  - Under age 65 and the group has more than 100 members
  - ESRD – Medicare pays primary after 30 months
  - Medicare does not pay if the healthcare is under liability or no-fault coverage, or if another federal insurance is involved (Workers Comp, VA, etc.)
  - Call 1-800-999-1118 for Medicare COB

# Limitation of Liability

- Provider must notify the beneficiary if Medicare might deny the claim
- Present an Advance Beneficiary Notice before the procedure
- Does not apply to non-Medicare covered services

# Protection from Unexpected Bills

- Advanced Beneficiary Notice of Noncoverage (ABN)
  - When Medicare payment is expected to be denied



A. Notifier:

B. Patient Name: C. Identification Number:

**Advance Beneficiary Notice of Noncoverage (ABN)**

NOTE: If Medicare doesn't pay for D. _____ below, you may have to pay. Medicare does not pay for everything, even some care that you or your health care provider have good reason to think you need. We expect Medicare may not pay for the D. _____ below.

| D. | E. Reason Medicare May Not Pay: | F. Estimated Cost |
|---|---|---|
| | | |

WHAT YOU NEED TO DO NOW:

- Read this notice, so you can make an informed decision about your care.
- Ask us any questions that you may have after you finish reading.
- Choose an option below about whether to receive the D. _____ listed above.

Note: If you choose Option 1 or 2, we may help you to use any other insurance that you might have, but Medicare cannot require us to do this.

**G. OPTIONS: Check only one box. We cannot choose a box for you.**

☐ **OPTION 1.** I want the D. _____ listed above. You may ask to be paid now, but I also want Medicare billed for an official decision on payment, which is sent to me on a Medicare Summary Notice (MSN). I understand that if Medicare doesn't pay, I am responsible for payment, but **I can appeal to Medicare** by following the directions on the MSN. If Medicare does pay, you will refund any payments I made to you, less co-pays or deductibles.

☐ **OPTION 2.** I want the D. _____ listed above, but do not bill Medicare. You may ask to be paid now as I am responsible for payment. **I cannot appeal if Medicare is not billed.**

☐ **OPTION 3.** I don't want the D. _____ listed above. I understand with this choice I am not responsible for payment, and **I cannot appeal to see if Medicare would pay.**

H. Additional Information:

**This notice gives our opinion, not an official Medicare decision.** If you have other questions on this notice or Medicare billing, call **1-800-MEDICARE** (1-800-633-4227/**TTY:** 1-877-486-2048). Signing below means that you have received and understand this notice. You also receive a copy.

| I. Signature: | J. Date: |
|---|---|
| | |

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0566. The time required to complete this information collection is estimated to average 7 minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Baltimore, Maryland 21244-1850.

Form CMS-R-131 (03/11) Form Approved OMB No. 0938-0566

If someone has current employer group health coverage, he/she can sign up for Medicare Part B late during a special enrollment period without penalty.

A) True

B) False

# In Ohio, providers can choose if they want to bill more than the Medicare approved amount.

A) True

B) False

# This is not a Medicare covered service:

A) diabetes screening

B) durable medical equipment

C) flu shot

D) hearing aids

# The penalty imposed on the Medicare Part B premium when someone signs up late is:

A) 1% for each month of delay

B) 5% for each month of delay

C) 10% for each year of delay

D) 20% for each year of delay

# Those new to Medicare Part B have how long to take advantage of the "Welcome to Medicare" physical?

A) 1 year

B) 6 months

C) 60 days

D) 180 days

# Every area of Ohio is a competitive bidding area for durable medical equipment.

A) True

B) False

# An Advance Beneficiary Notice is only used on services Medicare never pays for.

A) True

B) False

# Most people have their Medicare Part B premium deducted from a Social Security benefit

A) True

B) False

# If someone misses their Initial Enrollment Period into Medicare Part B, when can they sign up?

A) Oct. 15th to Dec. 7th

B) Anytime throughout the year

C) Jan. 1st to Mar. 31st

D) Oct. 15th through Dec. 31st