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Medicare Update for 2024

Updated October 2023

NYCTM

**Department for
the Aging**



**Health Insurance
Information, Counseling
and Assistance Program**



Medicare Questions? Call Aging Connect at 212-244-6469

Fall Open Enrollment

- Annual period when people can make changes to their Medicare coverage
 - Begins **October 15 and ends December 7**
 - New coverage will take effect **January 1, 2024**

Join a new plan

- Join a different Medicare Advantage Plan
- Join a different stand-alone Part D drug plan

Switch coverage

- Switch from Original Medicare to a Medicare Advantage Plan
- Switch from a Medicare Advantage Plan to Original Medicare

What's new in 2024?

- Part B **premium** and Part B **deductible** amounts and Parts B and Part D **IRMAA** amounts
- Part A **deductible** amount and Part A **coinsurance**
- Medigap plan **rate increases**, F and G high deductible plan amounts and Empire restriction
- Part D **base beneficiary premium, deductible, and cost sharing** amounts
- Part D plan **changes**, new **benchmark** amount and new benchmark plans
- **Zero percent** cost sharing in the Part D **catastrophic** coverage zone
- **Loss** of Glaxo Smith Kline as EPIC program participant
- Medicare Advantage Plans **new Maximum Out of Pocket amounts**
- Medicare Advantage—**New plan name and plan terminations**
- Mental Health Provider **expansion**
- **Physical, Speech and Occupational Therapy threshold** amounts
- **Postal Service** Medicare Part B requirement changes
- **2005---Part D 100% coverage after \$2,000 out of pocket**
- Low Income Subsidy and **replacement** of partial extra help with full extra help

Two ways to receive Medicare benefits



Original Medicare

- Medicare benefits through traditional program administered by federal government



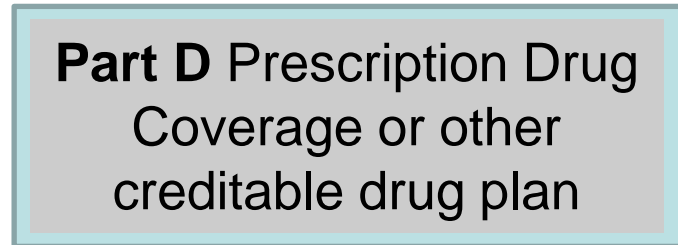
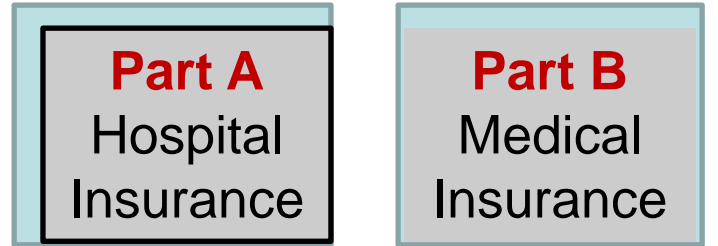
Medicare Advantage Plan

(e.g., HMO, PPO)

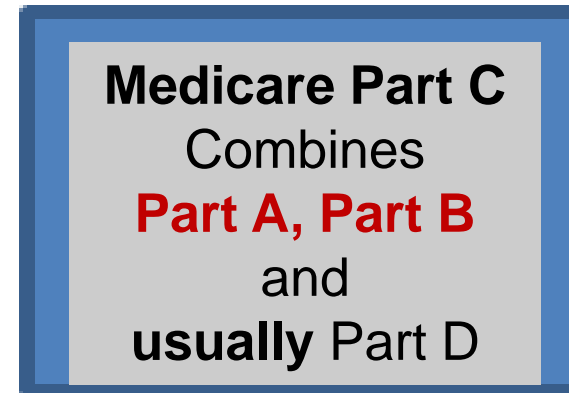
- Medicare benefits through private health plan that contracts with federal government (also called Part C or Medicare health plans)
- Not a separate benefit: everyone with Medicare Advantage still has Medicare

Your Medicare Choices

Original Medicare



Medicare Advantage Plan (HMO or PPO)



Choices in Medicare

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graph TD; A[Choices in Medicare] --> B[Original Medicare (Parts A and B)]; A --> C[Medicare Advantage];
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Original Medicare (Parts A and B)

- More provider choice
- More complete coverage
- May require **additional premiums** for **supplemental insurance** and **Part D** if no other creditable coverage from retiree plan, union, Medicaid, MSP, etc.
- Must pay monthly Part B premium.
- **You will pay these additional costs** if subject to them **regardless** of whether or not you get health care.

Medicare Advantage

- **Provider Networks**
- **Pre-approval process**
- **High out of pocket maximum**
- Lower or no additional premium for MA plan. Part D is included.
- **Must pay monthly Part B premium.**
 - **Extra Benefits**

Original Medicare and Medigap Insurance

Original Medicare is not free!



MEDICARE HEALTH INSURANCE

Name/Nombre

JOHN L SMITH

Medicare Number/Número de Medicare

1EG4-TE5-MK72

Entitled to/Con derecho a

HOSPITAL (PART A)

MEDICAL (PART B)

Coverage starts/Cobertura empieza

03-01-2016

03-01-2016

Medicare Part B (2023 – 2024)

- **2023**

- **Deductible**

– \$226

- **Premium**

– \$164.90

- **2024**

- **Deductible**

– \$240

- **Premium**

– \$174.70

Higher Income (IRMAA) Part B Premiums

MAGI in 2022	2024 Part B	2024 Part D
\$103,000/\$206,000 or less	\$174.70 (25%)	\$0.00
Up to \$129,000/\$258,000	\$244.60 (35%)	\$12.90
Up to \$161,000/\$322,000	\$349.40 (50%)	\$33.30
Up to \$193,000/\$386,000	\$454.20 (65%)	\$53.80
Up to \$500,000/\$750,000	\$559.00 (80%)	\$74.20
Above \$500,000/\$750,000	\$594.00 (85%)	\$81.00

Medicare Part A (2023 – 2024)

- **2023**
 - **Deductible**
 - \$1,600
 - **Coinsurance Days (61-90)**
 - \$400 (Per Day)
 - **Lifetime Reserve Days**
 - \$800 (Per Day)
 - **Skilled Nursing Facility**
 - \$200 (Days 21-100)
 - **Premium**
 - \$506 (Less than 30 Quarters)
 - \$278 (30-39 Quarters)
- **2024**
 - **Deductible (first 60 days inpatient)**
 - \$1,632
 - **Coinsurance Days (61-90)**
 - \$408 (Per Day)
 - **Lifetime Reserve Days (91-150)**
 - \$816 (Per Day)
 - **Skilled Nursing Facility (first 20 days)**
 - \$204 (Days 21-100)
 - **Premium**
 - \$505 (Less than 30 Quarters)
 - \$278 (30-39 Quarters)

Mental Health--2024

- **Mental Health Service Providers - Expansion**
 - Currently, Medicare mental health providers limited to:
 - Psychiatrist (MD)
 - Clinical Psychologist (PhD)
 - Social Worker
- **Starting January 1, 2024**
 - **New Medicare provider types:**
 - **Marriage and family therapists (MFTs)**
 - **Mental health counselors (MHCs)**
 - **MFTs and MHCs must accept assignment**
 - **Same as Clinical Psychologist and Social Worker**

Physical Therapy

- Prior to 2018, Medicare had an annual dollar limit on therapy
- Dollar limit was eliminated but **dollar thresholds** remain
 - **\$2,330 (PROPOSED for 2024)** for physical/speech therapy combined
 - **Separate \$2,330 (PROPOSED for 2024)** for occupational therapy
 - Therapist to add KX modifier to claims to certify medical necessity
 - **\$3,000 for physical and speech therapy combined (medical review)**
 - **Separate \$3,000 for occupational therapy**
 - (Remains at \$3,000 until 2028)
 - Medicare contractor may review medical records to be sure therapy services were medically necessary
 - Some therapists treat \$3,000 as limit/cap to avoid potential medical review



- **No limit** on out-of-pocket costs
- Can purchase **Medigap** policy to cover Medicare cost-sharing if you don't have retiree benefit equivalent

Supplemental plans help cover Original Medicare's out of pocket costs

- **Part B deductible.**
- **Part B coinsurance.**
- **Part B excess charges.**
- **Part A deductible(s).**
- **Part A coinsurance.**
- **Additional 365 inpatient days.**
- **Cost of blood.**
- **Foreign travel emergency.**

Medigap policies

- Only works with **Original Medicare**
- Provided by private insurance companies
 - 10 standardized plans (Plans A, B, C, D, **F, G**, K, L, M, & **N**)
 - **Only the cost will vary; the plan's benefits for any given plan letter will stay the same.**
 - Charge a **monthly premium** for coverage

Medigap Supplement Plans

- **Continuous** open enrollment in NYS
 - Up to 6 month waiting period (WP) for pre-existing conditions BUT get credit for prior health care coverage
 - <https://www.dfs.ny.gov>
- People newly eligible for Medicare in 2020 (or later) CANNOT purchase Plan C or Plan F

BENEFITS INCLUDED IN THE TEN STANDARD MEDICARE SUPPLEMENT PLANS

Basic Benefit: Included in all plans

•**Hospitalization:** Part A copayment, coverage for 365 additional days after Medicare benefits end, and coverage for 60 lifetime reserve days copayment.

•**Medical Expenses:** Part B coinsurance (generally 20% of Medicare-approved expenses).

•**Blood:** First 3 pints of blood each year.

•**Hospice:** Part A cost sharing.

High Deductible Plan F and Plan G – \$2,700/\$2,800 in 2024

A	B	C	D	F*	G*	K	L	M	N
Basic Benefit	Basic Benefit	Basic Benefit	Basic Benefit	Basic Benefit	Basic Benefit	Basic Benefit**	Basic Benefit**	Basic Benefit	Basic Benefit**
		Skilled Nursing Coinsurance	Skilled Nursing Coinsurance	Skilled Nursing Coinsurance	Skilled Nursing Coinsurance	Skilled Nursing Coinsurance (50%)	Skilled Nursing Coinsurance (75%)	Skilled Nursing Coinsurance	Skilled Nursing Coinsurance
	Part A Deductible	Part A Deductible	Part A Deductible	Part A Deductible	Part A Deductible	Part A Deductible (50%)	Part A Deductible (75%)	Part A Deductible (50%)	Part A Deductible
		Part B Deductible		Part B Deductible					
				Part B Excess	Part B Excess				
		Foreign Travel Emergency	Foreign Travel Emergency	Foreign Travel Emergency	Foreign Travel Emergency			Foreign Travel Emergency	Foreign Travel Emergency
						Out of Pocket limit \$6,620 \$7,060	Out of Pocket limit \$3,310 \$3,530		

MEDICARE SUPPLEMENT INSURANCE POLICIES (January 2023)

PLAN	Aetna 800-345-6022	Bankers Conseco 800-845-5512	Emblem (formerly GHI) 800-444-2333	Empire Blue Cross Blue Shield 855-306-9355	Globe Life Insurance * 800-331-2512	Humana 800-486-2620	Mutual of Omaha 800-228-9999	TransAmerica Financial 800-752-9797	United Health (AARP) Must be an AARP member to enroll (age 50+) 800-523-5800
A	\$318.21	\$413.54	\$194.87	\$179	\$240/268	\$348	\$351.72	\$213	\$187
B	\$362.44	\$567.63	\$253.28	\$241.11	\$328/368	\$392.90	\$512.25	\$257	\$268.50
C**			\$300.87		\$397/444	\$476.21	\$512.82	\$333	\$342.50
D					\$391/438		\$503.90	\$306	
F**	\$422.90	\$766.41	\$530.29	\$371.28	\$374/419	\$485.87	\$516.15	\$335	\$332.25
F+**		\$75.69	\$74		\$72/\$81	\$101.93			
G	\$406.26	\$705.38	\$302	\$320.63	\$348/390	\$460.14	\$478.04	\$281	\$283.50
G+		\$75.69	\$67.69		\$72/\$81	\$101.80			
K		\$117.63			\$137/154	\$226.75		\$154	\$92.75
L		\$322.45			\$206/231	\$323.93		\$228	\$191
M		\$446.65					\$526.10	\$281	
N		\$439.55	\$220	\$228.15	\$259/290	\$326.35		\$264	\$217.25

Medigap/Medicare Supplement

- **Medigap/Medicare Supplement**
 - Current list of insurers, plans, rates and features
 - https://www.dfs.ny.gov/consumers/health_insurance/supplement_plans_rates
- **Rate Increases (January 2024)**
 - **AARP/UHC**
 - **Empire BCBS**
 - https://www.dfs.ny.gov/system/files/documents/2023/10/medsup_2024-01.pdf
- **Empire BCBS stopped selling Medigap insurance to new members**
 - July 2023

Medigap Proposed Rate Hikes

- AARP and Empire BCBS---Sent letter to members about proposed rate increase. if approved by NYS DFS would be effective January 2024
 - AARP/UHC
 - Plan F (\$332.25 to \$373.50)
 - Plan G (\$283.50 to \$318.75)
 - Plan N (\$217.25 to \$244.25)
 - Empire BCBS
 - Plan F (\$371.28 to \$411.01)
 - Plan G (\$320/63 to \$368.72)
 - Plan N (\$228.15 to \$262.37)
 - Transamerica (20% Increase effective March 2024)
 - Plan F (\$335.34 to \$402.41)
 - Plan G (\$281.34 to \$337.61)
 - Plan N (\$263.93 to \$316.72)
 - January 2024 Medigap Rates
 - Expected to be posted in November 2023
 - https://www.dfs.ny.gov/consumers/health_insurance/supplement_plans_rates

Medicare Part D

Medicare Part D (2023 – 2024)

- Deductible
 - \$505
- Initial Coverage Limit
 - \$4,660
- Out-of-Pocket Threshold
 - \$7,400
- Full LIS Co-Pays
 - \$4.15/\$10.35
- Up to or at 100% FPL
 - \$1.45/\$4.30
- Partial LIS Cost-Sharing
 - \$104 Deductible/15%

- **Deductible**
 - \$545
- **Initial Coverage Limit**
 - \$5,030
- **Out-of-Pocket Threshold**
 - \$8,000
- **Full LIS Co-Pays**
 - \$4.50/\$11.20
- **Up to or at 100% FPL**
 - \$1.55/\$4.60
- **Partial LIS Cost-Sharing**
 - **Not Applicable**

Part D Base Beneficiary Premium (2024)

- **\$34.70 in 2024** (\$32.74 in 2023)
- Base Beneficiary Premium is used to calculate the **Part D late enrollment penalty**
 - Late enrollment penalty is for beneficiaries who do not enroll in Part D in Initial Enrollment Period (IEP) and choose to enroll later
 - And who do not have other creditable drug coverage and do not qualify for Extra Help
- Late Enrollment Penalty is calculated as $1\% \times \text{Base Beneficiary Premium} \times \text{number of full months delayed}$

2024 Stand-Alone Part D (PDP) Plans

- **15 PDPs in New York State in 2024**
 - 19 in 2023
- **2 Benchmark PDPs in 2024**
 - Wellcare Classic and Cigna Secure Rx
 - 3 in 2023
- **No 2024 PDPs from Elixir and Blue Cross Blue Shield**
 - 2 PDPs each in 2023
- **SilverScript Choice**
 - **No longer benchmark PDP for 2024**
 - Members with Full LIS who did NOT choose plan will be reassigned
 - Members with Full LIS who chose plan will NOT be reassigned

EPIC and GlaxoSmithKline (GSK)

- **GSK has withdrawn from EPIC Manufacturers Rebate Program**
 - **EPIC stopped supplementing Part D coverage of GSK drugs**
 - **Beginning July 2023**
- List of GSK drugs that EPIC no longer covering:
 - Advair Diskus; Advair HFA; Anoro Ellipta; Arnuity Ellipta; Avodart; Beconase AQ; Breo Ellipta; Coreg; Coreg CR; Epivir HBV; Flovent Diskus; Flovent HFA; Imitrex; Incruse Ellipta; Jalyn; Lamictal; Lamictal XR; Nucala; Serevent Diskus; Trelegy Ellipta; Valtrex; Ventolin HFA; Wellbutrin SR
- Reference: Provider Bulletin
 - https://www.health.ny.gov/health_care/epic/docs/2023-03_provider_bulletin_discontinued_drugs.pdf

Inflation Reduction Act - Changes to Part D

- **2024. Full Extra Help/LIS will be expanded for beneficiaries with incomes up to 150% of Federal Poverty Level (FPL)**
 - Currently, beneficiaries with incomes up to 135% of FPL eligible for Full LIS, while those with incomes between 135% and 150% FPL receive Partial LIS
 - **People with Medicare who are currently enrolled in partial Extra Help will automatically be converted to full Extra Help; they won't need to take any action**
- **2024. \$0 Cost-Sharing in Catastrophic Coverage**
 - Eliminates 5% cost-sharing
- **2025. New out-of-pocket limit for Part D will be \$2,000.**
 - (Amount subject to change each year)
 - Will be able to spread \$2,000 limit across monthly payments
 - Limit will NOT include monthly plan premium

Medicare Advantage

Maximum Out of Pocket (MOOP)

- **Medicare Advantage (MA) plans have MOOP limit**
 - Limit on Part A and Part B out of pocket costs for calendar year
 - If you reach limit, MA plan will cover 100% of Part A and Part B services for remainder of calendar year
- **MOOP does NOT include:**
 - MA plan premium, if any
 - Part D drug costs
 - Non-covered services (including dental/vision)
- In-Network MOOP limit (HMO)
 - **\$8,850 in 2024** (\$8,300 in 2023)
- In and Out of Network Combined (PPO)
 - **\$13,300 in 2024** (\$12,450 in 2023)

2024 Medicare Advantage (MA) Plans

- **New Name**
 - Empire BlueCross Blue Shield
 - Anthem
- **Terminating MA plans**
 - AgeWell NY
 - Emblem
 - Empire BlueCross Blue Shield

Tips on finding a Medicare Advantage plan for you

USPS Retirees and Medicare

- Active employee aged 64 or older as of January 1, 2025
 - NOT required to enroll in Part B upon retirement
- Active employee under age 64 as of January 1, 2025
 - Will be required to enroll in Part B upon retirement
- Retire on or after January 1, 2025, and you are under 64
 - Required to enroll in Part B when turn 65
- Exceptions to requirement to enroll in Part B:
 - Residing outside of United States and its territories
 - Enrolled in VA health care benefits
- Special Enrollment Period for Postal Retirees
 - April 2024 – September 2024 (Can enroll in Part B effective January 2025)
 - USPS will pay any late enrollment penalty
- Caution: If enroll in 2024 General Enrollment Period (January – March 2024)
 - USPS retiree would be responsible for any late enrollment penalty

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HOW CAN I GET HELP?

WWW.MEDICARE.GOV

1-800-MEDICARE

CALL HIICAP

212-244-6469

212-AGING-NYC

CALL HIICAP

212-244-6469

212-AGING-NYC

LIS Subsidy Amount (2024)

- **LIS Subsidy Amount (\$48.72 in 2024)** (\$38.90 in 2023)
- Beneficiaries with Extra Help/LIS in 2024 will receive \$48.72 toward their Part D plan premium
 - Basic Part D plans with premiums at or below this amount will be the “benchmark” Part D plans in 2024
 - Available for beneficiaries with Full LIS (including those with Medicare and Medicaid) for \$0 premium
- Also used to calculate the EPIC deductible reduction
 - EPIC reduces EPIC deductible for members with incomes above \$23,000 single/\$29,000 couple
 - **\$585 in 2024 (\$48.72 X 12 Months)** (\$467 in 2023)

Medicare Savings Program (2022 – 2023)

- Medicare Savings Programs

- QMB

- \$1,153 Individual
- \$1,546 Couple

- SLMB

- \$1,379 Individual
- \$1,851 Couple

- QI

- \$1,549 Individual
- \$2,080 Couple

- Medicare Savings Programs

- QMB

- \$1,697 Individual
- \$2,288 Couple

- SLMB

- Eliminated
- Eliminated

- QI

- \$2,280 Individual
- \$3,077 Couple