The SMP New Jersey ADVOCATE

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MEDICARE 2022 AND ITS COSTS—WHAT YOU NEED TO KNOW

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When a beneficiary becomes eligible for Medicare, he/she has to choose between Original Medicare and a Medicare Advantage (MA) plan (think of the Joe Namath commercial). If the choice is for Original Medicare, most beneficiaries will also purchase a Medicare supplement (Medigap) plan to cover the costs that Medicare does not pay for plus a stand-alone drug plan, Part D of Medicare. If the choice is for an MA plan, which in most cases has drug coverage, the MA plan will determine what you pay. In many zip codes, a senior can find an MA plan that does not require an additional premium. A supplement plan is also not needed. Whether you are enrolled in Original Medicare or in an MA plan, everyone will pay for the Part B premium (unless he/she qualifies for Medicaid or a Medicare Savings Program, which are income-based programs).

Most seniors are first eligible for Medicare when they turn 65 and have ten years of work credits. You enroll in Medicare during your Initial Enrollment Period: three months before your 65th birthday, the month of your 65th birthday, and three months after the month of your 65th birthday. People who are collecting Social Security before turning 65 are automatically enrolled when they turn 65. In many cases, seniors enroll in Medicare Part A (hospital coverage) only because it is free, but don't enroll in Part B because they have other coverage, usually from their job or coverage from a working spouse.

For those seniors who became eligible for Medicare but for one reason or another did not sign up, they can still do so every year during the Medicare General Enrollment Period between January 1 and March 31. When you enroll in Medicare during the General Enrollment Period, your coverage won't begin until July 1.

What Medicare Will Cost In 2022

Inpatient Hospital Coverage, Part A premium:

- $0.00 for most beneficiaries who paid into Medicare through payroll taxes for 40 work quarters or 10 years
- $274 a month for those who worked and paid into Medicare for 30-39 work quarters
- $499 a month for those who worked fewer than 30 quarters

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Part A deductible:

- The deductible is $1,556 for each benefit period. A benefit period begins when a beneficiary is admitted to the hospital. When the beneficiary gets discharged and has been out of the hospital for at least 60 days and then goes back into the hospital, a new benefit period would start.
- It covers up to 60 days in the hospital
- Most beneficiaries have supplemental coverage, such as a Medicare supplement plan (also known as Medigap), which can help pay the Part A deductible.

Part A coinsurance:

Medicare beneficiaries also pay for coinsurance for certain Medicare services such as a per diem for inpatient hospital stays for days 61-90 ($389 per day) and day 91 and beyond ($778 per each lifetime reserve day after day 90 for each benefit period, up to 60 days over a lifetime). For skilled nursing services, Medicare pays for the first 20 days after a three-day inpatient hospital stay. Thereafter, coinsurance will be applied for days 21-100 at $194.50 per day. Beneficiaries can review these costs at the Medicare.gov website. Coinsurance is one reason why many beneficiaries in Original Medicare purchase a supplement (Medigap) plan. Medigap plans may also provide additional coverage.

Part B Medical coverage: premiums and deductible

- The standard Part B premium for 2022 is $170.10 per month. For those subject to the Income Related Medicare Adjustment Amount (IRMAA) the costs will be higher.
- A Part B premium may also be higher for individuals who did not enroll in Medicare Part B when they were first eligible. The penalty is 10% for each full 12-month period that an individual failed to enroll.
- The Part B deductible is $233. Enrollees who receive Part B-covered services during the year must pay the Part B deductible before Medicare starts to pick up 80% of the cost of the care. Medigap plans C and F (which are no longer available for purchase to new enrollees) will pay for the Part B deductible.

Part B coinsurance:

- Once a beneficiary has paid the Part B deductible, he/she will be responsible for 20% of the Medicare-approved amount for the Part B services. Medigap plans cover some or all of the Part B coinsurance.
- If your doctor doesn't accept assignment, he/she can charge you up to an additional 15%, unless your state imposes a lower limit. (Medigap plans F and G cover this excess charge. Plan G is still available to newly eligible enrollees, although Plan F is not.)

Enrolling in a Medicare Supplement (Medigap)

- To purchase a supplement (Medigap) plan, you should do so during your Initial Enrollment Period. For the six-month period starting with the month you are at least 65 years and enrolled in Medicare A and B, you cannot be denied Medigap coverage or be charged more for the coverage because of your medical history.

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But after that six-month window ends, Medigap insurers in most states can use medical underwriting to determine your premiums and eligibility for coverage.

- Medigap plans are sold by private health insurers. The plans are designated by letters, from A to N. Not all the letters are used. Each lettered plan has the same coverage, but the premiums can be different depending on the company that sells the plans. A purchaser of a Medigap plan should research the plans to determine the coverage that he/she needs and the costs. Check with your State Health Insurance Assistance Program (SHIP) for assistance. In New Jersey, call 800-792-8820.

Medicare Part D-Prescription Drug Coverage:

For most individuals in Original Medicare, the first opportunity to enroll in a Medicare Part D prescription drug plan is during the Initial Enrollment Period.

Whether you are turning 65 or are eligible for Medicare because of a disability, you likely have the option of selecting an MA plan that includes Part D prescription drug coverage and of using that in place of Original Medicare Parts A and B + a Medigap plan + Part D.

If you are enrolled in an MA plan as of January 1, you can use the Medicare Advantage Open Enrollment Period (January 1 to March 31) to switch to another MA plan or go back to Original Medicare. You also have the option to sign up for a Part D plan to supplement your Original Medicare coverage.

2022 Part D premiums:

- The average premium for a stand-alone Medicare Part D plan is $43 per month. There are a wide range of Part D plan options available. Premiums for Part D plans in 2022 start as low as about $7 a month and go to a high of $100 a month. Every year a Medicare beneficiary should compare Part D plans during the fall open enrollment (October 15 to December 7) to choose the best plan. Remember, every year Part D plans change premiums, deductibles, and drug coverage. Also, new plans are constantly added. Individuals should again check with their SHIP program if they need assistance.
- Just as for Part B, high-income enrollees pay a higher Part D premium. Check Medicare.gov for this information.

Part D deductible:

- Most Part D prescription drug plans have a deductible. The maximum in 2022 is $480, up from $445 in 2021. Some plans have no deductible at all, but they usually have a higher premium.

Part D out-of-pocket costs after deductible:

- There are four phases for a Medicare Part D plan: deductible, payment, donut hole, and catastrophic coverage. The donut hole technically no longer exists, but if you reach this phase (after total drug costs reach $4,430) you pay 25% of the cost of the drug.
- After a beneficiary's costs reach the catastrophic threshold ($7,050 in 2022) additional out-of-pocket costs are capped at the greater of 5% of the cost of the drug or a co-pay of $3.95 for generics and $9.85 for brand-name drugs.
- Certain Part D plans now participate in a program to limit insulin cost to no more than $35 a month and cover a broad range of insulins. Beneficiaries should compare plans to pick one if they need insulin coverage. Remember, just because your insulin may be covered in one plan does not mean the plan is the best one for you. Your other drug costs may affect whether you pick a plan that will limit your insulin cost.

AARP NEW JERSEY IN YOUR CORNER

The Senior Medicare Patrol of New Jersey works and partners with agencies across the state as part of its mission to empower and assist Medicare beneficiaries, their families, and caregivers to prevent, detect, and report health care fraud, errors, and abuse through outreach, counseling, and education. In this issue we are highlighting the work of AARP New Jersey. Julie Marte, Associate State Director of Multicultural Outreach for AARP NJ, sits on the Advisory Committee of the SMP-NJ.

AARP is the nation's largest nonprofit, nonpartisan organization dedicated to empowering people 50 and older to choose how they live as they age.

AARP New Jersey educates and advocates on behalf of those 50 and older on issues that are important to them, their families, and all Garden State residents, with a focus on health security, financial stability, and personal fulfillment.

Last year, AARP New Jersey connected with thousands of people to provide information and resources on COVID-19 vaccine access distribution, fraud prevention, and caregiving. We brought people 50+ together with others from across the state who share interests for fun and educational virtual events like yoga, tai chi, and cooking classes.

Our Speakers Bureau volunteers delivered more than 80 virtual presentations to community groups on topics like fraud, retirement planning, Medicare, and brain health.

Fraud prevention leaders from across the state joined us for virtual events, Telephone Town Halls, and Facebook Lives to empower New Jerseyans in the fight against fraud, with proven resources and tools to help spot and avoid scams.

We celebrated our state's rich cultural diversity with virtual events like Latin Dance and Latin-infused cooking to celebrate Hispanic Heritage Month, and virtual events like Bollywood Zumba and Rangoli art to celebrate Diwali.

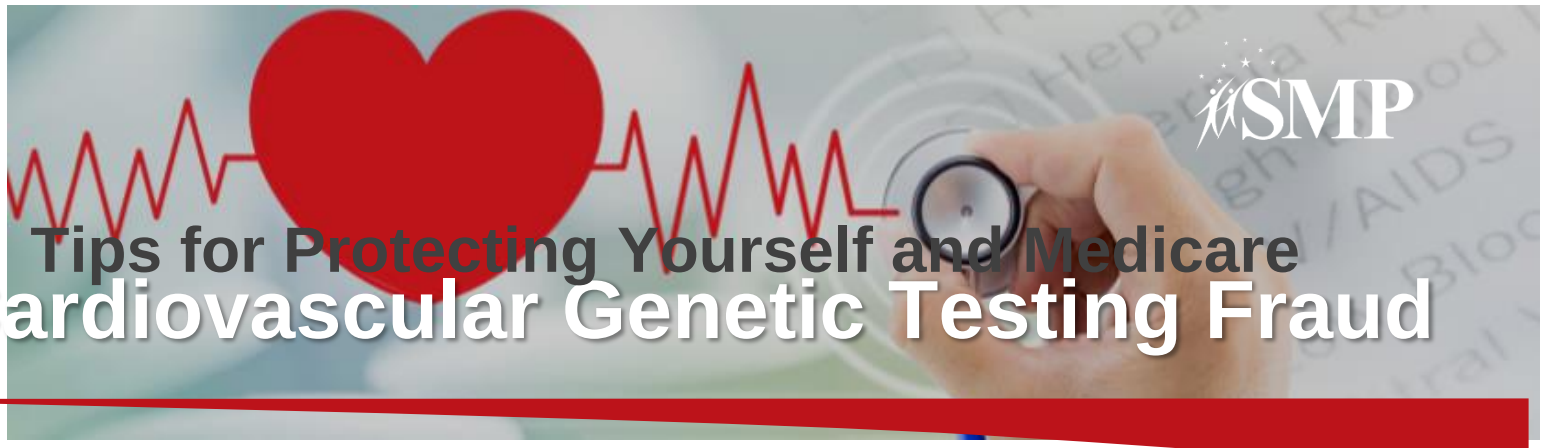
Our volunteers made more than 2,500 direct calls to residents to connect them with accurate information and assist with scheduling vaccine appointments.

In addition, AARP New Jersey continued to fight for your health and financial security. In 2021, we fought to expand state programs and initiatives to help thousands of New Jerseyans stay in their homes, grow their retirement savings, afford their prescription medications, and so much more.

Some of the initiatives AARP NJ fought for – and won – include:

- The elimination of the age cap on New Jersey's Earned Income Tax Credit (NJ EITC) program
- Expansion of utility payment assistance programs
- Full funding and updating of the Homestead Benefit Property Tax Relief program
- Full funding of the public pension
- Expansion of the New Jersey retirement income state tax exemption
- Funds to start up the New Jersey Secure Choice Program
- Expansion of income eligibility requirements for two pharmaceutical assistance programs
- Funds to move New Jersey's age-friendly work forward

For more information on these programs, visit aarp.org/njresources. To learn more about AARP New Jersey and how we are continuing to educate and advocate in 2022, visit www.aarp.org/nj or follow @AARPNJ on Facebook and Twitter.



Tips for Protecting Yourself and Medicare
Cardiovascular Genetic Testing Fraud

Genetic testing scams quickly emerged in 2019 targeting cancer screening and pharmacogenetics (medication metabolization). The latest growing genetic testing fraud trend focuses on cardiovascular genetic testing. Scammers are offering Medicare beneficiaries cheek swabs for genetic testing to obtain their Medicare information for fraudulent billing purposes or possibly medical identity theft.

What is Cardiovascular Genetic Testing Fraud?

Cardiovascular genetic testing fraud occurs when Medicare is billed for a cardio type of test or screening that was not medically necessary and/or was not ordered by a beneficiary's treating physician.

What are Examples of Cardiovascular Genetic Testing Fraud?

- Here are several ways cardiovascular genetic testing is advertised:
  - * Cardio/cardiac genetic screening/test
  - * Cardiovascular genetic screening/test
  - * Comprehensive cardiovascular panel
  - * Comprehensive cardiomyopathy NSG
  - * Cardiovascular disease genetic kit
  - * Hereditary cardiovascular profile
- A company offering you "free" or "at no cost to you" testing without a treating physician's order and then billing Medicare.
- A company using "telemedicine" to offer testing to you over the phone and arranging for an unrelated physician or "teledoc" to order the tests.
- Billing Medicare (usually thousands of dollars) for a broad range of cardiac genetic tests that you did not request or possibly even receive.
- A company calls you stating your doctor or cardiologist requested that you have the testing done and it will send you a testing kit.

What Happens if Medicare Denies the Cardiovascular Genetic Test Claims?

You could be responsible for the entire cost of the test. The average is $9,000 to $11,000.

ASK CHARLES

Charles Clarkson is the Project Director of the Senior Medicare Patrol of NJ.

I am covered by Medicare. How do I get an at-home over-the-counter COVID-19 test?

At this time, Original Medicare is not paying for at-home tests. Medicare Advantage plans may offer coverage and payment for at-home over-the-counter COVID-19 tests, so consumers covered by Medicare Advantage plans should check with those plans.

For people covered by Original Medicare, Medicare pays only for COVID-19 diagnostic tests performed by a laboratory, such as PCR and antigen tests, with no beneficiary cost-sharing when the test is prescribed by a physician, non-physician practitioner, pharmacist, or other authorized health care professional.

People with Medicare can access one lab-performed test without cost-sharing per patient per year without a physician's prescription. https://www.cms.gov/how-to-get-your-at-home-OTC-COVID-19-test-for-free

While Medicare is currently not covering over-the-counter at-home COVID tests, clients do have other resources to get them:

1. The federal government is providing four at-home test kits per family. They can be ordered from the U.S. Postal Service at https://special.usps.com/testkits.
    a. Every home in the U.S. is eligible to order the tests. The tests are completely free. Orders will usually ship in 7-12 days.
    b. **You can order them only on-line.** There are no phone orders, and you cannot order them by going to the local post office.
2. Medicare Advantage plans are encouraged to cover at-home tests, but it is not mandatory.
3. NJ Medicaid will cover at-home test kits purchased at local pharmacies for those with NJ Family Care/Medicaid. Beneficiaries must show their NJ Family Care ID cards.

STAY CONNECTED

The Senior Medicare Patrol of New Jersey has a website. You can reach our site at:

http://seniormedicarepatrolnj.org/

Forward this to a friend

Friend us on Facebook

Follow us on Twitter
#MedicareMaven

Serve your community; learn about Medicare by volunteering for the New Jersey Senior Medicare Patrol

SMP of New Jersey is currently recruiting Volunteer Community Liaisons to speak to small groups of their peers and help provide Medicare education at community events.

The role of the Community Liaison is to share information that can help others PREVENT, DETECT, and REPORT Medicare fraud, waste, and abuse.

Free Training Available

For more information please contact Michelle Beley-Bianco,
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SMP - Empowering Seniors to Prevent Medicare Fraud

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