

# Navigating Medicare Open Enrollment

# The Basics of Medicare

There are 4 parts of Medicare plus additional coverage options, described below<sup>1</sup>



## Original Medicare—provided by the federal government

### Part A (Hospital Insurance)

Helps cover inpatient costs such as hospital stays, long-term care facilities, hospice, or home health care

### Part B (Medical Insurance)

Helps cover outpatient costs such as HCP appointments and services, durable medical equipment, testing, or preventative care

## Optional Medicare Plans—offered by private insurance companies overseen by Medicare

### Part C (Medicare Advantage, MA)

An alternative to Parts A, B, and D. Offers “bundled” coverage for inpatient, outpatient, and usually drug costs

### Part D (Prescription Drug Plan, PDP)

Helps cover medication costs

## Additional Coverage Options

### Medicare Supplement Insurance (Medigap)

Private health insurance that can be used with Parts A and B to help with cost-sharing not covered by Medicare

### Extra Help Program (Low-Income Subsidy, LIS)

Additional financial support with drug costs for patients with Part D who receive limited income

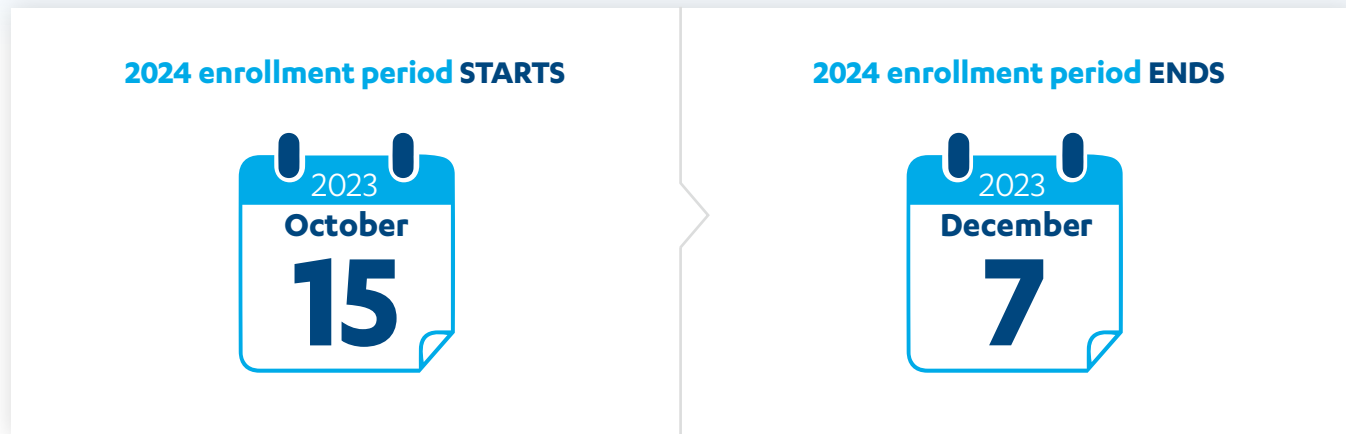
*Drug costs vary depending on which plan is chosen and the route of administration.*

## Key terms to review with your patients<sup>1,2</sup>

- **Coinsurance:** the proportion of the cost for medical care or prescription medications that a patient must pay out-of-pocket. For Original Medicare, this is generally 20% of the full cost
- **Copay:** what a patient pays out-of-pocket for medical care or prescription medications
- **Coverage gap:** the phase, alternatively called the “donut hole,” during which a patient will pay a percentage (generally 25% of the full cost) out-of-pocket until catastrophic coverage begins
- **Deductible:** how much a patient pays in total each year before health insurance cost-sharing begins
- **Premium:** how much a patient pays each month for Medicare or other health insurance

# Help Your Medicare Patients Prepare for the Open Enrollment Process

## Key dates for Medicare Open Enrollment 2024<sup>3</sup>



In 2024, the monthly premium for Medicare Part D will increase by no more than 6%, for an average premium of \$33.39, with a maximum deductible of \$545 and an out-of-pocket maximum limit of \$8,000.<sup>4,5\*</sup>

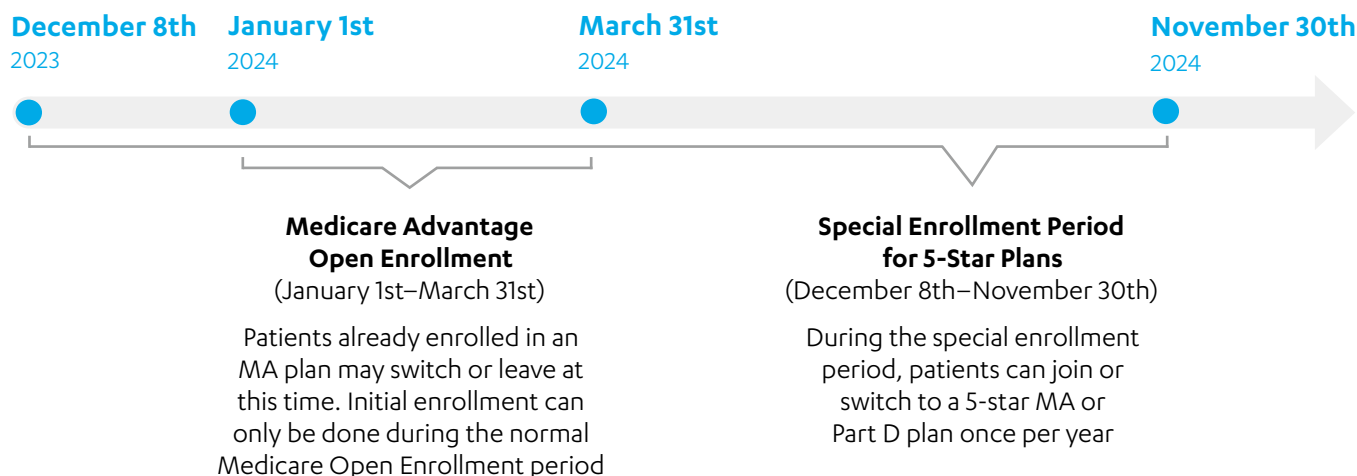
**Your patient can join, switch, or drop a Medicare Health Plan and enroll in MA or make changes to their Medicare Supplement Insurance (Medigap) during the Open Enrollment period. Changes will be reflected in coverage beginning January 1st.<sup>3</sup>**

The out-of-pocket maximum limit for in-network services with MA is projected to be \$9,100 in 2024, but individual plans may set lower limits.<sup>6†</sup>

\*In 2023, the average monthly premium was \$31.50, the maximum deductible was \$505, and the out-of-pocket maximum limit was \$7,400.<sup>5,7</sup>

†In 2023, the out-of-pocket maximum limit was \$8,300.<sup>6</sup>

## Additional enrollment deadlines to keep in mind<sup>1</sup>



# Resources to Help You Guide Patients Through Medicare Open Enrollment

## Review the checklist below with your patients before they join or change their prescription drug plan

- Review expected patient health and prescription needs for 2024
  - Make a list of all your patient's medications, including doses
- Your patient can use the Medicare Plan Finder (see link below) to search for available plans in their area
- Advise your patient to consider the following as they compare available MA plans to Original plans:
  - Costs:** premium, deductible, copayments/coinsurance
  - Coverage:** drugs available on formulary, special rules or requirements for prescribing non-preferred drugs
  - Quality:** Medicare Star rating
  - Convenience:** location of network pharmacies, availability of mail order
- Decide with your patient if purchasing Medigap is right for them

## Explore if your patient is eligible for Extra Help

For more help, advise your patient to check their [State Health Insurance Assistance Program](#)

The [Medicare Plan Finder](#) is a comprehensive online tool that allows your patient to:

- **Find** available plans in their area
- **Compare** the costs and benefits of multiple plans side by side
- **Customize** their search results to show relevant coverage information by inputting their medication list
- **Explore** educational materials about Medicare policies and coverage options, including Original Medicare, Medicare Advantage, and Medigap plans

**References:** 1. Medicare and You 2023: the official U.S. government Medicare handbook. Centers for Medicare and Medicaid Services. Accessed May 30, 2023. <https://www.medicare.gov/publications/10050-Medicare-and-You.pdf> 2. The Part D donut hole. Medicare Interactive. Accessed May 30, 2023. <https://www.medicareinteractive.org/get-answers/medicare-prescription-drug-coverage-part-d/medicare-part-d-costs/the-part-d-donut-hole> 3. Understanding Medicare Advantage & Medicare drug plan enrollment periods. Centers for Medicare and Medicaid. January 2023. Accessed May 31, 2023. <https://www.medicare.gov/Pubs/pdf/11219-understanding-medicare-part-c-d.pdf> 4. 2024 Medicare Advantage and Part D advance notice fact sheet. Accessed June 2, 2023. <https://www.cms.gov/newsroom/fact-sheets/2024-medicare-advantage-and-part-d-advance-notice-fact-sheet> 5. Announcement of calendar year (CY) 2024 Medicare Advantage (MA) capitalization rates and Part C and Part D payment policies. Centers for Medicare and Medicaid Services. March 31, 2023. Accessed June 2, 2023. <https://www.cms.gov/files/document/2024-announcement-pdf.pdf> 6. Medicare program; maximum out-of-pocket (MOOP) limits and service categories cost sharing standards. Fed Regist. 2022;87(72):22290-22428. Accessed May 30, 2023. <https://www.federalregister.gov/d/2022-07642> 7. CMS releases 2023 projected Medicare basic Part D average premium. Centers for Medicare and Medicaid Services. Accessed May 31, 2023. <https://www.cms.gov/newsroom/news-alert/cms-releases-2023-projected-medicare-basic-part-d-average-premium>