





**Medicare Advantage Plans
and Other Medicare Plans**

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What Are Medicare Advantage (MA) Plans?

- Health plan options approved by Medicare
- Run by private companies
- Part of the Medicare program
 - Sometimes called “Part C”
- Available in many areas of the country
- Provide Medicare-covered benefits
 - May cover extra benefits, e.g.; vision or dental

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When You Can Join or Switch MA Plans*

Initial Coverage Election Period	<ul style="list-style-type: none"> ▪ 7 month period begins 3 months before the month you turn 65 –Includes the month you turn 65 –Ends 3 months after the month you turn 65
Annual Election Period for 2010	<ul style="list-style-type: none"> ▪ November 15 – December 31 ▪ Coverage begins January 1, 2011

*Plan must be allowing new members to join.

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When you can Join or Switch MA Plans*	
Annual Election Period for 2011 and After	October 15 – December 7 each year Coverage begins Jan. 1 of following year <div style="float: right; border: 1px solid black; padding: 2px; font-size: 8px;">Health Reform Section 3204</div>
MA Open Enrollment Period	<ul style="list-style-type: none"> ▪ Was January 1 – March 31 each year ▪ Eliminated in 2011 <div style="float: right; border: 1px solid black; padding: 2px; font-size: 8px;">Health Reform Section 3204</div>
Special Election Period	<ul style="list-style-type: none"> ▪ Move from the plan service area –and cannot stay in the plan ▪ Plan leaves Medicare program ▪ Other special situations
*Plan must be allowing new members to join.	
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When you can Join or Switch MA Plans	
New in 2011 Annual Disenrollment Period	<ul style="list-style-type: none"> ▪ Can leave an MA plan and switch to Original Medicare ▪ Between January 1–February 14 <ul style="list-style-type: none"> –Coverage begins the first of the month after you switch ▪ If you make this change you also may join a Medicare Prescription Drug Plan to add drug coverage <ul style="list-style-type: none"> –Between January 1-February 14 –Drug coverage begins the first of the month after the plan gets enrollment form <div style="float: right; border: 1px solid black; padding: 2px; font-size: 8px;">Health Reform Section 3204</div>
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Medicare Advantage Trial Right Special Election Period	
<ul style="list-style-type: none"> ▪ People who join an MA plan for the first time <ul style="list-style-type: none"> – When first eligible for Medicare at age 65 or – Leave Original Medicare and drop Medigap policy ▪ Can disenroll from MA plan during first 12 months <ul style="list-style-type: none"> – Join Original Medicare – Have guaranteed issue for Medigap policy 	
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How MA Plans Work

- You get Medicare-covered services through the plan
 - All Part A and Part B covered services
 - Some plans may provide additional benefits
- Most plans include prescription drug coverage
 - Part D
- You may have to go to network doctors or hospitals
- MA may be different than Original Medicare
 - Benefits and cost-sharing

MA – New for 2011



- If you are accepted as a participant in an approved clinical research study
 - Your costs may be lower
 - Some costs may be covered by your plan (**Section 2101**)
- MA Plans can't charge more than Original Medicare
 - For certain services, e.g., chemotherapy, dialysis, and skilled nursing facility care (**Section 3202**)
- MA Plans must limit your out-of-pocket costs
 - For Part A and part B covered services (**Section 3202**)

Types of Medicare Advantage Plans

- Medicare Health Maintenance Organization (HMO)
- Medicare Preferred Provider Organization (PPO)
- Medicare Private Fee-for-Service (PFFS)
- Medicare Special Needs Plan (SNP)
- Point of Service Plan (POS)
- Medicare Medical Savings Account (MSA)

Non-MA Plans

- Cost, Pilot Studies, PACE

Demonstrations/Pilot Programs

- Special projects that test improvements in
 - Medicare coverage
 - Payment
 - Quality of care
- Eligibility usually limited
 - Specific group of people
 - Specific area of country
- Examples
 - MA Plan for ESRD patients
 - New Medicare preventive services

Provider appeal (inadequate payment)

- Follow the plan's *formal payment dispute process* (normally described in Section 8 of the PFFS or non-network plan's terms and conditions). Unsatisfactory response? Then
- Download a disputed claim form at www.fcso.com under "What We Do", then "QIC Private Fee For Service".
- Then email, fax, or mail the form via their instructions.

Provider appeal (payment denial)

- Waiver of Liability completed
- Send Waiver to plan
- Request Independent Review Entity review
- No resolution? Contact 1-800-Medicare for referral to the CMS Account Manager

Marketing Provisions

- Medicare Marketing Guidelines
 - Revised August 7, 2009
- New Regulation-4085-F
 - Codifies some areas of existing marketing guidance
 - Effective for contract year 2011
- CMS marketing requirements
 - Apply to Medicare Advantage Plans, Prescription Drug Plans and Cost Plans
 - Unless indicated otherwise in regulation or guidance

Key Policy Updates Since August 2009

- Standardization of plan names on marketing materials
- Plan ratings disclosure requirements
- Outbound enrollment verification calls
- Plan mailing statements on envelopes/mailings

Disclosure of Plan Information for New and Renewing Members

- MA and PDPs must disclose plan information
 - At time of enrollment and at least annually
 - Required Annual Notice of Change/Evidence of Coverage
 - Comprehensive or Abridged Formulary
 - Pharmacy Directory
 - Provider Directory
 - Member ID card
 - only at the time of enrollment and as needed

State Licensure of Agents

- MA and PDP organizations agents/brokers
 - Must be state-licensed, certified, or registered
 - Applies to both contracted and employed agents/brokers

State Appointment of Agents

- MA and PDP organizations must comply with state appointment laws
 - Require plans to give state information about which agents are marketing their plans
- Any required appointment fees must be paid
 - Became effective January 1, 2009

Reporting of Terminated Agents

- MA and PDP organizations must report termination of any agents/brokers
 - In accordance with state appointment law
 - To state in which agent/broker is appointed
 - Must include reasons for termination

Agent/Broker Compensation

- Compensation rules for MA and PDPs that market through agents/brokers
 - Both contracted and employed
 - Designed to eliminate inappropriate plan moves

Agent/Broker Training and Testing

- All agents/brokers must be trained and tested annually
 - Medicare rules and regulations
 - Plan details specific to plan products being sold
 - Both contracted and employed agents
 - Completed prior to the start of the new marketing season
 - To market after that date

Agent/Broker Training and Testing (continued)

- Testing requires passing score of 85%
 - May be written or computerized
 - Training and testing programs must maintain integrity
 - Must have process for handling agents
 - Who don't pass the test on the first try

CMS 2010 Marketing Surveillance

- To **detect, prevent and respond** to marketing violations
 - Secret shopping of over 1300 public sales event
 - Pilot secret shopping of one-on-one appointments
 - Special focus on non-renewals (NR)
 - Secret shopping in 55 markets with highest NR rates
 - Secret shopping of plan call centers

Promotional Activity Reminders (continued)

Health Care Settings

- Marketing allowed in common areas
 - Hospital or nursing home cafeterias
 - Community or recreational rooms
 - Conference rooms
- No plan marketing activities in health care setting
 - Waiting rooms
 - Exam rooms and hospital patient rooms
 - Dialysis centers and pharmacy counter areas

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**Medicare Advantage in 2010
Current Topics**



**Administrator
Centers for Medicare & Medicaid Services**



Donald M. Berwick, MD, MPP
Photo courtesy Institute of Healthcare Improvement

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The Affordable Care Act

- Patient Protection and Affordable Care Act (PPACA)
 - Signed into law H.R. 3590 on March 23, 2010
 - Makes numerous statutory changes to Medicare program
- The Health Care and Education Reconciliation Act of 2010 (HCERA)
 - Signed into law H.R. 4872 on March 30, 2010
 - Modifies PPACA and adds several new provisions
- Together called the Affordable Care Act

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MA – New for 2011

- MA Plans can't charge more than Original Medicare
 - For certain services, e.g., chemotherapy, dialysis, and skilled nursing facility care
- MA Plans must limit your out-of-pocket costs
 - For Part A and Part B covered services

ACA Section 3202

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Payments to Medicare Advantage Plans

- Frozen in 2011
- Benchmarks vary
- Phased in over 3, 5, or 7 years depending on level of payment reductions
- Medicare Advantage benchmarks reduced in 2012
- By 2014, 85% of funds plans receive must go to health care

ACA Section 3203

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Special Needs Plans (SNPs)

- Extends SNP program through 2013
- Requires SNPs to be NCQA approved
- Frailty payment adjustment
- Effective upon enactment
- Beginning 2013
 - Requires HHS to transition those enrolled in SNPs that don't meet target definitions
 - Requires dual-eligible SNPs to contract with state Medicaid programs

ACA Section 3205

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Extension of Cost Plans

- Cost Plans
 - Not MA Plans
 - Provide full Medicare package
 - Services may be covered by plan or submitted to Medicare
 - Were scheduled to end
- Extends cost plan contracts
 - Allows plans to operate in areas that have other health plan options
 - From January 1, 2010, to January 1, 2013
- Effective upon enactment

ACA Section 3206

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Senior Housing Facility Demonstration

- Medicare Advantage Plan
 - Restricts enrollment to residents of continuing care community
 - Provides primary care services on site
 - Provides transportation to specialty providers
- Section 3208 makes demonstration permanent
- Plan must have participated for at least one year

ACA Section 3208

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Authority to Deny Plan Bids

- Secretary not required to accept any or every bid submitted by an MA organization
- Secretary can deny a bid
 - Proposes significant increases in cost-sharing or
 - Decreases benefits offered by the plan
- Applies to bids from prescription PDP sponsors
- Effective for contract years on/after January 1, 2011

ACA Section 3209

Rural Health

- CAH
- Rural Health Clinics
- Special Rules for services of non-contracting providers
- Part C Cost sharing
- Inpatient Hospital Certification Reviews
- Timely Filing
- Random Rants

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