



**CALIFORNIA MEDICARE COALITION (CMC)
STATEWIDE TELECONFERENCE – 10/22/09
2009 ANNUAL ELECTION PERIOD (AEP)
-- OUTLINE --
Presented by David Lipschutz**

1) Medicare Enrollment Periods

Annual Coordinated Election Period (AEP)

- November 15th, 2008 – December 31st, 2008
- Election effective 1/1/09
 - Last choice – per date received by plan – is the effective one

Medicare Advantage Open Enrollment Period (OEP)

- More limited than AEP – cannot drop Part D coverage, or pick up Part D coverage altogether
- Cannot change from PDP to PDP
- Permissible changes:
 - MA-PD = MA-PD or Original Medicare w/ PDP
 - MA only = MA only or Original Medicare only
 - Original Medicare + PDP = MA-PD
 - Original Medicare only = MA only

Some people can change plans on a monthly basis – dual eligibles, all Part D Low-Income Subsidy (LIS) enrollees

Medicare Advantage and Part D plans can start marketing for 2009 plan year on October 1st

2) 2009 Plan Offerings in California

Stand-Alone Prescription Drug Plans (PDPs)

- 51 PDPs (5 fewer than 2008)
- No PDP plan in CA will have brand name gap coverage (same as 2008 -- Sierra only plan in 2007)
- Premiums range from \$18.30 (First Health Part D-Secure) to \$129.30 (Aetna Medicare Rx Premier)
- CA – average cost of PDP in 2009 = \$46.86
- 24% of CA plans will have some kind of gap coverage in 2009

- Of people who remain in same plan, significant # will see significant increase in premiums – e.g.:
 - AARP Medicare Rx Saver - \$21 up to \$33.50
 - AARP Medicare Rx Preferred - \$28.60 up to \$34.40
 - Health Net Orange 1 - \$16.70 up to \$24
 - WellCare Classic -- \$19 up to \$24

Medicare Advantage (MA)

2008 – Overview

- Every county:
 - 2 Regional Preferred Provider Organizations (RPPOs)
 - Blue Cross Freedom Blue I and II
 - 1 Medical Savings Account (MSA) - also Blue Cross
 - Multiple Private Fee for Service (PFFS) plans

2009 - Overview

- Only 1 RPPO now – BC Freedom Blue I (available statewide)
- Medical Savings Accounts (MSAs) – available in all but 6 counties (Glenn, Inyo, Lassen, Los Angeles, Marin, Orange)
 - 2009 – different plan sponsor -- Advantra Savings 1, 2 and 3
- 1 local PPO (again in San Diego – Health Net)
- HMOs – available in 37 counties
 - Of these counties, 9-10 only have one HMO
 - Unavailable in 21 counties
- Special Needs Plans (SNPs) – available in 30 counties
 - Unavailable in 28 counties
- Private Fee for Service (PFFS) – multiple plans in every county

3) Low Income Issues

Part D

2009 CA benchmark amount = \$24.86

- Compared to 2008= \$19.80; 2007 = \$21.03

6 LIS benchmark plans in 2009 (9 in 2007 and 2008, although different actors)

- Bravo Rx (Bravo Health)
- First Health Part D – Premier
- Health Net Orange Option 1
- Advantage Star Plan by RxAmerica
- Medicare Rx Rewards Standard (UniCare)
- WellCare Classic

CMS said it will reassign 1.3 million LIS beneficiaries nationwide to new PDPs effective Jan. 1, 2009, because their existing plans bid above the 2009 benchmarks

State budget cuts – dual eligibles with a Medi-Cal Share of Cost (SOC) of more than \$500 will no longer have their Medicare Part B premium paid by state

4) Advice for Medicare Beneficiaries During the AEP

If you are in an MA plan and/or a PDP, look at your current coverage and compare it to what your coverage will look like next year

- Even if you stay in the same plan (PDP or Medicare Advantage), it will likely change some of its benefits and costs for the new year

Make sure you understand how your plan works

- Know what's covered and what's not
 - Plans must notify you of any benefit and cost changes for the coming year by October 31st
 - Also, in regards to your Part D coverage, they must notify you if they plan to drop or change the cost for a drug you are currently taking

Review your notices of next year's coverage and find out the following:

- What your cost sharing is -- for Part D coverage, make sure to find out how your cost sharing changes if you use a different pharmacy or when you travel
- What the rules are for:
 - Getting prior approval for your prescriptions or certain health care treatments
 - Asking for an appeal or exception, for example, if your drug isn't covered, and
 - Filing appeals, for example, if your drug is dropped or your exception request is denied

For Part D coverage, make an inventory of your prescriptions

- Know the names of those drugs and know if your drugs are brand name or generic drugs
- Know the quantities you take
 - How many pills or units do you get?
 - 30 day, 60 day, or 90 day supply?
- Know the pharmacies in your area.
 - Which pharmacies are you willing to use?
 - Which pharmacies are closest to your house?
 - Will any of them deliver to your home?
 - Can you use mail order and pay a lower copayment?

Once you have your drug inventory, take the information you have about your current plan, and how it will change next year, and compare it other plans out there. Do the same thing with your other MA plan benefits if you are in a Medicare Advantage plan.

5) New Marketing Rules

New Rules effective 10/1/08:

- No Unsolicited Contacts
 - Including door-to-door, approaching in common areas
 - Outbound telemarketing
 - Including to confirm receipt of mailed information
 - Including third parties trying to set up appointments
 - Exceptions:
 - To LIS members being reassigned
 - By agent/broker who enrolled individual
 - By express permission of individual
 - Normal plan business (“including discussions about other products offered by the same sponsoring organization”)
- No Cross selling
 - Sale of non-health related products during sales and marketing of MA products
 - E.g., life insurance, annuities
- Scope of marketing appointment
 - Requires advance agreement and documentation (or phone recording) re: line of business(es) to be discussed
 - CMS issued model form
 - To market additional lines of business, 48 hour cooling off period
- No selling or marketing in health care settings
 - Health care setting = areas where health care is delivered
 - e.g., waiting rooms, pharmacy counters, exam rooms, hospital px rooms, SNF px rooms
 - Ok to market in common areas
 - e.g., cafeteria, recreation or activities room, conference room
- No marketing at educational events
 - No distribution of marketing materials or plan applications
 - Materials must be free of plan-specific information
 - Plans can’t set up personal sales appointments, get permission for an outbound call to a beneficiary, or attach business cards or plan/agent contact info to educational materials
 - If event not advertised as “educational” then marketing can occur
- No providing of meals
 - Snacks, refreshments ok
