

## Medicare's Annual Election Period (AEP) is Oct. 15 through Dec. 7

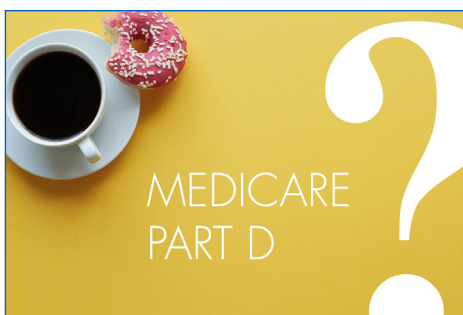
Medicare's Annual Election Period is just around the corner. **It runs from Oct. 15 through Dec. 7.** Medicare beneficiaries who want to switch Medicare Advantage Plans, drop Original Medicare and enroll in a Medicare Advantage plan, or change their stand-alone Part D prescription drug plan, can do so during the AEP. **Any changes that are made will take effect Jan. 1, 2020.** If your medications or your circumstances have changed in 2019 and you are considering changing your Part D prescription drug plan next year and want us to review your medications in relation to the 2020 plans, please complete the enclosed Prescription Medication List form and fax it to us at 517-484-5460.



## We Are Here to Assist You During AEP

MDA Insurance would like to assist you with any plan changes or questions. During AEP Rick Seely is available by Zoom Video Conference meetings. This eliminates the drive time and allows him to be available to more members. Request a meeting by emailing [rseely@mdaifg.com](mailto:rseely@mdaifg.com) or [lsillman@mdaifg.com](mailto:lsillman@mdaifg.com), or by calling MDA Insurance at 877-906-9924 (extension 411 for Rick, extension 450 for Lisa).

## Is the Part D Donut Hole Really Going Away in 2020?



For over a year now, many news outlets have reported that the Part D "Donut Hole" is going away in 2020. That seems to imply that a Medicare beneficiary will just pay their regular copay based on the tier their medication falls into and that the Coverage Gap (i.e. Donut Hole), will no longer exist after January. That is not the case at all. **The Donut Hole will still exist.** In 2020, an individual will enter it once the total cost of their medications (amount paid by them and their Part D Plan carrier) reaches \$4,020. They will exit the Donut Hole when their out-of-pocket costs and the manufacturer discounts reach \$6,350. Why is Medicare saying the

Donut Hole is going away? It is because beginning Jan. 1, the copay a Medicare beneficiary will pay for a name brand medication and a generic medication will be 25%, which is the average copay nationally across all Part D plans that an individual will pay for medications in the "Initial Coverage Stage" of the Part D Cost Sharing Structure. The bottom line is you can still pay more for your medication in the Donut Hole than you might pay for your tiered copay in the "Initial Coverage Stage." Here is an example:

*In the Initial Coverage Stage, Steve's Tier 3 copay for his medication is \$42. Once he lands in the Donut Hole, he is responsible for 25% of the cost of the medication. The full cost is \$675, so now Steve will have to pay \$168.75, or \$126.75 more than he paid before he entered the Donut Hole. In this case, which is fairly typical for the Part D prescription drug plans in Michigan, Steve's copay amount of \$42 in the Initial Coverage Stage represented only 6.22% of the full cost of the medication, not the 25% that Medicare uses as a national average. Steve would tell you that for him going from a copay of \$42 to \$168.75, means the Donut Hole definitely did not go away.*

# MedicareUpdate

## 2 Scam Alerts to be Aware of

**1. Be alert for individuals making phone calls purporting to be from Social Security telling you there are “illegalities” with your Social Security card and number, and if you do not correct them you could be arrested.** They will ask you to verify personal numbers, such as your Medicare number, etc. In some cases, they have asked individuals which social media they participate in. If you receive such a call, just hang up.



**2. The Federal Trade Commission has issued a statement that Medicare does not conduct free DNA testing.** In this scam, individuals either call Medicare beneficiaries directly or con well-meaning but unsuspecting people into promoting events in church halls and senior centers to provide free DNA testing for cancer screening. The goal of this scam is to obtain Medicare numbers and other personal information so the scammers can bill Medicare for other services.

**IMPORTANT:** Remember, government agencies will rarely, if ever, call you. If they do, it will be after they send you a letter or to return a call you made to them. Any time the caller demands information for payment by wire transfer or threatens arrest, it's a scam.

## Medicare Part D Plan Finder to Undergo Significant Changes

The Centers for Medicare and Medicaid Services (CMS) implemented significant changes to the Part D Plan Finder on Sept. 5. The new platform is called Blue Button 2.0 found at [bluebutton.cms.gov](http://bluebutton.cms.gov). The current Plan Finder will run concurrently with the new platform through the end of September but will be shut down Oct. 1. In order to access the new Plan Finder, you will need to establish an ID and password. When you enter the new platform, you will not need to input your drugs because CMS will populate your drug history based on claims. You will be able to add or delete medications from your listing.

The major shortcoming of the new platform, which CMS may yet address, is that it does not automatically summarize the total annual cost of each Part D drug plan that consists of premiums and drug copays throughout each stage of the Part D Cost Sharing Structure. You can only choose to have the program filter/rank the plans by either lowest monthly premium, lowest yearly deductible, or lowest drug cost. The lowest monthly premium does not necessarily mean that plan has the lowest overall annual cost because the drug costs may be greater than in another plan. So, if you do your own research with the new Part D Plan Finder during the upcoming AEP, make sure you add the annual premium and your annual drug costs on each plan you are considering to calculate the overall annual costs of each Part D plan.



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