

Our job is to help people save money and make informed decisions about Medicare.



MEDICARE NEWS 2013

- Patient Provider Affordable Care Act (PPACA) Changes
- Durable Medical Equipment Competitive Bidding begins July 1, 2013
 - Round Two Competitive Bidding
 - National Mail-order Diabetic Supplies



Arkansas Insurance
Department

Jay Bradford, Commissioner
Dan Honey, Deputy Commissioner
Melissa Simpson, SHIIP Director

1200 W 3rd St, Little Rock, Arkansas 72201



@ARInsuranceDept

Toll Free: 1-800-224-6330

www.insurance.arkansas.gov

This publication is produced by the State of Arkansas Insurance Department division of Senior Health Insurance Information Program (SHIIP) with financial assistance through a grant from the Centers for Medicare & Medicaid Services, the Federal Medicare Agency.



The Patient Provider Affordable Care Act (PPACA)

- Created Pre-existing Conditions Plans called Take Care Arkansas
- Provides money to encourage employers to continue to offer insurance to early Retirees (called employer offset program)
- Preventive Screenings at \$0 copay for all insurance policies including Medicare
- Young adults keep parent's insurance to age 26
- Small business tax credits up to 35% of employer contribution
- Elimination of Insurance Coverage Lifetime Limits
- Children under age 19 can not be denied based on pre-existing conditions
- Funds construction of Community Health Centers

Medicare & PPACA: What's changing?

- Payments from the Centers for Medicare & Medicaid Services to Medicare Advantage (MA) plans will not increase.
- Medicare Advantage Disenrollment Period available annually from Jan. 1- Feb. 14
- Closing Donut Hole/Coverage Gap by 2020 when beneficiaries will pay 25% of the cost. In 2013, beneficiaries pay 47.5% for brand name and 79% for generic prescription medications.
- Annual Wellness Visit
- Free Preventive Screenings– beneficiaries no longer pay the Part B deductible or 20% coinsurance for certain screenings, see page 9 for the list.

Frequently Asked Questions about Medicare and ACA

1. Will my Part B premium double to pay for Obamacare?
No, the Medicare Part B premium will increase relative to the "raise" or Cost of Living Adjustment (COLA) Medicare beneficiaries receive in their Social Security Benefit Check. By law, if there is no COLA then there can be no increase in the Part B premium. The increase in the Part B premium for most Arkansans from 2012 to 2013 was \$5.00 a month, from \$99.90 to \$104.90.
2. Will I lose my doctor?
Providers (doctors and hospitals) choose whether or not to accept Medicare patients. This choice is individual and independent from the Affordable Care Act.
3. Will my benefits be cut?
No, there are no planned reductions in benefits. There are lower cost preventive screenings and the closing of the Part D coverage gap.
4. If I have Medicare do I buy another policy when this starts in 2014?
No, insurance through the Marketplace (online website/portal to compare policies) is only for people that currently have no insurance or are underinsured.
5. Will people under 65 be able to buy Medigap regardless of pre-existing conditions?
No, the pre-existing condition requirement does not apply to Medigap also known as Medicare Supplement Policies. Some states require a Medigap Open Enrollment Period for people younger than 65 with Medicare but Arkansas does not.

Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Competitive Bid Round 2

COMPETITIVE BIDDING ROUND TWO Why now?

- DMEPOS fee schedule is based on historic supplier charges from the 1980s
- Prices adjusted for inflation and not based on current market prices
- Some current payments are in excess of the retail prices

DMEPOS rebid applies to Original Medicare enrollees ONLY living or visiting a Competitive Bidding Area

MUST	ROUND 2 BIDS AREAS IN ARKANSAS
Live in Competitive Bidding Areas (CBAs) or	Little Rock-North Little Rock- Conway
Travel to Competitive Bidding Areas (CBAs)	Memphis, TN - West Memphis, AR

Looking for a list of zip codes for the CBAs:

- call 1-800-Medicare (1-800-633-4227)
- List of Zip codes
<http://www.medicare.gov/Supplier/Static/SupportTab.asp?activeTab=3&subTab=5>
- OR
- Search by Zip Code
<http://dmecompetitivebid.com/palmetto/cbic.nsf/DocsCat/Home#>

Round 2 Bid DMEPOS includes these products only

1. Oxygen, oxygen equipment and supplies
2. Enteral nutrients, equipment and supplies
3. Continuous Positive Airway Pressure (CPAP) devices and respiratory Assist Devices (RADs) and relate supplies and accessories
4. Hospital beds and related accessories
5. Support surfaces (mattresses and overlays)
6. Standard (power and manual) wheelchairs, scooters and relate accessories
7. Negative pressure wound therapy pumps and related supplies and accessories

To find a supplier:

1. Visit <http://www.medicare.gov/supplierdirectory/search.html>
2. Enter your zip code

Select the Competitive Bid Category needed and click the Search button on the bottom right side of the page

Must almost always use contract supplier if

- Items and services are included in Competitive Bidding Program where a beneficiary lives in a CBA
- Traveling to or visiting a CBA
- Limited exceptions
 - Doctors, treating practitioners, and hospitals can supply certain items (ex. walkers or folding manual

wheelchairs)

-Nursing Facility can only supply directly if it becomes a contract supplier

- Can stay with current non-contract supplier if all of the following
 - Supplier elects to be “grandfathered”
 - Beneficiary permanently resides in a CBA
 - Renting certain equipment or oxygen when program starts in CBA
 - Supplier must accept winning bid payment rate for all patients vs. select patients
- If current non-contract supplier elects not to be “grandfathered”, the beneficiary must switch to a contract supplier
 - Non-grandfathered suppliers are required to
 1. Provide beneficiary 30 days notice that service will end
 2. Help the beneficiary find a new contracted supplier

Diabetic Testing Supply National Mail Order

Begins July 1, 2013

What if you purchase from local store?

- Store can charge more
- Beneficiary’s responsibility to check the price prior to purchase
- Store may require beneficiary to sign an Advanced Beneficiary Notice (ABN) accepting responsibility for the amount Medicare won’t pay

To find a supplier:

1. Visit <http://www.medicare.gov/supplierdirectory/search.html>
2. Enter your zip code
3. Select Mail-Order Diabetic Supplies and click the Search button on the bottom right side of the page

HCPCS Code	Examples of Diabetic Testing Supplies— HCPCS Code Description
A4233KL	Replacement Battery, Alkaline (Other Than J Cell), For Use With Medically Necessary Home Blood Glucose Monitor Owned By Patient, Each
A4234KL	Replacement Battery, Alkaline, J Cell, For Use With Medically Necessary Home Blood Glucose Monitor Owned By Patient, Each
A4235KL	Replacement Battery, Lithium, For Use With Medically Necessary Home Blood Glucose Monitor Owned By Patient, Each
A4236KL	Replacement Battery, Silver Oxide, For Use With Medically Necessary Home Blood Glucose Monitor Owned By Patient, Each
A4253KL	Blood Glucose Test Or Reagent Strips For Home Blood Glucose Monitor, Per 50 Strips
A4256KL	Normal, Low And High Calibrator Solution / Chips
A4258KL	Spring-Powered Device For Lancet, Each
A4259KL	Lancets, Per Box Of 100