P/NW Health Benefits Consortium

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http://www.pnwboces.org/hbc/hbc.htm	200 BOCES Drive, Yorktown Hts. NY 10598 914-248-2456
http://www.aetna.com/index.htm	Aetna Medicare Advantage– 877-872-3682 Aetna POS2– 877-223-1685
http://www.caremark.com http://silverscript.com	CVS Caremark – 866-255 2583 SilverScript – 866 490 2099
http://www.PNWMeds.com	PNWMeds/CanaRx – 866-893-6337

General information regarding Medicare, Medicare Advantage and Medicare Drug.

What are the Parts of Medicare?

There are 4 parts of Medicare:

1. Medicare Part A generally covers hospital services.
2. Medicare Part B generally covers physician services.
3. Medicare Part C, or Medicare Advantage, is an alternative to Parts A&B. Part C combines the benefits of Parts A & B plus supplemental coverage into a single policy.
4. Medicare Part D covers prescription drugs. Sometimes, Medicare Advantage Plans include Part D.

What is the Medicare Enrollment Period?

YOU MUST ENROLL IN MEDICARE PARTS A & B WHEN MEDICARE WOULD BE PRIMARY TO THE CONSORTIUM'S HEALTH PLAN. Most people enroll in Medicare shortly before their 65th birthday. Medicare provides a 7-month enrollment period for members reaching their 65th birthday which starts 3 months prior to the month they turn 65. **However, the health plan requires that your Medicare coverage start on the 1st day of the month you turn 65. It is important that you not delay enrollment in Medicare Parts A & B because the effective date could be later than the month you turn 65, in which case you will not be covered**.

After you are enrolled in Medicare Parts A & B, you will likely be transferred to the Consortium's Medicare Advantage Plan with Aetna and Medicare Part D drug plan with SilverScript. The rules are different if your health insurance is due to "active" employment or disability. Please refer to your Plan Document for more information and contact Medicare and/or the Office of Risk Management if you still have questions.

Aetna Medicare Advantage PPO (Medicare Part C)

The Aetna Medicare Advantage PPO was designed exclusively for members of the Putnam/ Northern Westchester Health Benefits Consortium. The Medicare Advantage plan combines the benefits of Medicare Parts A & B and the Aetna supplemental plan into a single package. When you visit a doctor or facility, you only give your Medicare Advantage card. A comparison of some of the key parameters is shown below.

	Aetna POS II	**Aetna Medicare Advantage PPO**
Primary Care Copay (In Network)	$20	$20
Specialist Copay (In Network)	$25	$20
Maximum Out of Pocket (Note 1)	$2,750 per individual or $4,200 per family	$1,500 per individual
Medical Deductible (Out of Network)	$750	$147
Medical Coinsurance (Out of Network)	20%	20%
Hospital Inpatient (In Network)	$225	$200
Hospital Outpatient Surgery (In Network)	$100	$20
Eyewear reimbursement	none	$70 once every 24-months
Hearing aid reimbursement	none	$500 once every 36-months
Medical Case Management/ Nurse Advocate	Not Available	Available at no additional cost
Cervical and vaginal cancer screening under Medicare Advantage:	Pap tests and pelvic exams are covered once every 12-months	Pap tests and pelvic exams are covered once every 24-months; If you are at high risk of cervical cancer once every 12-months.
Flu Shots	Covered in full	Covered in full

Note 1

Once the Maximum Out of Pocket limit is reached, the patient is not responsible for any more medical or hospital deductibles, copays or coinsurance.

In an effort to help members manage their health Aetna has a partnership with Matrix, an organization that specializes in providing “in-home health assessments”. Matrix has a team of specialized nurse practitioners who come out to the home and conduct a “healthy home visit”, face to face. The visit is an added benefit provided by Aetna at no cost to you. The “healthy home visit” is optional and you are not required to participate. Matrix will send members an introductory letter outlining what to expect during the visit and how to arrange an appointment. The visit takes about 45-60 minutes, during the visit the nurse practitioner will review with the member current health status, gaps in care and medication adherence. Once the healthy home visit is complete members will receive a personalized prevention plan that outlines preventive screenings, recommended testing and immunization information. In addition, your physician will receive a concise one page summary of the assessment. This service is not to replace your doctor but rather enhance member experience through member education, and offer additional resources to help members better

manage their health. Many members have taken advantage of the healthy home visit and have found it beneficial and resourceful.

Medicare Medical Payment Variations

How are doctors paid, and what is the patient's responsibility, when covered by Medicare? Please refer to the payment illustrations on pages 4 and 5.
There are 2 things to consider:

First, what is the relationship of the doctor with Medicare?

1. Does the doctor accept Medicare assignment?
2. Does the doctor accept Medicare but does not accept Medicare Assignment?
3. Does the doctor Opt Out of Medicare?

Second, does the doctor participate in Aetna's network?

Let's take a look at the doctor's relationship with Medicare first.

1. When doctors accept Medicare Assignment, it means they accept the Medicare allowable amount as payment in full.

2. When doctors accept Medicare but do not accept Assignment, it means they want to be paid more than doctors who accept assignment. However, by federal law, they may not charge, in most cases, more than 115% of the Medicare allowable amount.

3. When doctors Opt out of Medicare, it means they want to be paid their full charges. In order to Opt-Out, doctors must inform patients, in writing, that they have Opted Out of the Medicare program for at least 2-years and Medicare will pay nothing.

What if My Doctor Does Not take Aetna?

If your doctor participates with Medicare but not with Aetna, that is OK. The doctor will simply be treated as an out of network Physician.

1. If the doctor accepts Medicare Assignment, s/he will receive up to 100% of the Medicare Allowance.

2. If the doctor accepts Medicare, but does not accept Assignment, s/he will receive, generally, up to 115% of the Medicare Allowance.

3. If the doctor Opts-Out of Medicare, you will be responsible for the doctor's entire expense.

Original Medicare Payment Examples

Assumptions:

- Doctor's normal charges are $275;
- Medicare allows $200;
- Medicare pays 80% = $160;
- Patient copay if doctor is in Aetna network = $20; or
- Patient coinsurance if doctor is not in Aetna's network = 20%; and
- All deductibles have been satisfied.

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1. If the doctor accepts Assignment, s/he will only be paid $200. Medicare will pay $160 and the patient and/or secondary insurance will pay $40. The doctor will waive the remaining $75.

2. If the doctor accepts Medicare but not Assignment, then s/he can expect to be paid $230 (115% * $200) as payment in full. Medicare will pay $160, the patient and/or secondary insurance will pay $70 and the doctor will waive $45 of the total billed amount of $275.

3. If the doctor opts out of Medicare, then the doctor expects to be paid the full $275 s/he charged. Medicare will pay nothing and secondary insurance will pay little to nothing, leaving a significant balance for the patient's responsibility.

After determining whether the doctor accepts Assignment, accepts Medicare but not Assignment or Opts out, you need to know if the doctor participates in Aetna's network.

When a doctor participates in Aetna's network, it means that s/he has a written contract that specifies what amount Aetna will pay. The patient's responsibility is limited to the copayment.

When a doctor does not participate with Aetna, but participates with Medicare, then Aetna allows the charges that the doctor is permitted to bill under the Medicare program. This is, generally, 100% or 115% of the Medicare allowable charges.

Payment Illustrations

The following table illustrates the examples, and applies to claims in which the member is covered by Original Medicare Parts A & B plus Aetna supplemental coverage, as well as for a member covered by Aetna Medicare Advantage PPO.

When a member is covered by Aetna Medicare Advantage PPO, Aetna pays the portion listed as "Medicare pays" plus the portion listed as "Aetna pays".

	Doctor Participates in Aetna's Network	Doctor Does Not Participate in Aetna's Network
Doctor Accepts Medicare Assignment	Patient pays $20 Copay Only	Doctor charges $275 Medicare allows $200 Medicare pays 80% * $200 = $160 Aetna allows $200 Aetna pays 80% * $200 minus Medicare's payment Aetna pays = $0 Doctor waives $275 - $200 = $75 **Patient pays $40**
Doctor Accepts Medicare but not Assignment	Patient pays $20 Copay Only	Doctor charges $275 Medicare allows $200 Medicare pays 80% * $200 = $160 Aetna allows (115% * $200)=$230 Aetna pays 80% * $230 minus Medicare's payment Aetna pays $184 - $160 = $24 Doctor waives $275 - $230 = $45 **Patient pays $46**
Doctor Opts-Out of Medicare	Aetna pays nothing	Doctor charges $275 Medicare allows nothing Medicare pays nothing Aetna allows nothing Aetna pays nothing Doctor waives nothing **Patient pays $275**

Medicare Part D - SilverScript

The SilverScript prescription drug plan (Medicare Part D) was designed to match as closely as possible the drug plan in which active employees are enrolled. Due to requirements imposed by the Centers for Medicare and Medicaid Services (CMS), there may be slight differences between the 2 plans.

Both plans are administered by CVS Caremark, however, the brand name of the Medicare Part D plan is SilverScript.

Both plans have copayments of

- $10 per fill for Generic drugs;
- $25 per fill for Preferred Brand drugs
- $40 per fill for Non-Preferred Brand drugs

The maximum, annual out of pocket amounts for both plans is

- $800 per individual or
- $1,600 per family

Most fill quantities are limited to 31-days at retail pharmacies and 90-days at the Caremark mail order pharmacy. Members may also receive 90-day quantities at local CVS pharmacy stores.

Members of either plan may use CanaRx for certain brand name drugs without copayment.

Please note that some drugs/vaccines are covered under Medicare Part B or C and are thereby excluded from Medicare Part D. These drugs must be processed through the medical plan. There are also some drugs/vaccines that may be covered under Medicare Parts B/C or Medicare Part D, depending upon the reason the drug is prescribed.

Here is a partial list of drugs/vaccines:

Influenza vaccine	Part B/C
Pneumococcal vaccine	Part B/C
Tetanus, diphtheria, and pertussis (whooping cough)	Part B/C or Part D depending upon diagnostic code
Hepatitis A vaccine	Part B/C or Part D depending upon diagnostic code
Hepatitis B vaccine	Part B/C
Hepatitis C vaccine	Part B/C
Varicella vaccine (chicken pox)	Part B/C
Zoster vaccine (shingles)	Part D

You may contact SilverScript or Aetna directly if you have specific questions. Their contact information is posted in the letterhead on page 1 and on your ID card.