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# Proposed Rule Seeks to Help Medicare Advantage, Part D Enrollees Access More Care

THE CENTERS for Medicare and Medicaid Services has proposed new rules that are aimed at improving health outcomes for enrollees in Medicare Advantage (MA) and Part D drug plans by expanding access to behavioral health services, cost-saving biosimilar drugs and supplemental benefits, like vision and dental plans.

The proposed rule, once finalized, would take effect in 2025. Here's what it would do and how MA plan and Part D plan enrollees would benefit.

**Behavioral health services.** The CMS proposal builds on recent changes that allowed Medicare Part B to reimburse for marriage and family therapy as well as mental health counseling, and required MA plans to also cover these services in their networks.

## Behavioral health coverage options

The proposed rule for 2025 creates a new hospital specialty category called "Outpatient Behavioral Health," which must include the following provider types:

- Marriage and family therapists,
- Mental health counselors,
- Opioid treatment programs,
- Community mental health centers, and
- Behavioral health and addiction medicine specialists and facilities.

**Biosimilar drug access.** The CMS has also proposed providing Part D pharmaceutical plans more flexibility to substitute "biosimilar" drugs for brand-name biological pharmaceuticals, which can often be prohibitively expensive.

Biosimilars are considered highly similar to a particular brand-name drug, which means they have no clinically meaningful differences in terms of safety, purity or potency. The only difference is in inactive components of the drug. Moreover, biosimilar prices are typically significantly less than their reference drugs.

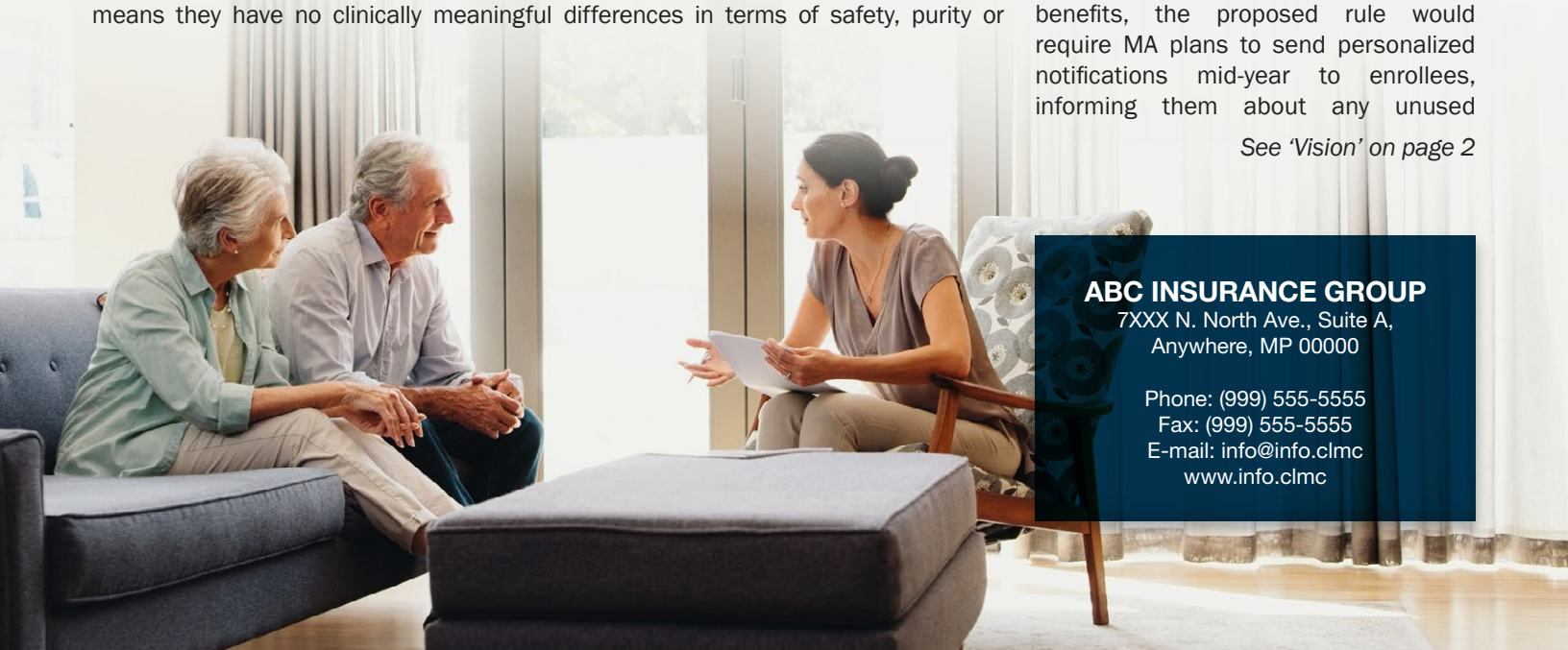
Under current CMS rules, Part D plans must seek approval from the agency before making any mid-year formulary change that removes a reference drug and replaces it with a biosimilar. This rule has been blamed for preventing patients from accessing biosimilars, instead saddling them with high out-of-pocket costs when new biosimilars hit the market.

The proposed rule would allow Part D plans to make formulary changes replacing reference drugs with biosimilars without CMS approval, allowing the plans to quickly cover them as needs arise.

**Supplemental benefits.** Although 99% of MA plans offer at least one supplemental benefit — like dental and vision coverage — many seniors may not be aware of the benefits and use them.

To encourage seniors to use those benefits, the proposed rule would require MA plans to send personalized notifications mid-year to enrollees, informing them about any unused

*See 'Vision' on page 2*



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# How to Maximize Your Social Security Benefits

MORE THAN nine out of ten current retirees rely at least in part on Social Security benefits to fund their retirement income.

Your benefits depend on the age you retire and how much you earned during your working years. According to the Social Security Administration, the average monthly retirement benefit for Security Security recipients is $1,781.63 as of February 2024.

Clearly, Social Security is not sufficient income for most of us by itself to fund an acceptable retirement lifestyle. But there are some things you can do to boost your monthly payout.

**1) Increase your earnings.** Social Security benefits are based, in large part, on what you pay into it over your working years. The more you and your employer pay in Social Security taxes, the greater your benefit will be, up to the statutory benefit cap. So the more money you earn now, if taxable as ordinary income, the greater the benefit you may eventually qualify for.

**2) Stay married.** In the event of divorce, an ex-spouse may claim spousal and survivor's benefits on an ex-spouse's earnings provided the filer was married to the earner for at least 10 years, and is not currently married. However, there is an exception for widows and widowers over the age of 60.

**3) Be patient.** The longer you wait to claim your Social Security benefits, the higher your monthly benefit will be. While you can start claiming Social Security when you are 62, the longer you wait, the more you'll receive in benefits. Full retirement age is considered 67 in 2024.

Social Security will add 8% per year plus inflation to your eventual monthly check when you delay taking benefits past full retirement age up to 70.

**4) Step up to the larger benefit in the event of the death of a spouse.** If your spouse passes away, you are entitled to their benefit if it is larger than yours. To maximize the monthly benefit, you may consider putting off the claim until you reach normal retirement age, if you are not there already.

Alternatively, you could take the survivor's benefit early, while working or living off of other sources of income, and then switch over to your own benefit based on your earnings once you reach full retirement age.

**5) Double up on spousal benefits.** If you have been married at least 10 years and then divorce, both of you may benefit from refraining from collecting your own Social Security benefits right away.

Instead, you each may be able to claim spousal benefits based on the other's earnings, and waiting until full retirement age or 70 before filing for your own Social Security benefits. To make this work, you and your ex must be divorced for at least two years, and either age 62 or older or receiving disability benefits.

## The takeaway

There is no one-size-fits-all technique that maximizes lifetime Social Security benefits in every case. You may want to work with a retirement income expert to explore different scenarios to see what course of action works for you.

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# *Vision, Dental Among Most Popular Supplemental Benefits*

benefits available to them and that they didn't use during the first half of the year

Supplemental benefits vary among MA plans. Some of the more common ones include:

- Dental benefits.
- Vision benefits (free eye exams and discounted or free corrective lenses).
- Hearing exams and aids.
- Health-related over-the-counter items like first aid supplies, sunscreen, dental adhesives, dental care items, vitamins, in-home testing and monitoring, hormone replacement and weight-loss items.
- Personal emergency response systems that alert first responders, like systems that can detect an emergency, such as a fall.
- Telemonitoring services for managing specific conditions.

The proposed rule would also require special supplemental benefits for the chronically ill that are backed by evidence and that have a "reasonable expectation of improving or maintaining the health or overall function" of a chronically ill MA beneficiary..

# Medicare Supplement Plans Explained

MEDICARE SUPPLEMENT insurance plans help cover certain out-of-pocket costs that Original Medicare, Part A and Part B, doesn't cover. These plans, purchased from private insurance companies, are layered on top of traditional Medicare and help defray the cost of care for seniors.

There are eight different supplement plan types (also known as Medigap) available to new Medicare enrollees, and two that are only available to seniors who became eligible for Medicare after Jan. 1, 2020.

Plans are standardized throughout the country, except for in Massachusetts, Minnesota and Wisconsin, which set their own for each letter category.

## How supplement plans work

Essentially, Medigap plans fill in gaps in Original Medicare. You must have both Medicare Part A and Medicare Part B if you want to sign up for a Medigap plan.

How they do that varies among the different plan types. But they all have the following in common:

**Covering out-of-pocket costs** — Medigap plans help pay for out-of-pocket costs that traditional Medicare does not cover, including deductibles, copays and coinsurance.

**Choice of providers** — Medigap enrollees can go to any doctor that accepts Medicare patients.

**No network restrictions** — Enrollees are not confined to any one provider network, unlike those who are enrolled in Medicare Advantage plans, which operate more like typical health insurers, including preferred provider organizations and health maintenance organizations.

**Renewals are guaranteed** — If you enroll in a Medicare Supplement plan when you first become eligible for Medicare, an insurer cannot decline to renew your policy as long as you keep up on your premiums, and regardless of your health.

**Overseas coverage** — Some Medigap plans may cover emergency medical services if you are traveling overseas.

Medigap plans are sold by private insurance companies, so the costs can vary. It's advisable to compare different plans to find the one that best fits your health care needs and budget.

## MEDIGAP PLAN COMPARISON CHART 2024

| Medicare Supplement Plan Benefits | Plan A | Plan B | Plan C* | Plan D | Plan F* | Plan G | Plan K | Plan L | Plan M | Plan N |
|---|---|---|---|---|---|---|---|---|---|---|
| **Part A coinsurance and hospital Costs** Up to an additional 365 days after Medicare benefits are used up | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| **Part B Coinsurance or Copayment** | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 50% | 75% | ✓ | ✓ |
| **Blood** (first 3 pints) | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 50% | 75% | ✓ | ✓ |
| **Part A Hospice Care Coinsurance or Copayment** | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 50% | 75% | ✓ | ✓ |
| **Skilled Nursing Facility Care Coinsurance** | | | ✓ | ✓ | ✓ | ✓ | 50% | 75% | ✓ | ✓ |
| **Part A Deductible** | | ✓ | ✓ | ✓ | ✓ | ✓ | 50% | 75% | 50% | ✓ |
| **Part B Deductible** | | | ✓ | | ✓ | | | | | |
| **Part B Excess Charge** | | | | | ✓ | ✓ | | | | |
| **Foreign Travel Exchange** (up to plan limits) | | | 80% | 80% | 80% | 80% | | | 80% | 80% |
| **Call us for a free Medigap Quote in your area (888) 859-2037** | | | | | **Out-of-Pocket Limit: | | $7,060 (2024) | $3,530 (2024) | | |

** Plans C and F aren't available to people who were newly eligible for Medicare on or after January 1, 2020.*

Additional notes:
Plans F and G also offer a high-deductible plan in some states. With this option, you must pay for Medicare-covered costs (coinsurance, copayments, and deductibles) up to the deductible amount of $2,800 in 2024 before your policy pays anything.
For Plans K and L, after you meet your out-of-pocket yearly limit and your yearly Part B deductible ($240 in 2024 plan year), the Medigap plan pays 100% of covered services for the rest of the calendar year.
Plan N pays 100% of the Part B coinsurance, except for a copayment of up to $20 for some office visits and up to a $50 copayment for emergency room visits that don't result in inpatient admission.

# New Rule to Expedite Prior Authorization Requests

THE CENTERS for Medicare and Medicaid Services has published a final rule aimed at improving how prior authorizations are handled by health insurers. The measure primarily limits the time insurers have to approve or deny requests.

In addressing wait times for prior approvals, the CMS is targeting an issue that's become a problem for some patients whose health can deteriorate while waiting for their doctor's request for a service to be approved.

Besides setting standards governing how long a health insurer has to approve or deny a request, the new rule also requires them to take steps to streamline the prior approval process through technology.

The CMS said when announcing the final rule that it would improve prior authorization processes and reduce the burden on patients, providers and payers, resulting in approximately $15 billion of estimated savings over 10 years.

## WHAT THE NEW RULE DOES (starting in 2026)

- Insurers will be required to approve or deny an urgent prior authorization request for medical items and services within 72 hours of receipt.
- Insurers will have seven calendar days to approve or deny standard requests for medical items and services. For some payers, this new time frame for standard requests cuts current decision wait times in half.
- Carriers must include a specific reason for denying a prior authorization request, which will help facilitate resubmission of the request or an appeal when needed.

To ensure that insurers will be able to handle the new decision time frames, the rule also requires them to implement a prior authorization application programming interface (API), essentially new software.

The interface must be able to efficiently facilitate automated approvals between providers and payers.

The CMS is delaying API compliance dates for the 2026 calendar year. Beginning in 2027, payers will be expected to have a prior authorization API in place.

### The takeaway

The new rules for when prior authorizations must be rendered take effect Jan. 1, 2026.

The end result should be an improved experience for millions of insured patients nationwide, and that they get their treatment requests handled by their insurer in a timely fashion.