



Duals + Medicare Advantage Plans in 2007: CAUTION!

Patients with both Medicare and Medi-Cal (Duals) are now primary targets for aggressive marketing of new Medicare Advantage (MA) plans in 2007.

Because this vulnerable population can change plans year-round, and commissions for agents and independent brokers are high, Duals are an attractive sales target. Combined with limited oversight by plan sponsors and permissive marketing rules by CMS, this spells CAUTION for patients and providers.

What to Watch Out For, and Why

Private-Fee-for-Service (PFFS) Plans:

The MA plans that are most aggressively marketed to Duals appear to be Private-Fee-for-Service (PFFS) plans. These plans are offered by private insurance companies that pay physicians and providers on a fee-for-service basis.

While PFFS plans are profitable for the plan sponsors, they do not often benefit Duals:

- PFFS plans do not generally have an established network of providers. Duals may lose their doctors when they enroll in a PFFS plan.
- PFFS enrollees can only see Medicare providers who accept the PFFS plans' fees and terms, although there is no written contract for most providers. This can create difficulties for both patients and providers.
- PFFS plans do not generally coordinate with Medi-Cal. In most cases, Medi-Cal will not automatically pay the remaining costs that the PFFS plan does not cover.

Medicare Advantage Plans without Part D (MA-only plans):

MA-only plans do not include Part D prescription drug coverage. If a Dual enrolls in a MA-only plan (excluding PFFS plans), the enrollee may be automatically disenrolled from a stand-alone Medicare Prescription Drug Plan (PDP). The enrollee will go without prescription coverage until switching to a new MA plan that includes Part D or returning to Original Medicare and enrolling in a stand-alone PDP. Reimbursement for uncovered costs may be achieved at times by requesting of CMS a retroactive disenrollment or enrollment, as needed.

How You Can Help Protect Your Patients

Advise patients who are considering joining **any** MA plan (or making any change to how they access Medicare benefits) to talk with a HICAP counselor prior to making a decision. Call 1-800-434-0222 for your local HICAP organization.

Patients who encounter problems related to enrollment in a PFFS plan based on false or misleading information should contact the CMS Region IX office at 415-744-3617 to request retroactive disenrollment from the plan. Be persistent, and request help from HICAP or a local legal services organization.

Report potential marketing abuses to your local HICAP, and to CMS at 1-800-MEDICARE.