

## **Situation:**

In 2008, the U.S. Census Bureau reported that more than 366,000 Kansans are age 65 or older. This means that as many as one in seven Kansans are currently on Medicare. The 'Baby Boom' generation is now closing in on retirement age, the number of Kansans soon to become eligible for Medicare will hit 420,000 by 2015, and about half a million by 2020.

The Medicare website [medicare.gov](http://medicare.gov) is the best place to perform a comparison of the 46 stand alone Medicare Prescription Drug Plans and the 45 Medicare Advantage Plans that include Prescription Drug coverage available in the state of Kansas. In a 2005 Kaiser Family Foundation survey only 42% of Americans 65 and older had ever used a computer, and only 31% had ever been online. By October 2004 only 8% had ever used the Medicare website for information about their Medicare coverage. In 2010 it was estimated that 79% of those eligible for Medicare had used the internet, this finding can be associated with the 'Baby Boomer' generation becoming eligible for Medicare.

K-State Research and Extension (KSRE) agents trained as Senior Health Insurance Counseling for Kansas (SHICK) counselors will be able to use the Medicare website to help Medicare beneficiaries choose a Medicare Prescription drug plan. This is important because even though 79% of the population 65 and older has been on the internet only 45% of the 70-75 year-old population is online according to a 2008 study performed by the Pew Internet and American Life Project. This illustrates a need for a place where Medicare beneficiaries can go in order to get help using [medicare.gov](http://medicare.gov) and finding Prescription Drug Coverage.

## **Outputs**

Thirteen K-State Research and Extension Agents have taken the 3-day Medicare training which qualifies them as a Senior Health Insurance counselor. SHICK counselors can help Medicare beneficiaries choose their prescription drug coverage and supplemental insurance. SHICK counselors also receive numerous phone calls from beneficiaries and their caregivers who have questions about the Medicare program.

KSRE Extension works to recruit counselors either volunteer or partners to also take the 3-day training. Volunteers and partners are then able to work with Medicare beneficiaries to ease the burden on the agent and reach more individuals. So far KSRE has trained 41 plus counselors, out of a total of 300 volunteers in the state. SHICK Counselors are also trained through Kansas Area Agency on Aging.

The Annual Coordinated Election Period (AEP) for the Medicare Prescription Drug Coverage starts November 15 and ends December 31 each year. During that time SHICK counselors help guide Medicare beneficiaries in their decision. In 2009 KSRE SHICK counselors were able to run 3,913 comparisons. Contacts were made

through 2,477 face-to-face appointments and 1,396 phone calls. KSRE agents saved Kansas Medicare beneficiaries \$1.4 million or an average of \$312 per person who switched to another Part D plan.

KSRE SHICK Counselors also presented on the Medicare program and the Low Income Subsidy (LIS) available to Medicare beneficiaries with Limited Resources and Income. Total number of Medicare beneficiaries and caregivers reached in June through August 2009 funded by a special grant from the Kansas Department on Aging was 4797. Contacts were made through health fairs and public presentations 4,250, directing beneficiaries to their area SHICK Coordinator 330, providing information and LIS applications to 125, assisting beneficiaries in applying for LIS 48, and beneficiaries reported applying for LIS themselves 44. Sixteen Medicare beneficiaries reported being approved for LIS.

## **Outcomes**

Medicare Beneficiaries who worked with KSRE agents in 2009 learned how beneficial it is to review their Medicare Part D every year. Plans can change each year which can make costs rise. Plans are required by law to send out information about their changes each October. Many Medicare beneficiaries do not understand these mailings or may even throw them away without reading them. It is important for them to sit down with a SHICK counselor and review their current coverage with the new plans available. KSRE SHICK counselors are able to provide a print out illustrating how their current plan compares to at least two other available drug plans (typically the top two or three least expensive plans). Examples of the importance follow below:

- In Riley County one gentleman who came in for Medicare prescription drug counseling saved more than \$3,000 by switching to a different provider. He had been coming in for a comparison for the past three years and told the agent that he almost didn't come this year, but that she had made it worth his time.
- A 77-year-old woman in the Central Kansas District was not eating at times because she couldn't afford food. Her income and resources were too high to qualify for the Low Income Subsidy. She was still paying on her house and her drug plan was \$77 per month, plus the cost of her medications. The agent ran the comparison and found out that she can save \$2,400 a year by changing plans. The woman cried because she was so happy. She had not come to see the SHICK counselor for two years, and the plan she had 3 yrs ago had a huge increase in premium.
- Woman in Sedgwick County qualified for the LIS provided through Social Security. The plan she was automatically enrolled in did not cover several of her medications. She switched to a different plan and

saved \$2,000 annually. Many LIS eligible beneficiaries do not realize they can actually change their drug plan at any time.

Beneficiaries who meet with SHICK counselors feel peace of mind about their decisions when choosing a drug plan. SHICK counselors are knowledgeable when using medicare.gov and feel comfortable navigating the Prescription Drug Plan Finder tool that is available. SHICK counselors are unbiased and do not receive any compensation from insurance companies for their recommendations or counseling.

KSRE agents saw an increase in the number of Medicare beneficiaries who sought out help with Medicare Part D in 2009. During the 2008 AEP KSRE SHICK counselors saw 2015 people across the state an increase of 462. This can partly be blamed on plans that left the service area and plans that changed their structure. Medicare beneficiaries who meet with KSRE SHICK counselors return from year to year and they spread the word about the SHICK program.

As a result of the efforts KSRE SHICK counselors Kansas Medicare Beneficiaries will be healthier in the future. Cost of medicine can force a beneficiary to choose between eating and taking their medication, much like the woman in the Central Kansas District. Cost savings found by KSRE SHICK counselors will provide beneficiaries with much needed resources to purchase fresh fruits and vegetables and will allow them to fill their prescriptions and take their maintenance medicine each day.

KSRE agents not only help Medicare beneficiaries find a Prescription Drug Plan, they can also help with Medicare billing issues, explain the Medicare program, find assistance for medications when someone has a lapse in coverage and help with appeals.

- In Marshall County a man came in to the extension office, he had moved to Kansas from Oklahoma and his insurance had dropped him. While he was without insurance he was diagnosed with cancer and put on a very expensive cancer drug. The agent in Marshall County assisted the man in locating a pharmaceutical assistance program that would supply his drug free of charge for a year. This was a \$38,000 savings just for him.
- In Sedgwick County the extension agent held a public meeting to educate new Medicare beneficiaries on Medicare Part A and Medicare Part B. One of the audience members was going to be eligible for Medicare in the next few months because of disability. He had retired from his job and his health insurance still came from that job. He was under the impression that he could continue that insurance until he turned 65. At the class the agent explained to the attendees that if you are on Medicare and

covered by your former employer or union then Medicare is always primary and you will need to sign up for both Medicare Part A and Medicare Part B in order to be properly covered. The man had been told by Social Security he did not need to keep Medicare Part B and his employer coverage would still cover him. The next day he called his insurance company to see if they would cover him after he received Medicare in March and they said no. He immediately contacted Social Security to re-enroll in Medicare Part B. The potential savings is hard to measure. If he did not know he needed to take Part B he may have been without medical insurance for as long as 12 months. He would have also had to pay a 10% penalty for each 12-month period he should have had Part B and did not until he turned 65, then the penalty would go away. The man was only 60 years old, thus he would have had four years worth of penalty on his Part B and possibly no medical coverage for 12 months.

- In Sedgwick County the extension agent counseled a couple on Medicare Supplements and Medicare Part D. The couple did not know if they would be able to afford a Supplement, the agent asked them if they had applied for extra help. The couple did not know that there was such a program. They filled out the application and were awarded partial extra help. This allowed them the extra income to also choose a supplement which would help pay costs that Medicare would not pay.