

MEDICARE 101



PRESENTED BY WESTERN MARKETING

WHAT IS MEDICARE?

- A health insurance program for:
 - People 65 years of age and older
 - People under age 65 with certain disabilities
 - People with End-Stage Renal Disease (ESRD)
- Administered by Centers for Medicare and Medicaid Services (CMS)
- Enrollment by Social Security Administration (SSA) or Railroad Retirement Board (RRB)

APPLYING FOR MEDICARE

- Apply 3 months before age 65
 - Don't have to be retired
 - Contact the Social Security Administration
- Enrollment automatic if receiving Social Security or Railroad Retirement benefits

MEDICARE BASICS

- Part A: Hospital Insurance
- Part B: Medical Insurance
- Part C: Medicare Advantage
- Part D: Prescription Drug Coverage

MEDICARE COVERAGE BASIC

- Part A

- Inpatient hospital care
- Skilled nursing care
- Home health Care
- Hospice care

- Part B

- Doctor's services and outpatient care
- Preventive services
- Diagnostic tests
- Some therapies
- Durable medical equipment

- Part C

- Replaces original Medicare
- Must offer at least the same benefits of original Medicare
- May or may not contain drug coverage

- Part D

- Outpatient prescription drugs

MEDICARE PART A

- Most people receive Part A premium free
- People with less than 10 years of Medicare- covered employment
 - Can still get Part A
 - Will pay a premium
- For information about Part A entitlement
 - Call SSA
 - 1-800-772-1213
 - TTY users call 1-800-325-0778

ENROLLING IN MEDICARE PART B

- Pay monthly Part B premium
 - \$134 in 2018 (may be more for higher income individuals)
- Initial Enrollment Period (IEP)
 - 7 months starting 3 months before month of eligibility
- General Enrollment Period (GEP)
 - January 1 through March 31 each year
 - Coverage effective July 1
 - Premium penalty
 - 10% for each 12-month period eligible but not enrolled
 - Paid for as long as the person has Part B
 - Limited exceptions

ENROLLING IN MEDICARE PART B

- Some people can delay enrolling in Part B with no penalty
 - If covered under employer or union group health plan
 - Based on current employment
 - Person or spouse
 - Will get a Special Enrollment Period (SEP)
 - Sign up within 8 months after coverage ends

PAYING THE PART B PREMIUM

- Taken out of monthly payments
 - Social Security
 - Railroad retirement
 - Federal government retirement
- For information about premiums
 - Call SSA, RRB, or Office of Personnel Management
- If no monthly payments
 - Billed every 3 months
 - Medicare Easy Pay



MEDICARE CHOICES

- Original Medicare Plan
- Medicare Advantage Plans
- Other Medicare Plans
- Medicare Prescription Drug Plans

ORIGINAL MEDICARE PLAN

- Go to any health care provider that accepts Medicare
- People are responsible for
 - Part A
 - \$1340 deductible in 2018 for hospital stays up to 60 days
 - Additional costs after 60 days
 - Different costs for other Part A services
 - Part B
 - \$183 annual deductible in 2018
 - 20% coinsurance or copayment for most Part B services
- Some programs may help with costs

THE MEDICARE CARD

MEDICARE			HEALTH INSURANCE	
1-800-MEDICARE (1-800-633-4227)				
NAME OF BENEFICIARY				
JANE DOE				
MEDICARE CLAIM NUMBER		SEX		
000-00-0000				
IS ENTITLED TO		EFFECTIVE DATE		
HOSPITAL (PART A)		07-01-1986		
MEDICAL (PART B)		07-01-1986		
Sign HERE				

MEDICARE SUPPLEMENT

- Health insurance policy
 - Sold by private insurance companies
 - Must say “Medicare Supplement Insurance”
 - Covers “gaps” in the Original Medicare Plan
 - Deductibles, coinsurance, copayments
 - Does not work with Medicare Advantage Plans
 - Up to 10 standardized plans: A, B, C, D, F*, G, K, L, M, N
 - Except in Massachusetts, Minnesota, Wisconsin
 - So people can compare easily

HOW MEDIGAP WORKS

- People can buy a Medigap policy
 - Within 6 months of enrolling in Part B
 - **Must be age 65 or older**
 - If they lose certain kinds of health coverage
 - Through no fault of their own
 - If they leave MA Plan under certain circumstances
 - Whenever the company will sell them one
- Monthly premium
- Generally go to any doctor or specialist that accepts Medicare

MEDICARE SUPPLEMENT OPTIONS

Medicare Supplement Insurance (Medigap) plans										
Benefits	A	B	C	D	F*	G	K	L	M	N
Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Medicare Part B coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100% **
Blood (first 3 pints)	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Part A hospice care coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	100%	100%	50%	75%	100%	100%
Part A deductible		100%	100%	100%	100%	100%	50%	75%	50%	100%
Part B deductible			100%		100%					
Part B excess charges					100%	100%				
Foreign travel emergency (up to plan limits)			80%	80%	80%	80%			80%	80%
							Out-of-pocket limit in 2017			
							\$5,120	\$2,560		

MOST POPULAR OPTIONS

- PLAN F

- Covers Part A and Part B coinsurance
- Blood (first 3 pints)
- Part A hospice care coinsurance or copayment
- Skilled nursing facility care coinsurance
- Part A and Part B deductible
- Part B excess charges
- Foreign travel emergency (up to 80%)

- PLAN G

- Identical to Plan F, except does not cover the Part B deductible
- Difference in premium from Plan F is often more than enough to cover Part B deductible (\$183)
- Open enrollment or underwritten only
 - No guarantee issue Plan G's

MEDICARE ADVANTAGE PLANS

- Health Maintenance Organization (HMO) Plans
 - Some have Point-of-Service option
- Preferred Provider Organization (PPO) Plans
- Private Fee-for-Service (PFFS) Plans
- Special Needs Plans

ELIGIBILITY FOR MA PLANS

- Live in plan's service area
- Entitled to Medicare Part A
- Enrolled in Medicare Part B
 - Continue to pay Part B premium
 - May also pay monthly premium to plan
- Don't have ESRD at enrollment
 - Some exceptions

HOW MA PLANS WORK

- Usually get all Part A and B services through plan
 - May have to use providers in plan's network
 - Generally must still pay Part B premium
 - Some plans may pay all or part
- May get extra benefits
 - Vision, hearing, dental services
 - Prescription drug coverage
- Still in Medicare program
 - Get all Part A and Part B services
 - Have Medicare rights and protections

MEDICARE PRESCRIPTION DRUG COVERAGE

- Available to all people with Medicare
- Provided through
 - Medicare Prescription Drug Plans
 - Medicare Advantage and other Medicare plans
 - Some employers and unions

ENROLLMENT PERIODS

- Initial Enrollment Period (IEP)
 - 7 months
 - Starts 3 months before month of eligibility
- Annual Election Period (AEP)
 - October 15th through December 7th each year
 - Can join, drop, or switch coverage
 - Effective January 1 of following year
- Special Enrollment Period (SEP)

LATE ENROLLMENT

- People who wait to enroll may pay penalty
 - Additional 1% of national base premium for every month eligible but not enrolled
 - Must pay the penalty as long as enrolled in a Medicare drug plan
- Unless they have other coverage at least as good as Medicare drug coverage
 - “Creditable coverage”

PRESCRIPTION DRUG PLANS

- At a minimum, must offer standard benefit
 - In 2018 members may pay
 - Monthly premiums
 - Annual deductible, no more than \$405
 - Copayments or coinsurance
 - Very little after \$5,000 out-of-pocket
 - 5% of drug costs once in catastrophic coverage
- May offer supplemental benefits
- Plan information and costs available
 - www.medicare.gov
 - 1-800-MEDICARE (1-800-633-4227)

FOR MORE INFORMATION

- I-800-MEDICARE (1-800-633-4227)
 - TTY users call 1-877-486-2048
- www.medicare.gov
- www.cms.hhs.gov
- State Health Insurance Assistance Program (SHIP)
- *Medicare & You* handbook
 - Other publications