



Welcome to
**Medicare – What You Need to
Know BEFORE you turn 65!**

What is Medicare?

A federal health insurance program:

- Run by the Center for Medicare and Medicaid Services (CMS)
- Benefit decisions controlled by U.S. Congress
- Social Security Administration (SSA) handles enrollment and eligibility

*Never intended to be a total solution for
your medical needs*

How to Enroll in Medicare

Enrollment **is** automatic

- If you **are** receiving Social Security or a Railroad benefit check
- You will receive your Medicare Card 3 months before your 65th birth month

Enrollment **is not** automatic

- If you are **not** receiving a SS or RR check

To enroll contact Social Security about 3 months **before** turning 65

- Visit local office
- Call 1-800-772-1213
- Online at www.ssa.gov

If retired from Railroad employment enroll with RRB

- Call your local RRB office or 1-877-772-5772

Your Medicare Card



- Check accuracy of name
- Part A – Hospital Insurance - Effective Date
- Part B – Medical Insurance – Effective Date

Keep this card safe

Medicare Card Form

When you receive the Medicare Card Form in the mail you will:

- Do nothing to accept Medicare Part A and Part B

OR

- Return it to refuse Part B.
 - ✓ Follow instructions on the back of card form

Decision / Keep Part B?

- If you **don't** have insurance coverage from active employment

You probably want to keep Part B

- If you **do** have insurance coverage through active employment for yourself or a spouse

You may want to delay Part B

- ✓ No penalty if you enroll while you have creditable coverage or within 8 months of losing your creditable coverage

HSA and Medicare

*Always recommend checking with your company
HR about your situation*

If you have a High Deductible Health Plan and contribute to an HSA (Health Savings Account) **AND** **continue to work past your 65th birthday for an employer with greater than 20 employees**

- ✓ You probably want to delay enrolling in Medicare Part A & B
- ✓ You do not want to elect to receive your Social Security benefit

HSA and Medicare

To AVOID a tax penalty on your HSA contributions

If you retire 6 months or less after your 65th birthday

- You want to discontinue contributing to your HSA beginning the month of your 65th birthday

If you retire anytime after you turn 65 and 7months

- You do not want to make any contributions to your HSA for 6 months prior to signing up for SS and/or enrolling in Medicare Part A or Part B

Medicare Part A Hospital Insurance

Funded by
Social Security Trust Fund



Medicare Part A

- Most people receive Part A coverage at no cost through their own employment record or the employment record of their spouse
- People with less than 10 years of Medicare-covered employment
 - ✓ Can pay a premium to get Part A (\$505 per month in 2024)

What Part A Pays

<u>SERVICES</u>	<u>MEDICARE</u> <u>PAYS</u>	<u>YOU ARE</u> <u>RESPONSIBLE</u>
<u>INPATIENT HOSPITALIZATION</u>		
First 60 days of a Benefit Period*	All but \$1,632 in 2024 (deductible) of covered costs	\$1,632 (deductible)
Day 61 to day 90 of a Benefit Period*	All but \$408 per day	\$408 per day (co-pay)
Next 60 days (Lifetime Reserve Days 91 - 150)	All but \$816 per day, in 2024	\$816 per day (co-pay)

*** Benefit period begins the day admitted and ends when you haven't received any inpatient care for 60 consecutive days.**

What Part A Pays

<u>SERVICES</u>	<u>MEDICARE PAYS</u>	<u>YOU ARE RESPONSIBLE</u>
<u>SKILLED NURSING CARE FACILITY</u>		
First 20 days	All covered costs	Nothing
Day 21 to day 100	All but \$204 per day	\$204 per day (co-pay)
<u>HOSPICE CARE</u>		
Inpatient & Outpatient	All covered costs	Co-pay of \$5 for outpatient drugs; 5% co-pay for respite care

Medicare Part B Medical Insurance

Funded by
General Revenue Funds &
Beneficiary Monthly Premiums



Part B Premium

Most people new to Medicare in 2024 will pay \$174.70 per month for the Part B premium

Those with higher income will pay higher premiums

If your **Modified Adjusted Gross income reported on your 2022 IRS tax return (is what you will pay in 2024)**

You Pay

File <u>Individual</u> Tax Return	File <u>Joint</u> Tax Return	
\$103,000 or less	\$206,000 or less	\$174.70
\$103,000 - \$129,000	\$206,000-\$258,000	\$244.60
\$129,000 - \$161,000	\$258,000- \$322,000	\$349.40
\$161,000 - \$193,000	\$322,001 - \$386,000	\$454.20
\$193,000 - \$500,000	\$386,000 - \$750,000	\$559.00
Above \$500,000	Above \$750,000	\$594.00

What Part B Pays

Medicare pays:

- **After the annual deductible – which is \$240 in 2024 - has been met**
- **Approximately 80% of the Medicare approved charge**

What Part B Pays

Physician Services

- In the hospital
- In the Doctor's office
- In a nursing home
- At home

Outpatient Services

- Emergency care
- Lab tests
- X-rays
- Diagnostic tests
- Outpatient Surgery
- Therapy Services
- Mental Health

What Part B Pays

- Home Health Services
- Preventive Services Under Medicare
 - ✓ Yearly wellness exam
 - ✓ Flu Shots
 - ✓ Mammograms
 - ✓ Much more
- Durable Medical Equipment
 - ✓ Oxygen supplies
 - ✓ Wheelchairs, hospital beds, canes, etc.
 - ✓ Diabetes supplies

Medicare Assignment

Medicare Assignment is an agreement between your medical provider and Medicare:

- to accept the payment amount that Medicare approves for the service
- and not to bill you for any more than your Medicare deductible and/or coinsurance

The Value of Assignment

Assume the **\$240** Part B deductible for **2024** has been paid

	Does NOT Accept Assignment	Accepts Assignment
Actual Charge	\$115	\$115
Who Files Claim	Provider	Provider
MSN sent to	You	You & Provider
Check comes to	You	Provider
Medicare Approves	\$100	\$100
Medicare Pays	\$80	\$80
You Responsible for	\$35	\$20

Who Accepts Medicare Assignment?

Complete list of providers can be found at:

- www.medicare.gov/care-compare
- Compare tools available for:
 - Hospitals
 - Nursing Homes
 - Home Health Services
 - Dialysis facilities

Help for Low Income Medicare Beneficiaries

- States help pay costs
- Three programs (QMB, SLMB & QI)
- Must meet income and resource limits

Help for Low Income Medicare Beneficiaries

MEDICARE SAVINGS PROGRAM (MSP) BENEFITS

The MSP benefits pays Part B premiums, \$174.70/month. This program can save you as much as \$2,096/year. (Income guidelines change March 1 each year)

BENEFIT NAME & FAMILY SIZE	MONTHLY INCOME	RESOURCE LIMIT	WHAT IS COVERED
<u>QMB BENEFIT</u>			Pays Part A & B Premiums; Co-payments and Co-insurance amounts
Single	\$1,275	\$9,430	
Couple	\$1,724	\$14,130	
<u>SLMB BENEFIT</u>			Pays Part B premium
Single	\$1,526	\$9,430	
Couple	\$2,064	\$14,130	
<u>QI BENEFIT</u>			Pays Part B premium
Single	\$1,715	\$9,430	
Couple	\$2,320	\$14,130	

Medicare Summary Notice

MSN



Medicare Summary Notice (MSN)

- How Medicare communicates with you
- MSN is **not** a bill
- MSN is a summary statement you receive every 3 months – can also get electronically
- Need to review when received
- Keep for at least 18 months
- Can view anytime on [medicare.gov](https://www.medicare.gov) (*create an account*)

Page 1 – Your Dashboard

1 DHHS Logo


The redesigned MSN has the official Department of Health & Human Services (DHHS) logo.

2 Your Information

Check your name and the last 4 numbers of your Medicare number, as well as the date your MSN was printed and the dates of the claims listed.

3 Your Deductible Info

You pay a yearly deductible for services before Medicare pays. You can check your deductible information right on page 1 of your notice!

1  **4** **Medicare Summary Notice** Page 1 of 4
for Part B (Medical Insurance)

The Official Summary of Your Medicare Claims from the Centers for Medicare & Medicaid Services

JENNIFER WASHINGTON
TEMPORARY ADDRESS NAME
STREET ADDRESS
CITY, ST 12345-6789

THIS IS NOT A BILL

2 **Notice for Jennifer Washington**

Medicare Number	1A23BC4DE56
Date of This Notice	March 1, 2020
Claims Processed Between	January 1 – March 1, 2020

3 **Your Deductible Status**

Your deductible is what you must pay for most health services before Medicare begins to pay.

Part B Deductible: You have now met \$85.00 of your \$147.00 deductible for 2020.

Be Informed!

Welcome to your new Medicare Summary Notice! It has clear language, larger print, and a personal summary of your claims and deductibles. This improved notice better explains how to get help with your questions, report fraud, or file an appeal. It also includes important information from Medicare!

5 **Your Claims & Costs This Period**

Did Medicare Approve All Services?	NO
Number of Services Medicare Denied	1

See claims starting on page 3. Look for **NO** in the "Service Approved?" column. See the last page for how to handle a denied claim.

Total You May Be Billed **500.15**

6 **Providers with Claims This Period**

January 21, 2020
Craig I. Secosan, M.D.

7

¿Sabía que puede recibir este aviso y otro tipo de ayuda de Medicare en español? Llame y hable con un agente en español.
如果您需要西班牙语帮助，请致电我们提供协助。请致电“agent”，或致电“Marcelo”。

1-800-MEDICARE (1-800-633-4227)

4 Title of your MSN

The title at the top of the page is larger and bold.

5 Total You May Be Billed

A new feature on page 1, this summary shows your approved and denied claims, as well as the total you may be billed.

6 Providers You Saw

Check the list of dates and the doctors you saw during this claim period.

7 Help in Your Language

For help in a language other than English or Spanish, call 1-800-MEDICARE and say "Agent." Tell them the language you need for free translation services.

Page 2 – Making the Most of Your Medicare

1 Section Title

This helps you navigate and find where you are in the notice. The section titles are on the top of each page.

2 How to Check

Medicare offers helpful tips on what to check when you review your notice.

3 How to Report

Help Medicare save money by reporting fraud!

4 How to Get Help

This section gives you phone numbers for where to get your Medicare questions answered.

Jennifer Washington

THIS IS NOT A BILL | Page 2 of 4

1 Making the Most of Your Medicare

1 How to Check This Notice

Do you recognize the name of each doctor or provider? Check the dates. Did you have an appointment that day?

2 Did you get the services listed? Do they match those listed on your receipts and bills?

If you already paid the bill, did you pay the right amount? Check the maximum you may be billed. See if the claim was sent to your Medicare supplement insurance (Medigap) plan or other insurer. That plan may pay your share.

2 How to Report Fraud

If you think a provider or business is involved in fraud, call us at 1-800-MEDICARE (1-800-633-4227).

3 Some examples of fraud include offers for free medical services or billing you for Medicare services you didn't get. If we determine that your tip led to uncovering fraud, you may qualify for a reward.

You can make a difference! Last year, Medicare saved tax-payers \$4.2 billion—the largest sum ever recovered in a single year—thanks to people who reported suspicious activity to Medicare.

4 How to Get Help with Your Questions

4 1-800-MEDICARE (1-800-633-4227)

Ask for "doctors services." Your customer-service code is 05535.

TTY 1-877-486-2048 (for hearing impaired)

Contact your State Health Insurance Program (SHIP) for free, local health insurance counseling. Call 1-555-555-5555.

5 Medicare Preventive Services

Medicare covers many free or low-cost exams and screenings to help you stay healthy. For more information about preventive services:

- Talk to your doctor.
- Look at your "Medicare & You" handbook for a complete list.
- Visit www.MyMedicare.gov for a personalized list.

6 Your Messages from Medicare

Get a pneumococcal shot. You may only need it once in a lifetime. Contact your health care provider about getting this shot. You pay nothing if your health care provider accepts Medicare assignment.

To report a change of address, call Social Security at 1-800-772-1213. TTY users should call 1-800-325-0778.

Early detection is your best protection. Schedule your mammogram today, and remember that Medicare helps pay for screening mammograms.

Want to see your claims right away? Access your Original Medicare claims at www.Medicare.gov, usually within 24 hours after Medicare processes the claim. You can use the "Blue Button" feature to help keep track of your personal health records.

5 Preventive Services

Remember, Medicare covers many preventive tests and screenings to keep you healthy.

6 General Messages

These messages get updated regularly, so make sure to check them!

Page 3 – Your Claims for Part B (Medical Insurance)

1 Type of Claim

Claims can either be assigned or unassigned.

2 Definitions

Don't know what some of the words on your MSN mean? Read the definitions to find out more.

3 Your Visit

This is the date you went to your doctor. Keep your bills and compare them to your notice to be sure you got all the services listed.

4 Service Descriptions

User-friendly service descriptions will make it easier for you to know what you were treated for.

Jennifer Washington

THIS IS NOT A BILL | Page 3 of 4

1 Your Claims for Part B (Medical Insurance)

Part B Medical Insurance helps pay for doctors' services, diagnostic tests, ambulance services, and other health care services.

Your provider has agreed to accept this amount as full payment for covered services. Medicare usually pays 80% of the Medicare-approved amount.

2 Definitions of Columns

Service Approved? This column tells you if Medicare covered this service.

Amount Provider Charged: This is your provider's fee for this service.

Medicare-Approved Amount: This is the amount a provider can be paid for a Medicare service. It may be less than the actual amount the provider charged.

Amount Medicare Paid: This is the amount Medicare paid your provider. This is usually 80% of the Medicare-approved amount.

Maximum You May Be Billed: This is the total amount the provider is allowed to bill you, and can include a deductible, coinsurance, and other charges not covered. If you have Medicare Supplement Insurance (Medigap policy) or other insurance, it may pay all or part of this amount.

January 21, 2020

Craig I. Secosan, M.D., (555) 555-1234

Looking Glass Eye Center PA, 1888 Medical Park Dr, Suite C, Brevard, NC 28712-4187

Service Provided & Billing Code	Service Approved?	Amount Provider Charged	Medicare-Approved Amount	Amount Medicare Paid	Maximum You May Be Billed	See Notes Below
Eye and medical examination for diagnosis and treatment, established patient, 1 or more visits (92014)	Yes	\$143.00	\$10797	\$86.38	\$21.50	6
Destruction of skin growth (17000)	NO	68.56	0.00	0.00	68.56	A
Total for Claim #02-10195-592-390		\$211.56	\$10797	\$86.38	\$90.15	B

4

5

6

7

5 Approved Column

This column lets you know if your claim was approved or denied.

6 Max You May Be Billed

This is the total amount the provider is able to bill you. It's highlighted and in bold for easy reading.

7 Notes

Refer to the bottom of the page for explanations of the services you got.

Notes for Claims Above

A This service was denied. The information provided does not support the need for this service or item.

B Your claim was sent to your Medicare Supplement Insurance (Medigap policy), Wellmark BlueCross BlueShield of N. Carolina. Send any questions regarding your benefits to them.

Last Page – How to Handle Denied Claims

1 Get More Details

Find out your options on what to do about denied claims.

2 If You Decide to Appeal

You have 120 days to appeal your claims. The date listed in the box is when your appeal must be received by us.

3 If You Need Help

Helpful tips to guide you through filing an appeal.

Jennifer Washington

THIS IS NOT A BILL | Page 4 of 4

How to Handle Denied Claims or File an Appeal

1 Get More Details

If a claim was denied, call or write the provider and ask for an itemized statement for any claim. Make sure they sent in the right information. If they didn't, ask the provider to contact our claims office to correct the error. You can ask the provider for an itemized statement for any service or claim.

Call 1-800-MEDICARE (1-800-633-4227) for more information about a coverage or payment decision on this notice, including laws or policies used to make the decision.

2 If You Disagree with a Coverage Decision, Payment Decision, or Payment Amount on this Notice, You Can Appeal

Appeals must be filed in writing. Use the form to the right. Our claims office must receive your appeal within 120 days from the date you get this notice.

We must receive your appeal by:

July 13, 2021

3 If You Need Help Filing Your Appeal

Contact us: Call 1-800-MEDICARE or your State Health Insurance Program (see page 2) for help before you file your written appeal, including help appointing a representative.

Call your provider: Ask your provider for any information that may help you.

Ask a friend to help: You can appoint someone, such as a family member or friend, to be your representative in the appeals process.

Find Out More About Appeals

For more information about appeals, read your "Medicare & You" handbook or visit us online at www.medicare.gov/appeals.

File an Appeal in Writing

Follow these steps:

- 1 Circle the service(s) or claim(s) you disagree with on this notice.
- 2 Explain in writing why you disagree with the decision. Include your explanation on this notice or, if you need more space, attach a separate page to this notice.
- 3 Fill in all of the following:

Your or your representative's full name (print)

Your telephone number

Your complete Medicare number

- 4 Include any other information you have about your appeal. You can ask your provider for any information that will help you.
- 5 Write your Medicare number on all documents that you send.
- 6 Make copies of this notice and all supporting documents for your records.
- 7 Mail this notice and all supporting documents to the following address:

Medicare Claims Office
c/o Contractor Name
Street Address
City, ST 12345-6789

4 Appeals Form

You must file an appeal in writing. Follow the step-by-step directions when filling out the form.

Check Your MSN

- Medicare wants your help to prevent fraud and billing errors on your MSN
- Did you know you could get a reward of up to \$1,000 for tips that leads to uncovering fraud?
- Remember, you're Medicare's best defense against fraud, so check your MSN for services or items you didn't get

Your Medicare Rights



Your Medicare Rights

- To have your personal and health information kept private
- To receive an Advance Beneficiary Notice (ABN) when provider believes service is not covered

Advance Beneficiary Notice

Advance Beneficiary Notice of Noncoverage (ABN)

NOTE: If Medicare doesn't pay for D. _____ below, you may have to pay. Medicare does not pay for everything, even some care that you or your health care provider have good reason to think you need. We expect Medicare may not pay for the D. _____ below.

D.	E. Reason Medicare May Not Pay:	F. Estimated Cost

WHAT YOU NEED TO DO NOW:

- Read this notice, so you can make an informed decision about your care.
- Ask us any questions that you may have after you finish reading.
- Choose an option below about whether to receive the D. _____ listed above.

Note: If you choose Option 1 or 2, we may help you to use any other insurance that you might have, but Medicare cannot require us to do this.

G. OPTIONS: Check only one box. We cannot choose a box for you.
<input type="checkbox"/> OPTION 1. I want the D. _____ listed above. You may ask to be paid now, but I also want Medicare billed for an official decision on payment, which is sent to me on a Medicare Summary Notice (MSN). I understand that if Medicare doesn't pay, I am responsible for payment, but I can appeal to Medicare by following the directions on the MSN. If Medicare does pay, you will refund any payments I made to you, less co-pays or deductibles.
<input type="checkbox"/> OPTION 2. I want the D. _____ listed above, but do not bill Medicare. You may ask to be paid now as I am responsible for payment. I cannot appeal if Medicare is not billed.
<input type="checkbox"/> OPTION 3. I don't want the D. _____ listed above. I understand with this choice I am not responsible for payment, and I cannot appeal to see if Medicare would pay.

H. Additional Information:

This notice gives our opinion, not an official Medicare decision. If you have other questions on this notice or Medicare billing, call 1-800-MEDICARE (1-800-633-4227/TTY: 1-877-486-2048).

Signing below means that you have received and understand this notice. You also receive a copy.

I. Signature:	J. Date:
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According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0566. The time required to complete this information collection is estimated to average 7 minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Baltimore, Maryland 21244-1850.

Your Medicare Rights

- Medicare and/or Medicare plan must provide an appeal process
- File complaints (grievances)
 - ✓ Including complaints about quality of your care
- File an appeal
 - ✓ Must file within 120 days of the date receive MSN

Overview of Coverage and Benefit Gaps



COVERAGE GAPS in Original Medicare - 2024

- Dental care and dentures
- Eyeglasses
- First three pints of blood
- Foreign healthcare
- Hearing Aids*
- Orthopedic shoes
- Private duty nursing
- Custodial Care
- Routine chiropractic care
- Routine foot care
- Cosmetic surgery
- Prescription Drugs

BENEFIT GAPS

in Original Medicare Part A - 2024

- **\$1,632** Part A deductible for the first 60 days of hospitalization in each benefit period
- **\$408** copayment for inpatient hospital days 61-90
- **\$816** daily copayment for 60 lifetime reserve days
- **\$204** daily copayment for days 21-100 in a skilled nursing home facility

BENEFIT GAPS

in Original Medicare Part B - 2024

- Part B **\$240 deductible**
- **20% copayment** of Medicare approved charges under Part B
- The **difference** between your provider's bill and the "approved charge" according to Medicare (Medicare Excess)

MEDICARE WORKSHOP

Overview of Your Possibilities

Possibility 1

- Original Medicare
- Medigap Policy
- Part D Drug Plan

Possibility 2

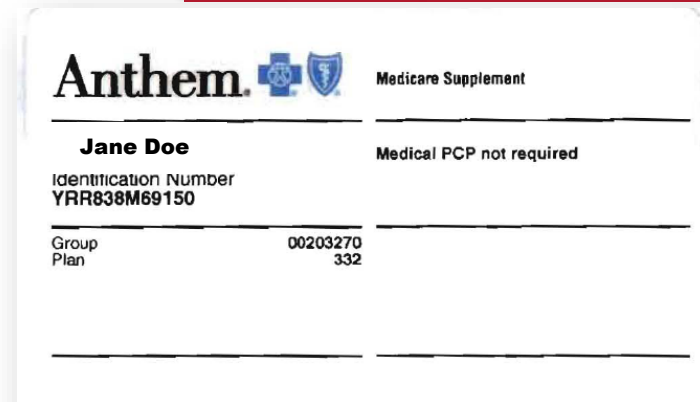
- Medicare
Advantage Plan
(HMO, PPO, PFFS & MSA)

Medicare Coverage Possibility 1



Possibility 1

- Original Medicare A & B
- Medigap Policy
(Supplemental Policy)
- Part D Drug Plan



Medigap Policies

- Policies sold by private insurance companies
- Fills-in some/most of the benefit gaps in Original Medicare
 - ✓ **Deductibles, coinsurance, copayments**
- Regulated by states and must meet federal rules
- Standardized plans in all but 3 states
 - ✓ Plans are named by letters (A,B,D,G,K-N)
 - ✓ All plans of same letter have same coverage.
 - ✓ **Only costs are different**

Medigap Policies

Benefits	Medicare Supplement Insurance (Medigap) Plans									
	A	B	C	D	F*	G*	K	L	M	N
Part A coinsurance and hospital costs up to an additional 365 days after Medicare benefits are used	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Part B coinsurance or copayment	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓ ***
Blood benefit (first 3 pints)	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Part A hospice care coinsurance or copayment	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Skilled nursing facility care coinsurance	X	X	✓	✓	✓	✓	50%	75%	✓	✓
Part A deductible	X	✓	✓	✓	✓	✓	50%	75%	50%	✓
Part B deductible	X	X	✓	X	✓		X	X	X	X
Part B excess charge	X	X	X	X	✓	✓	X	X	X	X
Foreign travel emergency (up to plan limits)	X	X	80%	80%	80%	80%	X	X	80%	80%

**Plans K and L pay 100% of covered services for the rest of the calendar year once you meet the out-of-pocket yearly limit.

***Plan N pays 100% of the Part B coinsurance, except for a co-payment of up to \$20 for some office visits and up to a \$50 copayment for emergency room visits that do not result in an inpatient admission.

✓ = The plan covers 100% of this benefit
 X = The plan doesn't cover this benefit
 % = The plan covers that percentage of this benefit, and you're responsible for the rest.

Out-of-pocket limit in 2024**	
\$7,060	\$3,530

Medigap Policies

1. Standard Plans

2. High deductible Plans

✓ Plan F & G offers a High Deductible option

- ✓ Plan F is only sold to those with Medicare before Jan. 1, 2020
- ✓ Must pay a \$2240 deductible before plan pays.
- ✓ Once deductible is met, plan pays 100%.
- ✓ High deductible plan G does not cover Part B deductible.
- ✓ However, plans count your payment of the Part B deductible toward meeting the plan deductible.

3. Select Plans:

- ✓ Must use network hospital to get your full benefits (except in emergency)

Medigap Policies

Have limited time to purchase a Medigap policy and have “guaranteed issue rights”

- Insurer cannot ask any medical questions, deny or limit coverage

Guaranteed Issue Rights period occurs:

- 6-month period that starts the month you turn 65 and have Part B **OR** the month that you activate your Part B if delay enrollment
- Special Enrollment is allowed when health care coverage changes
 - ✓ Have 63 calendar days after your coverage ends to purchase (move; insurance no longer sold, etc.)
- Birthday Rule- new in 2024- Can change insurance each year, 60 days around your birthday

Medigap Policies

Monthly Premium

- Cost depends on:
 - ✓ Your age (in some states)
 - ✓ Where you live
 - ✓ Discounts (female, non-smokers, etc.)
 - ✓ Company selling the policy

Medigap Policies

Why Choose a Medigap Policy

- Can save you money, especially if you have health issues
- Depending on policy/can have few out-of-pocket copays for Medicare covered services
- No referrals needed
- Travels well in the United States
- Budgeting friendly

Medigap Policies

Questions to ask...

- ✓ Have the premiums for the plan changed in the last 3 years? If so, by how much?
- ✓ Will the premium change as I get older? Or is it the same for everyone, no matter what age?
- ✓ Is this a standard, select or high deductible policy?

Medigap Policies

Get policy information from:

- Medicare SHIP- 1-866-516-3051
- www.medicare.gov
- Agent / Broker

Medicare Part D Drug Coverage



Part D- Medicare Drug Coverage

Is an insurance policy!

- Drug plans approved by Medicare (CMS)
- Run by **private** companies – not by Medicare
- Covers most brand-name and generic drugs
- Coverage varies by plan
- Look up plans at www.medicare.gov

Part D – Medicare Coverage Drug

Part D Eligibility

- Must have Medicare Part A and / or Part B
 - If you have “creditable” drug coverage, you need to decide if you want to also enroll into Part D.
 - ✓ Examples of Creditable coverage:
 - Most employer group health plans
 - Employer or union retiree coverage
 - TRICARE
 - Federal Health Benefits

Part D – Medicare Drug Coverage

Join

- When first eligible – 7 months
- October 15 to December 7
(annual open enrollment)

Switch

- October 15 to December 7
(annual open enrollment)
- Special Enrollment
(such as move out of area, etc.)

Part D – Medicare Drug Coverage

Costs vary by plan..

- Monthly Premium
 - ✓ 2024 Range \$0.00 to \$109.40 (KY)
 - ✓ Increased premiums for those with higher incomes
- May or may not have an annual deductible
- May or may not have copayments and/or coinsurance

Part D – Medicare Drug Coverage

Late Enrollment Penalty – An Example

- **Mrs. Jones enrolled in Medicare A & B July 1, 2023**
 - Declined Part D / Had no creditable drug coverage.
- **Wants to enroll in Part D during 2025 open enrollment**
 - Part D effective date January 1, 2025.
- **Mrs. Jones will have to pay a penalty for 18 months**
 - No coverage from July 2023 to Dec. 2024 = 18 months
 - 1% Penalty for each month = 18% (1% x 18 months = 18%)
- **Here's the math**
 - $.18 (18\%) \times 34.74$ (2024 national base premium) = \$6.25
 - Rounded to the nearest \$0.10 = \$6.30

Penalty lasts a lifetime and will increase if the national base premium increases.

Part D – Medicare Drug Coverage

Is there help to pay for drug coverage? Yes!

- To apply for the Extra Help:
 - ✓ Call Medicare SHIP-1-866-516-3051

Part D – Extra Help for Rx

- If Full Extra Help is received - prescription drug cost at the pharmacy will be between \$4.50 for generic medications up to \$11.20 for name brand medications.

2024	Monthly Income Limits	Annual Income Limits	Resource Limits
Single	\$1,882	\$22,590	\$17,220*
Couple	\$2,555	\$30,660	\$34,360*

*Not all resource are counted in these totals.

Part D – Medicare Drug Coverage

When should my plan be re-evaluated?

- **EVERY YEAR!**
 - During Annual Open Enrollment
 - ✓ **October 15 thru December 7**
- **WHY??**
 - ✓ Drugs covered by plan can change.
 - ✓ Your needs may have changed.
 - ✓ Cost(s) can change like:
 - Premium / deductible / copays

Possibility 1

Possibility 1 Costs

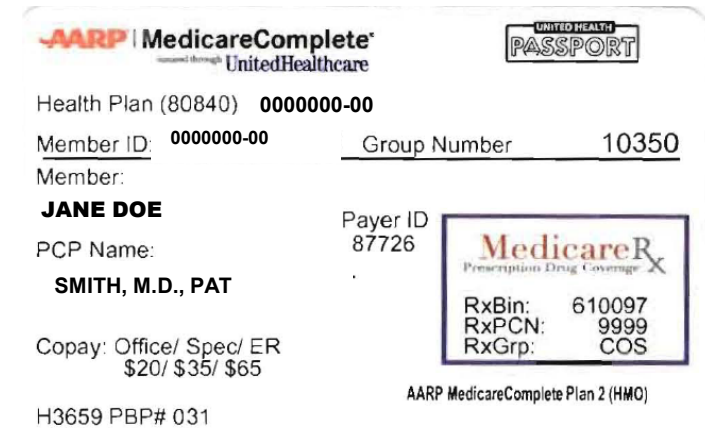
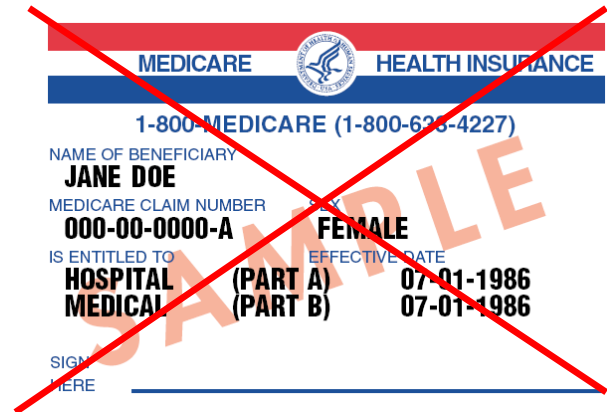
- 1. Part B Premium** (\$174.70 a month in 2024)
- 2. Medigap Plan** – monthly premium
- 3. Part D Plan** - monthly premium
 - ✓ May be a deductible
 - ✓ Copays for prescription drugs

Medicare Coverage Possibility 2



Possibility 2

- Original Medicare A & B
 - ✓ Must have coverage but do not use card
- Medicare Advantage Plan
 - ✓ HMO
 - ✓ PPO
 - ✓ PFFS
 - ✓ MSA



Medicare Advantage Plans

- Also called
 - ✓ Medicare Health Plans
 - ✓ Part C
 - ✓ Medicare Replacement Plans
- Plans are:
 - ✓ Approved and regulated by Medicare
 - ✓ Run by private insurance companies
- Most have limited geographical coverage area

Medicare Advantage Plans

Must cover all health services that Medicare Part A and Part B cover

- At least what Original Medicare covers
 - ✓ Can be at different costs
- Can include more than Original Medicare
 - ✓ Many have Prescription Drug benefit option
 - ✓ Vision/hearing/dental/wellness/etc.
- No standardization of plans

Medicare Advantage Plans

- Must include a yearly limit on out-of-pocket expenses for Part A and B services
- Can't charge you more than Medicare for certain services like chemotherapy and dialysis
- Can charge more for services like home health and inpatient hospital services

Medicare Advantage Plans

Health Maintenance Organization (HMO)

Members can generally only go to doctors, specialists or hospitals that are part of the plan's network, except in an emergency

Preferred Provider Organization (PPO)

Has a network of providers, but members can also use out-of-network providers for covered services, usually for a higher cost

Medicare Advantage Plans

Private Fee For Service Plan (PFFS)

Most have a network of providers, but members can also ask any Medicare approved provider if they will accept the coverage of the plan, usually at a higher cost to the member

Special Needs Plan (SNP)

Type of MA plan in which enrollment is limited to certain groups of Medicare beneficiaries such as those living in a nursing home, those with both Medicare and Medicaid or those with certain chronic conditions

Medicare Advantage Plans

Medicare Medical Savings Account (MSA)

- ✓ Plan includes both a high deductible health plan and a bank account to help pay your medical costs. Plan deposits a certain amount of money each year, tax free if used for eligible expenses and remainder carries over to next year
- ✓ Not include prescription drug coverage. Must purchase Part D - Drug plan

Medicare Advantage Plans

	HMO	PPO	PFFS
Must choose PC Doctor?	Yes	No	No
Provider List?	Yes	Yes	Yes & No
Need Referral?	See Plan	No	No
Are Rx Covered?	Generally	Generally	Generally

Medicare Advantage Plans

Eligibility

- Must have Medicare A & B
- Live in-service area

Medicare Advantage Plans

Join

- When first eligible
- October 15 to December 7 (annual open enrollment)

Switch

- October 15 to December 7 (annual open enrollment)
- Special Enrollment (such as move out of area, etc.)
- Medicare Advantage Open Enrollment Period
 - ✓ January 1 to March 31
- Trial Period

Medicare Advantage Plans

Costs

- **Part B** monthly premium (2024 - \$174.70)
- **Plan Premium** (2024 in KY range \$0 to \$115)
- Will pay increased premiums if have higher income

Deductibles

- May be a deductible for Health Plan and/or Drug Plan

Copayments

- For most **all** services, including prescriptions
- May be an **optional cost** for extra benefits rider

Medicare Advantage Plans

Out-of-Pocket Spending Limits

- Range from \$4,200 to \$8,850 in-network
- Range from \$3,400 to \$13,300 for plans that allow out-of-network services

Medicare Advantage Plans

- **Coverage is limited when you travel**
 - ✓ Emergency and Urgent Care coverage only
 - ✓ Unless National PPO
- **Member Services**
 - ✓ Appeal process
 - ✓ Some have Case Manager
- **Plans available in selected counties**
 - ✓ Need to review
 - ✓ Contact the company with questions or to enroll

Medicare Advantage Plans

Why Choose an Advantage Plan?

- Can save you money, particularly if healthy
- Can provide benefits otherwise not covered at all
- Ease of one plan and insurance card for all services
- Able to readily review/compare all MA plans annually and easily switch
- Never denied coverage if within service area

Medicare Advantage Plans

How to Learn More

- Call Medicare SHIP- 1-866-516-3051
- Go to www.medicare.gov
- Contact insurance companies
- Talk with a broker

Making Your Choice



What to Consider

Gather the facts

- Consider cost
- Review benefits/coverage
- Examine any provider list(s)

Lifestyle considerations

- Travel
- Network restrictions
- Personal health
- Comfort with unknown cost

**Make an
informed
decision!**

Resources

- **Medicare SHIP** (KY State Health Insurance Program)
 - ✓ 1-866-516-3051
- **Medicare**
 - ✓ 1-800-633-4227
 - ✓ www.medicare.gov
- **Social Security**
 - ✓ 1-800-772-1213
 - ✓ www.ssa.gov



Thank You for attending today's program!