

Get to Know MEDICARE



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Top 10 Medicare Questions

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What is Medicare?



What is Medicare?



A federal health insurance program for eligible U.S. citizens and legal residents



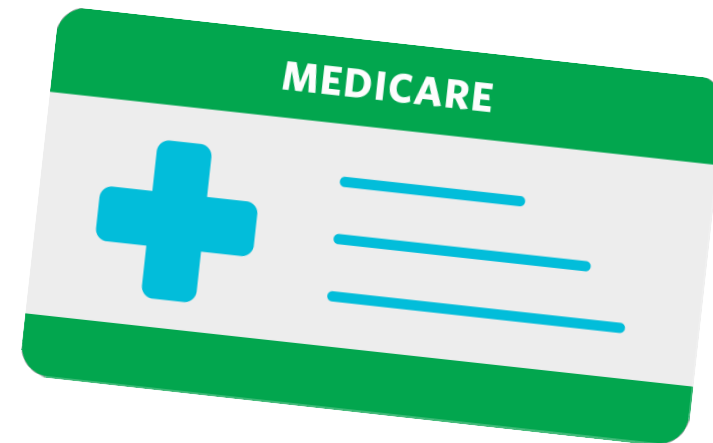
Funded in part by taxes you pay while working



Individual health insurance

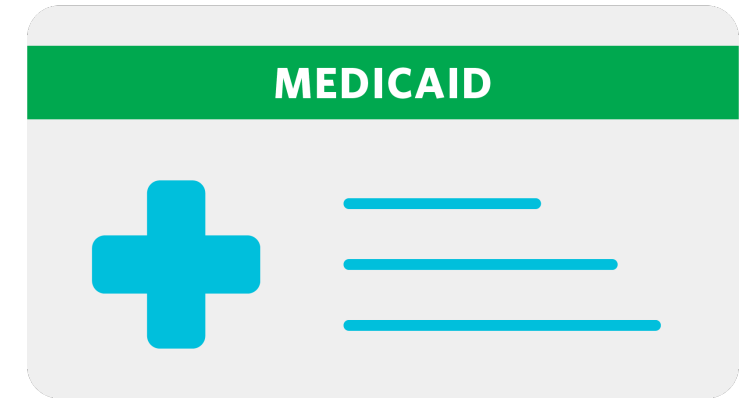
Medicare is not...

- Free
- A family health plan
- Social security
- Medicaid



What is Medicaid?

- A state government program that helps pay health care costs for individuals, families and children with limited income and resources
- Programs vary from state-to-state but do follow federal guidelines for benefits
- Eligibility varies from state-to-state



Medicaid and Medicare can work together! – “Dual Eligibility”



Can you have both Medicare & Medicaid? Yes!



Some people are eligible for both Medicare and Medicaid



“Dual Eligibility”



Medicare and Medicaid can work together for your health care costs



**You may qualify
for special
Medicare plans.**





Who can get Medicare?



Who can get Medicare?



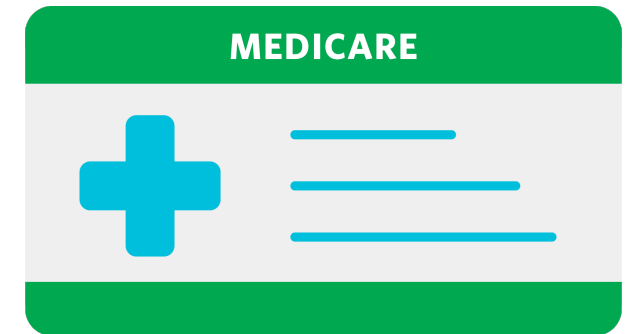
U.S. citizens and legal residents



Legal residents must live in the U.S. for at least 5 years in a row, including the 5 years just before applying for Medicare

You must also meet one of the following requirements:

- Age 65 or older
- Younger than 65 with a qualifying disability
- Any age with a diagnosis of end-stage renal disease or ALS





**Do I need Medicare if I
plan to work past 65?**



Your Medicare enrollment options when working past 65 may be different

You may be able to delay, or you may have to enroll at age 65

Generally, you can delay Medicare past age 65 without penalty if:

- The employer has 20 or more employees
- The employer health coverage is considered “creditable”

You need to enroll at age 65 if:

- The employer has fewer than 20 employees
- Your coverage is not considered “creditable”



What if I’m covered by my spouse’s employer?

You may be able to delay if your employer-based health coverage is through your spouse. You may have to enroll. It depends on the spouse’s employer and any rules the employer has around covered dependents.



Getting Medicare while still working



Medicare and your employer insurance can work together



If you take any part of Medicare, you will no longer be able to contribute to an HSA (health savings account)



Medicare will not cover anyone but you, so consider how any dependents will be covered





What does Medicare cover?





Original Medicare: Parts A & B

Original Medicare has two parts:



Part A (hospital insurance)

Helps pay for hospital and inpatient care



Part B (medical insurance)

Helps pay for doctor and outpatient care





Part A: Hospital Insurance

Medicare Part A covers hospital stays and inpatient care, including:

- Your hospital room and meals
- Care in special units, such as intensive care
- Prescription drugs and medical supplies used during an inpatient stay
- Lab tests, X-rays and medical equipment as an inpatient
- Operating room and recovery room services
- Skilled nursing services
- Some blood transfusions
- Hospice care, including medications to manage symptoms and pain
- Part-time, skilled care for the homebound after a qualified inpatient stay
- Rehabilitation services after a qualified inpatient stay





Part A: Hospital Insurance

Fast facts



Premium-free if you or your spouse worked and paid taxes for 10 years or longer



Can't be denied coverage



Coverage is nationwide, including any qualified hospital in the U.S.



Coverage and costs are per "benefit period"



Must be admitted as an inpatient (not on "observation status")



Provides 60 "lifetime reserve" days





Part B: Medical Insurance

Medicare Part B covers doctor visits and outpatient care, including:

- Doctor visits, including when you are in the hospital
- An annual Wellness Visit and preventive services, like flu shots
- Clinical laboratory services, like blood and urine tests
- X-rays, MRIs, CT scans, EKGs and some other diagnostic tests
- Some health programs, like smoking cessation and obesity counseling
- Physical therapy, occupational therapy and speech-language pathology services
- Diabetes screenings, education and certain supplies
- Mental health care
- Durable medical equipment for use at home, like wheelchairs and walkers
- Ambulatory surgery center services, ambulance and emergency room services





Part B: Medical Insurance

Fast facts



Monthly premium, adjusted for income



Can't be denied coverage



Coverage is nationwide, including any provider who accepts Medicare



Premium penalty for late enrollment, unless you qualify for a Special Enrollment Period





2024 Medicare IRMAA Charges

<i>If you filed your taxes as:</i>	<i>And your MAGI was:</i>	<i>Your Part B monthly adjustment is:</i>	<i>Your prescription drug coverage monthly adjustment is:</i>
-Single, -Head of household, -Qualifying widow(er) with dependent child, or -Married filing separately (and you did not live with your spouse in tax year)*	\$103,000.01 - \$129,000.00	\$ 69.90	\$ 12.90
	\$129,000.01 - \$161,000.00	\$174.70	\$ 33.30
	\$161,000.01 - \$193,000.00	\$279.50	\$ 53.80
	\$193,000.01 - \$499,999.99	\$384.30	\$ 74.20
	More than \$499,999.99	\$419.30	\$ 81.00
-Married, filing jointly	\$206,000.01 - \$258,000.00	\$ 69.90	\$ 12.90
	\$258,000.01 - \$322,000.00	\$174.70	\$ 33.30
	\$322,000.01 - \$386,000.00	\$279.50	\$ 53.80
	\$386,000.01 - \$749,999.99	\$384.30	\$ 74.20
	More than \$750,000.00	\$419.30	\$ 81.00
-Married, filing separately (and you lived with your spouse during part of that tax year)*	\$103,000.01 - \$396,999.99	\$384.30	\$ 74.20
	More than \$396,999.99	\$419.30	\$ 81.00

* Let us know if your tax filing status for the tax year was Married, filing separately, but you lived apart from your spouse at all times during that tax year.





Medicare doesn't cover everything

Original Medicare (Parts A & B) does not cover:

- All of the cost of your care — you have out-of-pocket costs, with no limit
- Prescription drugs
- Routine dental, vision or hearing care
- Eyeglasses, contacts or hearing aids
- Long-term or custodial care (help bathing, eating, dressing)
- Excess charges for services by doctors who don't accept Medicare assignment
- Care received outside the U.S., except for certain circumstances





Where can I get more coverage?



Options for more coverage

Option 1

Add one or both of the following to Original Medicare:

Medicare Part D Plan

Offered by private insurance companies



Helps pay for prescription drugs

Medicare Supplement Insurance (Medigap)

Offered by private insurance companies



Helps pay some or all of the out-of-pocket costs not paid by Original Medicare

OR

Option 2

Choose a Medicare Advantage plan:

Medicare Advantage (Part C) Plan

Offered by private insurance companies



Part C

Combines Part A (hospital insurance) and Part B (medical insurance) in one plan



Part D

Usually includes prescription drug coverage



May offer additional benefits like vision and dental coverage





Part C: Medicare Advantage



Another way to get your Medicare benefits



An alternative to Original Medicare (Parts A & B)



Plan members are still in the Medicare program



Benefits are administered by the plan



Plans are offered by private insurance companies



Most plans offer built-in prescription drug coverage



Plans may also offer additional health benefits such as dental, vision and fitness





Part C: Medicare Advantage

All Medicare Advantage plans cover:



All the benefits of Part A

(except hospice care, which is still covered by Part A)



All the benefits of Part B

Most Medicare Advantage plans cover:



Prescription drugs

Medicare Advantage plans may also offer additional benefits and features, such as:

- Dental exams, cleanings and X-rays
- Eye exams, eyeglasses and contact lenses
- Hearing tests and hearing aids
- Fitness programs and memberships
- OTC Items, Meals, Transportation





Part C: Medicare Advantage

How can Medicare Advantage be so affordable?

- While Medicare Eligibles were working, they contributed to Social Security and Medicare through taxes (if you worked at least 40 quarters, or 10 years)
- CMS contracts with Medicare Advantage Organizations, paying them a monthly amount to provide Medicare coverage to eligible participants
- Medicare Advantage Organizations use this money to cover health care needs of their members





Part C: Medicare Advantage Plan Types

Coordinated care plans

- Health Maintenance Organization plans (HMO)
- Preferred Provider Organization plans (PPO)
- Point of Service plans (POS)
- Special Needs Plans (SNP)
 - Dual Special Needs Plans (D-SNP)
 - Chronic Special Needs Plans (C-SNP)
 - Institutional Special Needs Plans (I-SNP)
 - Institutional-Equivalent Special Needs Plans (IE-SNP)

Other plan types

- Private Fee-For-Service plans (PFFS)
- Medical Savings Account plans (MSA)





Part C: Medicare Advantage

Fast facts



Must be enrolled in both Medicare Part A and Part B and live in plan service area



Can't be denied coverage based on current financial or health status, including pre-existing conditions



May be required to use provider and pharmacy networks



Coverage and costs vary by plan and may change each year



Annual limit on out-of-pocket costs for covered services



May charge a monthly plan premium



Must continue to pay Part B premium to Medicare





Part D: Prescription Drug Coverage

Medicare Part D insurance provides coverage for prescription drugs and some vaccines

Two ways to get coverage:



A stand-alone Part D plan



A Medicare Advantage plan that includes prescription drug coverage





Part D: Prescription Drug Coverage

Medicare Part D plans cover:

- Types of drugs most commonly prescribed for Medicare beneficiaries as determined by federal standards. In general, prescriptions at a pharmacy
- Specific brand name drugs and generic drugs included in the drug list (formulary)





Part D: Prescription Drug Coverage

Formulary: a list of prescription drugs covered by a plan

Tiered formulary

- Drugs are grouped into tiers based on cost
- In general, the lower the tier, the lower the cost
- Deductibles may be charged by tier

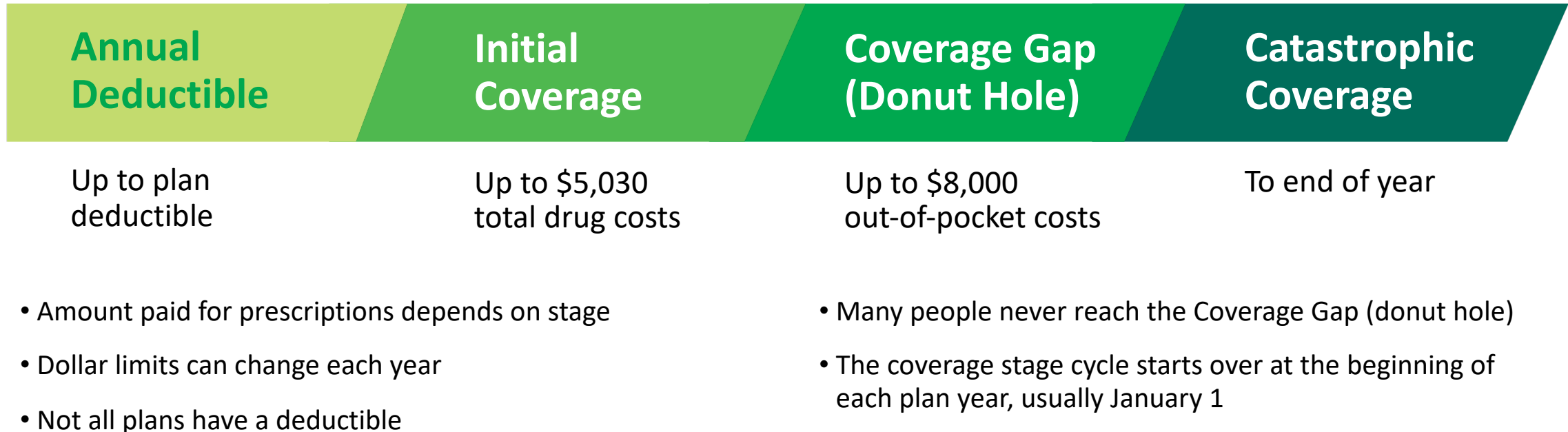
Formulary tiers	
Tier 1	\$
Tier 2	\$\$
Tier 3	\$\$\$
Tier 4	\$\$\$\$
Tier 5	\$\$\$\$\$





Part D: Prescription Drug Coverage

During the year, you may go through different drug coverage stages





Part D: Prescription Drug Coverage

Fast facts



Must be enrolled in Medicare Part A, Part B or both



May be required to use a pharmacy network



Coverage and costs vary by plan, and may change each year



Part D premium penalty for late enrollment, unless you qualify for a Special Enrollment Period





Medicare Supplement Insurance: Medigap

Helps pay some of the out-of-pocket costs not paid by Medicare Parts A & B



Works with Original Medicare (Parts A & B) and Medicare Part D



Can't be used to pay for Medicare Advantage costs



10 plans standardized by federal and state law*



Plans are labeled by letters, (i.e. Plan A, Plan G) and what costs and services are covered vary by plan*



Plans with the same letter offer the same basic benefits nationwide. MA, MN and WI standardize plans differently.



Plans are offered by private insurance companies in your state

*Plans C and F are only available to individuals who were eligible for Part A or turned 65 before 1/1/20.





Medicare Supplement Insurance: Medigap

Plans may help pay:

- Part A hospital coinsurance
- Part A skilled nursing facility care coinsurance
- Part B coinsurance or copays
- Cost of blood transfusions (first 3 pints)
- Costs for 365 extra hospital days
- Hospice care coinsurance
- Part B deductible*, Part A deductible
- Foreign travel emergency care up to plan limits
- Provider charges above Medicare's approved amount



Plans do not help cover:

- Prescription drugs
- Routine dental, vision or hearing care**
- Eyeglasses, contacts or hearing aids**
- Custodial care (help bathing, eating, dressing)
- Long-term care

*Not available for those newly eligible for Part A in 2020 or beyond.

**Medigap insurers may make value-added services available either free or on a discounted basis.



Standardized Medicare Supplement Plans

Benefits covered by chosen Medigap plan	Plan A	Plan B	Plan D	Plan G**	Plan K	Plan L	Plan M	Plan N	Plan C	Plan F**
Part A hospital coinsurance and 365 extra hospital days	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Part A deductible		100%	100%	100%	50%	75%	50%	100%	100%	100%
Part B coinsurance or copays	100%	100%	100%	100%	50%	75%	100%	100%*	100%	100%
Part B annual deductible									100%	100%
Part B excess charges				100%						100%
Cost of blood transfusion (first 3 pints)	100%	100%	100%	100%	50%	75%	100%	100%	100%	100%
Foreign travel emergency (up to the plan limits)			80%	80%			80%	80%	80%	80%
Hospice care coinsurance costs	100%	100%	100%	100%	50%	75%	100%	100%	100%	100%
Part B preventive care coinsurance	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	50%	75%	100%	100%	100%	100%
Yearly out-of-pocket limit before benefits paid at 100%					\$6,620	\$3,310				

*Except copays for office visits and ER

**Plans F and G also have high deductible versions

Only available to Medicare first eligible before 1/1/2020





Medicare Supplement Insurance: Medigap

Fast facts



Must be enrolled in both Medicare Part A and Part B and live in the state where plan is offered



Plan premiums may vary for same coverage



No medical underwriting up to 6 months after enrolling in Part B at age 65 or older



Plans with more coverage generally have higher premiums



Nationwide coverage and no provider network*



Must continue to pay Part B premium to Medicare



Guaranteed renewable as long as you pay your premium

*Medicare Select plans use hospital networks





Medicare Supplement Pricing

Community-rated or “no-age rated”	Same monthly premium charged regardless of age.	Premiums are the same no matter how old you are.
Issue-Age-rated	Premium is based on the age you are when you buy.	Premiums are lower for younger buyers and won’t change as you get older.
Attained-age-rated	The premium is based on your current age (the age you have “attained”) so your premium goes up as you get older.	Premiums are low for younger buyers but goes up as you get older and an eventually become the most expensive.





How much does Medicare cost?



Medicare costs

Premium

A fixed amount that you pay for coverage, usually monthly

Deductible

A set amount that you pay for covered services before your plan begins to pay

Copay

A fixed amount you pay at the time you receive a covered service

Coinsurance

An amount you pay when the plan splits the cost of a covered service with you by percentage, such as 80/20



Part C, Part D and Medigap Costs

Plans will vary in the costs they choose to include and how much

Costs you could pay may include:

Medicare Advantage (Part C)	Part D prescription drug plans	Medicare supplement insurance (Medigap) plans
<ul style="list-style-type: none">• Low to \$0 monthly premium• Deductible• Copay• Coinsurance	<ul style="list-style-type: none">• Monthly premium• Deductible• Copay• Coinsurance	<ul style="list-style-type: none">• Monthly premium• Deductible• Copays



Medicare Advantage plans have an annual out-of-pocket maximum for covered services.





How do I choose?



Medicare coverage combinations

With Original Medicare (Parts A & B)



Part A

Part B



Part A

Part B

Part D



Part A

Part B

Medigap



Part A

Part B

Part D

Medigap

With Medicare Advantage (Part C)



Part C



Part C

Part D



Part C

Part D



Medicare coverage choices

STEP
1

Enroll in Original Medicare

STEP
2

Decide if you need additional coverage.
There are two ways to get it.

Original Medicare

Provided by the federal government



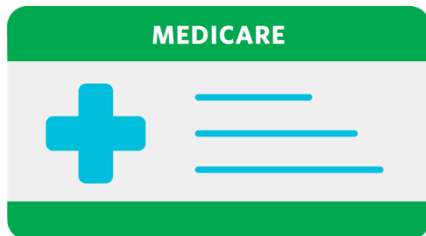
Part A

Helps pay for hospital stays and inpatient care



Part B

Helps pay for doctor visits and outpatient care



Option 1

Add one or both of the following to Original Medicare:

OR

Option 2

Choose a Medicare Advantage plan:

Medicare Part D Plan

Offered by private insurance companies



Helps pay for prescription drugs

Medicare Supplement Plan

Offered by private insurance companies



Helps pay some or all of the out-of-pocket costs not paid by Original Medicare

Medicare Advantage Plan or Part C Plan

Offered by private insurers



Part C

Combines Part A and Part B in one plan



Part D

Usually includes prescription drug coverage



Provides additional benefits, services and programs not provided by Original Medicare



Medigap or Medicare Advantage?

Considerations	Medigap	Medicare Advantage
Coverage	<ul style="list-style-type: none">• Pays some costs not paid by Original Medicare• Does not help with drug costs• Nationwide coverage• May offer additional value-added services	<ul style="list-style-type: none">• Provides benefits of Original Medicare and beyond• Often includes Part D drug coverage• May have provider network• May offer additional health benefits (i.e. dental, vision, hearing, etc.)
Cost	<ul style="list-style-type: none">• Monthly plan premium• Drug plan premium and other costs if you also add a stand-alone Part D plan• Out-of-pocket costs depend on plan chosen	<ul style="list-style-type: none">• May charge plan premium• Often no additional premium for drug coverage• Copays or coinsurance for most covered services• Annual out-of-pocket maximum
Convenience	<ul style="list-style-type: none">• Multiple plans (when added to Original Medicare along with a Part D plan)	<ul style="list-style-type: none">• All-in-one plan

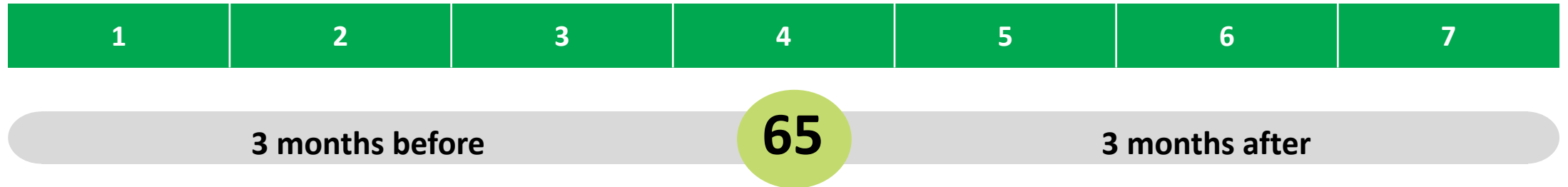




When can I enroll?



Initial Enrollment Period



Medicare Part A & Part B

- You'll be enrolled automatically if you're receiving Social Security or Railroad Retirement Board (RRB) benefits at age 65, or after receiving Social Security disability benefits for 24 months
- You must enroll yourself if not receiving benefits. Go to ssa.gov/benefits/medicare/ to enroll online, or call or visit your local Social Security office

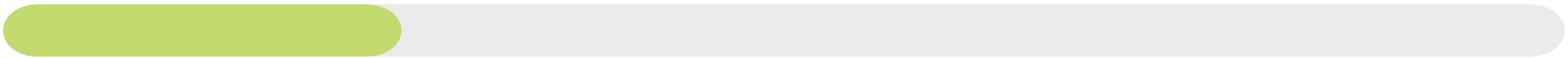


Tips:

- Enroll early to avoid gaps in coverage and late enrollment penalties
- May refuse or delay enrollment in Part B with creditable employer coverage



General Enrollment Period



▲ Parts A and B

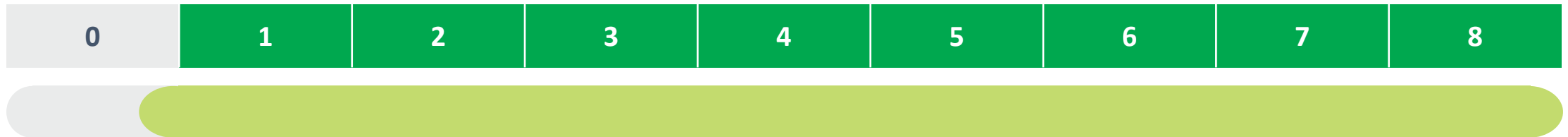
For those who miss their Initial Enrollment Period

- May enroll in Part A, Part B or both
- May choose to enroll in a Medicare Advantage plan (Part C) or a prescription drug plan (Part D)
- Late enrollment premium penalties may apply

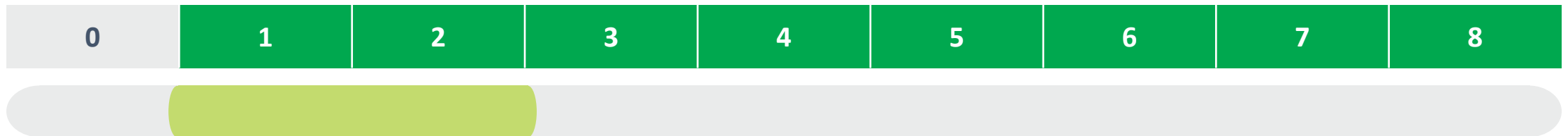


Special Enrollment Period: Working past 65

▼ The last month of employment or employee health coverage



▲ Parts A and B



▲ Parts C and D

- For those who delayed enrollment with creditable employer health coverage
- You will have 8 months to enroll in Part A, Part B or both
- You will have only the first 2 months to enroll in a Medicare Advantage (Part C) or Part D prescription drug plan
- You have exactly 63 days to get a stand-alone Part D plan or Medicare Advantage plan with prescription drug coverage without penalty



Medicare Supplement Open Enrollment Period

▼ Age 65 or older and enrolled in Medicare Parts A & B



- Lasts for 6 months, beginning with the month in which you are 65 or older **and** enrolled in both Medicare Part A and Part B
- No medical underwriting if you enroll during this time
- You may apply at other times, but you could be denied coverage or charged a higher premium based on your health history
- Some states may have additional Open Enrollment rights under state law



Late Enrollment Premium Penalties



Medicare Part A

- None if qualified for premium free
 - The penalty is 10% of the Part A premium
-



Medicare Part B

- None if qualified for a Special Enrollment Period
 - The penalty is 10% of the monthly Part B premium amount for each full 12-month period enrollment is delayed
-



Medicare Part D

- None if less than 63 days without creditable coverage
- The penalty is an additional 1% of the average Part D premium for each month you delayed enrollment

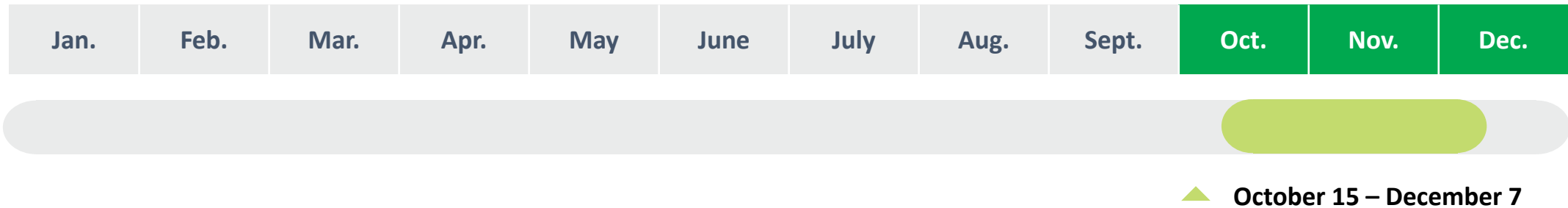




When can I change my coverage?



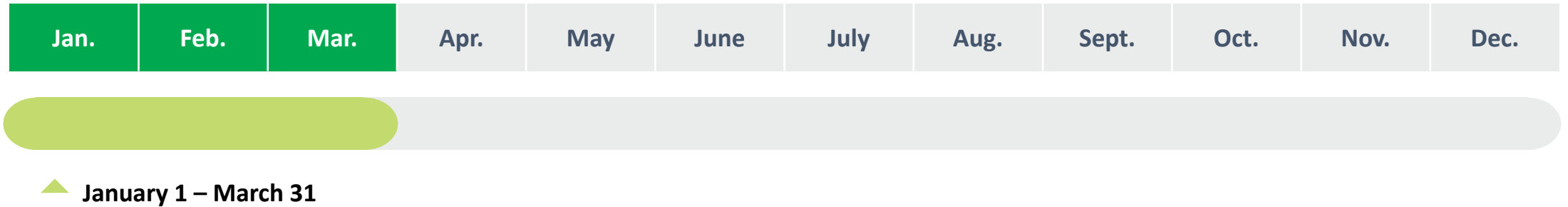
Medicare Annual Enrollment Period



- Join, switch or drop a Medicare Advantage (Part C) or Medicare Part D prescription drug plan
- Switch from Original Medicare (Parts A & B) to a Medicare Advantage plan, or vice versa
- Switch from one Medicare Advantage plan to another



Medicare Advantage Open Enrollment Period



- Available to Medicare Advantage plan members only
- Switch to a different Medicare Advantage plan or return to Original Medicare (Parts A & B)
- Enroll in a stand-alone Part D prescription drug plan if returning to Original Medicare
- Just one coverage change allowed



Special Enrollment Period: Qualifying life events

▼ The month you have a qualifying event



▲ Special Enrollment Period

In most cases, you have two full months after the month of a qualifying event to make plan changes. During this time, you may join, change or drop a Medicare Advantage or prescription drug plan outside of the Medicare Annual Enrollment Period without penalty.

Common events that may qualify include:

- Moving
- Leaving retiree, union or COBRA coverage



Medicare Advantage Trial Right Period

If after you join a Medicare Advantage Plan for the first time, you have a single 12-month period (your trial right period) to get your Medigap policy back if the same insurance company still sells it once you return to Original Medicare.

- No medical underwriting
- Also applies if you joined Medicare Advantage at 65
- Does NOT apply if you joined Medicare Advantage plan from an employer plan (Medicare A&B dates do not match)





How can I save money?



Use Benefits Wisely



Use preventive services



**Use your plan's
provider network**



**Ask about alternative, generic
and low-tier prescription drugs**



**Use plan's preferred
pharmacy network or mail-
order pharmacy**



Rx Discount Programs



Financial Assistance Programs

Extra Help

- Helps with Medicare Part D costs

Medicaid

- Provides health care coverage for people and families with limited incomes
- Programs vary by state

Medicare Savings Programs

- Help pay Medicare Part A and Part B costs

Program of All-Inclusive Care for the Elderly (PACE)

- Provides care services for frail elderly living in the community



Call your state SHIP office?

Visit **ShipHelp.org** or
call **1-800-MEDICARE**
(1-800-633-4227),
TTY **1-877-486-2048**,
24 hours a day, 7 days a
week to get the number.





Where can I go for help?





Where can I go for help?

Ash Brokerage of course!



Thank you!



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