



MEDICARE 101 |

Agenda

- 1 Who is eligible for Medicare?
- 2 Coverage options
- 3 When can I enroll?
- 4 Next steps
- 5 Questions?

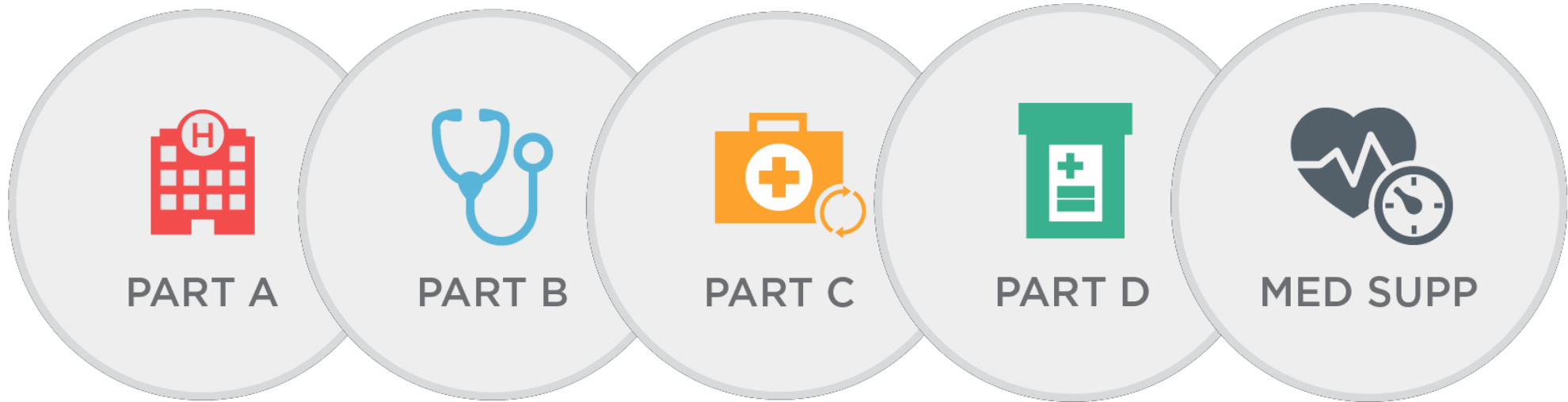
Who is Eligible for Medicare?

- Must be a U.S. Citizen or legal resident for at least 5 consecutive years

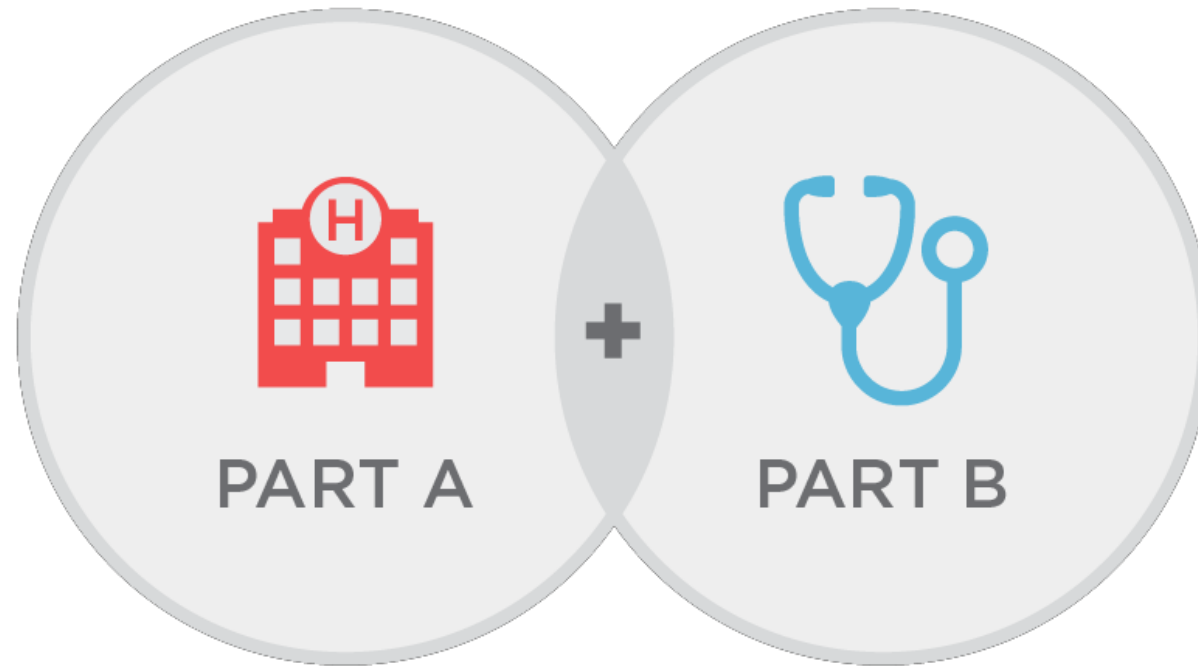
And one of the following:

- Age 65 or older
- Under 65 with a qualifying disability
- Any person diagnosed with end-stage renal disease or ALS

Coverage Options



Original Medicare



Original Medicare



Hospital Insurance

- Inpatient hospital care
- Inpatient mental health care
- Skilled nursing services
- Hospice care
- Some blood transfusions

Original Medicare



Costs

- Premium free if you have worked 40 quarters
- \$1,556 deductible in 2022

Coverage

- Stays of more than 60 days have daily co-pays
- You can utilize any hospital that accepts Medicare
- Hospital care outside of the U.S. isn't usually covered

Original Medicare



Doctor and outpatient visits

- Physician services
- Outpatient Hospital Services
- Ambulance
- Outpatient mental health
- Laboratory service
- Durable medical equipment (wheelchairs, oxygen, etc.)
- Outpatient physical, occupational, and speech-language therapy
- Some preventive care

Original Medicare



Costs

- No out-of-pocket maximum
- You pay 20% of Medicare approved costs
- Part B has a monthly premium, which is adjusted based on your income
- Part B deductible for 2022 is \$233
- May pay a higher premium if you sign up after your initial enrollment period

Coverage

- Physicians who accept Medicare
- Some preventive health care is provided

Original Medicare



What's not covered

- Medicare Part A and Part B deductibles, co-insurance, and premiums
- Medicare Part B excess charges
- Prescription drug coverage
- Additional benefits such as hearing, vision, and dental
- Long-term care or custodial care if that is the only care you need. Most nursing home care is considered custodial care.

Prescription Drug Plans



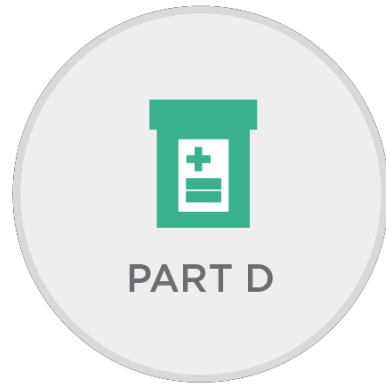
Prescription Drug Plans



Helps with the cost of prescription drugs

- Only offered through private insurance companies
- You must continue to pay your Part B premiums

Prescription Drug Plans



Costs

- Coverage varies from plan to plan
- Catastrophic coverage protects you from high drug costs
- Benefits can change year to year

Enrollment

- Each plan has a list of drugs it covers
- List of drugs can change every year

Coverage

- Coverage is not automatic
- Penalties may apply if you enroll late

Prescription Drug Plans

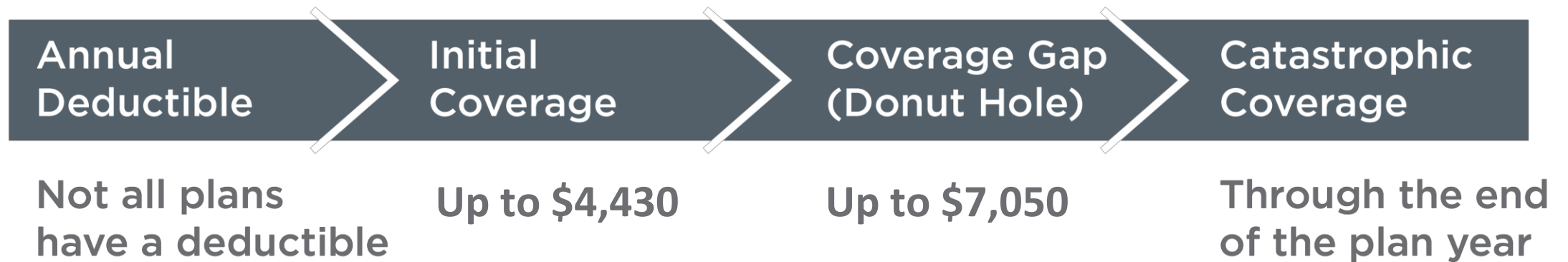
Part D Formulary

A formulary is the list of drugs covered by an insurance plan

- Many plans have a tiered formulary.
- Generally, the lower the tier, the lower the cost

| Formulary Tiers | |
|-----------------|------------|
| Tier 1 | \$ |
| Tier 2 | \$\$ |
| Tier 3 | \$\$\$ |
| Tier 4 | \$\$\$\$ |
| Tier 5 | \$\$\$\$\$ |

Coverage Stages

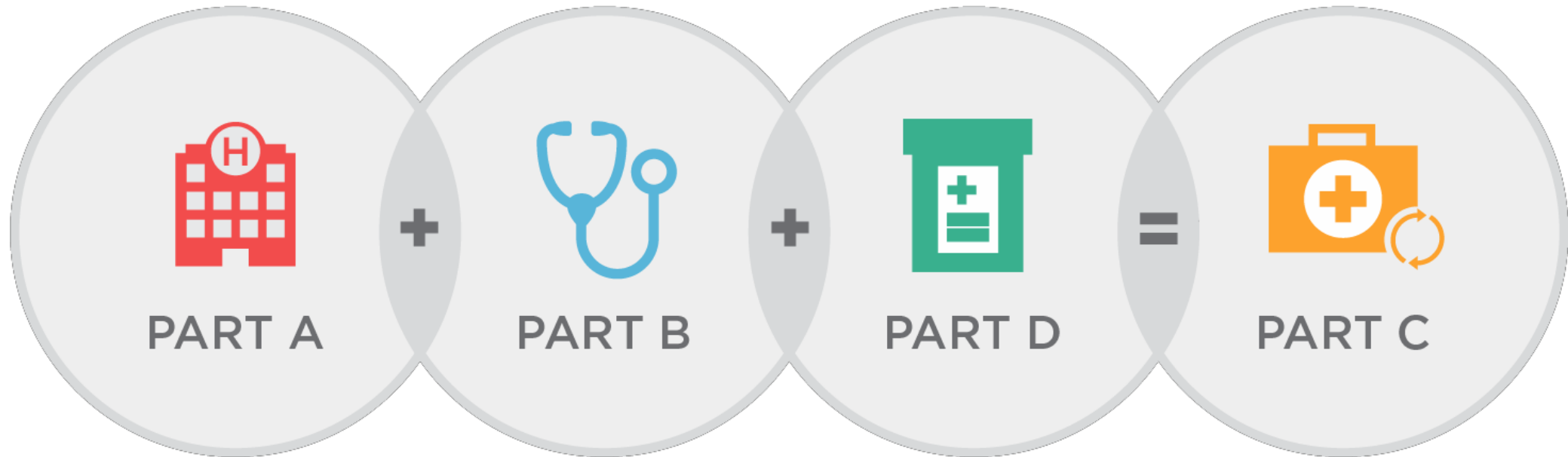


The coverage cycle starts over on January 1st of each year.

2022 Cost Sharing for Part D

- Annual deductible of up to \$480 – not all plans have a deductible
- Initial coverage limit of \$4,430
- Coverage Gap or Donut Hole
 - You pay 25%
- Catastrophic coverage - \$7,050 and above. Drug copays drop to:
 - Generics - \$3.95 or 5%, whichever is greater
 - Brands - \$9.85 or 5%, whichever is greater

Medicare Advantage Plans



Medicare Advantage Plan



- Combines both Medicare Part A and Part B, may also include prescription drug coverage
- Offered by private insurance companies
- Often include additional benefits above and beyond Original Medicare

Medicare Advantage Plan



Eligibility for Part C

- Must be enrolled in Medicare Part A and Part B
- Must live in the plan's service area

Medicare Advantage Plan



Costs

- Plan premiums and benefits can change year to year
- Must continue to pay your Part B premium

Coverage

- Many Plans include prescription drug coverage (Part D)
- Coverage can be limited to a service area – unless it is an emergency
- May be required to use a network of doctors and hospitals
- May include additional benefits above Original Medicare

Medicare Advantage Plan



Types of Part C plans

Coordinated care plans

- Health Maintenance Organization (HMO)
- Preferred Provider Organization (PPO)
- Special Needs Plans (SNP)
- Health Maintenance Organization point of service (HMO-POS)

Other Plans

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

Medicare Supplement Insurance



Medicare Supplement Insurance



- Helps to cover gaps in coverage from Original Medicare
- Sold by private insurance companies
- Plans are named A, B, C, D, F, G, K, L, M, N, High-Deductible Plan F and High-Deductible Plan G
- Massachusetts, Minnesota, and Wisconsin have different standardized plans than the other states
- Benefits can vary by plan and Medicare start date

Medicare Supplement Insurance



Eligibility

- Must be enrolled in Medicare Parts A and B
- Resident of the state in which you are applying for coverage
- Age 65+ (or under 65 in certain states)

Medicare Supplement Insurance



Costs

- Helps with some of the out-of-pocket costs not paid by Original Medicare
- Premiums will vary based on plan and carrier

Enrollment

- Generally, the best time to enroll is during the six-month Open Enrollment Period following your 65th birthday or Part B effective date
- There may be other situations in which your acceptance may be guaranteed

Plan Choices

STEP
1

Enroll in Original Medicare.

STEP
2

Decide if you need additional coverage. You have two ways to get it.

OPTION 1

OR

OPTION 2

Add one or both of the following to Original Medicare

Choose a Medicare Advantage plan

Original Medicare
Provided by the government



PART A

Part A
covers hospital stays



PART B

Part B
covers doctor and outpatient visits

Medicare Supplement Insurance
Offered by private companies



MED SUPP

Covers some of the costs not paid by original Medicare Parts A and B

Medicare Part D
Offered by private companies



PART D

Part D
covers prescription drugs

Medicare Advantage Part C
Offered by private companies



PART C

Part C
combines Part A (hospital) and Part B (doctor)



Provides additional benefits



PART D

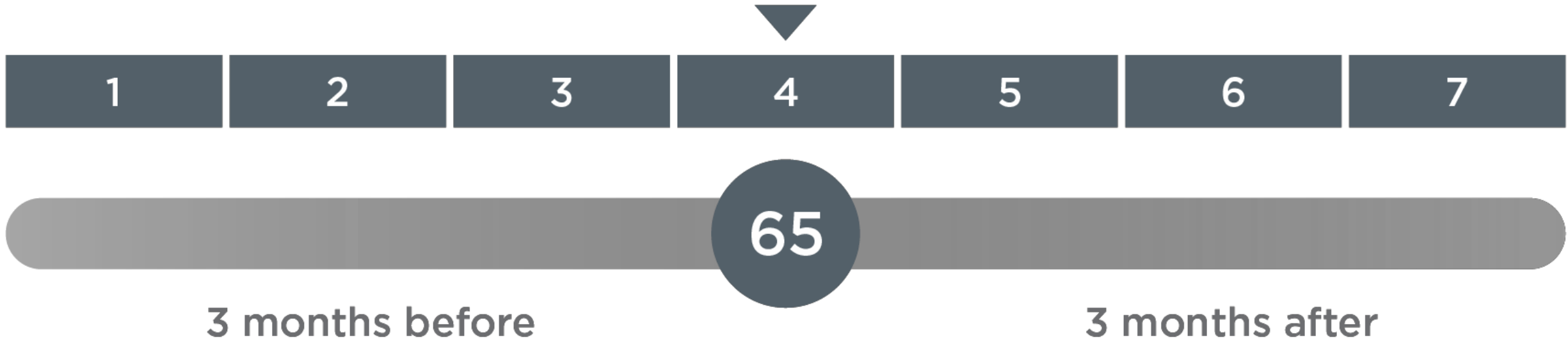
Part D
covers prescription drugs



When can I enroll?

Medicare Initial Enrollment Period (IEP) Parts A, B, C, and D

The month you turn 65 years old



What if I work past age 65?

If working past age 65

- You may enroll in Parts A and B
- Recommended that you speak with your benefits administrator
- Keep records of your health insurance coverage

Enrollment after age 65

- When retiring, you may be eligible for a Special Enrollment Period (SEP). That may allow you to:
 - Enroll in Original Medicare for up to eight-months after the month your employment or employer health insurance ends, whichever happens first
 - Enroll in a Medicare Advantage or Prescription Drug Plan for up to two full months after the month your employment or employer health insurance ends, whichever is first

New to Medicare

Working beyond 65: Fewer than 20 employees

65th birthday month



June

July

Aug.

Sept.

Oct.

Nov.

Dec.

65

3 months before

3 months after

Medicare Supplement Open Enrollment

Your eligibility begins



65

This period lasts for 6 months and begins on the first day of the month in which you're both 65 or older and enrolled in Medicare Part B.

Additional Elections

- **Annual Enrollment Period** – Oct. 15th – Dec 7th, for plan to begin January 1st.
- **Open Enrollment Period** – Jan 1st – Mar 31st. May change from one Medicare Advantage to another Medicare Advantage plan or back to original Medicare and a Part D plan.
- **Special Enrollment Periods** – moving into a new area, discontinuation of a plan, skilled nursing care, low income/Medicaid



Next Steps



Next Steps

- 1 Review enrollment periods
- 2 Research your options
- 3 Ask questions
- 4 Enroll
- 5 Yearly review



Questions?