

MEDICARE BASICS

PART A - HOSPITAL

- Covers hospitalization, nursing home, hospice and home health care.
- Premiums are free for most.
- Do not have to receive Social Security to enroll.
- Can see any provider accepting Medicare.
- Hospital admissions have \$1,556 deductible (for 2022) for each benefit period (up to 60 days after discharge).
- Nursing home coverage – the first 20 days are free; the next 80 days have a \$194.50 per day co-pay (for 2022).

PART B - MEDICAL

- Covers doctor office visits, lab tests, x-rays, CT scans, screenings, ER visits, outpatient surgery and others.
- Premium is \$170.10/month for most people.
- Annual deductible of \$233 (for 2022).
- You pay a 20% co-insurance for most Part B expenses.
- Do not have to receive Social Security to enroll.
- Can see any provider accepting Medicare.

ENROLLMENT PERIODS FOR PARTS A & B

Parts A & B - if not covered by other insurance

- Enrollment period starts 3 months before and ends 3 months after your 65th birthday month.
 - If you are drawing Social Security, you should receive card in mail.
 - If not drawing Social Security, apply on line (www.ssa.gov) or go to Social Security office.

If you're still working and are covered by employer's insurance

- You can enroll in Part A since it's free for most people.
- You can delay enrollment in part B until you lose employer coverage.
- You have 8 months to enroll beginning with the month after your employment or group coverage ends, whichever is first.

General Enrollment

- If you fail to enroll in Medicare Part B during initial enrollment or special enrollment, you can sign up from January 1 - March 31 of each year.
- Coverage begins July 1 of that year.
- For each 12 month period you delay enrollment in Part B, there is a 10% penalty unless you have other health insurance.

MEDICARE ADVANTAGE (MA) (PART C)

DESCRIPTION

- MA plans are sold by insurance companies and take the place of Medicare. You must be enrolled in Medicare, parts A&B.
- Medicare pays MA insurance companies to insure you.
- Most plans have a network of providers. If you go outside of this network:
 - HMO plan - you generally pay the entire amount.
 - PPO plan - you pay more, but not the entire amount.
- These plans must cover the same services as Medicare although qualifications for coverage may differ.
- The majority of plans include drug coverage.
- These plans usually include basic dental, vision or hearing coverage. Also OTC drug allowance, physical exam, health club membership may be offered.

COST

- May pay an additional premium for plan.
- Continue to pay Medicare Part B premiums to be eligible.
- Co-pays required for most medical expenses.
- Your co-pays are limited to a maximum amount of \$3,350 to \$7,550 per year.
- You may be eligible for low income assistance in helping to pay for your costs.
- Use the *www.medicare.gov* plan finder to find least expensive plan for your drugs.

WHEN CAN I ENROLL

- Enrollment period same as Medicare – see above.
- If you are past age 65 and lose employer coverage, you have 2 months to enroll.
- You can switch plans during Fall Open Enrollment period of Oct 15 - Dec. 7.
- If eligible for low income assistance, you can switch plans quarterly.
- Cannot be denied coverage due to pre-existing conditions.
- Medicare Advantage Open Enrollment goes from Jan 1 – Mar 31. Can switch MA plans or switch back to Original Medicare + a Drug plan.

PART D – MEDICARE DRUGS

DESCRIPTION

- Plans sold by insurance companies.
- Cannot be denied coverage due to pre-existing conditions.
- Must have Medicare Parts A and/or B.

COST

- Plans have monthly premiums and may have deductibles.
- Co-pays vary depending on how your insurance plan classifies your drugs, the cost of the drugs and choice of pharmacy.
- Your drugs may not be covered by all plans.
- You may be eligible for low income assistance in helping to pay for your costs.
- Use *www.medicare.gov* plan finder to find least expensive plan for your drugs.

ENROLLMENT

- You may enroll when you turn 65, same enrollment period as Medicare.
- If you are past age 65 and lose employer coverage, you have 2 months to enroll.
- You can switch plans during Fall Open Enrollment period of Oct 15 - Dec. 7.
- You may delay enrollment in a Part D plan without penalty if employer coverage considered “Creditable Coverage”. Check with your HR department to determine this.
- If you do not enroll in a Part D plan when first eligible, may be penalized about \$0.33 per month times the number of months you did not have a Part D plan. Penalty is waived if you qualify for Extra Help. Penalty is waived for those on Medicare due to disability when they turn 65.
- If eligible for low income assistance, you can switch plans quarterly.

MEDIGAP (MEDICARE SUPPLEMENT)

DESCRIPTION

- Sold by insurance companies which pays some or all deductibles and co-pays of Medicare parts A & B.
- Cannot use with a Medicare Advantage plan, only Medicare A & B.
- Does not include drug coverage.
- Will only pay for costs approved by Medicare.
- If enrolled in Medicare due to disability, only Medigap plan 'A' is available. Plan A covers the 20% Medicare part B copay. There is no guarantee of coverage since you are subject to medical underwriting

CHOOSING A PLAN

- There are 9 plan choices with each plan providing a different level of coverage.
- Once you determine which type of plan you want, use the plan finder in www.medicare.IN.gov. Select "Medicare Supplement Plans" and "compare Medicare Supplement Policies". Put in your zip code, gender, plan choice to view estimated premium costs by company.
- Contact the insurance company for exact pricing and recent rates of increases.

ENROLLMENT

- There is a 6 month guaranteed enrollment period starting the month you are age 65 and enrolled in Medicare, Part B.
- If you want to switch plans beyond the guaranteed enrollment period, your health may be a consideration and you may not be able to purchase a plan.
- There is no annual open enrollment period to switch plans.

COST

- Premiums vary by company, however coverage will not. Premiums will likely increase over time.

MEDICARE COVERAGE OPTIONS

1) Medigap Plans: (Medicare Supplement)

- Pay some or all of Medicare's deductibles and co-pays not including drug coverage.
- 9 plan choices w/different coverage levels & costs.
- Premiums start at \$75-90 per month - may increase as you age.
- Can go to any health care provider accepting Medicare.
- No pre-existing condition denial if plan is purchased within first 6 months of enrolling in Medicare Part B and turning 65.
- Limited availability if on Medicare due to disability.
- Must purchase drug coverage separately.

2) Medicare Advantage Plans:

- Replace Medicare's health coverage with private insurance.
- Most plans include drug coverage.
- Co-pays required for most services. Co-pays are limited to a maximum of \$3,350 - \$7,550 annually.
- Plans use a network of providers, usually HMO or PPO plans.
- You can change plans during annual open enrollment - October 15 – December 7.
- Premiums will not increase as you age.
- Offer a combination of additional benefits such as dental, vision, hearing and OTC drug allowance.

Questions? – Call SHIP 260/373-7952