

Welcome to Medicare!

It is important to us that you have access to the most affordable health coverage to fit your unique lifestyle. Colorado State Health Insurance Assistance Program (SHIP) can help you:

- Understand your health care options
- Make informed choices
- Save you money.

Enclosed you will find:

- How Medicare Works
- Your Options
- Considerations in Your Decision Making
- Next Steps/Timing

Our service is free and confidential. We do not sell or endorse health plans. Colorado SHIP is part of a National Network of Programs. Our counselors are State certified and highly qualified in assisting with Medicare.

Medicare Eligibility

Who is Eligible?

- **People 65 or over** (and under 65 with certain disabilities)
- **Citizens of the U.S.**
- **People lawfully admitted for permanent residence**
(residing in the US for 5 consecutive years)
- **Spouses that “hitchhike” on other spouse’s work record**
- **Disabled Adults/Children** (receiving SSA disability benefits for 24 months)
- **Individuals with ESRD** (with kidney transplant or regular dialysis for at least 3 months)
- **Individuals with ALS** (diagnosed at least 6 months)

Enrollment Periods

Initial Enrollment Period (IEP)

- 7 months around your 65th birthday
- 24th month of cash payment from Social Security Disability
- May defer Part B if client or spouse is still working (no penalty)

Special Enrollment Period (SEP)

- 8 months after loss of Creditable Coverage (COBRA is not Creditable)
- No penalty

General Enrollment Period (GEP)

- Annually from January 1st thru March 31st (coverage effective July 1st)
- For those who missed their IEP and/or their SEP (penalty usually applies)

Open Enrollment Period

- Annually between 10/15 and 12/7
- Change from Original Medicare to Medicare Advantage Plan
- Switch from one Medicare Advantage Plan to another
- Enroll in a Drug Plan
- Switch from one Drug Plan to another
- Return to Original Medicare and enroll in Drug Plan
- Coverage begins January 1st of following year

Bonus Open Enrollment Period for Current Advantage Plan Enrollees

- Annually between January 1st and March 31st
- Switch to a different Advantage Plan
- Return to Original Medicare & join a Part D plan
- Coverage begins the 1st of the following month

How Medicare Works

What are the different parts of Medicare?

<p style="text-align: center;">Medicare Part A (Hospital Insurance)</p> <p>Helps cover:</p> <ul style="list-style-type: none"> • Inpatient care in hospitals • Skilled nursing facility care • Hospice care • Home health care 	<p style="text-align: center;">Medicare Part B – Medical (Medical Insurance)</p> <p>Helps cover:</p> <ul style="list-style-type: none"> • Services from doctors & other health care providers • Outpatient care • Home health care • Durable Medical Equipment (like wheelchairs, walkers, hospital beds, etc.) • Some preventive services (like screenings, shots/vaccines, yearly wellness visit)
<p style="text-align: center;">Medicare Part C (Medicare Advantage)</p> <ul style="list-style-type: none"> • Includes all benefits & services covered under Part A & Part B • Usually includes Medicare prescription drug coverage (Part D as part of plan) • Run by private insurance companies that follow rules set by Medicare. • May include extra benefits and services for extra cost 	<p style="text-align: center;">Medicare Part D (Medicare prescription drug coverage)</p> <p>Helps cover:</p> <ul style="list-style-type: none"> • the cost of prescription drugs (including many recommended shots and vaccines) • Run by private insurance companies that follow rules set by Medicare. • May help lower your prescription drug costs & protect against higher costs in the future

- **Medicare was never intended to pay 100% of Health Care Costs**
- **Medicare does not cover care outside the USA (and its protectorates) in most cases.**
- **Durable Medical Equipment, Prosthetics, Orthotics & Supplies (DMEPOS) must be obtained from a contracted supplier.**

What's NOT covered by Parts A & B?

Medicare doesn't cover everything. If you need certain services that aren't covered under Medicare Part A or Part B, you'll have to pay for them yourself unless:

- You have coverage (including Medicaid) to cover the costs.
- You're in a Medicare health plan that covers these services.

Even if Medicare covers a service or item, you generally have to pay deductibles, coinsurance, and copayments.

Here is a partial list of the items and services that Medicare **DOESN'T** cover:

- X** Most dental care
- X** Eye examinations related to prescribing glasses
- X** Dentures
- X** Cosmetic surgery
- X** Acupuncture
- X** Hearing aids and exams for fitting them
- X** Long-term care (also called custodial care)
- X** Routine foot care

2020 Medicare Costs

<u>Part B Monthly Premium</u>	\$144.60*
<u>Part B Annual deductible</u>	\$198
<u>Part B Co-Payment</u>	~20%
<u>Part A Hospital Deductible</u>	\$1408 (per 60-day benefit period)

Hospital Co-Payments

Days 61-90	\$352/day
90 days +	\$704/day

Skilled Nursing Facility

Days 1-20	\$0
Days 21-100	\$176/day

Part A Monthly Premium (based on # Quarters you paid Medicare Taxes)

40+ Quarters	\$0
30-49 Quarters	\$252/month
30 Quarters or less	\$458/month

*Part B and Part D premiums are based on income

	<u>Part B Premium</u>	<u>Part D Premium</u>
Single Filer with income \$87,001-\$109,000 or Joint Filers with income \$174,001-\$218,000	\$202.40	\$12.20 + Plan Premium
Single Filer with income \$109,001-\$136,000 or Joint Filers with income \$218,001-\$272,000	\$289.20	\$31.50 + Plan Premium
Single Filer with income \$136,001-\$163,000 or Joint Filers with income \$272,001-\$326,000	\$376.00	\$50.70 + Plan Premium
Single Filer with income \$163,001-\$500,000 or Joint Filers with income \$326,001-\$750,000	\$462.70	\$70.00 + Plan Premium
Single Filer with income over \$500,001 or Joint Filers with income over \$750,001	\$491.60	\$76.40 + Plan Premium

Low Income Assistance Programs - Help with Medicare Costs

Effective 4/1/2020

Health First Colorado (Medicaid)

State administered program for certain lower income individuals

Enroll online at ColoradoPeak.org

<u>Medicare Savings Programs (MSP)</u>	<u>Monthly Income limits</u>	<u>Assets</u> (ex. home & car)
<u>QI-1 Pays Part B Premium</u>		
Individual	\$1,456	\$7,860
Couple	\$1,960	\$11,800
<u>SLMB Pays Part B Premium</u>		
Individual	\$1,296	\$7,860
Couple	\$1,744	\$11,800
<u>QMB Pays Part A & B Premiums, Copays, and deductibles</u>		
Individual	\$1,084	\$7,860
Couple	\$1,457	\$11,800
<u>QDWI – Qualified Disabled working</u>		
Individual	\$4,339	\$4,000
	\$5,833	\$6,000

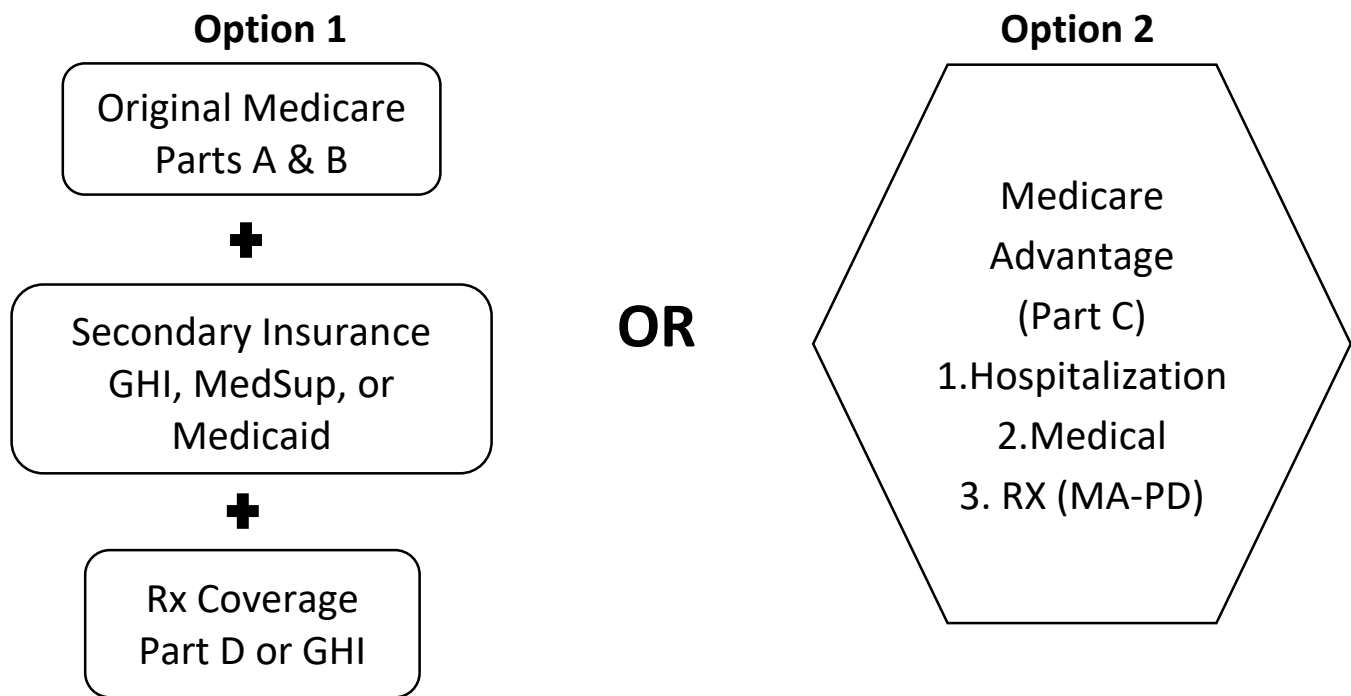
Extra Help for Part D Prescription Costs

If eligible for a Medicare Savings Program, you will be automatically enrolled into Extra Help.

Otherwise, apply through Social Security @ www.ssa.gov/extrahelp or call_800-772-1213

		<u>Monthly Income Limits</u>	<u>Assets</u>
<u>Partial Extra Help</u>	Individual	\$1,615	\$14,610
	Couple	\$2,175	\$29,160
<u>Full Extra Help</u>	Individual	\$1,456	\$9,360
	Couple	\$1,960	\$14,800

Medicare + Supplement Vs Medicare Advantage?



Secondary Insurance

- **Group Health Insurance (GHI)**
 - Insurance from a former employer or union that supplements Medicare
- **Medicaid**
 - Assistance for those with limited income and resources
 - Medicare Savings Programs
- **Medicare Supplemental Insurance**
 - Private insurance that coordinates with Original Medicare
 - Also Called Medigap or MedSup

Medicare Supplement Insurance

- **Plans are Standardized**
 - All companies sell same plans (A, B, C, D, F, G, K, L, M, N)
 - Plan premiums vary between companies
- **No Network**
- **Enrollees continue to pay Part B premiums**
- **Pay only after Original Medicare (Parts A & B)**
 - Little or no out of pocket cost after monthly premium
- **Guaranteed Issue**
 - Open Enrollment – 6 months beginning with Part B effective date at age 65 or older
 - Special Circumstances – typically 63 days after loss of coverage

How to compare Medigap policies?

This chart shows basic information about the different benefits that Medigap policies cover. If a percentage appears, the Medigap plan covers that percentage of the benefit, and you must pay the rest.

Benefits	Medicare Supplement Insurance (Medigap) Plans									
	A	B	C*	D	F*	G	K	L	M	N
Medicare Part A coinsurance & 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 (1 st 3pints)	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%	50%	100%
Part A deductible		100%	100%	100%	100%	100%	50%	75%	50%	100%
Part B deductible			100%		100%					
Part B excess					100%	100%				
Foreign travel emergency (up to plan limits)			80%	80%	80%	80%			80%	80%
							Out of Pocket limit in 2020 **			
							\$5,880	\$2940		

NOTE: Plan C & F are not available to people who are newly eligible for Medicare on or after January 1, 2020. Plan G is also offered as a high-deductible plan by some insurance companies in some states. If you choose this option, this means you must pay for Medicare covered costs such as coinsurances, copays and deductibles, up to the deductible amount on \$2,340 in 2020 before your policy pays anything.

**For plans K & L, after you meet your out of pocket yearly limit and your yearly Part B deductible (\$198 in 2020) the Medigap plan pays 100% of covered services for the rest of the calendar year.

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

Medicare Advantage Plans

- **Available to Those:**
 - enrolled in Parts A & B
 - that live within the plan's service area (county)
 - no age or medical restrictions (except ESRD)
- **Alternative to Original Medicare**
 - Offered by private companies to replace Original Medicare
 - Plan types
 - HMO – Health Maintenance Organization
 - PPO – Preferred Provider Organization
- **Most plans include Part D benefit (MAPD)**
- **Enrollees continue to pay Part B premium**
- **Networks, Premiums and Copays are additional and vary by plan**
- **Include Maximum Out- Of-Pocket Costs for HealthCare (drugs not included)**

Moving Between Options

- **Supplement to Medicare Advantage**
 - Guaranteed Issue during Open Enrollment (10/15-12/7)
- **Supplement to Supplement**
 - Not Guaranteed Issue
 - Can try to enroll anytime- no annual open enrollment period
- **Medicare Advantage to Medicare Advantage**
 - Guaranteed Issue anytime enrollment is open
- **Medicare Advantage to Supplement**
 - Not Guaranteed Issue unless in a Special Enrollment Period

Supplement or Advantage Plan?

Supplement

Advantage Plan

Cost

- Part B Premium (\$144.60)*
- Higher Plan Premium
- \$100 to \$200+ monthly
- Little to no out of pocket cost when used

- Part B Premium (\$144.60)*
- Lower Plan Premium
- \$0 to \$100 month
- Charged Copays as plan is used

Provider Choice

- Any provider that accepts Medicare

- Specific Provider Networks
- Cost will be higher for out of network

Is this right for Me?

- Frequent traveler
- Important to keep provider network open
- Use lots of health services
- Can afford premiums

- Infrequent Traveler
- Comfortable with less provider choice
- Fewer medical conditions & provider visits
- Want to save on Premiums

Drug Coverage

Included?

- No
- Need to purchase separate Part D Plan for drugs

- Yes
- Some plans available without Drug Coverage

**Or more depending on income*

Next Steps

1. Sign up for Part A and B

2. Make your choice and do your due diligence:

- Original Medicare (Parts A & B) + Part D

Or

- Advantage Plan that includes drugs or purchase a separate Part D

Or

- Supplement + Plan D

3. Evaluate your Plan D options:

Advantage Plan with Drugs

Or

Separate Part D Plan

4. Create your online Social Security Account

- go to ssa.gov & enroll in “my social security” account

5. Create your online Medicare Account

- go to medicare.gov and create your account