



Welcome To Medicare

*Understanding Medicare
And Your Options*



Presented by:
-Senior Insurance Plans



Welcome to Medicare

Educational Seminar

*This event is
only for
educational
purposes and
no plan specific
benefits or
details will be
shared.*

- **Overview**
- **Medicare Coverage**
- **Medicare Supplement Plans**
- **Medicare Advantage Plans**
- **Medicare Prescription Plans**
- **Your Choices – Pros and Cons**

Overview

Medicare Coverage

Medigap

Medicare Advantage

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Your Choices



Overview

What is Medicare?

- *Medicare is administered by the United States government.*
- *It provides:*
 - *Medical insurance coverage to people who are age 65 or over, or who meet other special criteria.*
 - *Funds Residency Training Programs for the vast majority of physicians in the United States.*
- *Medicare was signed into law on July 30, 1965, by President Johnson as amendments to the existing Social Security legislation.*



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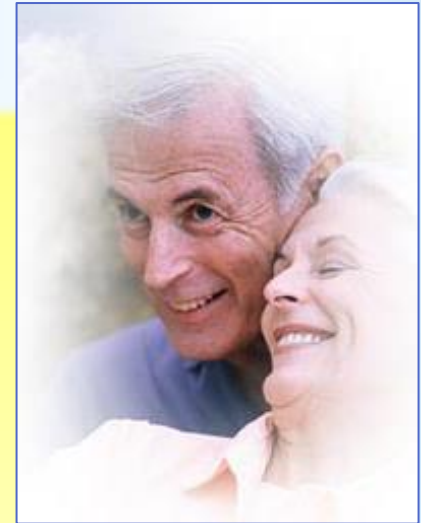
Your Choices



Overview

Who is Eligible?

- ***In general, the following guidelines must be met to be eligible for Medicare:***
 - *You need to be 65 years of age or older*
 - *You must be a legal resident of the United States for at least 5 continuous years.*
- ***If you have disabilities and are under 65, you may also be eligible if:***
 - *You receive Social Security Disability Insurance (SSDI) benefits for at least 24 months.*
 - *Have specific medical conditions which may also help you to become eligible to enroll in Medicare, i.e.; Kidney Dialysis*



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Overview — Enrolling into Medicare

How do I enroll into Medicare?

- ***If you are receiving Social Security Benefits** or receiving Railroad Retirement Board benefits ...*
 - *You will automatically be enrolled into Medicare Part A and Part B.*
 - *Benefits will begin on the first of the month of your birthday. (If your birthday is on the first day of the month, Medicare will begin the first of the previous month.)*
 - *A Medicare Card will be sent to you automatically.*
 - *Premium(s) will automatically be deducted from your Social Security check.*

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Overview — Enrolling into Medicare

How do I enroll into Medicare?

- *If you are not receiving Social Security ...*
 - *You will have to enroll in Medicare Part A and Part B.*
 - *You will need to either call Social Security or go into the nearest Social Security office in your county. (Anderson)*
 - *You may sign up for Medicare as early as 3 months before your 65th birthday to 3 months after the month of your birthday.*
 - *Your Medicare Parts A and B will go into effect on the first of the month of your birthday. Unless you sign up after your birthday, then it will go into effect the first of the following month.**
 - *You will be billed for your premium(s) quarterly..*

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Overview — Enrolling into Medicare

Do I have to sign up for Medicare when I turn 65?

- *If you choose not to sign up for Medicare Part A and B when you turn 65:*
 - *Then, you will not be eligible for any part of Medicare.*
 - *However, you may sign up for Medicare Part A and Part B during General Enrollment or Special Enrollment periods.*

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Note: Additional guidelines for enrollment periods will apply.



Overview — Enrolling into Medicare

Do I receive a Medicare card?

Yes! You will receive your Medicare card usually the month before your effective date.

MEDICARE		HEALTH INSURANCE	
HEALTH CARE FINANCING ADMINISTRATION			
NAME OF BENEFICIARY Jane Doe			
MEDICARE CLAIM NUMBER 123-45-6789-A		SEX FEMALE	
IS ENTITLED TO HOSPITAL (PART A) MEDICARE (PART B)		EFFECTIVE DATE 01-01-2011 01-01-2011	
SIGN HERE _____			

1. Carry your card with you when you are away from home.
2. Let your hospital or doctor see your card when you require hospital, medical or health services under Medicare.
3. Get in touch with your social security office if you have questions about your rights under Medicare.
4. Your card is good wherever you live in the United States.
5. **WARNING:** Issued only for the use of the name beneficiary intentional misuse of this card is unlawful and will make the offender liable to penalty.

PROPERTY OF UNITED STATES GOVERNMENT.
IF FOUND, DROP IN NEAREST U.S. MAIL BOX.

HEALTH CARE FINANCING ADMINISTRATION
Baltimore, MO 21244-1850
Form HCFA-1966 (01/1999)

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Overview — Cost of Medicare

How much does Medicare cost?

Part A	Part B	Part C	Part D
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- ***Medicare Part A premium***

- *Premium is waived, if you or your spouse paid Medicare taxes for 40 or more quarters.*
- *\$228 per month (in 2014) for those with 30-39 quarters of Medicare-covered employment.*
- *\$426 per month (in 2014) for those with less than 30 quarters of Medicare-covered employment.*



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Overview – Cost of Medicare

Part A

Part B

Part C

Part D

- *Medicare Part B premium is \$104.90/month for all enrollees.*
- *Medicare Part B premiums are deducted automatically from your monthly Social Security checks.*
- *If you are not collecting Social Security, you will be billed for your Part B premium.. The first billing will be for 4 months to cover your initial month and the next 3 months. Thereafter, you are billed 3 months at a time.*
- *If your income is over \$85,000 per year or over \$170,000 if you file JOINT, then you may have an adjustment added to your premium.*



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Overview – Cost of Medicare

Part B Monthly Premium

PART B 2013 Monthly Premium	INDIVIDUAL tax return	JOINT tax return
\$104.90	\$85,000 or less	\$170,000 or less
\$146.90	\$85,001-\$107,000	\$170,001-\$214,000
\$209.80	\$107,001-\$160,000	\$214,001-\$320,000
\$272.70	\$160,001-\$214,000	\$320,001-\$428,000
\$335.70	Above \$214,000	Above \$428,000

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Medicare Coverage — Part A

Part A	<i>Ensure that your doctor accepts Medicare, and that the service is Medicare Approved!</i>
No Charge	
<ul style="list-style-type: none"> • In Patient • Nursing Home • Hospice • Home Health Care 	<p><i>Example: In Patient deductibles in 2015 ...</i></p> <ul style="list-style-type: none"> • \$1,260 deductible per Benefit Period • \$304 per day for days 61-90 of a hospital stay. • \$608 per day for days 91-150 of a hospital stay (Lifetime Reserve Days). • All costs for each day beyond 150 days
Deductibles	<p><i>Benefit Periods of Part A</i></p> <ul style="list-style-type: none"> • A new Benefit Period starts when Part A benefits have not been used for over 60 days <p><i>Maximum Medicare Coverage</i></p> <ul style="list-style-type: none"> • 150 days = 90 renewable days + 60 days nonrenewable days

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Medicare Coverage – Part B

Part A	Part B	Part C	Part D
No Charge	\$ 104.90 / month		
<ul style="list-style-type: none">• Hospital• Nursing Home• Hospice• Home Health Care	<ul style="list-style-type: none">• Doctor Bills• Labs & X-Rays• Out Pt. Surgeries & Procedures• Physical Therapy	<div><i>Calendar Year</i> is used for Part B's deductible</div> <div>Ensure that your doctor accepts Medicare, and that the service is Medicare Approved!</div>	
<ul style="list-style-type: none">• Deductibles	<ul style="list-style-type: none">• Deductible = \$147/yr• Pay 20% after the deductible		

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Overview - Coverage Choices

Step 1: Decide how you want to get your coverage

ORIGINAL MEDICARE

or

MEDICARE ADVANTAGE PLAN

Part C (like an HMO or PPO)

Part A
Hospital
Insurance

Part B
Medical
Insurance

Part C
Combines Parts A & B, and
usually D

Step 2: Decide if you need to
add drug coverage

Part D
Prescription
Drug Coverage

Step 2: Decide if you need to
add drug coverage

Part D
Most Advantage Plans
cover prescription drugs.

Step 3: Decide if you need
supplemental coverage

**Medicare Supplement
Insurance**
(Medigap Policy)

End

End

*If you join a Medicare Advantage Plan,
You cannot use and cannot be sold a Medicare
Supplement Insurance (Medigap) Policy*



Medigap — Medicare Supplement Plans

Part A	Part B	Part C	Part D
No Charge	\$104.90/mo		
<ul style="list-style-type: none"> • Hospital • Nursing Home • Hospice • Home Health Care 	<ul style="list-style-type: none"> • Doctor Bills • Labs & X-Rays • Out Pt. Surgeries & Procedures • Physical Therapy 		
•Deductibles	<ul style="list-style-type: none"> • Deductible = \$147/yr • Pay 20% after the deductible 		
<u>Medigap</u> (Medicare Supplement Plans) A B C D -- F G -- K L M N			

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Medigap — Medicare Supplement Plans

OUTLINE OF MEDICARE SUPPLEMENT COVERAGE BENEFIT PLANS A, B, C, D, F, G, K, L, M, N

Chart shows the benefits included in each of the Standard Medicare Supplement Plans. Every company must make available Plan "A". Some plans may not be available in your state. See Outlines of Coverage sections for details about ALL plans. Plans E, H, I and J are no longer available for sale.

Basic Benefits:

Hospitalization: Part A coinsurance plus coverage for 365 additional days after Medicare benefits end.

Medical Expenses: Part B coinsurance (generally 20% of Medicare-approved expenses) or copayments for hospital outpatient services. Plans K, L, and N require insureds to pay a portion of Part B coinsurance or copayments.

Blood: First 3 pints of blood each year.

Hospice: Part A coinsurance.

	A	B	C	D	F	G	K	L	M	N
Basic Benefits Including 100% Part B coinsurance	✓	✓	✓	✓	✓	✓	Hospitalization and preventive care paid at 100%; other basic benefits paid at 50%	Hospitalization and preventive care paid at 100%; other basic benefits paid at 75%	✓	Basic, including 100% Part B coinsurance, except up to \$20 copayment for office visit, and up to \$50 copayment for ER
Skilled Nursing Facility Coinsurance			✓	✓	✓	✓	50% Skilled Nursing Facility coinsurance	75% Skilled Nursing Facility Coinsurance	✓	✓
Part A Deductible		✓	✓	✓	✓	✓	50% Part A Deductible	75% Part A Deductible	50% Part A Deductible	✓
Part B Deductible			✓		✓					
Part B Excess Fee (100%)					✓	✓				
Foreign Travel Emergency			✓	✓	✓	✓			✓	✓
							Out-of-pocket limit \$4,640; paid at 100% after limit reached	Out-of-pocket limit \$2,320; paid at 100% after limit reached		

*Plan F also has an option called a high deductible Plan F. This high deductible plan pays the same benefits as Plan F after one has paid a calendar year \$2,000 deductible. Benefits from high deductible Plan F will not begin until out-of-pocket expenses exceed \$2,000/ Out-of-pocket expenses for this deductible are expenses that would ordinarily be paid by the policy/certificate. These expenses include the Medicare deductibles for Part A and Part B, but do not include the plans' separate foreign travel emergency deductible.

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Medigap — Medicare Supplement Plans

Extra Benefits with a Medicare Supplement Plan:

- Can see any Medicare doctor in the U.S.
- No co-payments
(except for Plan N on Doctor & Emergency Room)
- Benefit Period is extended from a total of 150 days plus an additional 365 days = 515 days
(90 Renewable + 60 Non-renewable Lifetime + 365 Non-renewable Medigap)
- Foreign Travel benefits up to \$50,000 per lifetime

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Medicare Advantage Plans

Part A	Part B	Part C	Part D
No Charge	\$104.90/month	\$0 - \$205/month	
<ul style="list-style-type: none"> • Hospital Insurance • Medical Insurance • Home Health Care 	<ul style="list-style-type: none"> • Medical Insurance • Physical Therapy 	<ul style="list-style-type: none"> • Covers Part A & Part B Benefits • Does <u>not include</u> Medicare Supplement Benefits • HMO, PPO, PFFS 	
<ul style="list-style-type: none"> • Deductibles 	<ul style="list-style-type: none"> • Deductible = \$147/yr • Pay 20% after the deductible 	<ul style="list-style-type: none"> • Co-payments • Max out-of-pocket • Some have RX, Vision, Dental, Fitness Club 	

Ensure that your doctor is in-network for your Advantage Plan!

Private Insurers replace and now administer your MEDICARE

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Medicare Supplement Plans (Medigap)
A B C D -- F G -- J K L M N



Medicare Advantage Plan

Extra Benefits with a Medicare Advantage Plan:

- Lower Premium
- Vision Benefits – eye exam & \$40-\$100 toward eyewear – on a few plans
- Dental Benefits – teeth exam, cleaning, and x-rays 1-2 times per year – on a few plans
- Fitness membership or reimbursement – on many plans
- Travel – on a few plans for emergency

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**Medicare
Advantage**

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Prescription Plans – Part D

Part A	Part B	Part C	Part D
No Charge	\$104.90/mo	\$0 - \$205/month	\$12.60 - \$117.10/mo
<ul style="list-style-type: none"> Hospital Nursing Home Hospice Home Health Care 	<ul style="list-style-type: none"> Doctor Bills Labs & X-Rays Out Pt. Surgeries & Procedures Physical Therapy 	<ul style="list-style-type: none"> Covers Part A & Part B Benefits Does <u>not include</u> Medicare Supplement Benefits HMO,PPO,PFBS 	<ul style="list-style-type: none"> Prescriptions Some coverage on “Over the Counter” meds
<ul style="list-style-type: none"> Deductibles 	<ul style="list-style-type: none"> Deductible = \$147/yr Pay 20% after the deductible 	<ul style="list-style-type: none"> Co-payments Max out-of-pocket Some have RX, Vision, Dental, 	<ul style="list-style-type: none"> Use Formularies Tiers determine Co-payments 4 Stages

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Medicare Supplement Plans (Medigap)
A B C D -- F G -- J K L M N



Prescription Plans – Part D

2015 - Part D Stages

Stage 1 \$320 = Deductible

Stage 2 Pay 25% (often as co-pays)
Move to Stage 3 when
Total Retail = \$2,960

Stage 3 Generics = You pay 65%
Brands = You pay 45%
Move to Stage 4 when
Total Out-of-pocket = \$4,700

*Stage 3, The Donut
Hole, will be phased
out by 2020*

Stage 4 \$2.65, \$6.60, 5%

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**Prescription
Plans – Part D**

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Prescription Plans – Part D

How you move from Stage 1 to Stage 2 ?

Prescription	Retail Cost
Medication # 1	\$ 279
Medication # 2	\$ 5
Medication # 3	\$ 5
Medication # 4	\$ 7
Medication # 5	\$ 24
TOTAL	\$ 310

*After you pay the deductible,
you move to Stage 2.*

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Plans – Part D**

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Prescription Plans – Part D

How you move from Stage 2 to Stage 3 ?

Prescription	Retail Cost	You Pay	Insurance Pays
Medication # 1	\$ 279	\$ 40	\$ 239
Medication # 2	\$ 5	\$ 5	\$ 0
Medication # 3	\$ 5	\$ 3	\$ 2
Medication # 4	\$ 7	\$ 6	\$ 1
Medication # 5	\$ 24	\$ 5	\$ 19
TOTAL	\$ 320	\$ 59	\$ 261

*When the TOTAL RETAIL = \$2,850
you move to Stage 3 (Donut Hole)*

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Plans – Part D**

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Prescription Plans – Part D

How you get out of the Donut Hole?

Prescription	Retail Cost	You Pay	Insurance Pays
Medication # 1 (<i>brand</i>)	\$ 279	\$ 127	\$ 152
Medication # 2 (<i>generic</i>)	\$ 5	\$ 4	\$ 1
Medication # 3 (<i>generic</i>)	\$ 5	\$ 3	\$ 2
Medication # 4 (<i>generic</i>)	\$ 7	\$ 5	\$ 2
Medication # 5 (<i>generic</i>)	\$ 24	\$ 18	\$ 6
TOTAL	\$ 320	\$ 157	\$ 163

*When the TOTAL Out-of-Pocket = \$4,550
you move to Stage 4 (Catastrophic)*

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**Prescription
Plans – Part D**

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Prescription Plans – Part D

What are the costs in Stage 4 ?

Prescription	You Pay	Insurance Pays
Medication # 1	\$ 13.41	\$ 265
Medication # 2	\$ 2.65	\$ 3
Medication # 3	\$ 2.65	\$ 3
Medication # 4	\$ 6.60	\$ 1
Medication # 5	\$ 2.65	\$ 21
TOTAL	\$ 27.96	\$ 293

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Plans – Part D**

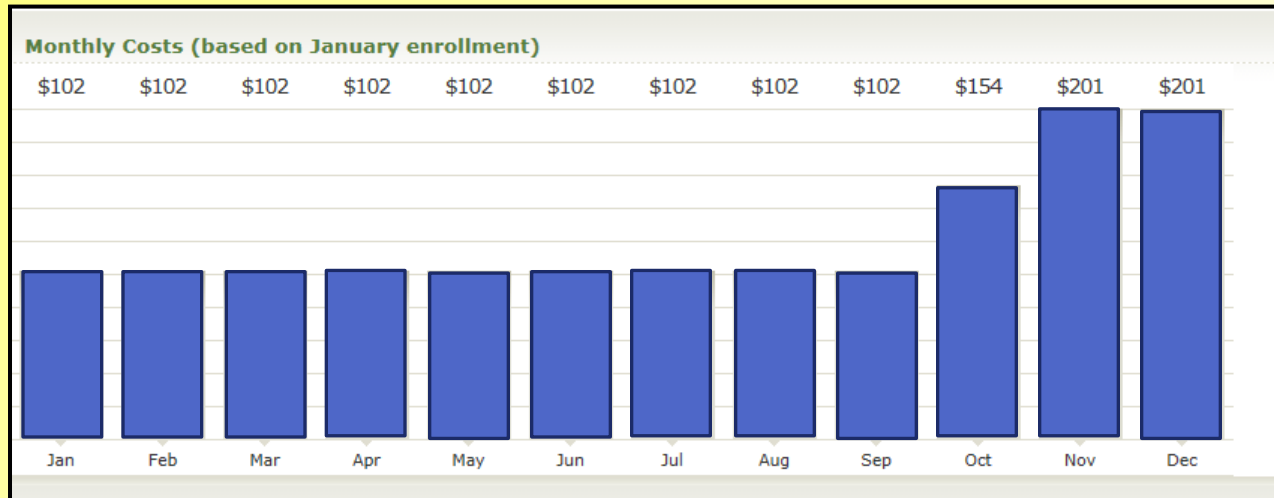
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Prescription Plans – Part D

Budgeting Your Drug Costs for the Year Ahead



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** Total Monthly Costs include premium dollars per month*



Part D Penalty

- *There is a Part D lifetime penalty that will affect you if you should enroll late.*
- *The penalty is 1% of the “national base premium” for each month over 63 days that you do not have “credible coverage.”*
 - *National Base Premium in 2014 = \$32.42*

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Plans – Part D**

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Your Options

Option 1	Medicare Only (Must have Part A <u>and/or</u> Part B)	Part D (With or Without)	You pay what Medicare does not. If enrolled in both Part A and Part B: <ul style="list-style-type: none"> • You pay all deductibles • You pay 20% of out-patient services • 150 days of coverage
Option 2	Medicare (Must have Part A <u>and</u> Part B)	Part D (With or Without)	Medicare Supplement Plan <ul style="list-style-type: none"> • Can see any Medicare Doctor • Receive 150 days plus an extra 365 days of coverage (90 days are renewable) • \$50,000 in Foreign Travel ER coverage • No co-pays (except Plan N) • Some plans will pay Excess Fee (if applicable) • Benefits remain constant each year • Higher Premiums with increases due to cost & age • Cannot be cancelled unless non-payment of premium
Option 3	Medicare (Must have Part A <u>and</u> Part B)	RX coverage (with or without)	Medicare Advantage Plan <ul style="list-style-type: none"> • Co-pays for most services • Receive a 150 days of coverage (90 are renewable) • Higher co-pays if out-of-network • High maximum out-of-pocket • Some have: RX, Vision, Dental, fitness, Foreign Travel ER • Lower Premiums • Benefits, premiums &/or co-pays can change annually • Can be cancelled by plan
Option 4	Medicare (Must have Part A, Part B is dependent upon plan)	“Credible” RX coverage (with or without)	Group Insurance <ul style="list-style-type: none"> • Need to do a comparison with other options to determine if this is the right option for you.

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Enrollment

When is Enrollment?

- ✓ **Initial Enrollment**
 - *3 months before and 3 months after the month of your birthday (a total of 7 months to enroll initially)*
- ✓ **Anytime**
 - *You can switch to/from a Medicare Supplement Plan.*
- ✓ **Annual Enrollment: October 15 – December 7**
 - *Medicare Part D Enrollment*
 - *Medicare Advantage Enrollment*
- ✓ **January 1**
 - *New Coverage Begins for Part D & Advantage Plans*
- ✓ **January 1 – February 14**
 - *Medicare Advantage Disenrollment*

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Enrollment

Additional Enrollment Periods:

- ✓ **General Enrollment**
 - *January 1 – March 31*
 - *Enroll into Part B, if you did not enroll during your Initial Enrollment Period.*
 - *Effective date will be July 1*
- ✓ **Special Enrollment**
 - *A Special Enrollment can take place anytime for specific circumstances.*
 - *Effective date will be first of next month*

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Enrollment

Annual Medicare Review

- **Each year, Medicare and Medicare Plans make changes to coverage, benefits, and / or costs.**
 - *Your health , doctors and prescriptions may change.*
 - *It is important to understand how those changes may affect you, your costs and your plans.*
- *What plans were best for you last year, may not be the best options for you next year.*
- *We offer an **Annual Medicare Review** on the changes early in October of each year.*

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A Personal Approach

*Let our 25+ years of
experience make Medicare
easy for you!*

*We will help you budget your
Medicare costs each year.*

*We customize your health
plan to meet your financial
goals and medical needs.*



Thank you for coming!
We hope to see you again!



-Senior Insurance Plans