

Medicare 101

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What is Medicare?



Medicare is a federal insurance program administered by the Centers for Medicare and Medicaid Services (CMS)

CMS is an agency within the Department of Health and Human Services (HHS)

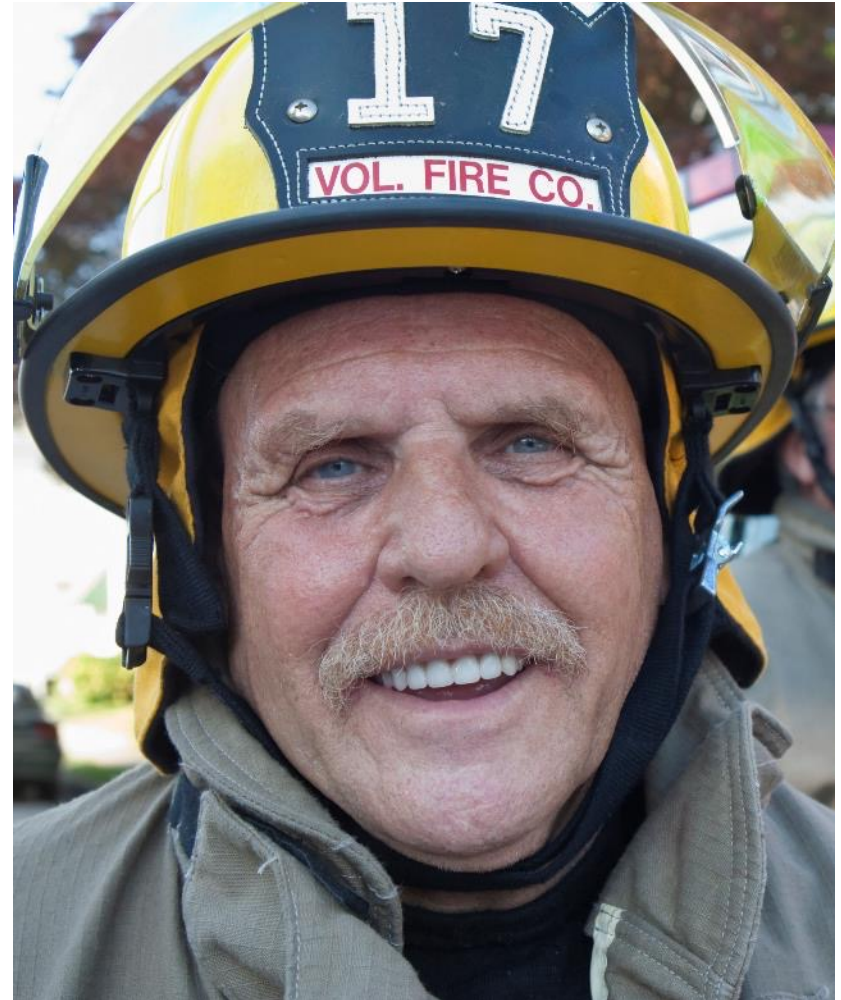
Social Security Offices process applications for Medicare and can also provide general information on the program

Who is eligible?

Age 65 or older OR under age 65 with permanent disabilities*

If age 65 or older, you are eligible if:

- ✓ You or your spouse worked and paid Social Security taxes for at least 40 quarters (10 years)
- ✓ You are a permanent resident of the US or a legal citizen who has lived in the US for five (5) years in a row



*For all ages with end-stage renal disease (ESRD) or permanently disabled

Terms You May Need to Know



Benefits: the products and services that are covered by a health plan

Provider: a term for pharmacies, hospitals, doctors, other health care professionals and health care facilities

Premium: a dollar amount a member gets billed monthly by a health plan to have coverage

Benefit Period: starts the day you are admitted to a hospital as an inpatient, or to a SNF*. It ends the day you have been out of the hospital or SNF* for 60 days in a row.

Coinsurance: the amount (usually a percentage) you may be required to pay for services after you pay any plan deductibles

Deductible: a dollar amount a health care plan member must pay for covered services before the plan begins paying for covered services

Co-Payment: cost sharing where the member pays a pre-set, flat amount for medical service

*SNF = Skilled Nursing Facility

The 4 parts to Medicare

Original Medicare: Part A Hospital and Part B Medical



Part C – Medicare Advantage Plan



Part D – Prescription Drug Coverage





Private Insurance Plans may cover what Original Medicare does not such as:

Part D Prescription Coverage

Deductibles and Coinsurance

Dental care





Routine eye care, foot care and hearing tests

Chiropractic services






Emergency coverage while traveling outside of the US

Services typically outside of those deemed medically necessary, i.e., meal delivery and transportation benefit, respite, daycare services and over-the-counter medication coverage

Part A: Hospital Insurance

-  Hospital stays
-  Skilled nursing facility care
-  Hospice care
-  Some home health care

Part B: Medical Coverage

-  Doctors' services
-  Outpatient medical and surgical services, supplies
-  Clinical lab tests
-  Durable medical equipment
-  Preventive services

Medicare Part A (Hospital Insurance) Costs

Part A	Hospital Stay 2021
\$1,484	deductible per benefit period
\$0	1 st 60 days of each benefit period
\$371	per day for days 61-90 of each benefit period
\$742	per “lifetime reserve day” after day 90 of each benefit period
\$0	skilled nursing facility for the 1 st 20 days
\$185.50	skilled nursing days 21-100 of each benefit period <i>Note: Responsible for all costs each day after day 100 of the benefit period</i>

Medicare Part B (Medical Insurance) Costs



Here is what you pay for Part B:

Income Individual Return 2019	Income Joint File Return 2019	Income Married and Separate File Return 2019	Your Premium Cost in 2021
\$88,000 or less	\$176,000 or less	\$88,000 or less	\$148.50
\$88,000 - \$111,000	\$176,000 - \$222,000	N/A	\$207.90
\$111,000 - \$138,000	\$222,000 - \$276,000	N/A	\$297.00
\$138,000 - \$165,000	\$276,000 - \$330,000	N/A	\$386.10
\$165,000 - \$500,000	\$330,000 - \$750,000	above \$88,000, less than \$412,000	\$475.20
\$500,000 + above	\$750,000 + above	\$412,000 + above	\$504.90

Note: *Part B* also has a yearly deductible of \$203.00 per year of 2021. Social Security will tell you the exact amount you will pay for Part B.

Medicare Part D (Prescription Drug) Costs

Income Individual Return 2019	Income Joint File Return 2019	Income Married and Separate File Return 2019	Your Premium Cost in 2021
\$88,000 or less	\$176,000 or less	\$88,000 or less	Part D plan premium
\$88,000 - \$109,000	\$176,000 - \$222,000	N/A	\$12.30 + Part D plan premium
\$109,000 - \$136,000	\$222,000 - \$276,000	N/A	\$31.80 + Part D plan premium
\$136,000 - \$163,000	\$276,000 - \$330,000	N/A	\$51.20 + Part D plan premium
\$163,000 - \$500,000	\$330,000 - \$750,000	above \$88,000, less than \$412,000	\$70.70 + Part D plan premium
\$500,000 + above	\$750,000 + above	\$412,000 + above	\$77.10 + Part D plan premium

Note: If you delay enrollment into Part D you may pay an additional penalty

What We Will Cover Today

1

The enrollment periods...



Time to Decide



3

Decision: What coverage is best for me?



2

Want to know more?



4

The Enrollment Periods



What is the IEP?

Initial Enrollment Period (IEP)

Lasts seven (7) months:

Three (3) months before 65th birthday, the month of your 65th birthday, and three (3) months after turning 65



Note: Enrollment is automatic if receiving Social Security benefits. If enrollment isn't automatic (i.e. you are still working and covered by an employer plan), you will need to contact Social Security at your local office, 1-800-772-1213 or www.socialsecurity.gov. Railroad Retirees call 1-877-772-5772 to enroll.

If you aren't eligible for premium-free Part A, and you don't buy it when you're first eligible, your monthly premium may go up 10% for every 12 months you didn't have the coverage.

If you don't sign up for Part B when you're first eligible, you may have to pay late enrollment penalty for as long as you have Part B.

Things to Consider

If you enroll in Part A later than 65, you may do so only during the General Enrollment Period (GEP) or Special Enrollment Period (SEP)

You may have to pay a late penalty for Part A if you have Part B

Having a conversation with your Benefits Administrator to identify any potential coverage gaps

Special Enrollment Period (SEP)

If you are still working and have group coverage or have coverage through a spouse, you can enroll:

- ✓ Anytime still covered by group plan
- ✓ Within eight (8) months of the loss of coverage or employment, whichever happens first

Note: Retiree and COBRA coverage are not considered active employment for the purposes of Part B enrollment

What is the GEP?

General Enrollment (GEP)

For those who do not sign up for Part B (or Premium Part A) during their Initial Enrollment Period:

- ✓ January 1st through March 31st annually
- ✓ Coverage begins July 1st
- ✓ Penalty applied (lifetime)
10% for each 12 months eligible but not enrolled

Note: A Special Election Period (SEP) exists for those who have a qualifying life event like moving in or out of service



What is AEP?



Annual Election Period (AEP)

October 15 to December 7 each year

You can change your part D drug plan

You may switch to Original Medicare

Change your Medicare Advantage (MA) plan too or enroll

New coverage begins January 1

Note: Applies to Private Insurance and Part D ONLY

Remember

What Medicare covers and what it doesn't

Know how and when to sign up

What's next?

Deciding on the number of choices that private insurance offer to enhance your Medicare coverage

- ✓ Medicare Advantage Plan
- ✓ Medicare Supplement Plan
- ✓ Prescription Drug Plan – Part D



Decision: What coverage is best for me?





Part B: Medical Insurance


You MUST have Part B if:

- ✓ You want to join a Medicare Advantage plan
- ✓ You want to buy Medigap (Medicare Supplement Insurance)
- ✓ You're eligible for TRICARE
- ✓ Your employer coverage requires it

You will still be required to pay 20% coinsurance unless you purchase additional coverage.

Note: You could be subject to a late enrollment penalty for delaying enrollment in Part B

What is Medicare Advantage (Part C)?

		Anthem MediBlue Plus (HMO)	
Identification Number:		Dental: Yes	
		Clinic Line 1	
		Clinic Line 2	
		Network Name Line 1	
Group:		Office Visit Copay:	\$5
Issuer (80840):	9101000302	Specialist Visit Copay:	\$40
Rx Group:	WM2A	Emergency Room Copay:	\$75
RX Bin:	003858	Preventive Copay:	\$0
RxPCN:	MD		
		CMS	
		MedicareRx Prescription Drug Coverage	

Am I eligible?

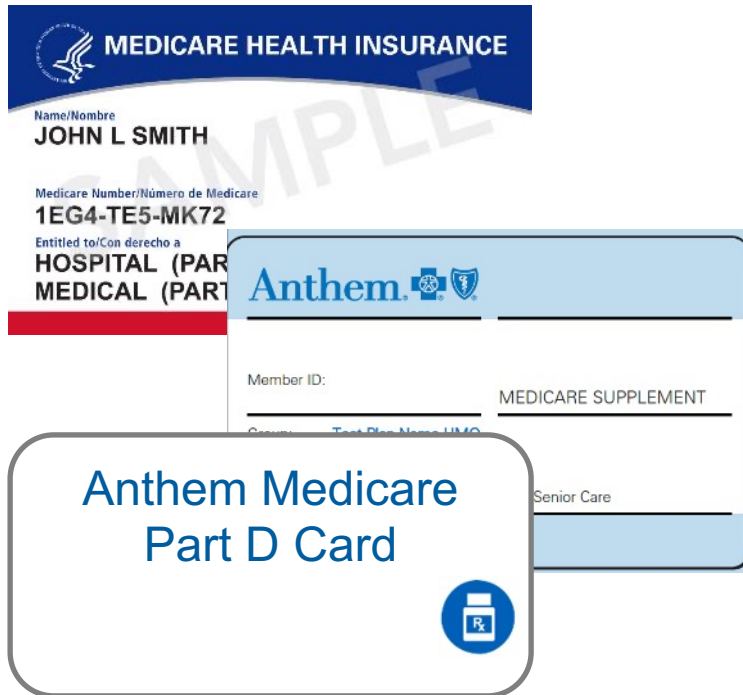
- ✓ Must be enrolled in Medicare Parts A and B, must live in plan service area.

Combines Medicare Part A and B and in many times, Part D Prescription Drug coverage

Offered by private health insurance companies like Anthem

Often includes additional benefits like routine dental, vision and hearing. May also include wellness services including gym membership and telephonic nurse support

What is Medicare Supplement Insurance?



Helps cover what Medicare Parts A and B do not

Part D Prescription Drug coverage can be purchased separately

Offered by private insurance companies like Anthem

Plans range in coverage and named A, B, C, D, F, G, K, L, M, N and a high-deductible plan, F* and G benefits can vary by plan type

Am I eligible?

- ✓ You must be enrolled in Medicare Parts A and B, be a resident of the state you want coverage in, and of 65 years of age or qualify due to certain disabilities

*As of 1/1/2020 due to changes in Federal law under MACRA, only individuals eligible for Medicare prior to 1/1/2020 can purchase Plan F.

Which coverage is best for me?

Medicare Advantage	Medicare Supplement Insurance
Low monthly premium – many as low as \$0. Must continue to pay Part B premium.	Higher monthly premiums, lower out of pocket expense. Must continue to pay Part B premium
May have to use network doctors or hospitals and need referral to see a specialist	Can use any doctor or hospital that accepts Medicare patients
Plans may require out-of-pocket payment for deductibles, coinsurance and copayments	Plans pay for all or most deductibles, coinsurance and copayments for deemed medically necessary care*
Emergency coverage while you travel	Plans C, D, G, M and N cover medical emergencies outside of the US as long as medical care starts within 60 days of leaving US
Most plans include Part D prescription drug coverage	Part D not included and purchased separately
One card to carry	Must carry Medicare card, Medicare Supplement Insurance coverage card, Part D card
May include extra benefits (i.e. vision, dental, or hearing, transportation, gym benefits, rewards for annual screenings)	Anthem members have access to several value-added programs, including our popular SilverSneakers® fitness program.

*Part B coverage only applies to Plans C & F. As of 1/1/2020 due to changes in Federal law under MACRA, only individuals eligible for Medicare prior to 1/1/2020 can purchase Plan F.

Medicare Supplement Plan Comparison

Medicare Benefit	Medicare Only	Plan A	Plan B	Plan C	Plan D	Plan F*	Plan G	Plan K	Plan L	Plan M	Plan N
Medicare Part A coinsurance for 365 additional days after Medicare benefits end	100%	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Part A deductible for 15 days of Hospitalization (\$1,484)	\$1,484	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Part A deductible for 22 days in a Skilled Nursing Facility (\$185.50 per day)	\$371			✓	✓	✓	✓	50%	75%	✓	✓
Part B deductible (\$203)	\$203			✓		✓					
Part B coinsurance for surgical procedure visits	\$2,400					✓	✓	50%	75%	✓	✓ **
Part B excess charges (up to 15%)	\$600					100%	100%				

*As of 1/1/2020 due to changes in Federal law under MACRA, only individuals eligible for Medicare prior to 1/1/2020 can purchase Plan F.

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

What is Part D?



Available for all with Medicare Parts A and/or B and purchased through private insurance company

Covers your prescription drugs

Stand-alone prescription drug plan (PDP)

Medicare Advantage plans (MAPD) can cover both medical and drugs

Can be used with Original Medicare

Some employers, Veterans Affairs, and Unions offer

Part D benefits do not impact Medicare Part A or Part B drug coverage

It's important to enroll when eligible. Going 63 days without coverage can trigger a late enrollment penalty.

Each year during Open Enrollment Oct 15th – Dec 7th you can shop and compare plans

What are Medicare Savings Programs?

Help from Medicaid paying Medicare costs

- ✓ Pays Medicare premiums
- ✓ May pay Medicare deductibles and coinsurance

Income amounts change each year

Some states offer their own programs

What extra help is out there?

Help paying Part D prescription drug costs

Social Security or state makes determination

You automatically qualify if you get:





- ✓ Both Medicare and full Medicaid
- ✓ Supplemental Security Income (SSI) only
- ✓ Help from Medicare Savings Programs

You or someone on your behalf can apply

Time to Decide



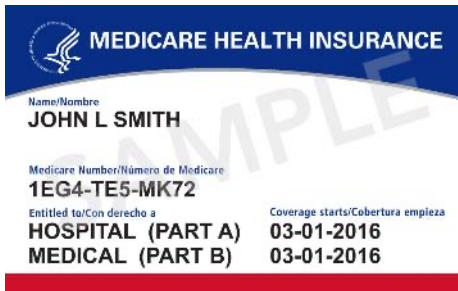
How do I find the right plan for me?

	Medicare Advantage	Medicare Supplement
 Out-of-pocket costs	I'd like to keep costs as low as possible	I want protection from more of the out-of-pocket costs not covered by Medicare
 Choosing my health care providers	I don't mind staying within a plan's doctor and hospital network to help control expenses	I want the freedom to choose any doctor or hospital that accepts Medicare patients
 Prescription drug coverage	I'd like to have my prescription and medical coverage all in one plan	I'm okay with purchasing a separate drug plan
 Extra benefits	I'm looking for a plan that includes dental, vision, hearing coverage and maybe more	It's more important that my general medical costs are covered

Making your decision

Step 1: How do you want to get your Medicare coverage?

Original Medicare



Part A
Inpatient
Hospital

Part B
Medical



Medicare Advantage (MA) or MAPD Plans*

Part C
Combines Parts A & B, and **usually** Part D

Step 2: If choosing Original Medicare, do you want to add drug coverage?



Part D
Prescription Drug Coverage
Most MA plans cover prescription drugs
You may be able to add drug coverage in some plan types if not already included

Step 3: If you haven't selected a MA plan, do you need to add supplement coverage?

Medicare Supplement Insurance Policy

If you join a Medicare Supplement Insurance plan, you can't use and/or be sold a Medicare Advantage policy

How to start your enrollment

Whether you are signing up for Medicare Advantage, MAPD or Medicare Supplement Insurance and Part D, you will find assistance by:

- ✓ Contacting your local agent to be guided through the enrollment process
- ✓ Using the Medicare Plan Finder at www.medicare.gov
- ✓ Calling your State Health Insurance Assistance Program (SHIP)





Medicare is a health insurance program

It doesn't cover all of your health care costs

You have choices in how you get coverage

Your decisions can affect the type of coverage you get

Certain decisions are time-sensitive

Get help if you need it

Want to know more?



Helpful Resources

Medicare & You Handbook

www.medicare.gov/medicare-and-you

Medicare Website

www.medicare.gov

Social Security Website

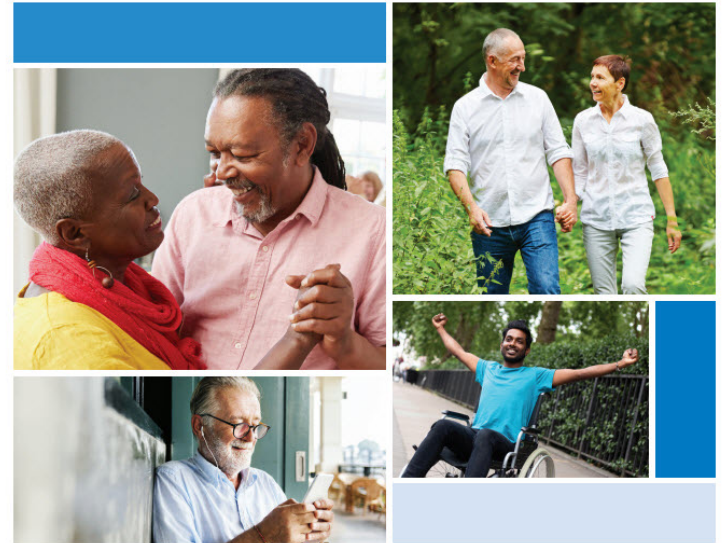
www.socialsecurity.gov

Medicare Plan Finder

www.medicare.gov/find-a-plan/questions/home.aspx

Centers for Medicare & Medicaid Services

www.cms.gov



Medicare & You 2021

The official U.S. government
Medicare handbook



Let Us Help

Our licensed agents are here to answer any additional questions and guide you through to enrollment.

Patricia Bennett, Longevity Planning is an authorized licensed insurance agent New Hampshire, Maine, and Massachusetts.

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Thank You!



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This policy has exclusions, limitations, and terms under which the policy may be continued in force or discontinued. For costs and complete details of coverage, please contact your agent or the health plan.

*Plans may not be available in all areas. Please contact us directly to check availability in your service area.

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