



Medicare 101

A Medicare Scholar Presentation

Agenda

- Who is eligible for Medicare?
- Coverage Options
- Where can I enroll?
- Next Steps
- 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 (Lou Gehrig's Disease)

Coverage Options




PART A



PART B



PART C



PART D



MED SUPP

Original Medicare



Original Medicare

Hospital Insurance

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



PART A

Original Medicare

Costs

- Premium-free if you have worked 40 quarters
- \$1,600 deductible in 2023

Coverage

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



PART A

Original Medicare

Doctors and Outpatient Visits

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



PART B

Original Medicare

Costs

- No out-of-pocket maximum
- You pay 20% of Medicare-approved costs
- Annual deductible - \$226 in 2023
- Monthly premium – adjusted based on your income and may be higher if you sign up after your initial enrollment period

Coverage

- Physicians who accept Medicare
- Some preventive healthcare is provided



PART B



PART A



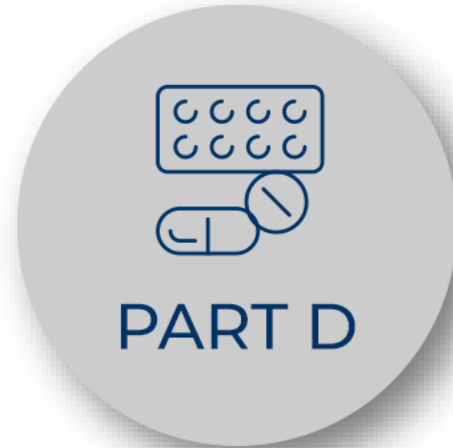
PART B

Original Medicare

What's not covered?

- Part A and Part B deductibles, coinsurance, and premiums
- Part B excess charges
- Outpatient prescription drugs
- Additional benefits such as hearing, vision, and most dental
- Long-term care or 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
- For medications you receive from a retail or mail-order pharmacy



PART D

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

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

Coverage

- Each plan has a list of drugs it covers called a formulary
- List of drugs can change throughout the year



PART D

Prescription Drug Plans

Part D Formulary

A formulary is the list of drugs covered by a Part D plan

- All plans have a tiered formulary
- Generally, the lower the tier, the lower the out-of-pocket cost

Formulary Tiers

Tier 1	\$
Tier 2	\$\$
Tier 3	\$\$\$
Tier 4	\$\$\$\$
Tier 5	\$\$\$\$\$

Coverage Stages

Annual Deductible

Not all plans have a deductible

Initial Coverage

Up to \$4,660

Coverage Gap (Donut Hole)

Up to \$7,400

Catastrophic Coverage

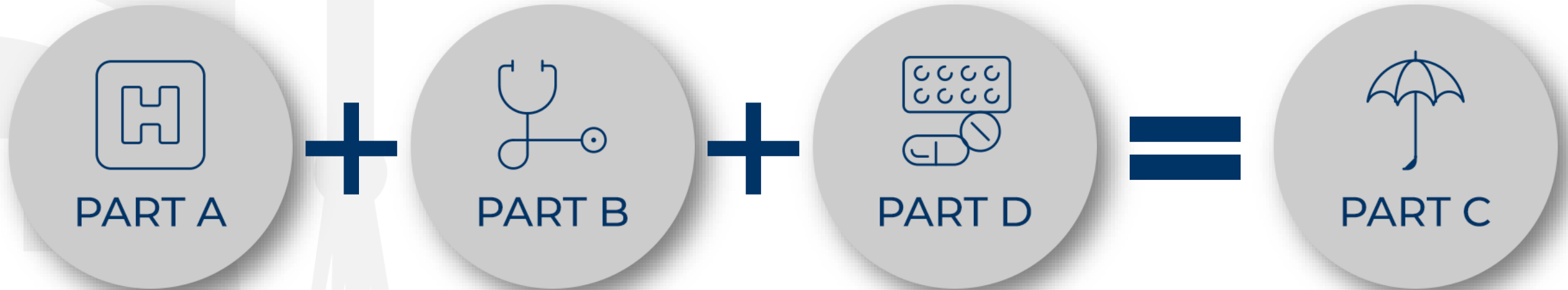
Through the end of the plan year

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

2023 Cost Sharing for Part D

- Annual Deductible – up to \$505 (not all plans have a deductible)
- Initial Coverage Limit - \$4,660
- Coverage Gap or Donut Hole – You pay 25% for covered drugs
- Catastrophic Coverage - \$7,400 and above. Drug copays are reduced to:
 - Generics - \$4.15 or 5%, whichever is greater
 - Brands - \$10.35 or 5%, whichever is greater

Medicare Advantage Plans



Medicare Advantage Plans

- 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 – varies by plan



PART C

Medicare Advantage Plans

Eligibility for Part C

- Must be enrolled in Medicare Part A and Medicare Part B
- Must live in the plan's service area (county based)
- Must be able to make an informed decision



PART C

Medicare Advantage Plans

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's an emergency
- May be required to use a network of doctors and hospitals
- May include additional benefits above Original Medicare (varies by plan)



PART C

Medicare Advantage Plans

Types of Part C Plans

Coordinated Care Plans

- Health Maintenance Organization (HMO)
- Health Maintenance Organization Point-of-Service (HMO-POS)
- Preferred Provider Organization (PPO)
- Special needs Plans (SNP)

Other Plans

- Private Fee-for-Service (PFFS)
- Medicare Savings Accounts (MSA)
- Medicare Cost Plans



PART C

Medicare Supplement Insurance



Medicare Supplement Insurance

- Helps cover gaps in Original Medicare
- Sold by private insurance companies
- Plans are name 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
- Benefits can vary by plan and when your Medicare coverage began



MED SUPP

Medicare Supplement Insurance

Eligibility

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



MED SUPP

Medicare Supplement Insurance

Costs

- Helps with some of the out-of-pocket costs not paid by Original Medicare
- Premiums may vary based on age, sex, tobacco status, zip code, plan and carrier

Enrollment

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



MED SUPP

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

Add one or both of the following to Original Medicare

OR

OPTION 2

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

The month you turn 65 years old



3 months before

3 months after

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 loss of employment or employer coverage, whichever happens first
 - Enroll in a Medicare Advantage or Prescription drug Plan for up to two full months after loss of employer health benefits

New to Medicare

Working beyond 65: Fewer than 20 employees

65th birthday month



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 – October 15th through December 7th, plans begin January 1st
- Open Enrollment Period – January 1st through March 31st. May change from one Medicare Advantage to another, or back to Original Medicare with or without Part D coverage
- Special Enrollment Periods – examples include moving into a new area, discontinuation of your current plan, receiving skilled nursing care, or low income/Medicaid



Next Steps

1. Review enrollment periods
2. Research your options
3. Ask questions/seek help
4. Enroll
5. Yearly review



Questions?



Thank you
for attending!



Sources

- <https://www.medicare.gov/>
- <https://www.medicare.gov/your-medicare-costs/medicare-costs-at-a-glance>
- <https://www.medicare.gov/supplements-other-insurance/how-to-compare-medigap-policies>