

# Medicare 101

Basic Information that Everyone Can Use

Brought to you by the Fulton County Office for Aging



# Fulton County Office for Aging

- Provides many services to people of all ages.
  - Information and Assistance
  - Care Management
  - Nutrition Services
  - Transportation
  - Non-Medicaid Home Care
  - Health Insurance Counseling
  - And much, much more!
  - We are celebrating our 41st Anniversary!

# Why Medicare 101?

- Medicare can be complicated
- Many decisions to make
- Each individual has different needs
- It's important to know about Medicare in general prior to making a decision on what you need
- From the Office for Aging certified HIICAP Counselors you will get a basic overview of Medicare and an unbiased comparison of the many different ways to get the coverage you need. Counselors can enroll you in most plans or refer you to the company that sells the product you are interested in.

Social Security Number Removal Initiative = New Medicare Cards in 2018  
Your card should look like this... if it does not, contact your Social Security Office – 1-888-528-9446. Starting January 2020 you must use the new card.



# Medicare is a Type of Health Insurance

- Who is eligible?
  - People 65 or Older
  - Certain People under 65 with Disabilities
  - Individuals with End-stage Renal Disease (permanent kidney failure)
  - Individuals with ALS (Lou Gehrig's Disease)

# The Basic Parts of Medicare

- **Part A helps cover:**
- In patient Hospital Care, Skilled Nursing Facility (not long term), Hospice Care, Home Health Care (in certain cases)
- **Part B helps cover:**
- Doctor's services, outpatient care, observation stays, some home health services, durable medical equipment, mental health services, lab work, ambulance, many preventive services
- **Part C** – we'll discuss later!
- **Part D** – helps cover prescription drugs

# How to get Medicare

- If receiving Social Security Benefits or Railroad Retirement Benefits you will automatically get Part A and B starting the first month you turn 65
- If under 65 and Disabled you will automatically get Part A and B after you have received Social Security Disability Benefits for 24 months
- If you have ALS (Lou Gehrig's Disease) you'll automatically get Part A and B the month your Social Security Disability Benefits start
- If you are automatically enrolled, you'll get your Medicare Card in the mail 3 months before your start date

# How to get Medicare continued

- If you are turning 65 and NOT on Social Security you must sign up for Medicare
- If you have End-stage Renal Disease you must sign up for Medicare
- You can apply for Part A and B at **[socialsecurity.gov/retirement](https://www.socialsecurity.gov/retirement)**
- Or by calling **1-800-772-1213**
- Your Initial Enrollment Period is the 3 months before your 65<sup>th</sup> birthday, the month of your birthday, and the 3 months after your birthday – 7 months!
  
- Remember! If you don't sign up when you are first eligible you may pay a late enrollment penalty (added to your premium each month for as long as you have Medicare!)





# Do you need A and B?

- Most people get Part A for free – the qualifier is to have worked 40 quarters (basically 10 years) in your life
- There is a premium for Part B – the standard amount is \$135.50/month (some pay more, some pay less)
- Predicting \$144 for 2020
- Some people decide to decline Part B.
  - If you are covered under your or your spouse's active Employer Coverage you may delay enrollment in Part B
  - Do a cost comparison and talk to your employer
  - Active Employer Insurance **does NOT include:**
  - COBRA, Retiree Coverage, VA Coverage, Marketplace
  - \*\*\*\*\*Remember the PENALTY\*\*\*\*\*

# Some Special Circumstances

- FEHB – Federal Employee Health Benefits – Speak to an insurance counselor about these benefits – not enrolling in Medicare when first eligible may cause a late penalty
- TRICARE for life – Must have Medicare A and B
- Veteran’s Administration (VA Coverage) does not coordinate with Medicare, but you can have both. VA Drug coverage is considered “creditable” (as good or better than Medicare) so you can delay enrolling in Part D without penalty.
- CHAMPVA (Civilian Health and Medical Program for the Department of Veterans Affairs) Coordinates with Medicare – you must have Part B

# Understanding Costs

- Medicare covers 80% of your medical costs and you are responsible for the other 20%
- Standard Cost Sharing in 2019:
  - Part A Hospital Deductible \$1364
  - Part B Deductible \$185
  - Part D Maximum Deductible \$415 (range is from zero dollars to \$415)
  - THESE MAY BE HIGHER IN 2020
- We encourage the addition of some sort of coverage to fill in the gap – 20% of a medical bill plus Deductibles can add up fast!

# Filling in the Gap...

- Original Medicare (Parts A and B)
- Add Part D to cover drugs
- Add a Medicare Supplement, also called Medigap, to fill in the gaps in health and hospital costs
  - Sold by private insurance companies – Must see an agent/broker to enroll
  - Monthly premiums range anywhere from \$55 to \$508
  - Coverage varies depending on the Plan you choose
  - Plans are named by letter – Plan A, Plan F, Plan G, etc.
  - Some completely fill the gap so you have no co-pays (medical)
  - Open enrollment in NYS – apply anytime during the year
  - **Note** – shop for price because Plans offer the same coverage from every company no matter what price you pay!!!
  - Some plans have waiting periods for pre-existing conditions.

# Filling the Gap....

- Medicare Advantage Plans also called MAPs or Part C
- Bundle your Part A and B together (you put your Medicare card away in a safe place)
- Most add Part D to cover drugs
  - You can have separate Part C and D if you are having trouble finding a plan that covers your drugs
- Monthly Premiums range from zero dollars to \$197
- Co-pays for most services, many preventive services are free
- Networks - and you pay higher cost if you go out of network
- Are “Regional” but Emergency Care is always covered
- Can compare these plans on line or with an agent/broker

# Part D Coverage Gap the “Donut Hole”

- There is a “gap” built into the Part D coverage rules
- If you and your Part D Plan pay a total of \$3820(in 2019) then you enter the “gap” and pay more for your drugs
  - Brand name drugs – 25%
  - Generic drugs – 37%
- Once your True Out of Pocket Costs reach \$5,100 you come out of the “gap” and pay the lowest co-pays on your drugs for the rest of the year.
- This is changing for 2020... Gap will exist but you will pay no more than 25% for any drug – brand name or generic. TROOP \$4020 to get in and \$6350 to reach the Catastrophic Level. In the Catastrophic level you pay 5% or up to \$8.50.

# Things Medicare Does Not Cover

- Most Dental Care
- Dentures
- Eyewear (except after cataract surgery)
- Long Term Home Health Care (called custodial care)
- Hearing Aids and exams for fitting them
- Cosmetic Surgery
- Acupuncture
- Routine Foot Care
- **Note** – Medicare Advantage Plans sometimes offer limited coverage for some of these services

# Assistance for Low Income Seniors

- Very low income seniors can qualify for Medicaid
- Medicaid works with Medicare to cover your health care needs.
- Must add a part D for drug coverage
- Medicaid covers additional benefits such as dental, eye care, medical transportation, home care
- If your income is a little too high for Medicaid you can be approved for Medicaid with a spenddown – you spend a certain amount of money each month and then you can use your Medicaid



# Assistance for Low Income Seniors

- Extra Help is a program administered by the Federal Government – low income Medicare beneficiaries apply at Social Security Administration
- SSA looks at your income and your assets
- If eligible, you get assistance with your Part D premium and co-pays
- Assistance can be “full extra help” or “partial extra help”

# Assistance for Low Income Seniors

- Medicare Savings Program
- Looks at income and family size, not assets
- Apply at Office for Aging or on your own with the Department of Social Services
- If eligible, Medicaid pays your Part B premium and up to \$36.55/month (in 2020) toward your Part D Premium
- You get the lowest co-pays possible on all drugs
- Must recertify annually
- Three different categories – based on income

# Additional Program

- SPAP – State Pharmaceutical Assistance Program
- In New York it is known as EPIC – Elderly Pharmaceutical Insurance Coverage
- Must be 65 years old and have a Part D Plan (or C with D)
- Apply any time of the year – applications at OFA or download the application from the NYS EPIC website
- Based on family size and *previous year's* income
- Two categories
  - Fee Plan – members pay an annual fee
  - Deductible Plan – members pay for their drugs and once they meet their deductible, they receive Co-Pay assistance
- Offers assistance with Part D Premium and Drug Co-Pays
- Gives members a once a year Special Enrollment Period to change part D plans.

# When to Make Changes

- Medicare Supplement – Anytime during the year (but beware – you may not be able to change your part D)
- Medicare Advantage and Part D
  - Annual Open Enrollment – October 15 – December 7 for plans that begin on January 1
- EPIC – Anytime
- Medicaid, Extra Help, Medicare Savings Program – Anytime.
- Special Enrollment Periods do exist – see your Insurance Counselor to see if there is a Special Enrollment Period that meets your needs.

# New Medicare Cards

- New cards that do not have your gender or your Social Security number on them
- Random computer generated claim number
- Bring new card to all providers
- Destroy the old one
- As of January 1 – you must use your new card!
- You can download a new card at [www.mymedicare.gov](http://www.mymedicare.gov)
- Make sure the Social Security Administration has your correct mailing address

# Resources

- Medicare.gov – Official Site for Medicare – a wealth of information and the Plan Finder
- Set up a My Medicare Account
- Medicare and You Handbook – information and definitions on all phases of Medicare
- 1-800-MEDICARE – to speak to a representative
- Your State Health Insurance Assistance Program – SHIP – Which is your local **Office for Aging** where you will find trained and certified Insurance Counselors! **518-736-5650**

# Thank You!

We appreciate your time and attendance today – please call us with any questions that might arise and for all your Medicare Insurance Counseling Needs.

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