

Ohio

**Department
of Insurance**

Mike DeWine, *Governor* | Jon Husted, *Lt. Governor* | Jillian Froment, *Director*

Medicare

101



- Premier, federally funded program for Medicare education in Ohio
- Provides free, unbiased, objective Medicare information and counseling services
 - Counselors available at 1-800-686-1578
- Partners with community groups to provide local, personalized counseling services

What is Medicare?

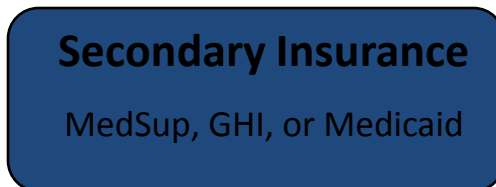
Federal health insurance program administered by the Centers for Medicare and Medicaid Services (CMS) for those who are:

1. 65 and older
2. any age and Disabled
3. diagnosed with End Stage Renal Disease (ESRD)

Option 1



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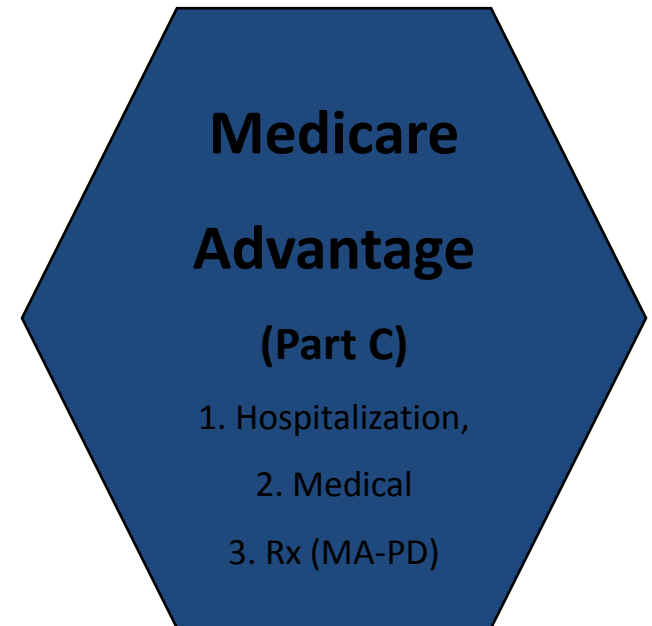


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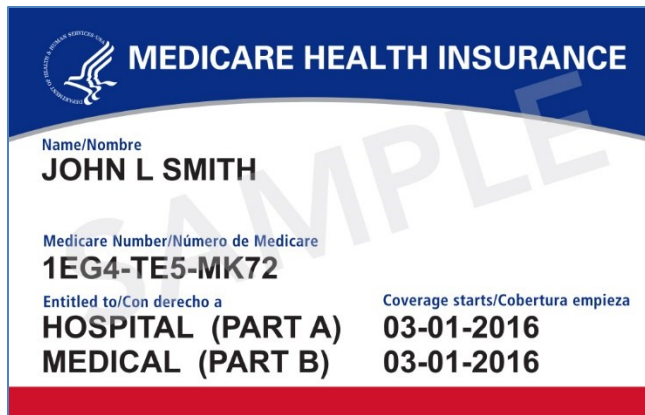
OR

Option 2



Applying for Medicare

- Enrollment automatic if you get Social Security or Railroad Retirement benefits prior to Medicare eligibility
- All others must apply with Social Security (or Railroad Retirement) during their **7 month Initial Enrollment Period (IEP)**
 - 3 months before your 65th birthday
 - Month of your 65th birthday
 - 3 months after your 65th birthday
- If you are covered under your (or your spouse's) **current** employer group health plan, you may delay enrollment into Medicare Part B



Part A- Hospital

- Inpatient Hospitalization
- Skilled Nursing Facilities
- Home Health Care
- Hospice

- ❖ Medicare was never intended to pay 100% of health care costs
- ❖ Medicare does not cover non-medically necessary services or care outside the USA in most cases

Part B- Medical

- Outpatient services
- Doctors/Providers
- Preventive Benefits
- Durable Medical Equipment

Medicare Preventive Benefits

- Screening tests and procedures
- No out-of-pocket costs for most preventive benefits
- Examples:
 - Flu, Pneumonia, Hepatitis B Vaccine
 - Welcome to Medicare & Annual Wellness Checks
 - Diabetes testing supplies
- Complete list at www.medicare.gov or Medicare & You Handbook

2019 Medicare Amounts

Part A

- Monthly Premium \$0 for most
- Hospital Deductible
\$1,364/benefit period
- Hospital Copays
\$341/day, days 61-90
\$682/day, days 91-150
(Lifetime Reserve Days)
- Skilled Nursing Copay
\$170.50/day, days 21-100

Part B

- Monthly Premium \$135.50
 - Premium may be income based
 - Late enrollees may incur a 10% penalty for each year of delay
- Annual Deductible \$185
- Copayments generally 20% of Medicare Approved Amount

Use [MyMedicare.gov](https://www.medicare.gov) to see all your Medicare claims!

2019 Medicare Savings Programs (MSP)

- Pay Part B Premium
 - QMB pays Part A & B coinsurance & deductibles
- Income less than
 - \$1,426/month- single
 - \$1,923/month- married
- Resources less than
 - \$7,730- single
 - \$11,600- married

Call OSHIIP or local Jobs & Family Services
Office for application

Secondary Insurance

Original Medicare

Part A and Part B

+

Secondary Insurance

GHI, MedSup, or Medicaid

- **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
- 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

Medicare 101

Original Medicare
Part A and Part B

+

Secondary Insurance
GHI, MedSup, or Medicaid

+

RX Coverage
Part D or GHI

1. Primary Coverage

2. Secondary Coverage

3. Prescription Drug Coverage

Medicare Part D

- Medicare's Prescription Drug Coverage
 - Offered by private companies that contract with Medicare
 - Available two ways
 - Stand Alone Prescription Drug Plans (PDPs)
 - Available through Medicare Advantage Plans (MAPDs)
 - Initial enrollment is the same as Part B
- ALL people with Medicare can get Part D
 - May not need Part D if you have creditable coverage
- Open Enrollment **October 15th- December 7th**
 - Coverage begins January 1
 - Special enrollment times based on circumstance
- Review plans annually with OSHIIP or www.medicare.gov

Part D Costs in 2020

- **Average Monthly Premiums-** \$35
- **Annual Deductible-** \$0-\$435
- **Copays-** 25% or flat copay amounts based on formulary
- **Initial Coverage Limit:** \$4,020 (total drug cost)
- **Out-of-Pocket Threshold:** \$6,350
- **Catastrophic Coverage:** \$9,719 (Approx. 5% copay)

Things to Consider

- All plans have a different cost structure and formulary
- Costs based on individual drug needs and change annually
- Late enrollees may incur a 1% penalty for each month of delay

Review Drug Plans Each Year!

(3 C's of PDPs)

- Convenience
 - Network & Preferred Pharmacies
 - Mail Order Option
- Coverage
 - All plans have a different formulary
 - Take the formulary with you when seeing your physicians
- Cost
 - Know all possible costs!

Compare annually at www.medicare.gov!

2019 Low Income Subsidy

(Extra Help with Prescription Drug Costs)

- Reduced or NO Premium
- Reduced or NO Deductible
- No more than 15% copays

Income:
single- \$1,581
married- \$2,134

Resources:
single- \$14,390
married- \$28,720

Medicare Options

Option 1

Original Medicare
Part A and Part B

+

Secondary Insurance
GHI, MedSup, or Medicaid

+

RX Coverage
Part D or GHI

OR

Option 2

**Medicare Advantage
(Part C)**
1. Hospitalization,
2. Medical
3. Rx (MA-PD)

Medicare Advantage

- Available to those
 - enrolled in Part 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
 - Plans types
 - HMO (Health Maintenance Organization)
 - PPO (Preferred Provider Organization)
 - Most plans include Part D benefit (MAPD)
 - Enrollees pay Part B premium and any other applicable costs
 - Networks, Premiums and Copays vary by plan

Medicare Advantage

- Initial Enrollment Period
 - 7 Months surrounding Medicare eligibility
- Open Enrollment **October 15th- December 7th**
 - Coverage begins January 1
 - Other enrollment times based on circumstances
- MA Open Enrollment Period **January 1st - March 31st**
 - Switch MA plans
 - Drop MA Plan and return to original Medicare
 - Coverage begins first of month after you enroll

*Must be in a MA plan on Jan. 1 to use this enrollment period.

*Can't use enrollment period to pick up Part D for the first time.

Moving Between Options

- Supplement to Medicare Advantage
 - Guaranteed Issue anytime enrollment is open
- Supplement to Supplement
 - No Guaranteed Issue
 - Can try anytime
 - no annual open enrollment period
- Medicare Advantage to Medicare Advantage
 - Guaranteed Issue anytime enrollment is open
- Medicare Advantage to Supplement
 - No Guaranteed Issue
 - Unless in a Special Enrollment Period

At a Glance

	Medicare Supplement	Medicare Advantage
Cost	<ul style="list-style-type: none"> • Part B Premium • Higher plan premium • \$150-\$200+ monthly • Little or no out of pocket cost when used 	<ul style="list-style-type: none"> • Part B Premium • Lower plan premium • \$0-\$100/month • Charged out of pocket cost as plan is used
Provider Choice	<ul style="list-style-type: none"> • Any provider that accepts Medicare • May have foreign travel emergency coverage 	<ul style="list-style-type: none"> • Plan will have a provider network. Cost will be higher out of network • Check with plan for travel restrictions
Considerations	<ul style="list-style-type: none"> • Important to use any provider without network restrictions • Can afford higher monthly premiums 	<ul style="list-style-type: none"> • Willing to use network of providers • May have added benefits (vision, dental, hearing, fitness, etc.)
Drug Coverage Included?	<ul style="list-style-type: none"> • No • Need to purchase separate Part D Plan 	<ul style="list-style-type: none"> • Yes • Some plans available without drug coverage

Know Your Options!

Option 1

Original Medicare

Part A and Part B

+

Secondary Insurance

GHI, MedSup, or Medicaid

+

RX Coverage

Part D or GHI

OR

Option 2

**Medicare
Advantage**

(Part C)

1. Hospitalization,
2. Medical
3. Rx (MA-PD)

Protect Yourself From Unscrupulous Sales Practices

- The following sales tactics are prohibited:
 - Door to Door Sales
 - Giving out cash gifts or gifts exceeding \$15
 - High Pressure Sales Tactics
 - Misrepresenting a plan or giving incomplete information
 - Representing themselves as Medicare
- If you feel you have been victimized by an agent or a company
 - Get as much information as possible
 - Agents card, including name, address, phone
 - Company and plan information
 - Report the incident to the Ohio Dept. of Insurance at;
 - **1-877-727-6427** Healthcare Exchange Reports
 - **1-800-686-1527** All Other Reports

Thank you for your attention

Questions?



1-800-686-1578

www.insurance.ohio.gov



1-800-MEDICARE

www.medicare.gov

www.mymedicare.gov



1-800-772-1213

www.socialsecurity.gov



Department
of Insurance