Legal Aid of the Bluegrass- Medicare SHIP Program

Welcome to Medicare

Medicare SHIP Program

- The Medicare SHIP Program is:
  - Funded through a federal grant
  - Provides help with Medicare and other government benefit programs
    - Social Security
    - Federal Employee Health Insurance
    - Veterans Benefits
    - Medicaid
  - Services are free
  - Housed within Legal Aid of the Bluegrass
    - Office located at 107 E. 7th Street, Covington
    - 1-866-516-3051

Medicare SHIP Goals

- To help people age 60+ and disabled individuals enrolling into Medicare
- To educate people on benefit programs that affect their lives
- To assist with Resolving complex benefit issues
- Complete applications for benefit programs
- To educate against fraud, waste, and abuse
- To empower clients to make informed decisions

Medicare

- A federal health insurance program:
  - Run by the Center for Medicare and Medicaid Services (CMS)
  - Benefit decisions controlled by U.S. Congress
  - Social Security Administration (SSA) handles enrollment and eligibility
  - Original Medicare comes in two parts:
    - Medicare Part A
    - Medicare Part B benefits

Enrolling into Medicare

- Enrollment is automatic
- If you are receiving Social Security or a Railroad benefit check
- You will receive your Medicare Card 3 months before your 65th birth month

- Enrollment is not automatic
- If you are not receiving a SS or RR check
- To enroll, contact Social Security about 3 months before turning 65
  - Visit local office
  - Call 1-800-772-1213
  - Online at www.ssa.gov

If retired from Railroad employment enroll with RRB

- Call your local RRB office or 1-877-772-5772

Medicare Card

- Check accuracy of name
- Part A – Hospital Insurance - Effective Date
- Part B – Medical Insurance – Effective Date

Keep this card safe

Medicare Card Form

- When you receive the Medicare Card Form in the mail you will:
  - Do nothing to accept Medicare Part A and Part B

OR

  - Return it to refuse Part B
    - Follow instructions on the back of card form

Enrolling into Part B

- You should consider keeping Part B if you **don't** have insurance coverage from active employment

- If you **do** have insurance coverage through active employment for yourself or a spouse, you should consider delaying the enrollment into Part B
  - No penalty if you enroll while you have creditable coverage or within 8 months of losing your creditable coverage
  - Confirm with your HR department to see if they require you or your spouse to enroll into Part B before declining coverage

HSA and Medicare

- Meet with your employer's HR to learn more specific information about your situation

- If you have a High Deductible Health Plan and contribute to an HSA (Health Savings Account) **AND continue to work past your 65th birthday for an employer with greater than 20 employees**
  - You probably want to delay enrolling in Medicare Part A & B
  - You do not want to elect to receive your Social Security benefit

Pick up our Medicare & HSA fact sheet for more information

HSA and Medicare

- To avoid a tax penalty on your HSA contributions
  - Stop all contributions to your HSA beginning the month of your 65th birthday if you are retiring 6 months or less after your 65th birthday

- If retiring <u>after</u> age 65 years and 7months
  - You do not want to make any contributions to your HSA for 6 months prior to signing up for SS and/or enrolling in Medicare Part A or Part B

Medicare Part A Hospital Insurance

Medicare Part A

- Most people receive Part A coverage at no cost through their own employment record or the employment record of their spouse

- People with less than 10 years of Medicare-covered employment
  - Can pay a premium to get Part A ($518 per month in 2025)

Part A- Inpatient Hospitalization

SERVICES	MEDICARE PAYS	YOUR RESPONSIBLITY
First 60 days of a Benefit Period*	All but $1,676 in 2025 (deductible) of covered costs	$1,676 (deductible)
Day 61 to day 90 of a Benefit Period*	All but $419 per day	$419 per day (co-pay)
Next 60 days (Lifetime Reserve Days 91 - 150)	All but $838 per day, in 2025	$838 per day (co-pay)

*Benefit period – begins on the first day of admission – ends when you have been out of the hospital 6o or more consecutive days.

Part A- Skilled Services

SERVICES	MEDICARE PAYS	YOUR RESPONSIBLITY
First 20 days	All covered costs	Nothing
Day 21 to day 100	All but $209.50 per day	$209.50 per day (co-pay)

Medicare also covers Hospice care through Part A for both inpatient and outpatient services. All costs are covered at 100% except for a $5 co-pay for medication and 5% co-insurance amount for respite care services.

Medicare Part B Medical Insurance

Part B Premium

- Most people pay $185/month in 2025
- Those with higher income will pay an additional premium based on the income tax return from two year ago
  - Example: New to Medicare in 2025? Premium is based on 2023 tax return

File Individual Tax Return	File Joint Tax Return	YOU PAY
$106,000 or less	$212,000 or less	$185.00
$106,000 - $133,000	$212,000-$266,000	Standard premium + $74.00
$133,000 - $167,000	$266,000- $334,000	+$185.00
$167,000 - $200,000	$334,000-$400,000	+$295.90
$200,000 -$500,000	$400,000-$750,000	+$406.90
Greater than $500,000	Greater than $750,000	+443.90

Part B Coverage

- Annual deductible for 2025- $257
  - Deductible amount changes annually

- Once deductible is met, 20% of the Medicare approved amount

Part B Services

Physician Services

- In the hospital
- In the Doctor's office
- In a nursing home
- At home

Outpatient Services

- Emergency care
- Lab tests
- X-rays
- Diagnostic tests
- Outpatient Surgery
- Therapy Services
- Mental Health

Part B Services

- Home Health Services
- Preventive Services Under Medicare
  - Yearly wellness exam
  - Flu Shots
  - Mammograms
  - Much more
- Durable Medical Equipment
  - Oxygen supplies
  - Wheelchairs, hospitals beds, canes, etc.
  - Diabetes supplies

Medicare Assignment

- **Medicare Assignment is** an agreement between your medical provider and Medicare:
  - to accept the payment amount that Medicare approves for the service
  - not to bill you for any more than your Medicare deductible and/or coinsurance

The Value of Assignment

	Does NOT Accept Assignment	Accepts Assignment
Actual Charge	$115	$115
Who Files Claim	Provider	Provider
Payment sent to	You	Provider
Medicare Approves	$100	$100
Medicare Pays	$80	$80
Your Responsibility	$35	$20

In this example, the annual Medicare Part B deductible has been met.

Providers that do not accept assignment can charge an additional 15% co-insurance amount for services.

Providers that Accept Assignment

- Complete list of providers can be found at:
  - www.medicare.gov/care-compare

- Compare tools available for:
  - Hospitals
  - Nursing Homes
  - Home Health Services
  - Dialysis facilities

Help for Low-Income Beneficiaries

- States help to pay for some of the out-of-pocket Medicare costs
- Kentucky has three programs to help cover the cost of the Medicare premiums and one program that pays the Medicare co-payments and co-insurance amounts
  - QMB-Qualified Medicare Beneficiary Program
  - SLMB-Specified Low Income Medicare Beneficiary Program
  - QI- Qualifying Individual

- To qualify, beneficiaries must be eligible for Part A and/or B
- People who are not eligible for Premium free Medicare Part A can get help to pay the Medicare Part A premium
- Must meet income and resource limits

The Medicare Savings Program benefit pays Part B premiums. The Part B premium is $185.00/month. This program can save you as much as $2,220 every year. (Income guidelines change March 1 of each year)

BENEFIT NAME & HOUSEHOLD SIZE	MONTHLY INCOME*	RESOURCE LIMIT	WHAT IS COVERED
QMB BENEFIT			Pays Part A & B Premiums; Co-payments and Co-insurance amounts
Household Size 1	$1,325	Single-$9,660; Couple-$14,470	
Household Size 2	$1,783	Single-$9,660; Couple-$14,470	
SLMB BENEFIT			Pays Part B premium
Household Size 1	$1,585	Single-$9,660; Couple-$14,470	
Household Size 2	$2,135	Single-$9,660; Couple-$14,470	
QI BENEFIT**			Pays Part B premium
Household Size 1	$1,781	Single-$9,660; Couple-$14,470	
Household Size 2	$2,400	Single-$9,660; Couple-$14,470	

Medicare Summary Notice

Medicare Summary Notice

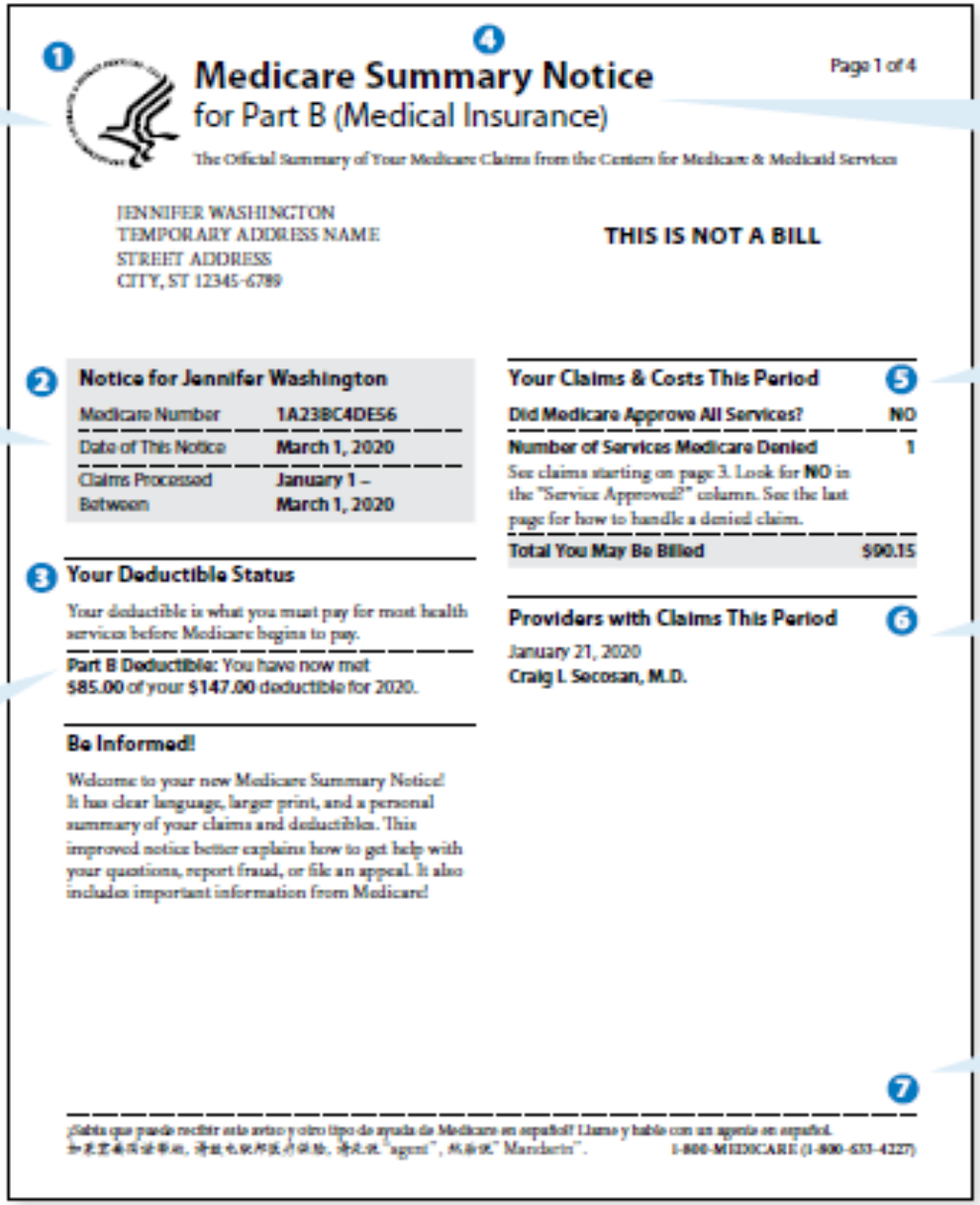
- MSN is the document that Medicare uses communicates with you all the claims filed using your Medicare number
- MSN is not a bill – do **NOT** make any payment based on the MSN
- MSN is a summary statement received every 3 months by mail or electronically if you have a Medicare account
  - Create an account anytime at www.medicare.gov
- Review the MSN carefully
- Keep the MSN for at least 18 months

Page 1 – Your Dashboard

❶ DHHS Logo
The redesigned MSN has the official Department of Health & Human Services (DHHS) logo.

❷ Your Information
Check your name and the last 4 numbers of your Medicare number, as well as the date your MSN was printed and the dates of the claims listed.

❸ Your Deductible Info
You pay a yearly deductible for services before Medicare pays. You can check your deductible information right on page 1 of your notice!



❶ ❹

Medicare Summary Notice
for Part B (Medical Insurance)

Page 1 of 4

The Official Summary of Your Medicare Claims from the Centers for Medicare & Medicaid Services

JENNIFER WASHINGTON
TEMPORARY ADDRESS NAME
STREET ADDRESS
CITY, ST 12345-6789

THIS IS NOT A BILL

❷ **Notice for Jennifer Washington**

Medicare Number	1A23BC4DE56
Date of This Notice	March 1, 2020
Claims Processed Between	January 1 – March 1, 2020

❸ **Your Deductible Status**

Your deductible is what you must pay for most health services before Medicare begins to pay.

Part B Deductible: You have now met **$85.00** of your **$147.00** deductible for 2020.

Be Informed!

Welcome to your new Medicare Summary Notice! It has clear language, larger print, and a personal summary of your claims and deductibles. This improved notice better explains how to get help with your questions, report fraud, or file an appeal. It also includes important information from Medicare!

❺ **Your Claims & Costs This Period**

Did Medicare Approve All Services?	NO
Number of Services Medicare Denied	1

See claims starting on page 3. Look for **NO** in the "Service Approved?" column. See the last page for how to handle a denied claim.

Total You May Be Billed	$90.15

❻ **Providers with Claims This Period**

January 21, 2020
Craig L Secosan, M.D.

❼

¿Sabía que puede recibir este aviso y otro tipo de ayuda de Medicare en español? Llame y hable con un agente en español.
1-800-MEDICARE (1-800-633-4227)

❹ Title of your MSN
The title at the top of the page is larger and bold.

❺ Total You May Be Billed
A new feature on page 1, this summary shows your approved and denied claims, as well as the total you may be billed.

❻ Providers You Saw
Check the list of dates and the doctors you saw during this claim period.

❼ Help in Your Language
For help in a language other than English or Spanish, call 1-800-MEDICARE and say "Agent." Tell them the language you need for free translation services.

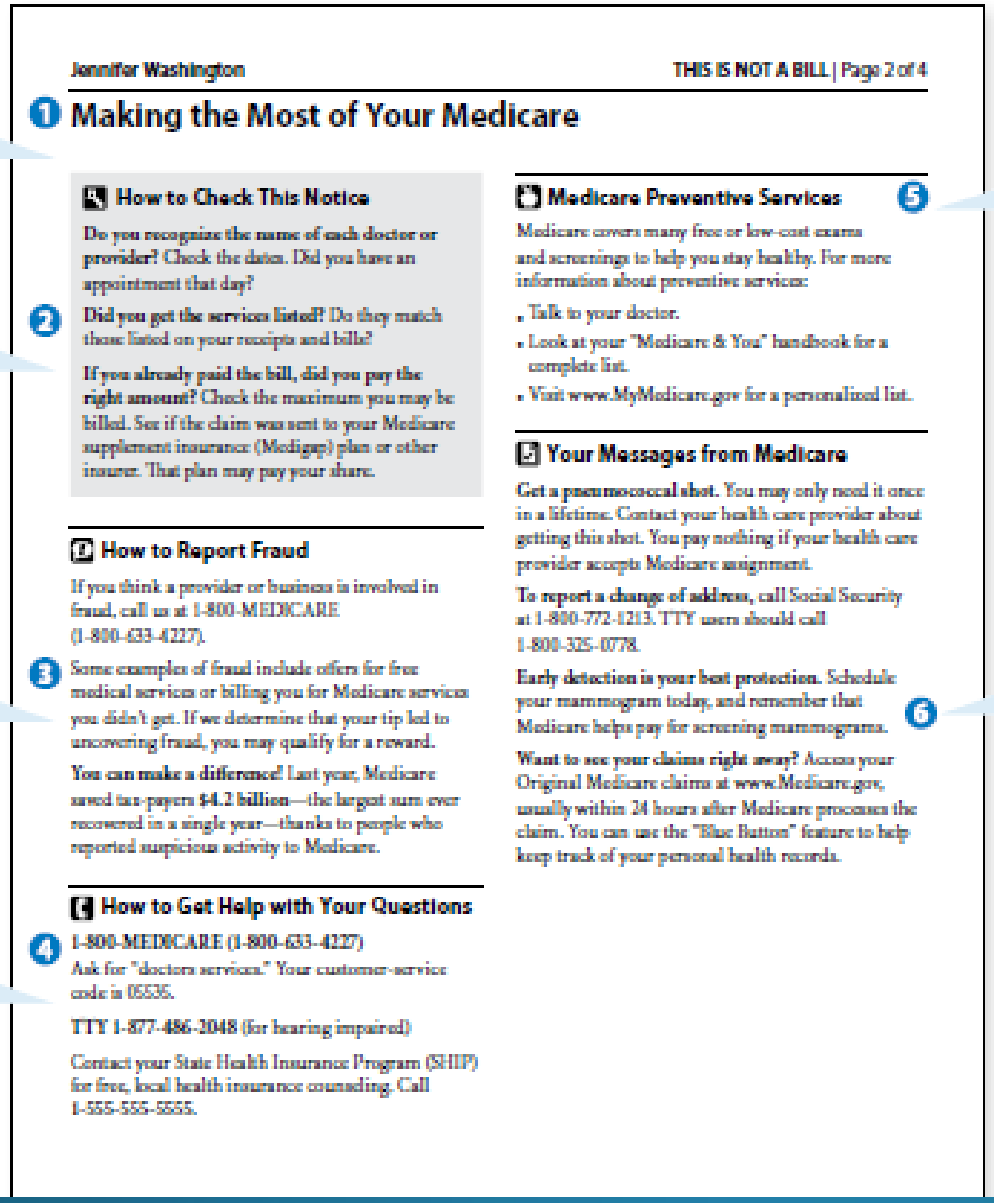
Page 2 – Making the Most of Your Medicare

1 Section Title
This helps you navigate and find where you are in the notice. The section titles are on the top of each page.

2 How to Check
Medicare offers helpful tips on what to check when you review your notice.

3 How to Report
Help Medicare save money by reporting fraud!

4 How to Get Help
This section gives you phone numbers for where to get your Medicare questions answered.



Jennifer Washington THIS IS NOT A BILL | Page 2 of 4

1 Making the Most of Your Medicare

How to Check This Notice

Do you recognize the name of each doctor or provider? Check the dates. Did you have an appointment that day?

2 **Did you get the services listed?** Do they match those listed on your receipts and bills?

If you already paid the bill, did you pay the right amount? Check the maximum you may be billed. See if the claim was sent to your Medicare supplement insurance (Medigap) plan or other insurer. That plan may pay your share.

How to Report Fraud

If you think a provider or business is involved in fraud, call us at 1-800-MEDICARE (1-800-633-4227).

3 Some examples of fraud include offers for free medical services or billing you for Medicare services you didn't get. If we determine that your tip led to uncovering fraud, you may qualify for a reward.

You can make a difference! Last year, Medicare saved tax-payers $4.2 billion—the largest sum ever recovered in a single year—thanks to people who reported suspicious activity to Medicare.

How to Get Help with Your Questions

4 **1-800-MEDICARE (1-800-633-4227)**
Ask for "doctors services." Your customer-service code is 05535.

TTY 1-877-486-2048 (for hearing impaired)

Contact your State Health Insurance Program (SHIP) for free, local health insurance counseling. Call 1-555-555-5555.

Medicare Preventive Services 5

Medicare covers many free or low-cost exams and screenings to help you stay healthy. For more information about preventive services:

- Talk to your doctor.
- Look at your "Medicare & You" handbook for a complete list.
- Visit www.MyMedicare.gov for a personalized list.

Your Messages from Medicare

Get a pneumococcal shot. You may only need it once in a lifetime. Contact your health care provider about getting this shot. You pay nothing if your health care provider accepts Medicare assignment.

To report a change of address, call Social Security at 1-800-772-1213. TTY users should call 1-800-325-0778.

Early detection is your best protection. Schedule your mammogram today, and remember that Medicare helps pay for screening mammograms. 6

Want to see your claims right away? Access your Original Medicare claims at www.Medicare.gov, usually within 24 hours after Medicare processes the claim. You can use the "Blue Button" feature to help keep track of your personal health records.

5 Preventive Services
Remember, Medicare covers many preventive tests and screenings to keep you healthy.

6 General Messages
These messages get updated regularly, so make sure to check them!

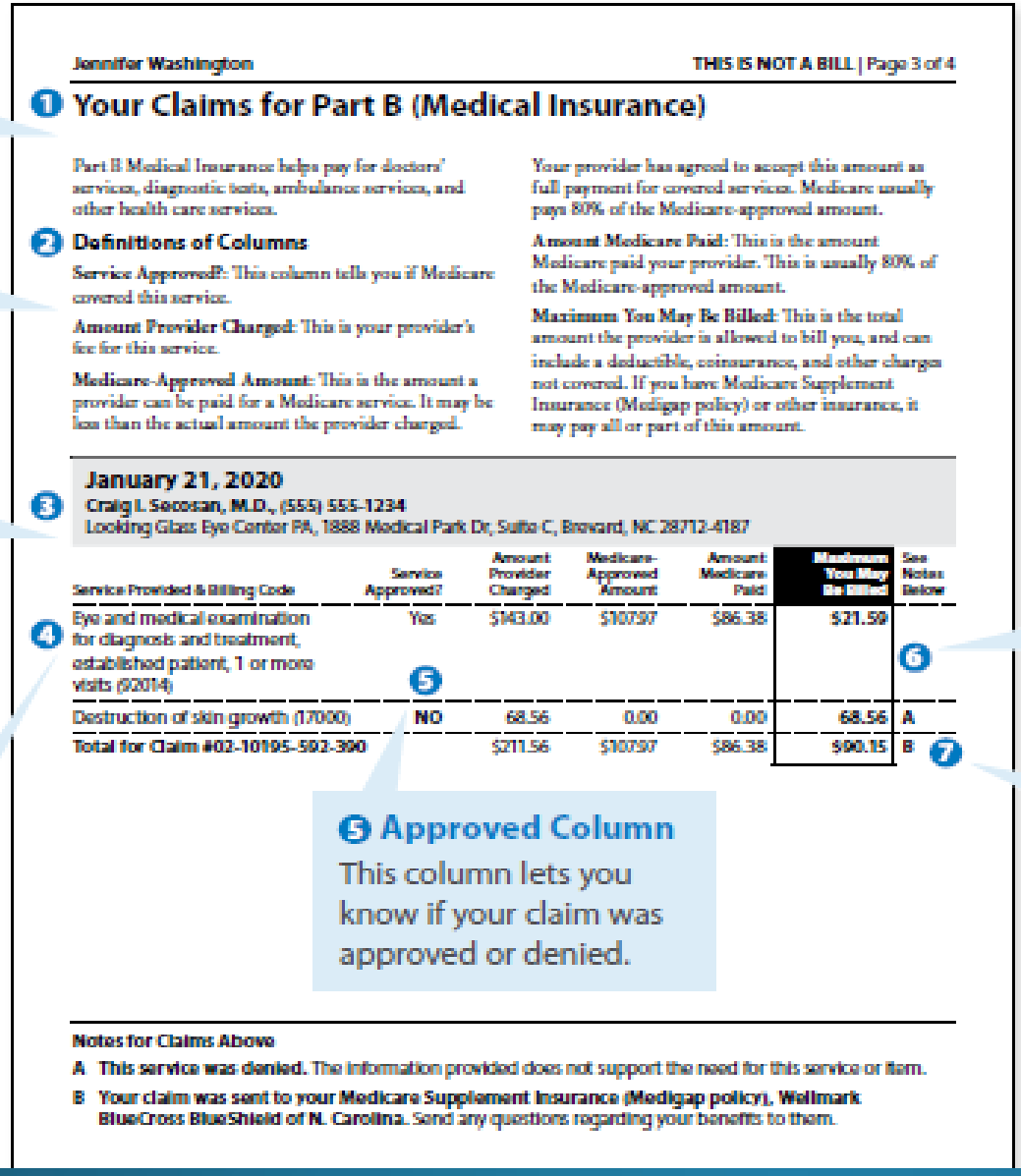
Page 3 – Your Claims for Part B (Medical Insurance)

❶ Type of Claim
Claims can either be assigned or unassigned.

❷ Definitions
Don't know what some of the words on your MSN mean? Read the definitions to find out more.

❸ Your Visit
This is the date you went to your doctor. Keep your bills and compare them to your notice to be sure you got all the services listed.

❹ Service Descriptions
User-friendly service descriptions will make it easier for you to know what you were treated for.



Jennifer Washington — THIS IS NOT A BILL | Page 3 of 4

❶ Your Claims for Part B (Medical Insurance)

Part B Medical Insurance helps pay for doctors' services, diagnostic tests, ambulance services, and other health care services.

❷ Definitions of Columns

Service Approved?: This column tells you if Medicare covered this service.

Amount Provider Charged: This is your provider's fee for this service.

Medicare-Approved Amount: This is the amount a provider can be paid for a Medicare service. It may be less than the actual amount the provider charged.

Your provider has agreed to accept this amount as full payment for covered services. Medicare usually pays 80% of the Medicare-approved amount.

Amount Medicare Paid: This is the amount Medicare paid your provider. This is usually 80% of the Medicare-approved amount.

Maximum You May Be Billed: This is the total amount the provider is allowed to bill you, and can include a deductible, coinsurance, and other charges not covered. If you have Medicare Supplement Insurance (Medigap policy) or other insurance, it may pay all or part of this amount.

❸ January 21, 2020
Craig L. Secosan, M.D., (555) 555-1234
Looking Glass Eye Center PA, 1888 Medical Park Dr, Suite C, Broward, NC 28712-4187

❹ Service Provided & Billing Code	Service Approved? ❺	Amount Provider Charged	Medicare-Approved Amount	Amount Medicare Paid	❻ Maximum You May Be Billed	See Notes Below
Eye and medical examination for diagnosis and treatment, established patient, 1 or more visits (92014)	Yes	$143.00	$107.97	$86.38	**$21.59**	
Destruction of skin growth (17000)	NO	68.56	0.00	0.00	68.56	A
Total for Claim #02-10195-592-390		$211.56	$107.97	$86.38	$90.15	B ❼

❺ Approved Column
This column lets you know if your claim was approved or denied.

Notes for Claims Above

A **This service was denied.** The information provided does not support the need for this service or item.

B **Your claim was sent to your Medicare Supplement Insurance (Medigap policy), Wellmark BlueCross BlueShield of N. Carolina.** Send any questions regarding your benefits to them.

❻ Max You May Be Billed
This is the total amount the provider is able to bill you. It's highlighted and in bold for easy reading.

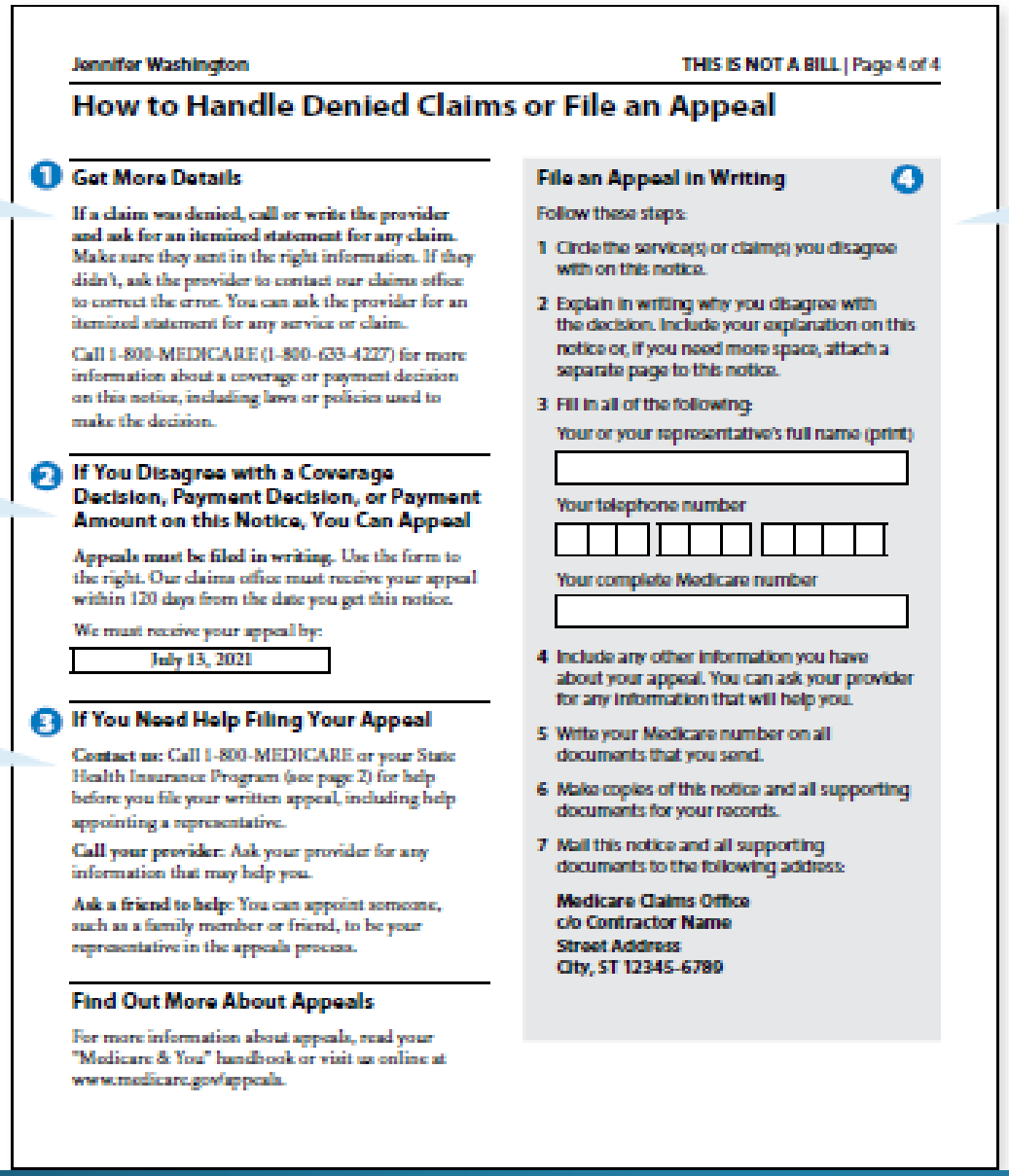
❼ Notes
Refer to the bottom of the page for explanations of the services you got.

Last Page – How to Handle Denied Claims

❶ Get More Details
Find out your options on what to do about denied claims.

❷ If You Decide to Appeal
You have 120 days to appeal your claims.
The date listed in the box is when your appeal must be received by us.

❸ If You Need Help
Helpful tips to guide you through filing an appeal.



Jennifer Washington — THIS IS NOT A BILL | Page 4 of 4

How to Handle Denied Claims or File an Appeal

❶ Get More Details

If a claim was denied, call or write the provider and ask for an itemized statement for any claim. Make sure they sent in the right information. If they didn't, ask the provider to contact our claims office to correct the error. You can ask the provider for an itemized statement for any service or claim.

Call 1-800-MEDICARE (1-800-633-4227) for more information about a coverage or payment decision on this notice, including laws or policies used to make the decision.

❷ If You Disagree with a Coverage Decision, Payment Decision, or Payment Amount on this Notice, You Can Appeal

Appeals must be filed in writing. Use the form to the right. Our claims office must receive your appeal within 120 days from the date you get this notice.

We must receive your appeal by:

July 13, 2021

❸ If You Need Help Filing Your Appeal

Contact us: Call 1-800-MEDICARE or your State Health Insurance Program (see page 2) for help before you file your written appeal, including help appointing a representative.

Call your provider: Ask your provider for any information that may help you.

Ask a friend to help: You can appoint someone, such as a family member or friend, to be your representative in the appeals process.

Find Out More About Appeals

For more information about appeals, read your "Medicare & You" handbook or visit us online at www.medicare.gov/appeals.

File an Appeal in Writing ❹

Follow these steps:

1 Circle the service(s) or claim(s) you disagree with on this notice.

2 Explain in writing why you disagree with the decision. Include your explanation on this notice or, if you need more space, attach a separate page to this notice.

3 Fill in all of the following:

Your or your representative's full name (print)

Your telephone number

Your complete Medicare number

4 Include any other information you have about your appeal. You can ask your provider for any information that will help you.

5 Write your Medicare number on all documents that you send.

6 Make copies of this notice and all supporting documents for your records.

7 Mail this notice and all supporting documents to the following address:

Medicare Claims Office
c/o Contractor Name
Street Address
City, ST 12345-6789

❹ Appeals Form
You must file an appeal in writing. Follow the step-by-step directions when filling out the form.

Fight Medicare Fraud

- Review the MSN carefully to prevent fraud and billing errors
- If you suspect fraud, you may be rewarded up to $1,000 for tips that lead to uncovering fraudulent activity
- If you suspect fraud, call Medicare SHIP- 1-866-516-3051

Your Medicare Rights

Your Rights

- To have your personal and health information kept private
- To receive an Advance Beneficiary Notice (ABN) when the provider believes the service will not be covered by Medicare

If your provider does not make you sign an ABN and Medicare later refuses to pay, do not pay the provider.

Call Medicare SHIP for help. Without an ABN, you may not be required to pay for the service.

Advance Beneficiary Notice of Noncoverage (ABN)

NOTE: If Medicare doesn't pay for D. _____ below, you may have to pay. Medicare does not pay for everything, even some care that you or your health care provider have good reason to think you need. We expect Medicare may not pay for the D. _____ below.

D.	E. Reason Medicare May Not Pay:	F. Estimated Cost

WHAT YOU NEED TO DO NOW:

- Read this notice, so you can make an informed decision about your care.
- Ask us any questions that you may have after you finish reading.
- Choose an option below about whether to receive the D. _____ listed above.
  Note: If you choose Option 1 or 2, we may help you to use any other insurance that you might have, but Medicare cannot require us to do this.

G. OPTIONS: Check only one box. We cannot choose a box for you.

☐ **OPTION 1.** I want the D. _____ listed above. You may ask to be paid now, but I also want Medicare billed for an official decision on payment, which is sent to me on a Medicare Summary Notice (MSN). I understand that if Medicare doesn't pay, I am responsible for payment, but **I can appeal to Medicare** by following the directions on the MSN. If Medicare does pay, you will refund any payments I made to you, less co-pays or deductibles.

☐ **OPTION 2.** I want the D. _____ listed above, but do not bill Medicare. You may ask to be paid now as I am responsible for payment. **I cannot appeal if Medicare is not billed.**

☐ **OPTION 3.** I don't want the D. _____ listed above. I understand with this choice I am **not** responsible for payment, and **I cannot appeal to see if Medicare would pay.**

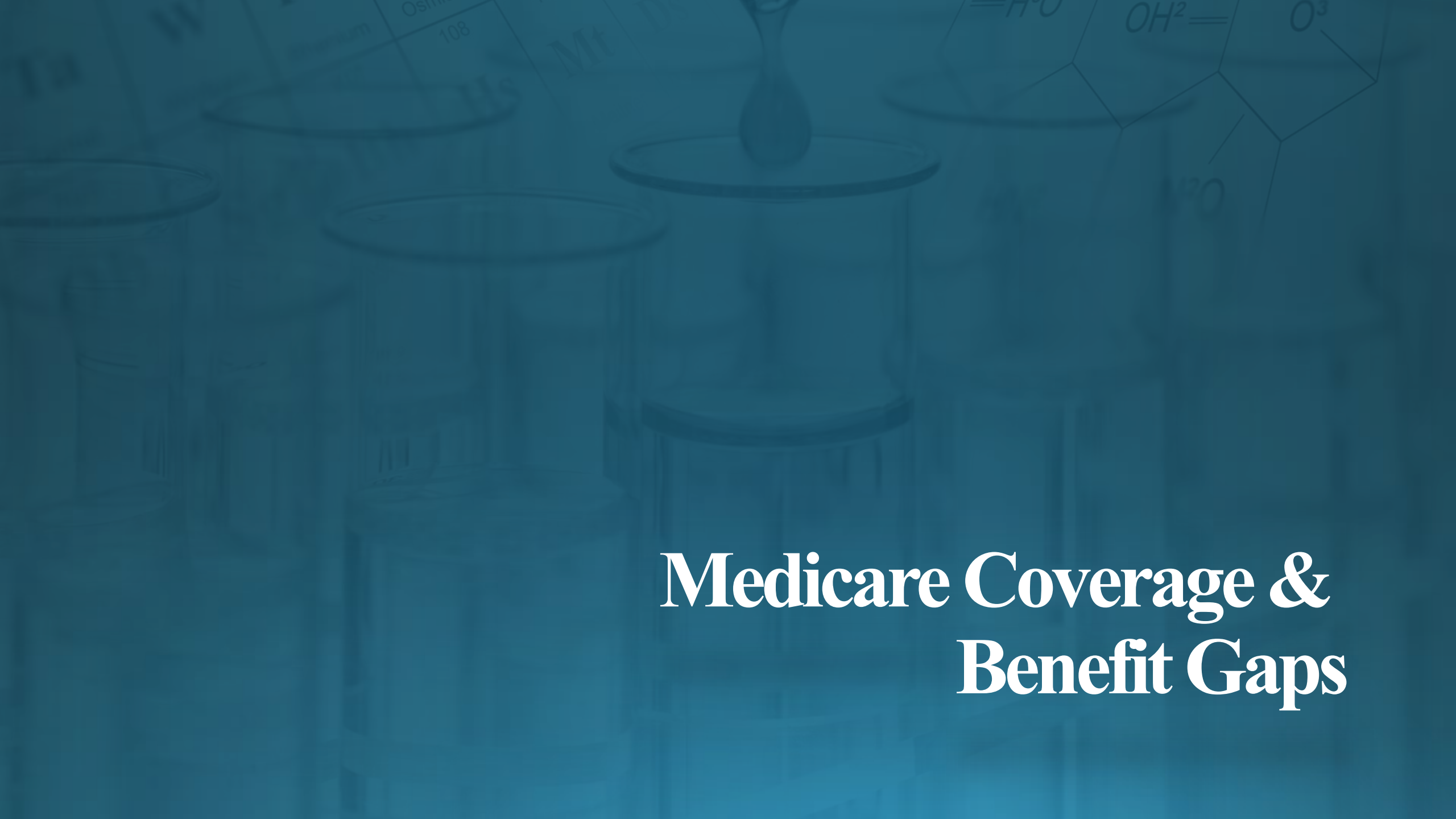
H. Additional Information:

This notice gives our opinion, not an official Medicare decision. If you have other questions on this notice or Medicare billing, call **1-800-MEDICARE** (1-800-633-4227/TTY: 1-877-486-2048). Signing below means that you have received and understand this notice. You also receive a copy.

I. Signature:	J. Date:

Your Rights

- Medicare and/or Medicare plan must provide an appeal process
  - File complaints (grievances)
    - Including complaints about quality of your care
  - File an appeal
    - Must file within 120 days of the date receive MSN



Medicare Coverage & Benefit Gaps

Original Medicare Coverage Gaps

- Dental care and dentures
- Eyeglasses
- First 3 pints of blood
- Foreign healthcare
- Hearing Aids*
- Orthopedic shoes
- Private duty nursing
- Custodial Care
- Routine chiropractic care
- Routine foot care
- Cosmetic surgery
- Prescription Drugs

* Original Medicare does cover over-the-counter hearing aids.

Original Medicare Benefit Gaps

- $1,676 Part A deductible for the first 60 days of hospitalization in each benefit period
  - $419 co-payment for inpatient hospital days 61-90
  - $838 daily copayment for 60 lifetime reserve days
  - $209.50 daily copayment for days 21-100 for skilled facility care
- $257 Part B annual deductible
  - 20% co-insurance amount on all Medicare approved services
  - 15% Medicare excess charge for non-participating providers

Your Options

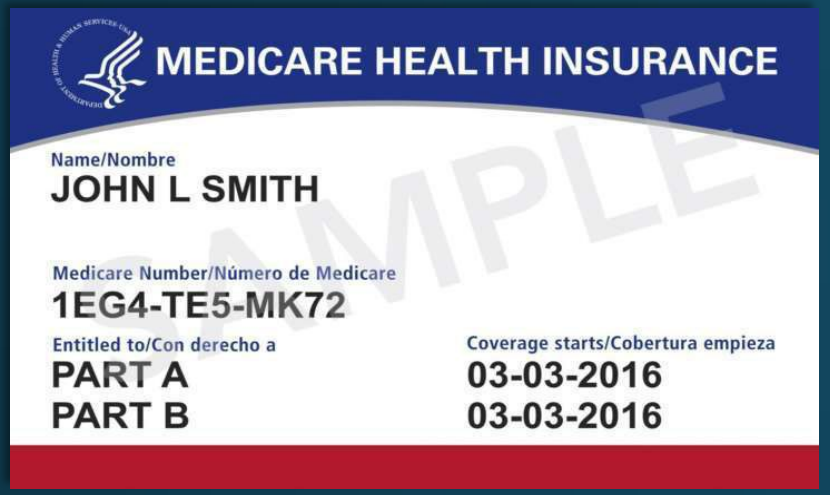
OPTION 1

- Original Medicare (Parts A&B)
- Medicare Supplement Insurance, also called Medigap
- Medicare Part D prescription drug plan

OPTION 2

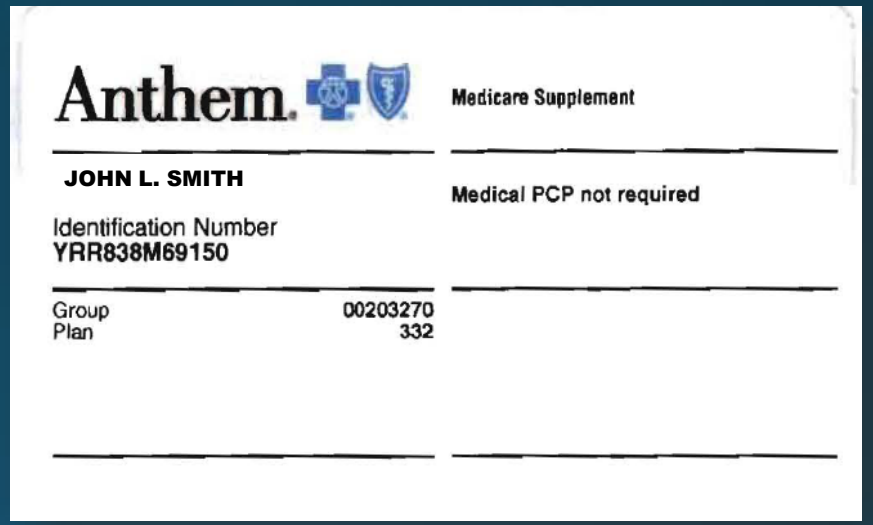
- Medicare Advantage plan with or without prescription drug coverage

Medicare Coverage Option 1



Original Medicare Care with both Part A & Part B

Medicare Supplement Insurance, also known as Medigap, to pay after Original Medicare pays for services



Medicare Part D prescription drug plan for medications

Medicare Supplement-Medigap

- Policies sold by private insurance companies
- Fills-in some/most of the benefit gaps in Original Medicare
  - Deductibles, coinsurance, copayments
- Regulated by states and must meet federal rules
- Standardized plans in all but 3 states
  - Plans are named by letters (A,B,D,G,K-N)
  - All plans of same letter have same coverage.
  - Only costs are different

Benefits	Medigap plans									
	A	B	C	D	F*	G*	K	L	M	N
Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Medicare Part B coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%***
Blood benefit (first 3 pints)	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Part A hospice care coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	100%	100%	50%	75%	100%	100%
Part A deductible		100%	100%	100%	100%	100%	50%	75%	50%	100%
Part B deductible			100%		100%					
Part B excess charges					100%	100%				
Foreign travel emergency (up to plan limits)			80%	80%	80%	80%			80%	80%
							Out-of-pocket limit in 2025**			
							$7,220	$3,610		

**Plans K and L pay 100% of covered services for the rest of the calendar year once you meet the out-of-pocket yearly limit.

***Plan N pays 100% of the Part B coinsurance, except for a co-payment of up to $20 for some office visits and up to a $50 copayment for emergency room visits that do not result in an inpatient admission.

Medigap Policies-Types of Plans

- Standard Plans
- High deductible plans
  - Plan F & G offers a High Deductible option
    - Plan F is only sold to those with Medicare before Jan. 1, 2020
    - Must pay a $2,870 deductible before plan pays.
    - Once deductible is met, plan pays 100%.
    - High deductible plan G does not cover Part B deductible.
    - However, plans count your payment of the Part B deductible toward meeting the plan deductible.
- Select Plans
  - Must use network hospital to get your full benefits (except in emergency)

Medigap Policies- Rights

- Have limited time to purchase a Medigap policy and have “guaranteed issue rights”
  - Insurers cannot ask medical questions which would deny or limit coverage

- Guaranteed Issue Rights period occurs:
  - 6-month period that starts the month you turn 65 and have Part B **OR** the month that you activate your Part B if delay enrollment
  - Special Enrollment is allowed when health care coverage changes
    - Have 63 calendar days after your coverage ends to purchase (move; insurance no longer sold, etc.)
  - Birthday Rule- new in 2024- Can change insurance each year, 60 days around your birthday
  - Younger than 65 disabled individuals can enroll without medical underwriting based on their Medicare enrollment date if new to Medicare

Medigap Policies-Premiums

- Monthly premiums depend on:
  - Your age (in some states)
  - Where you live
  - Discounts (female, non-smokers, etc.)
  - Company selling the policy

Medigap- Reasons to Enroll

- Can save you money, especially if you have health issues
- Depending on policy/can have few out-of-pocket copays for Medicare covered services
- No referrals needed
- Travels well in the United States
- Budgeting friendly

Medigap-Questions to Ask

- Have the premiums for the plan changed in the last 3 years?
  - If so, by how much?
- Will the premium change as I get older or is it the same for everyone, no matter what age?
- Is this a standard, select or high deductible policy?

Medigap-Resources

- Find help to compare the Medigap policies
    - Medicare SHIP- 1-866-516-3051
    - www.medicare.gov
    - Agent / Broker

Medicare Part D- prescription drug coverage

Medicare Part D

- Drug plans approved by Medicare (CMS)
- Run by **private** companies that contract with Medicare
- Covers most brand-name and generic drugs
- Coverage varies by plan
- Look up plans at **www.medicare.gov**
  - Help available through Medicare SHIP

Part D- Eligibility

- Must have Medicare Part A and / or Part B
  - If you have “creditable” drug coverage, you need to decide if you want to also enroll into Part D.
    - Examples of Creditable coverage:
      - Most current employer group health plans
      - Former employer or union retiree coverage
      - TRICARE
      - Federal Health Benefits- both current and retirement

Part D- Enrollment Periods

- Join a plan
  - when first eligible for Medicare there is a 7-month window of opportunity
  - October 15 to December 7, the annual open enrollment period

- Switch plans
  - October 15 to December 7 of each year
  - Special Enrollment (such as move out of area, etc.)

Part D - Costs

- Monthly Premium
  - 2025 ranges between $0.00 to $131.60 (KY)
  - Increased premiums for those with higher incomes
    - Similar to the Part B benefit

- May or may not have an annual deductible
  - 2025 standard deductible is $590
    - Deductible increases each year

- May or may not have copayments and/or co-insurance
  - Most plans charge a copayment for generics and a co-insurance for brand name medications

Part D- New in 2025

- Part D out-of-pocket spending cap is $2,000,
  - will not have to pay any copayments or coinsurance for covered prescription drugs after the cap is reached
  - cap applies to all Medicare Part D plans, including those through Medicare Advantage

- The Medicare Prescription Payment Plan (M3P) allows beneficiaries to spread their out-of-pocket prescription drug costs over monthly payments to make costs more manageable.

Part D- Late Enrollment Penalty

- Enrolling into Part D is voluntary
- However, not enrolling when you are eligible and not having other creditable coverage, you will pay a late enrollment penalty when you do enroll
- Penalty is calculated based on the total number of months you went without coverage
- The penalty lasts a lifetime and will change based on the average Part D premium which typically increases each year
- If you need help determining the penalty amount, call Medicare SHIP

Part D- Extra Help

- Part D is costly
- Help is available to low-income Medicare Beneficairies
- Medicare Extra Help can:
  - Reduce the monthly premium to $0
  - Eliminate the annual deductible
  - Reduce medication costs to small copayments
  - The average savings is $5900/year
- To apply, call Medicare SHIP at 1-866-516-3051

Part D- Action Required

- You should compare your coverage every year
- Plans can:
  - Change their formularies, the list of medication they cover
  - Change the monthly premium and deductible
  - Place restrictions on the medication making them harder to be filled
- Contact Medicare SHIP for help with comparing your coverage during the Medicare Open Enrollment Period, October 15 to Dec. 7

Overview- Option 1

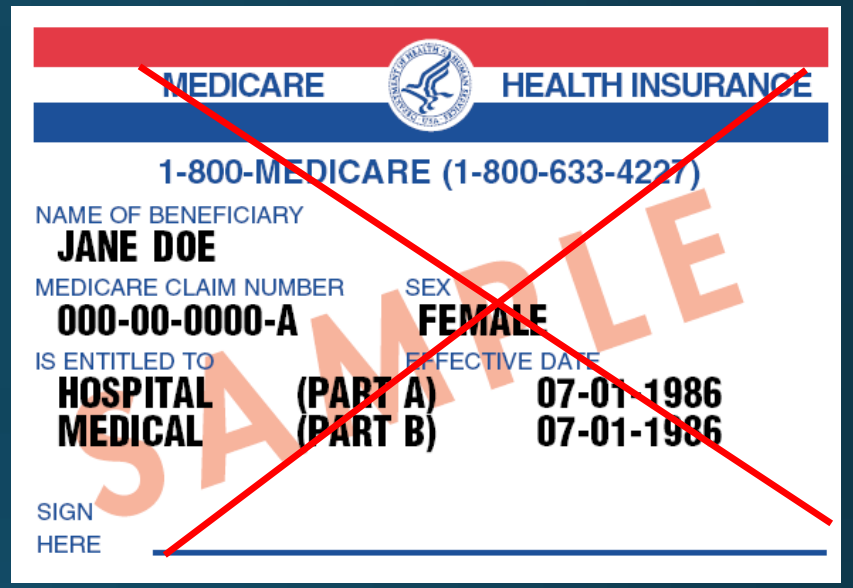
- Original Medicare
  - Part A is typically free
  - Part B’s premium for most people is $185.00/month
- Medigap insurance
  - Premiums depend on many factors
  - If new to Medicare, premium will range between $95-$130/month
- Medicare Part D
  - Premium depends on the plan you choose
  - Deductible for 2025 will be no more than $590/year

Medicare Coverage- Option 2

Option2 means that you will not show your Medicare card to providers.

You will be enrolled into Medicare, but you will not use the card.

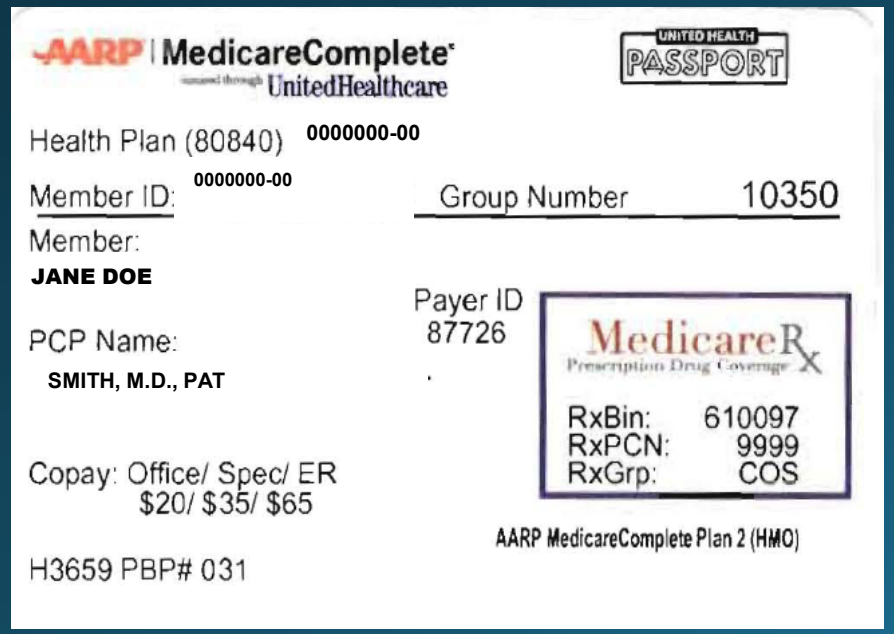
You should keep the card is safe and secure place.



In Option 2, you are enrolled into Medicare Advantage.

These plans are:

- HMO
- PPO
- PFFS
- MSA



Medicare Advantage Plans

- Also called:
  - Medicare Health Plans
  - Part C
  - Medicare Replacement Plans

- Plans are:
  - Approved and regulated by Medicare
  - Run by private insurance companies that contract with Medicare
  - Most have limited geographical coverage area

Medicare Advantage-Coverage

- Must at least cover the same services covered by Medicare
  - Can charge different costs for services
- Can include more coverage than Original Medicare
  - Most plans do include the prescription drug benefit
  - Most offer dental/vision/hearing and wellness benefits
- These plans are not standardized
  - Many companies offer more than one plan
  - Some plans have very minor differences, but they do not offer the same coverages

Medicare Advantage- Costs

- Must include a yearly limit on out-of-pocket expenses for Part A and B services
- Can’t charge you more than Medicare for certain services like chemotherapy and dialysis
- Can charge more for services like home health and inpatient hospital services

Medicare Advantage-Plan Types

- Health Maintenance Organization (HMO)
  - Members can generally only go to doctors, specialists or hospitals that are part of the plan's network, except in an emergency
- Preferred Provider Organization (PPO)
  - Has a network of providers, but members can also use out-of-network providers for covered services, usually for a higher cost

Medicare Advantage-Plan Types

- **Private Fee For Service Plan (PFFS)**
  - Most have a network of providers, but members can also ask any Medicare approved provider if they will accept the coverage of the plan, usually at a higher cost to the member

- **Special Needs Plan (SNP)**
  - Type of plan in which enrollment is limited to certain groups of Medicare beneficiaries such as those living in a nursing home, those with both Medicare and Medicaid or those with certain chronic conditions

Medicare Advantage-Plan Types

- **Medicare Medical Savings Account (MSA)**
  - Plan includes both a high deductible health plan and a bank account to help pay your medical costs. Plan deposits a certain amount of money each year, tax free if used for eligible expenses and remainder carries over to next year
  - Not include prescription drug coverage. Must purchase Part D plan

	HMO	PPO	PFFS
Must choose PC Doctor?	YES	NO	NO
Network Provider List?	YES	YES (more options)	NO (but provider must accept)
Need Referral to Specialist?	YES	NO	NO
Are Drugs Covered?	GENERALLY	GENERALLY	GENERALLY

Medicare Advantage- Eligibility

- Must be enrolled into both Part A & Part B

- Must live within the plan's service region
  - Plans are allowed to decide which counties will have access to their plans
  - Sometimes plans will terminate their plan for certain counties but continue to offer the coverage to other counties making it important to compare your options each year

Medicare Advantage-Enrollment

- JOIN a plan:
  - When first eligible
  - October 15 to December 7 (annual open enrollment)

- SWITCH
  - October 15 to December 7 (annual open enrollment)
  - Special Enrollment (such as move out of area, etc.)
  - Medicare Advantage Open Enrollment Period
    - January 1 to March 31 of each year
  - Trial Period

Medicare Advantage-Costs

- Costs
  - Part B monthly premium (2025-185.00)
  - Plan Premium (2025 in KY range $0 to $121.00)
  - Will pay increased premiums for the Part D benefit if have higher income
- Deductibles
  - May be a deductible for Health Plan and/or Drug Plan
  - Copayments or co-insurance amounts will be charged for most all services, including prescriptions
- May be an optional cost for extra benefits rider
  - Riders are typically available for extra dental or vision benefits

Medicare Advantage-Costs

- Out-of-Pocket Spending Limits
  - Range from $3,350 to $6,700 in-network for HMOs
  - Range from $4,200 to $14,000 for PPOs
    - It is best to use in-network providers as much as possible if enrolled in a PPO

Medicare Advantage

- Coverage is limited when you travel
  - Emergency and Urgent Care coverage only
  - Unless National PPO
- Member Services
  - Appeal process
  - Some have Case Manager
- Plans available in selected counties
  - Need to review
  - Contact the company with questions or to enroll

Medicare Advantage-Reasons to Enroll

- Can save you money, particularly if healthy
- Can provide benefits otherwise not covered at all
- Ease of one plan and insurance card for all services
- Able to readily review/compare all MA plans annually and easily switch
- Never denied enrollment if within service area
  - Unless attempting to enroll into a Special Needs Plan and you are not apart of the covered population

Medicare Advantage-Resources

- Call Medicare SHIP- 1-866-516-3051
- Go to **www.medicare.gov**
- Contact insurance companies

Making Your Choice

Gather the Facts

- Consider cost
  - Review premium and deductibles
- Review benefits/coverage
  - Determine which benefits you must have, and which benefits you do not need or wouldn’t use based on your current health status and family medical history
- Examine any provider list(s)

Lifestyle Considerations

- Travel
- Network restrictions
- Personal health
- Comfort with unknown cost

Resources

- **Medicare SHIP** (KY State Health Insurance Assistance Program)
  - 1-866-516-3051
- **Medicare**
  - 1-800-633-4227
  - www.medicare.gov
- **Social Security**
  - 1-800-772-1213
  - www.ssa.gov

Legal Aid of the Bluegrass-
Medicare SHIP Program

Thank you.