# Welcome to Medicare

Presented by the Medicare SHIP Program at Legal Aid of the Bluegrass

# 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 Benefits

# Medicare

- A federal health insurance program:
  - Comprised of several Parts
    - Medicare Part A (hospital)
    - Medicare Part B (medical)
    - Medicare Part C (Medicare Advantage plans)
    - Medicare Part D (prescription drug plans)

"Original" Medicare

  - Designed for aged & disabled populations
    - People of all ages that have Ends Stage Renal Disease can access the program
    - People diagnosed with ALS (Amyotrophic Lateral Sclerosis) aka Lou Gehrig's Disease

# Who's in charge?

## CMS

- Centers for Medicare and Medicaid Services
- Administers the program
- Comprised of several groups, each involved in coding, coverage, and payment decisions for new technologies

## U.S. Congress

- Controls benefit decisions through legislation
- Made up by U.S. House of Representatives and U.S. Senate

## SSA

- Social Security Administration
- Determines eligibility into Original Medicare
- Handles enrollment into Original Medicare
- Collects premium payments

# 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 SSA office, call 1-800-772-1213, or visit www.ssa.gov/medicare/sign-up

If retired from railroad employment enroll with RRB

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

# Welcome to Medicare Package

- The Welcome to Medicare package includes a letter, Get Ready for Medicare booklet, and your Medicare card
- The booklet explains important decisions you need to make before your coverage starts
- One decision is to keep Parts A and B or to delay enrollment
  - To accept both benefits, do nothing
  - To delay enrollment into Part B (more to come in this presentation), follow instructions on the back of the form that contains your Medicare card

Medicare

Department of Health and Human Services
Centers for Medicare & Medicaid Services

7500 Security Boulevard
Baltimore, Maryland 21244-1850

## It's time to choose your Medicare coverage

Get ready for Medicare! In this package, you'll find your Medicare card and a booklet about your coverage choices. Your Medicare coverage will start in 3 months—check your Medicare card for the exact date.


# Medicare Card

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

***Keep this card safe.***

# Enrolling into Part B

**Consider keeping Part B if you <u>don't</u> have insurance coverage from active employment**

**If you <u>do</u> have active employment insurance, consider delaying Part B enrollment**

*Delaying coverage will save the cost of monthly premiums and protect the Medigap Open Enrollment Period

*No penalty if enroll within 8 months of losing  employment coverage

*Confirm with HR that they do not require enrollment into Part B before declining coverage

# Health Savings Accounts (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, contribute to an HSA, & work past your 65th birthday for an employer with more than 20 employees:

- Consider delaying enrollment in Parts A & B
- Do not apply for Social Security benefit

# HSA and Medicare

**Pick up our Medicare & HSA fact sheet for more information**

## To avoid a tax penalty on your HSA contributions

- Stop all contributions to the 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

- Stop contributions to the HSA for 6 months prior to signing up for Social Security benefits and/or enrolling in Parts A or Part B

# Medicare Part A
# Hospital Insurance

# Medicare Part A

**Most people receive Part A coverage at no cost through their or their spouse's employment record**

**People with less than 10 years of Medicare-covered employment**

**Can pay a premium to get Part A**

**Premium based on length of your (or your spouse's) employment record:**

7.5 or more years of Medicare-covered employment pay reduced premium: **$565/month in 2026**

Less than 7.5 years of Medicare-covered employment pay full premium: **$311/month in 2026**

# Part A- Inpatient Hospitalization

| Benefit Period Services* | Medicare Pays | You Pay |
| --- | --- | --- |
| • First 60 days | • All but $1,736 | • $1,736 (deductible) |
| • Days 61 to 90 | • All but $434/day | • $434/day (co-pay) |
| • Days 91-150 (Lifetime Reserve Days) | • All but $868/day | • $868/day (co-pay) |

*A benefit period begins when you begin receiving Part A services and ends when no Part A services have been received for 60 consecutive days.

# Part A- Skilled Services

| Services | Medicare Pays | You Pay |
| --- | --- | --- |
| • First 20 days<br>• Day 21 to day 100 | • All covered costs<br>• All but $217/day | • Nothing<br>• $217/day (co-pay) |

Medicare Part A covers hospice care 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

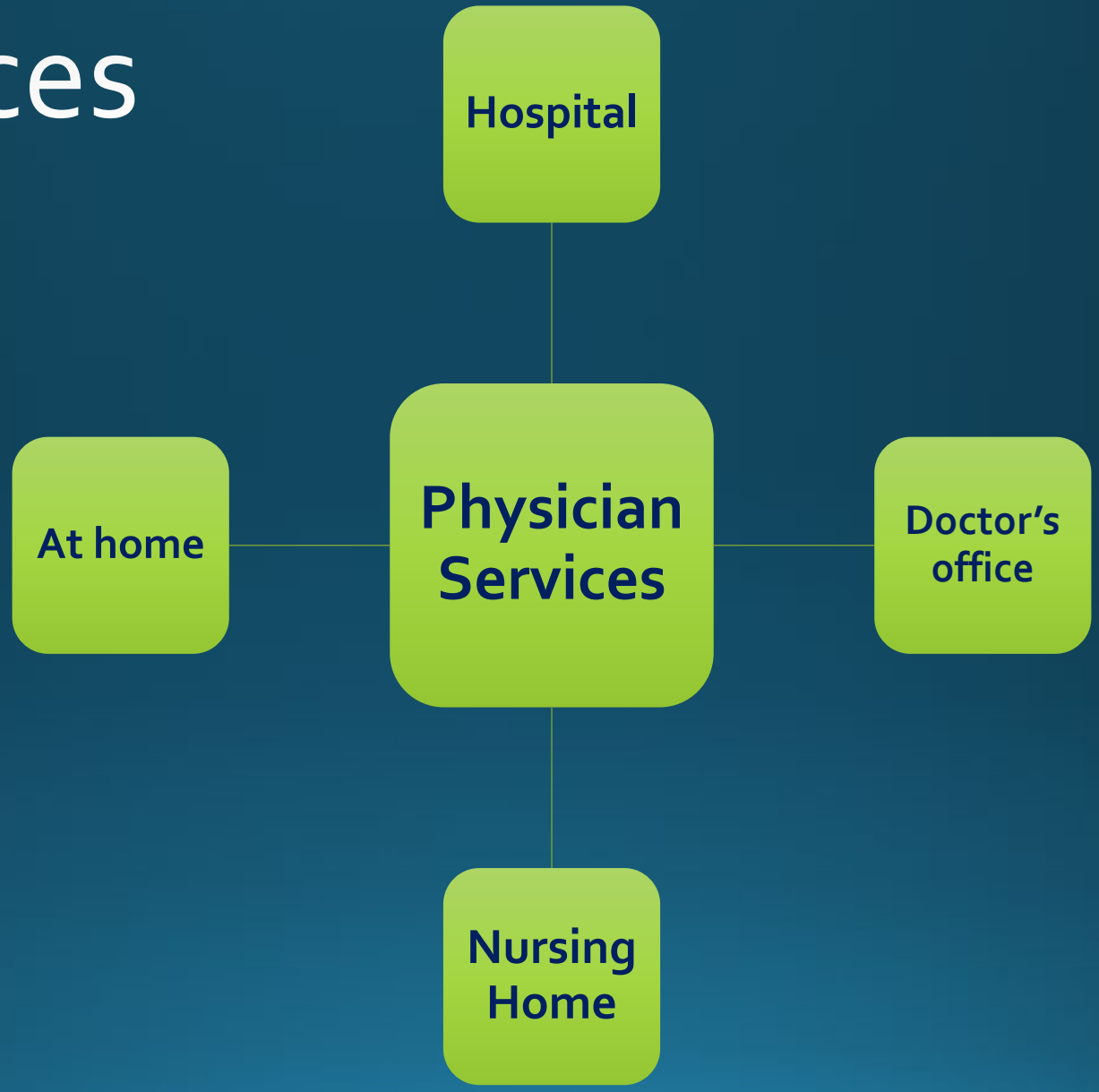
| File individual tax return | File joint tax return | File married & separate tax return | You pay each month (in 2026): |
|---|---|---|---|
| $109,000 or less | $218,000 or less | $109,000 or less | $202.90 |
| above $109,000 up to $137,000 | above $218,000 up to $274,000 | not applicable | $284.10 |
| above $137,000 up to $171,000 | above $274,000 up to $342,000 | not applicable | $405.80 |
| above $171,000 up to $205,000 | above $342,000 up to $410,000 | not applicable | $527.50 |
| above $205,000 and less than $500,000 | above $410,000 and less than $750,000 | above $109,000 and less than $391,000 | $649.20 |
| $500,000 or above | $750,000 or above | $391,000 or above | $689.90 |

- Most people pay $202.90/month in 2026
- Those with higher income will pay an additional premium based on the income tax return from two year ago
  - If new to Medicare in 2026, premium is based on 2024 tax return

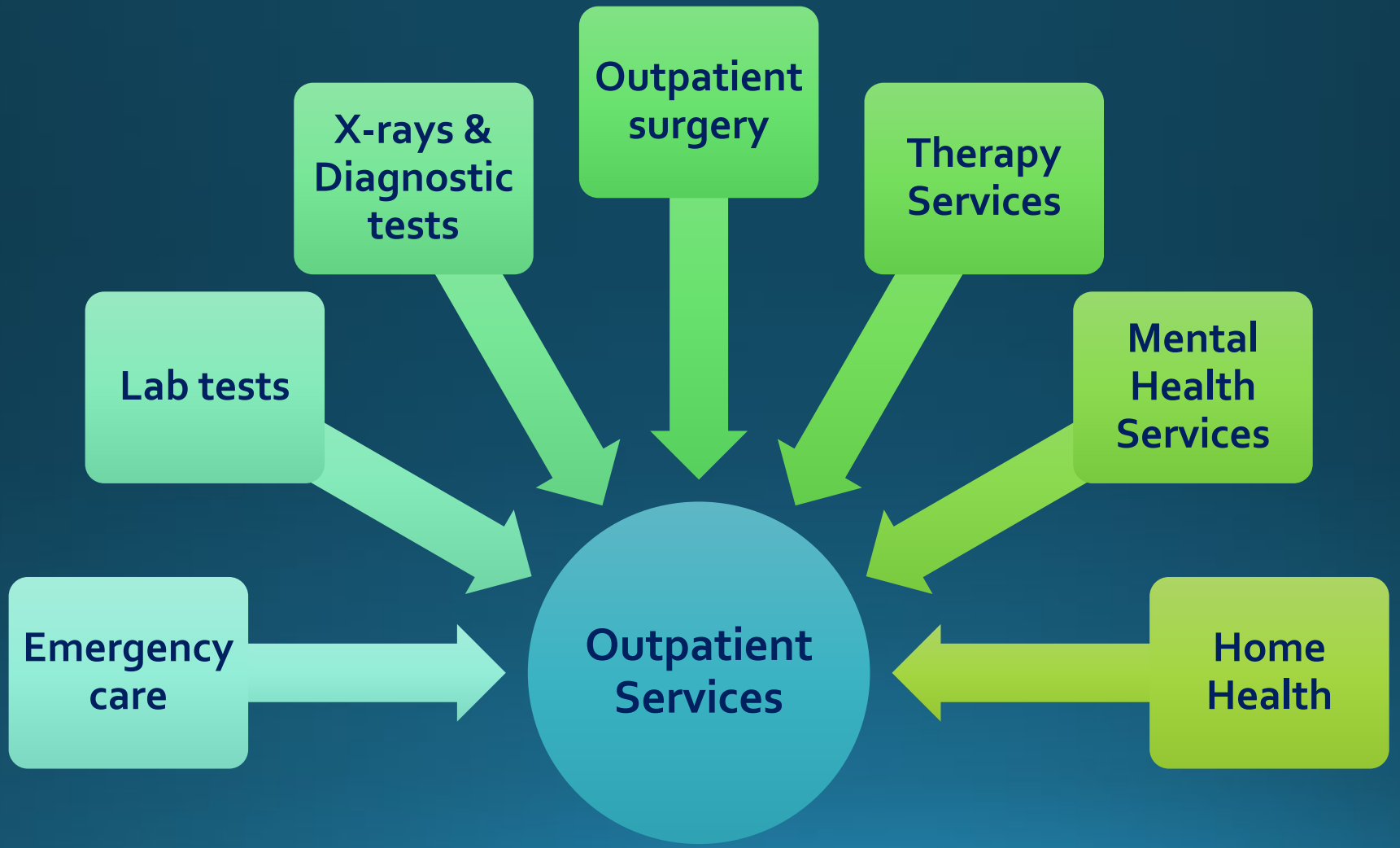
# Part B Coverage

- Annual deductible for 2026- $283
  - Deductible amount changes annually
- Once deductible is met, 20% of the Medicare approved amount

# Part B Services



# Part B Services



# Part B Services

| | |
|---|---|
| Preventive Services | Welcome to Medicare physical |
| | Yearly wellness exam |
| | Vaccinations |
| | Mammograms |
| | Cancer screenings |
| | Diabetes screenings and training |
| | Glaucoma screening |
| | Medical nutrition therapy services |
| | Bone mass measurements |
| | Cardiovascular disease screening |
| | Smoking cessation services |

# Part B Services

## Durable Medical Equipment

- Wheelchairs & Walkers
- Oxygen supplies
- Diabetes supplies
- Infusion pumps and supplies
- Medication that is used by durable medical equipment
- CPAP machines
- Hospital beds

# 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

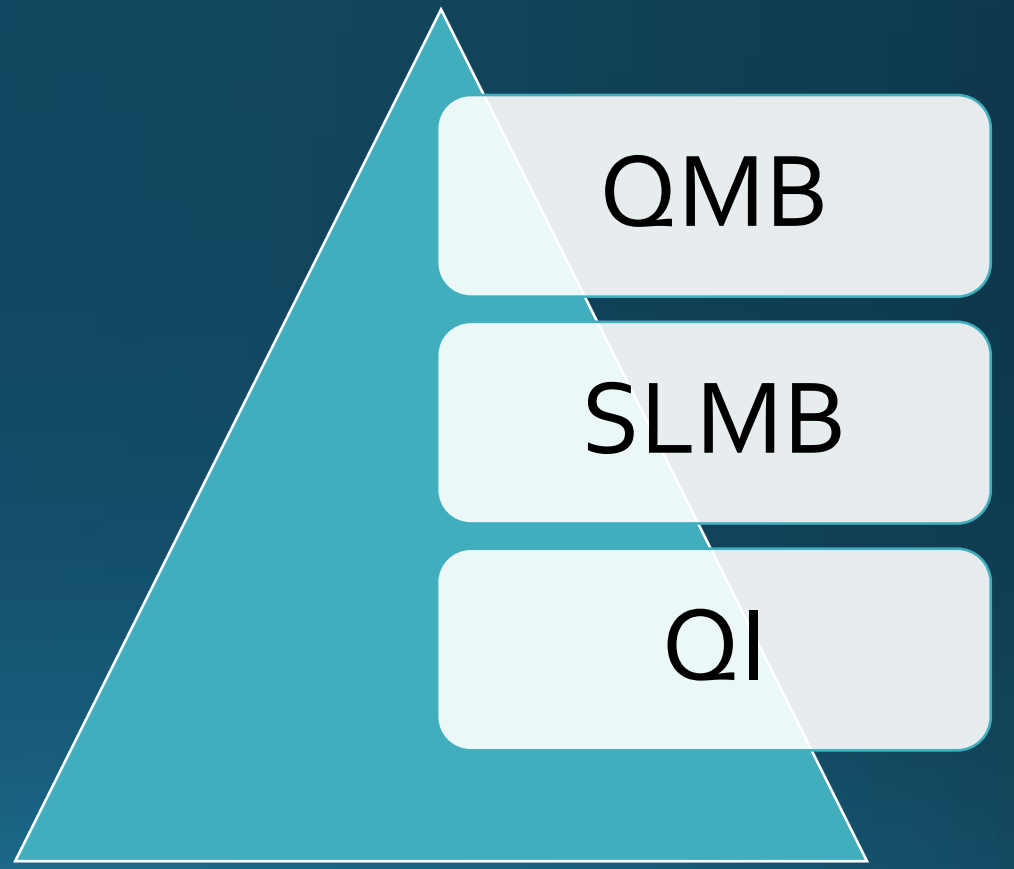
Nursing Homes

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 3 programs that cover the cost of the Medicare premiums and 1 program that pays the Medicare co-payments and co-insurance amounts
- To qualify, beneficiaries must be eligible for Part A and/or B
- Low income people who are not eligible for premium free Part A can get help to pay the Part A premium
- Must meet income and resource limits



# MEDICARE SAVINGS PROGRAM BENEFITS

The Medicare Savings Program benefit pays Part B premiums. The Part B premium is $202.90/month. This program can save you as much as $2,435 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 | $1,350 | Single-$9,950 | |
| Household Size 2 | $1,824 | Couple-$14,910 | |
| **SLMB BENEFIT** | | | Pays Part B premium |
| Household Size 1 | $1,616 | Single-$9,950 | |
| Household Size 2 | $2,184 | Couple-$14,910 | |
| **QI BENEFIT**** | | | Pays Part B premium |
| Household Size 1 | $1,816 | Single-$9,950 | |
| Household Size 2 | $2,455 | Couple-$14,910 | |


# Medicare Summary Notice

# Medicare Summary Notice

Can sign up to receive electronic MSNs!

A document used by Medicare to communicate all claims filed using your Medicare number

Not a bill – do NOT make any payment based on the MSN

Received every 3 months by mail or electronically if you have a Medicare account

**Review the MSN carefully**

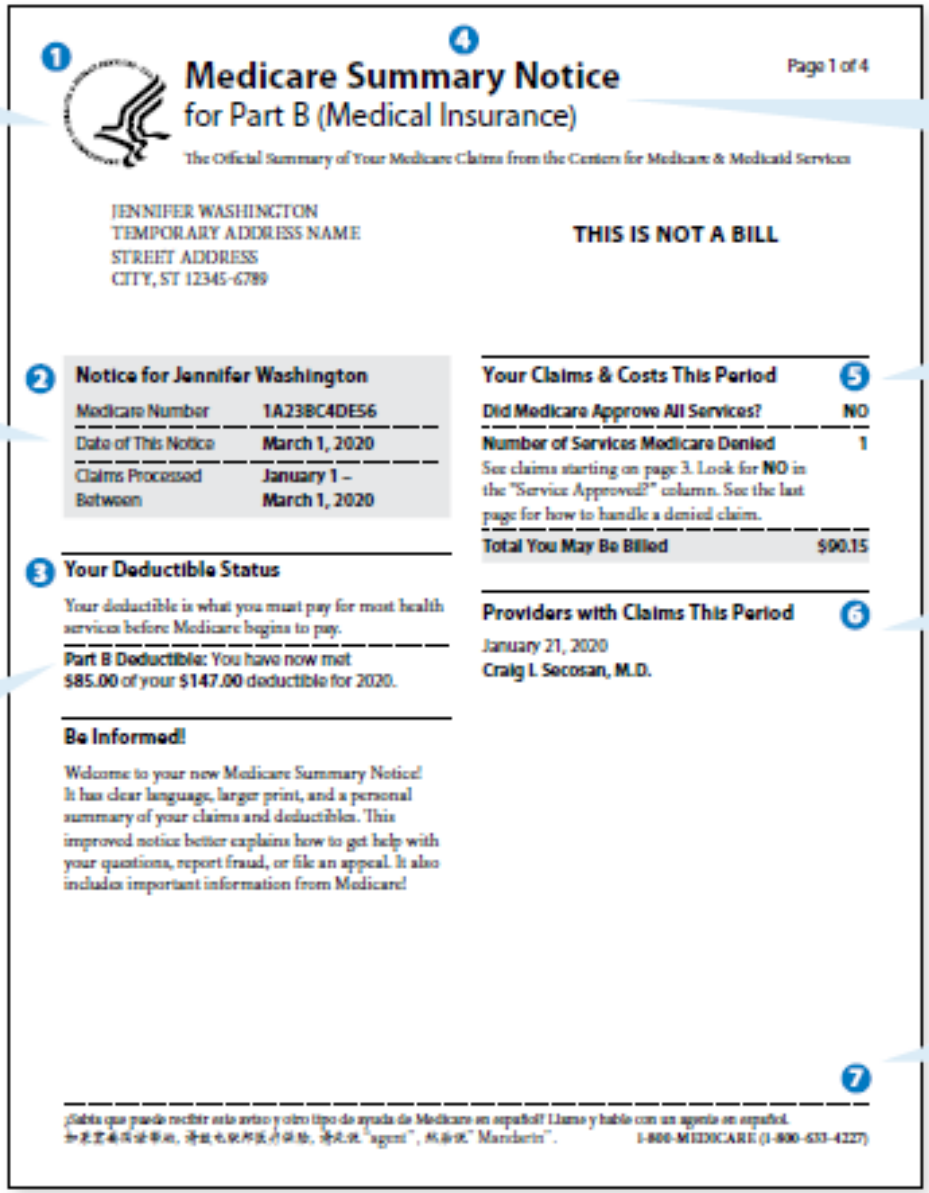
Keep the MSN for at least 18 months

# 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!

**Your Claims & Costs This Period** ❺

| | |
|---|---|
| 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 |

**Providers with Claims This Period** ❻

January 21, 2020
**Craig I. 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.

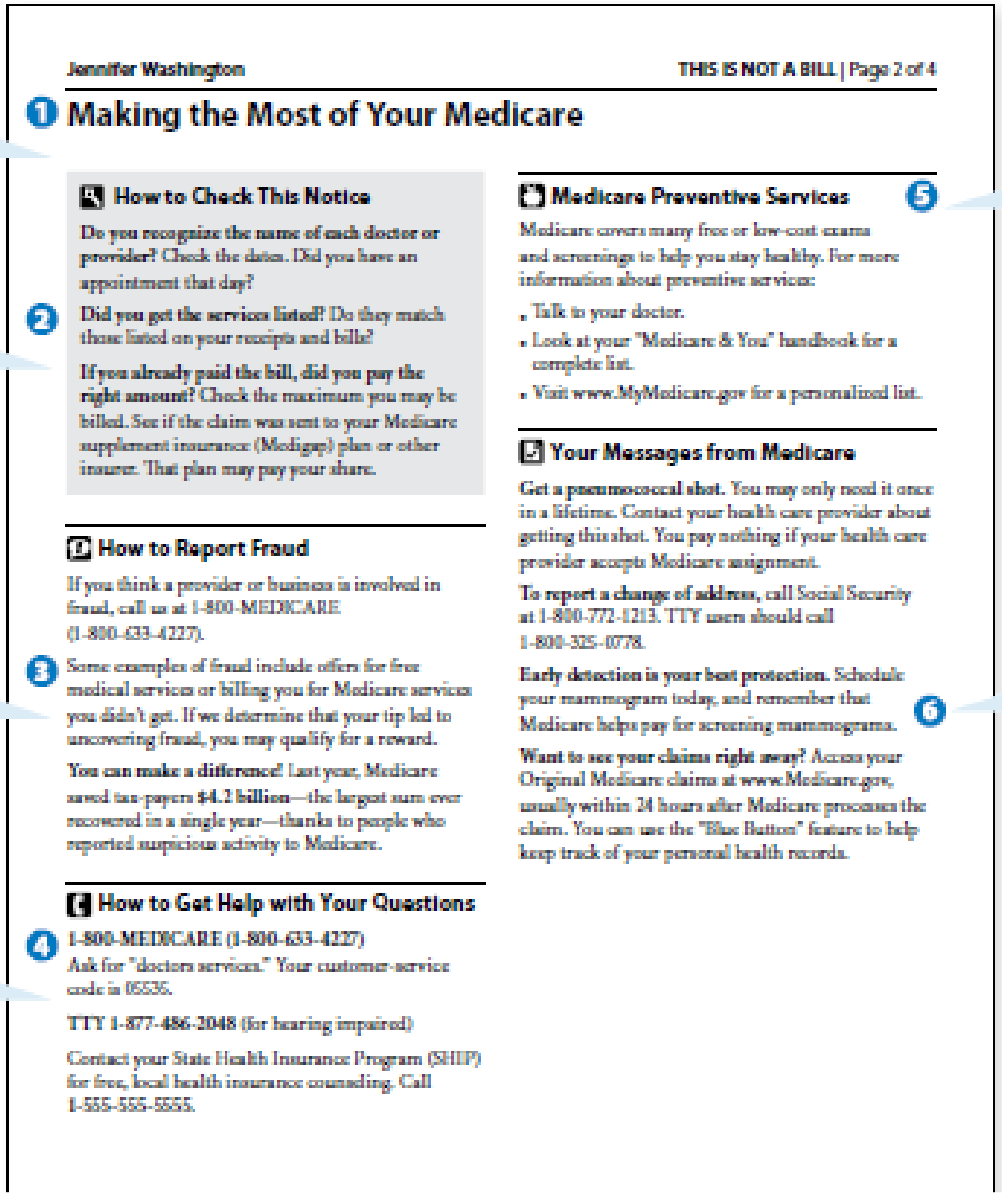
# Page 2 – Making the Most of Your Medicare

**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 taxpayers **$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!

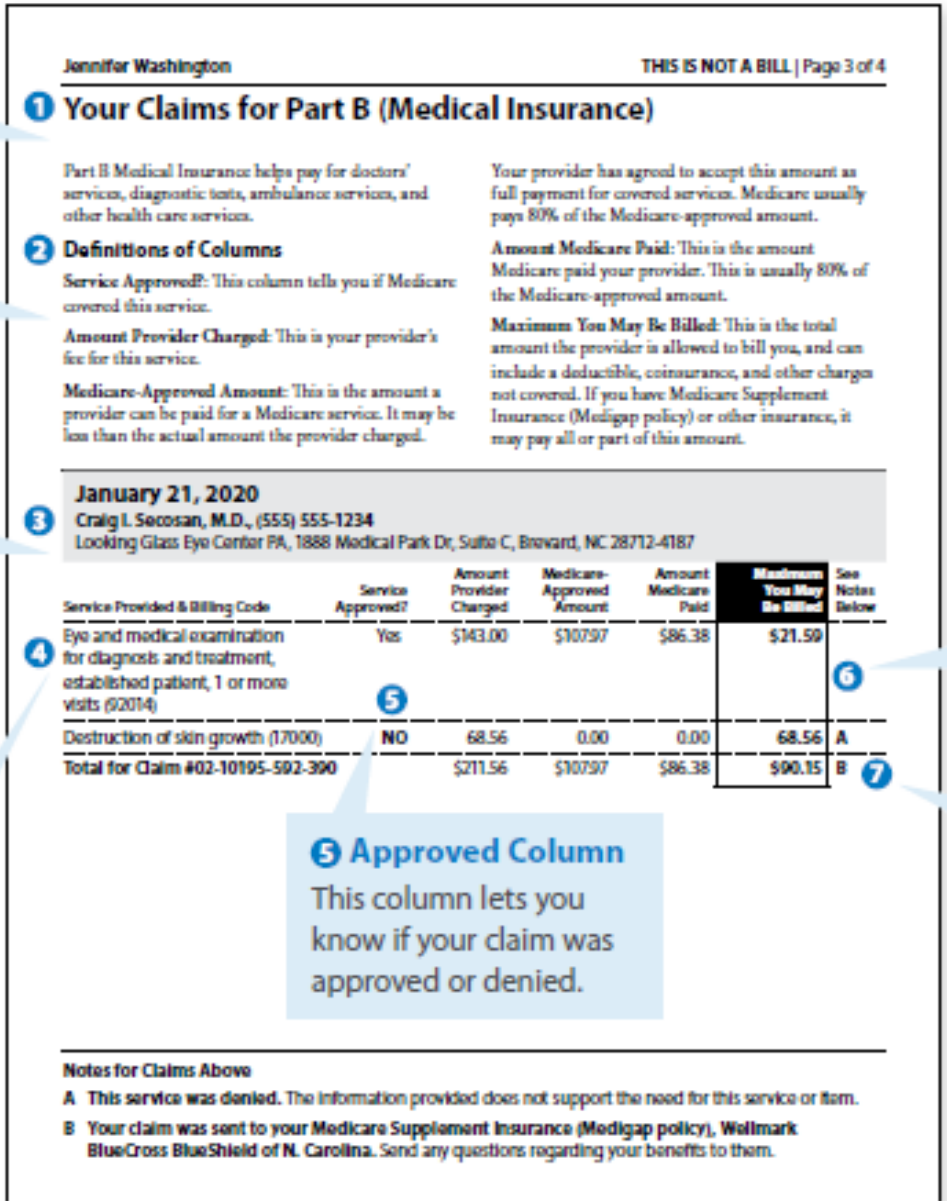
# Page 3 – Your Claims for Part B (Medical Insurance)

**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.

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

### 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.

**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, Brevard, NC 28712-4187

| Service Provided & Billing Code | Service Approved? | Amount Provider Charged | Medicare-Approved Amount | Amount Medicare Paid | Maximum You May Be Billed | See Notes Below |
|---|---|---|---|---|---|---|
| ❹ Eye and medical examination for diagnosis and treatment, established patient, 1 or more visits (92014) | ❺ Yes | $143.00 | $107.97 | $86.38 | **$21.59** | ❻ |
| 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 |

**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.

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

**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.

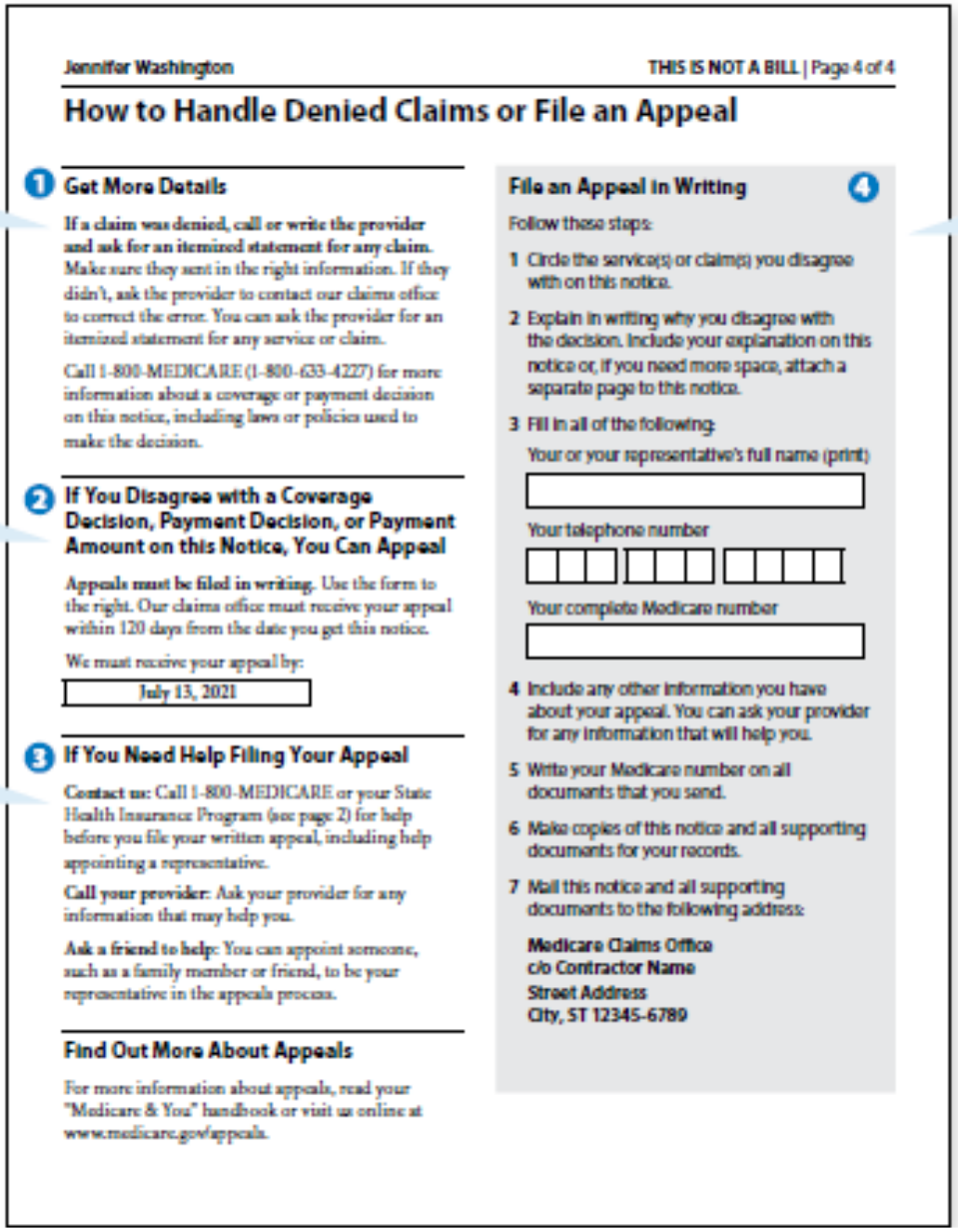
**❼ Notes**
Refer to the bottom of the page for explanations of the services you got.

# 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

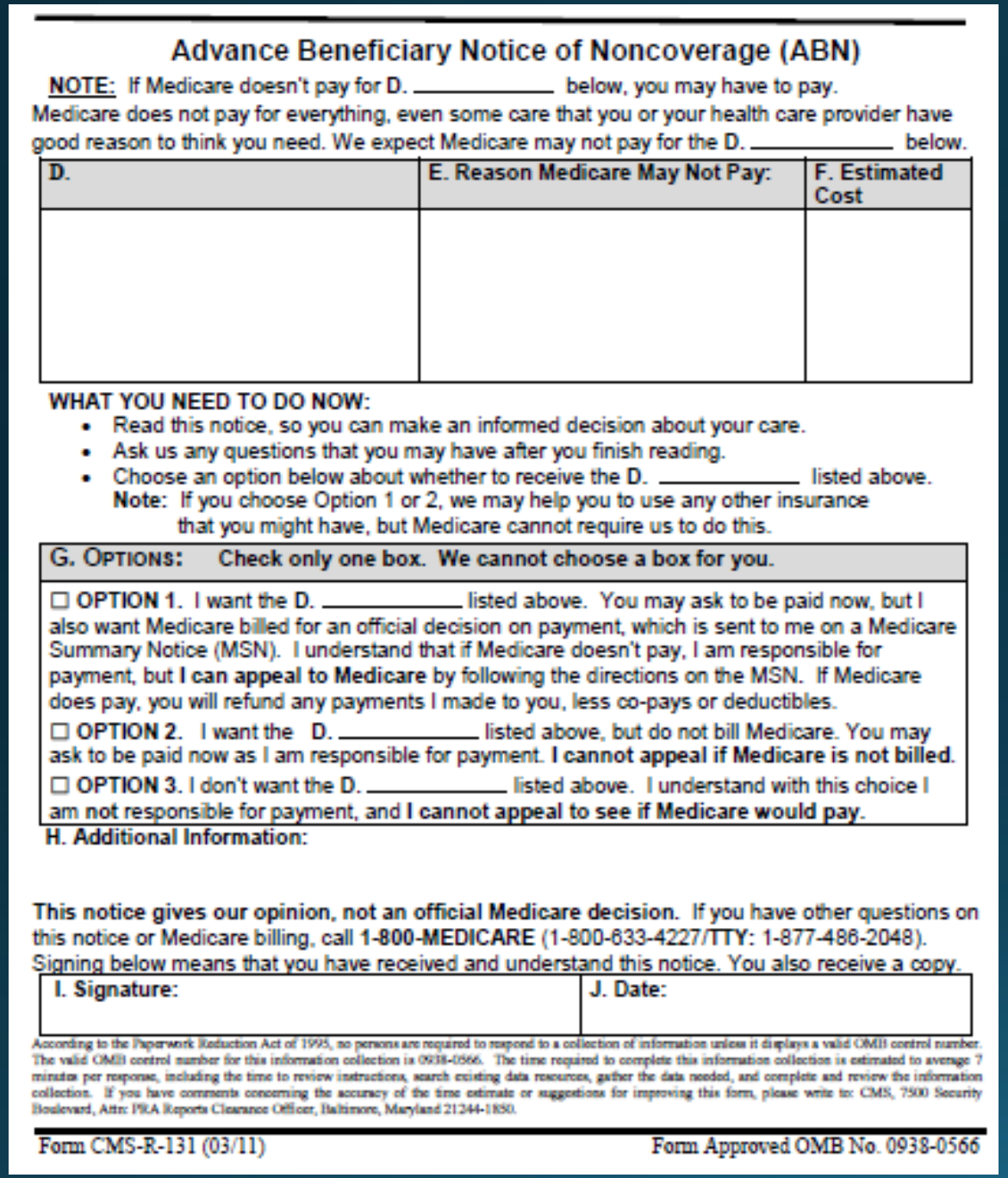
If you suspect fraud, call Medicare SHIP-

1-866-516-3051

# 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



## 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: |
|---|---|
| | |

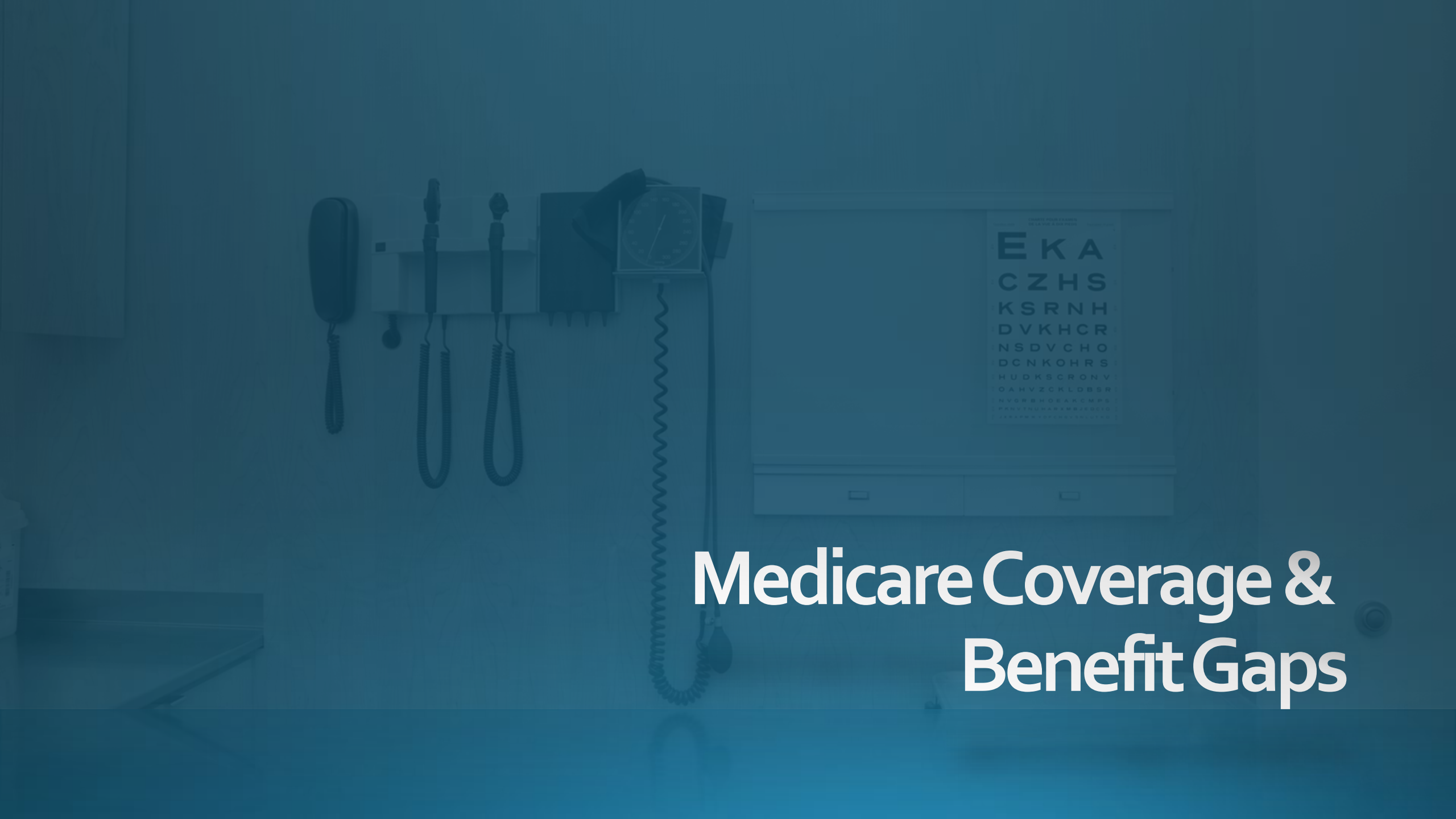




- If your provider does not have you to sign an ABN and Medicare later refuses to pay, do not pay the provider.
- Call Medicare SHIP for help. Without an ABN, you may not be required to pay for the service.

# Your Rights

- Original Medicare and Medicare Advantage plans must provide information about the 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 & Dentures | Eyeglasses | First 3 pints of blood | Foreign healthcare |
| Orthopedic shoes | Hearing aids* | Private duty nursing | Custodial care |
| Routine chiropractic care | Routine foot care | Cosmetic surgery | Most prescription drugs |

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

# Original Medicare Benefit Gaps

## Medicare Part A

- $1,736 benefit period deductible (days 0-60)
- $434 co-payment for inpatient hospital days 61-90
- $868 daily copayment for 60 lifetime reserve days
- $217.00 daily copayment for days 21-100 for skilled facility care

## Medicare Part B

- $283 deductible (annual)
- 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

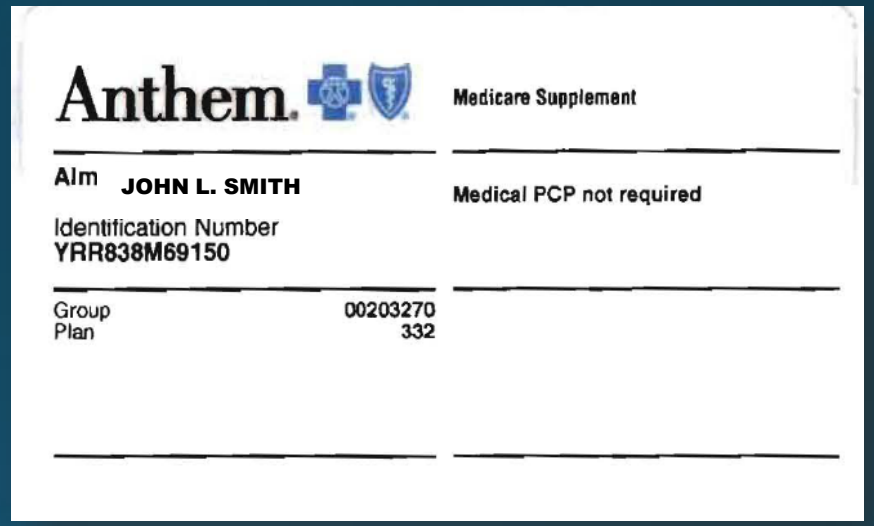
## Option 2

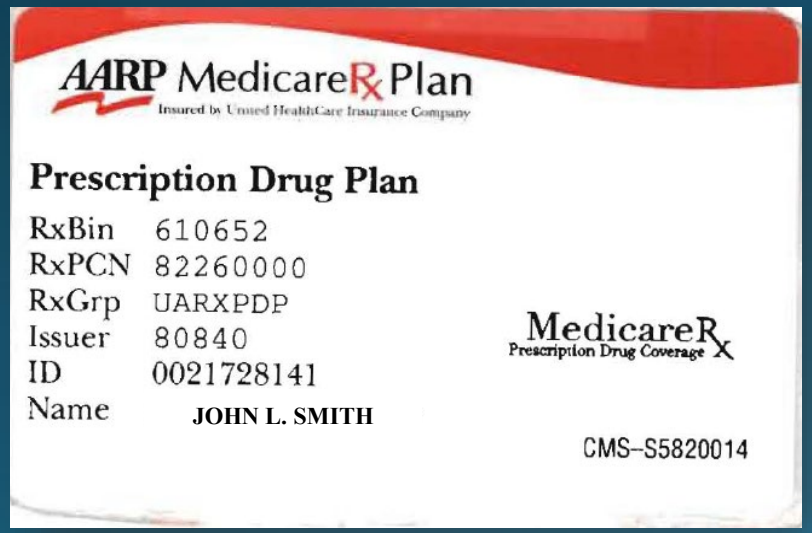
- Medicare Advantage Plan
- With or without Medicare Part D prescription drug plan

# Medicare Coverage Option 1


Original Medicare- Parts A & B

(Optional) Medicare Supplement Insurance (Medigap)




Medicare Part D prescription drug insurance

# 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

*Plans F and G offer a high-deductible plan. (Plan F isn't available to everyone.)

**Plans K and L require an out-of-pocket limit to be met before they pay for services. The limit for 2026 is $8,000 for Plan K and $4,000 for Plan L. After meeting the limit, the plan will pay 100% of approved services for the rest of the calendar year.

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

NOTE- Plan C and F can only be sold to beneficiaries whose Medicare was effective prior to January 1, 2020.

| | Medigap plans | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Benefits** | **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 | | |

# Medigap Policies-Types of Plans

## Standard Plans

Accepted at any provider accepting Medicare

## High-deductible plans

Plan F & G plans only

Must pay a $2,950 deductible before plan pays and a $250 deductible for foreign travel emergency healthcare

- Once deductible is met, plan pays 100%
- High-deductible plan G does not cover Part B deductible
- However, plans count payment of the Part B deductible toward the plan deductible

## Select Plans

Must use network hospital to get full benefits (except in emergency)

# Medigap Policies- Rights

**Medigap Open Enrollment Period**

**Limited time to purchase coverage**

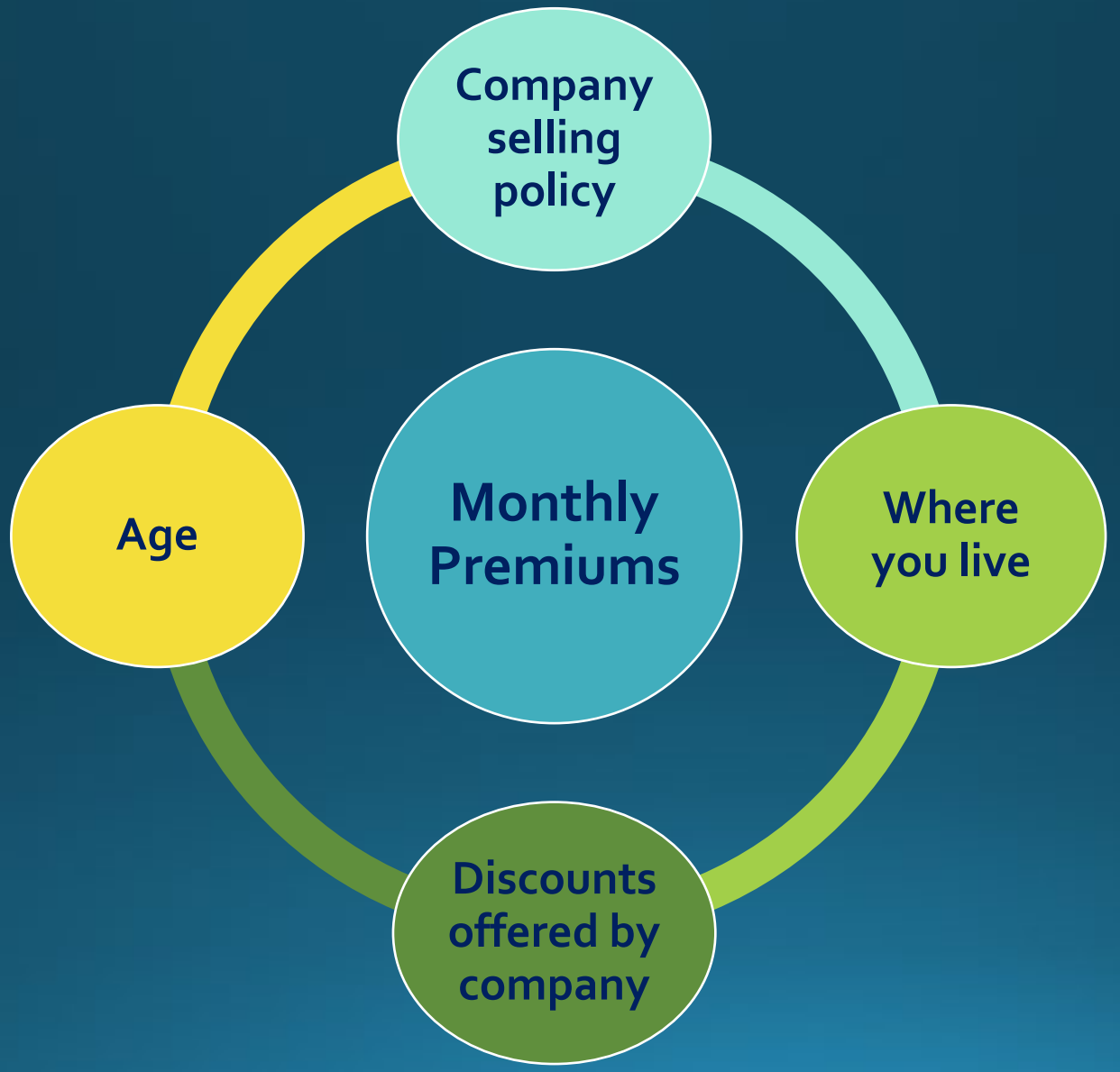
**Offered guarantee issuance rights (GIR) and cannot be denied**

- Trial Right Period to try Advantage plan within first year can trigger GIR
- Dropping Medigap to try Medicare Advantage for the first time and then returning to Original Medicare can also trigger GIR

# Medigap Guarantee Issuance Rights

- Guaranteed Issue Rights period:
  - 6-month period that starts the month turn 65 and have Part B **OR** the month that you activate 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- 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



# 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

| | |
|---|---|
| Cost & Pricing | How is the policy priced: community rated, issue age rated, or attained age rated?<br>What is the rate increase history for this policy over the last 3-5 years? |
| Coverage & Benefits | Is foreign travel covered?<br>Are there additional perks, such as vision and dental discounts?<br>Does this plan require specific doctors or hospitals? |
| Enrollment and Eligibility | Is enrollment within the open enrollment or special enrollment period?<br>Does the policy have a pre-existing condition waiting period? |
| Company Reputation & Services | What is the financial stability rating of the company?<br>Is there a 30-day “free look” period to cancel without penalty? |

# Medigap-Resources

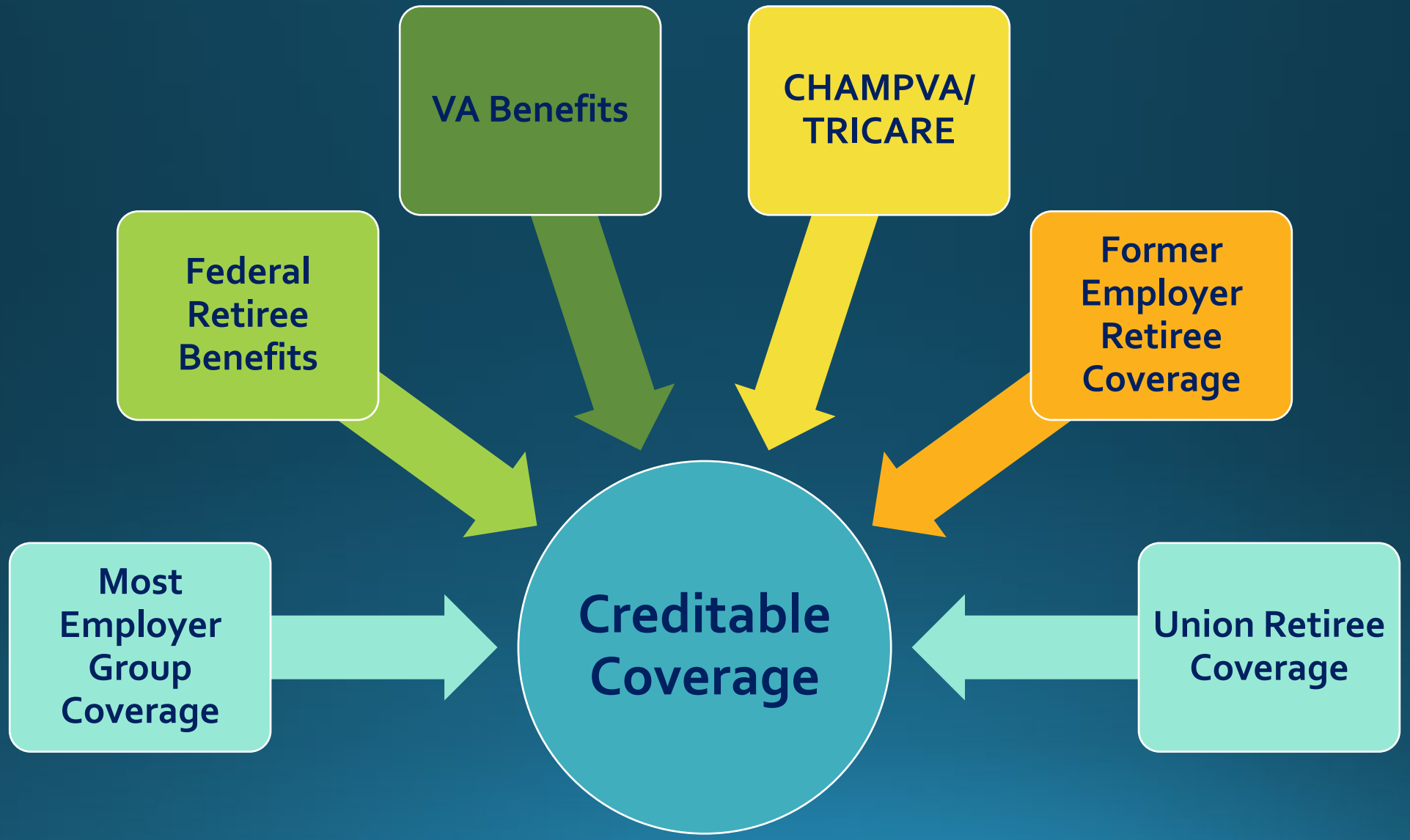
- Find help to compare the Medigap policies
  - Medicare SHIP- 1-866-516-3051
  - www.medicare.gov
  - Agent / Broker

# 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
- Must be enrolled in Medicare Part A and/or Part B
- Look up plans at **www.medicare.gov**
  - Help available through Medicare SHIP

# Part D- Creditable Coverage



# 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

- 2026 ranges between $0.00 to $127.10 (KY)
- Increased premiums for those with higher incomes

## Deductible

- 2026 standard deductible is $615
  - Deductible increases each year
- Plan may reduce or eliminate deductible

## Medicine Charges

- 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- Premiums

2026 Medicare Part D Income Related Monthly Adjustment Amount

| If your yearly income in 2024 was: | | | |
|---|---|---|---|
| **File individual tax return** | **File joint tax return** | **File married & separate tax return** | **You pay each month (in 2026):** |
| $109,000 | $218,000 or less | $109,000 or less | Your plan premium |
| above $109,000 up to $137,000 | above $218,000 up to $274,000 | not applicable | $14.50 + your plan premium |
| above $137,000 up to $171,000 | above $274,000 up to $342,000 | not applicable | $37.50 + your plan premium |
| above $171,000 up to $205,000 | above $342,000 up to $410,000 | not applicable | $60.40 + your plan premium |
| above $205,000 and less than $500,000 | above $410,000 and less than $750,000 | above $109,000 and less than $391,000 | $83.30 + your plan premium |
| $500,000 or above | $750,000 or above | $391,000 or above | $91.00 + your plan premium |

# Part D- 2026

- Part D out-of-pocket spending cap is $2,100
  - No 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 eligible and not having other creditable coverage, will result in 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 beneficiaries**

**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, Oct. 15 to Dec. 7

# Overview- Option 1

## Original Medicare

Part A is typically free

Part B's premium for most people is $202.90/month

## Medigap insurance

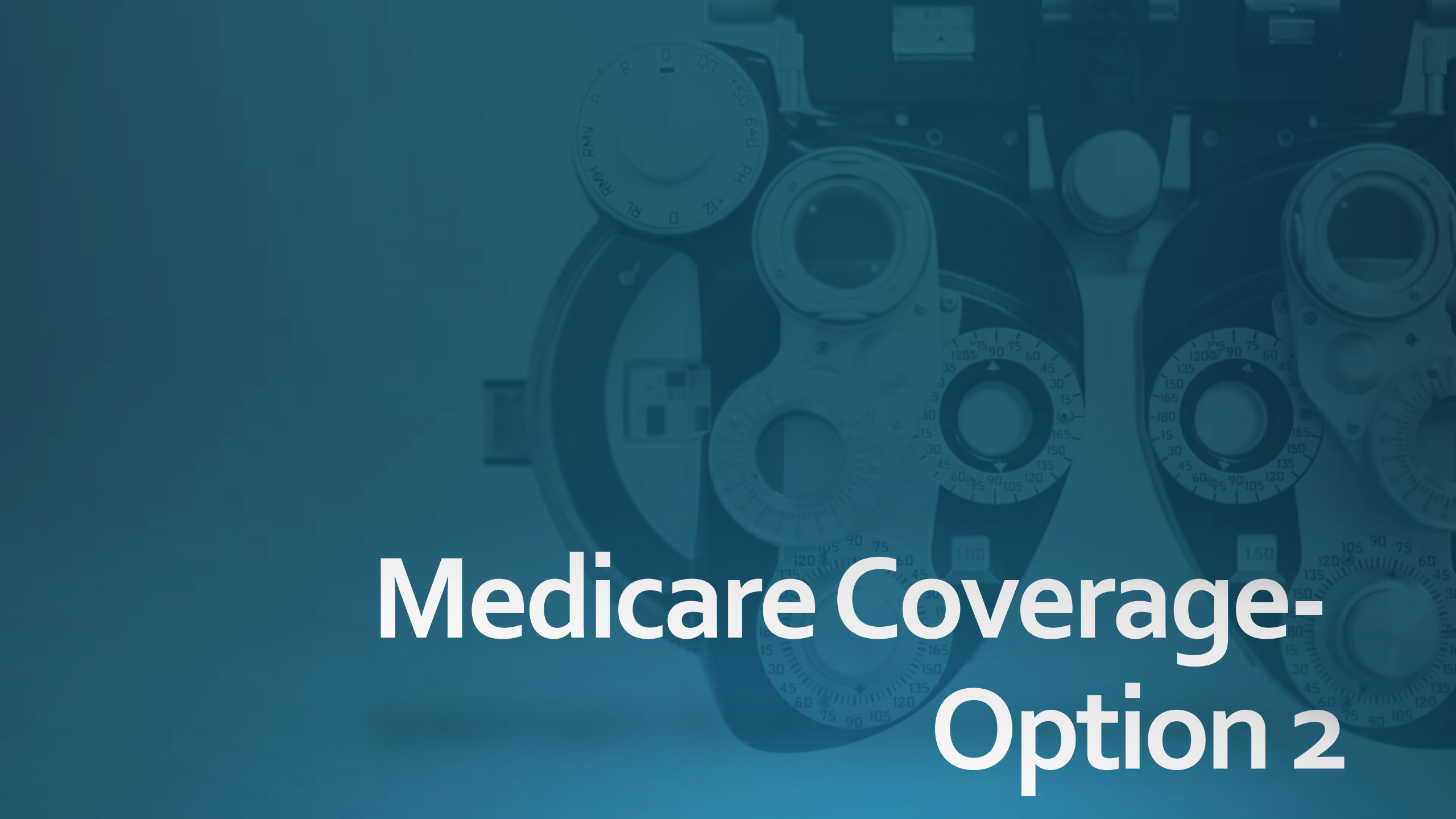
Premiums depend on many factors

If new to Medicare, premium will range between $95-$130/month

## Medicare Part D

Premium depends on the plan you choose

Deductible for 2026 will be no more than $615/year

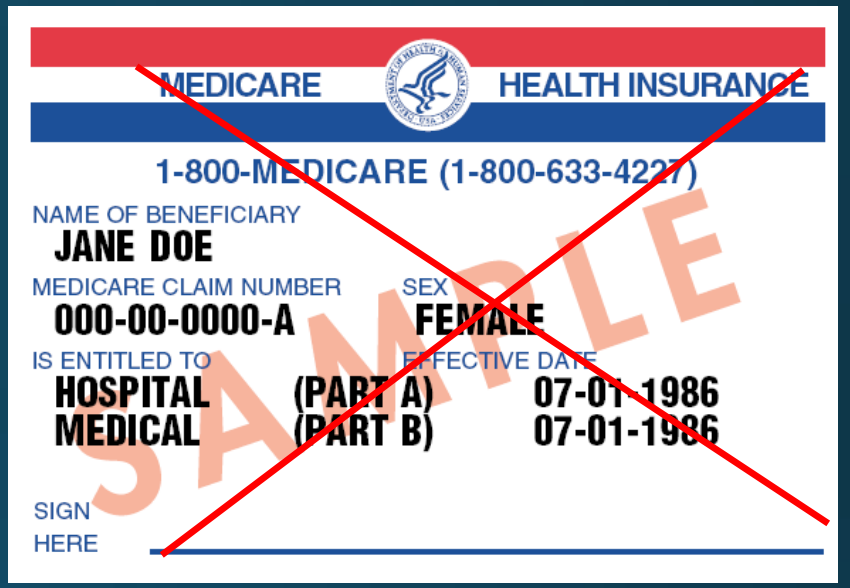


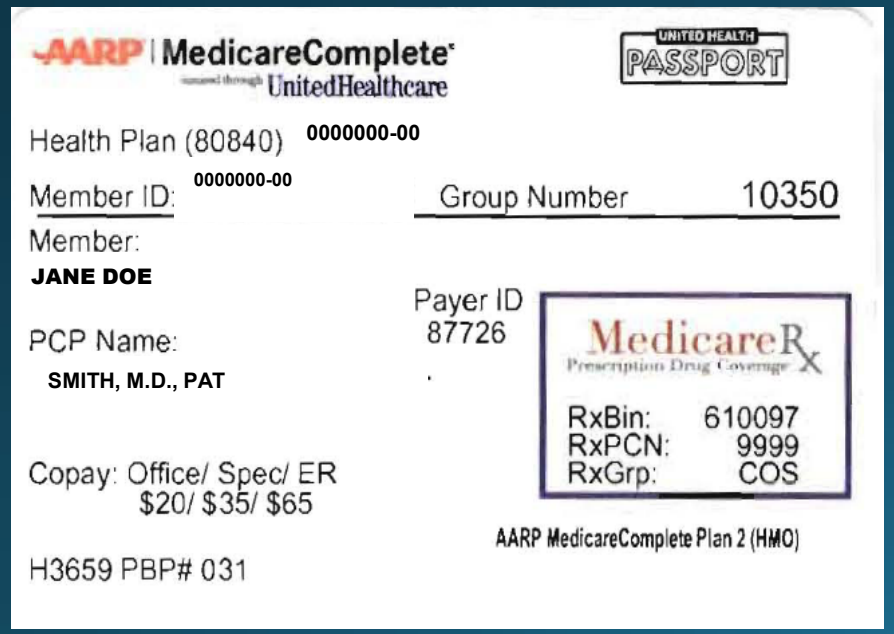
# Medicare Coverage- Option 2

**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
- Must have a primary care doctor
- Must get referrals to see specialists

## Preferred Provider Organization (PPO)

- Has a network of providers, but members can use out-of-network providers for covered services, usually for a higher cost
- Primary care doctor and referrals not required

## Special Needs Plan (SNP)

- Enrollment is limited to certain groups of Medicare beneficiaries such as those living in a nursing home, people enrolled in both Medicare and Medicaid or those with certain chronic conditions

# 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 plans:
  - 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

| | |
|---|---|
| **Premium** | • Part B monthly premium (2026-$202.90)<br>• Plan Premium (2025 in KY range $0 to $85)<br>• Will pay increased premiums if have higher income |
| **Deductible** | • May have a deductible for health plan and/or drug plan<br>• Copays or co-insurance amounts will be charged for most all services, including prescriptions |
| **Optional extra benefits rider** | • Riders are typically available for extra dental or vision benefits |
| **Out-of-pocket spending limit** | • Range from $2,875.00 to $9,250.00<br>• Use in-network providers to lower costs |

# Medicare Advantage- Considerations

## 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 (and prescribed enrollment period)

- Exception- Special Needs Plan are for special populations only

# Medicare Advantage- Resources

1

Call Medicare SHIP- 1-866-516-3051

2

Go to www.medicare.gov

3

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

# Medicare SHIP Volunteer Program

- Several volunteer opportunities
  - Medicare 101 counseling
  - Medicare plan comparisons
  - Benefit applications
  - Consumer education
- Training requirements
- Staff mentor support
- If interested, contact
  - SHIP@lablaw.org
  - 1-866-516-3051

Legal Aid of the Bluegrass-

Medicare SHIP Program

# Best of luck and thank you!