

# 2012 Medicare Summit



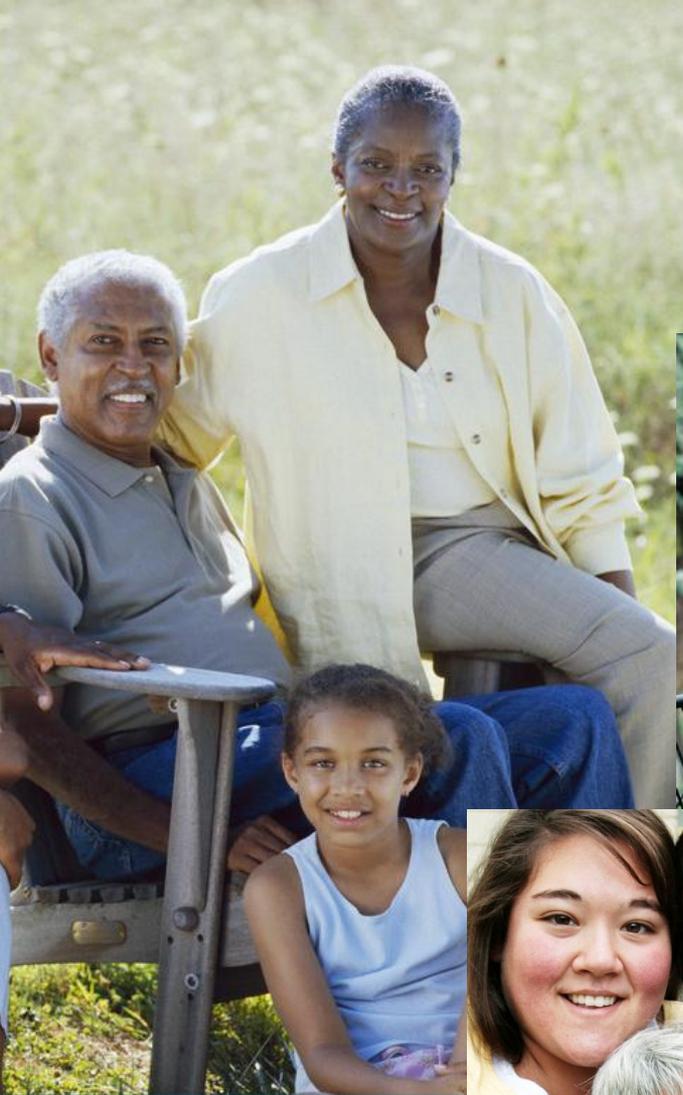
## MEDICARE ASSISTANCE PROGRAM

[MAP.OID.OK.GOV](http://MAP.OID.OK.GOV) \ 800.763.2828

Oklahoma Insurance Department \ Commissioner John D. Doak

# Call Us! We Can Help!!

- ▶ Reviewing your prescription drug plan could possibly save you hundreds of dollars a year!
  - ▶ Changes in your plan could impact your ability to get the medicine you need.
  - ▶ You may qualify for programs to assist you in paying for your prescriptions.
  - ▶ We can answer questions about your Medicare benefits
- 



# Medicare

## Getting Started

# Getting Started

- ▶ This training can help you make important Medicare decisions
  - Choosing health and prescription drug coverage
  - Timing your decisions
    - To ensure coverage
    - To avoid penalties
- ▶ And provides basic information about
  - Medicaid
  - Children's Health Insurance Program

# What is Medicare?

- ▶ Health insurance for people
  - 65 and older
  - Under 65 with certain disabilities
  - Any age with End-Stage Renal Disease (ESRD)

# What is Medicare?

- ▶ It is Administered by
  - Centers for Medicare & Medicaid Services (CMS)
- ▶ But Enrollment is done by
  - Social Security Administration (SSA) for most
  - Railroad Retirement Board (RRB) railroad retirees

# The Four Parts of Medicare



Part A Hospital Insurance



Part B Medical Insurance



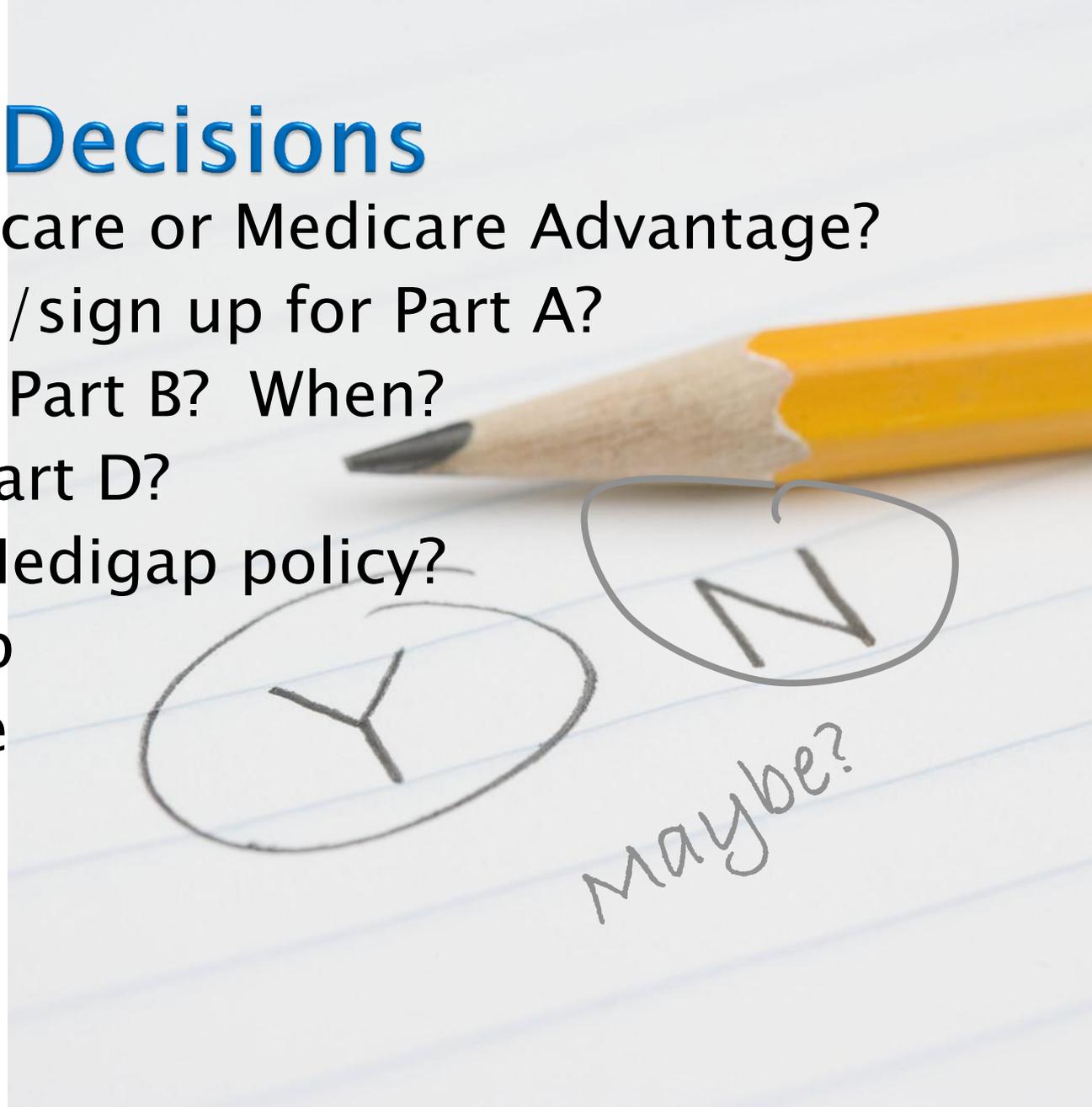
Part C Medicare Advantage Plans (like HMOs and PPOs). Includes Part A & B and sometimes Part D coverage



Part D Medicare Prescription Drug Coverage

# Medicare Decisions

- ▶ Original Medicare or Medicare Advantage?
- ▶ Should I keep/sign up for Part A?
- ▶ Should I take Part B? When?
- ▶ What about Part D?
- ▶ Do I need a Medigap policy?
- ▶ Can I get help with Medicare costs?



## Your Medicare Coverage Choices

There are two main choices for how you get your Medicare coverage. Use these steps to help you decide.

Decide how you want to get your Medicare coverage.

Source: Page 57 of the Medicare & You handbook

### Step 1

#### Decide if You Want Original Medicare or a Medicare Advantage Plan

##### Original Medicare Includes Part A (Hospital Insurance) and/or Part B (Medical Insurance)

- Medicare provides this coverage directly.
- You have your choice of doctors, hospitals, and other providers that accept Medicare.
- Generally, you or your supplemental coverage pay deductibles and coinsurance.
- You usually pay a monthly premium for Part B.

### Step 2

#### Decide If You Want Prescription Drug Coverage (Part D)

- If you want this coverage, you must join a Medicare Prescription Drug Plan. You usually pay a monthly premium.
- These plans are run by private companies approved by Medicare.

### Step 3

#### Decide If You Want Supplemental Coverage

- You may want to get coverage that fills gaps in Original Medicare coverage. You can choose to buy a Medigap (Medicare Supplement Insurance) policy from a private company.
- Costs vary by policy and company.
- Employers/unions may offer similar coverage.

##### Medicare Advantage Plan (like an HMO or PPO)

##### Part C—Includes BOTH Part A (Hospital Insurance) and Part B (Medical Insurance)

- Private insurance companies approved by Medicare provide this coverage.
- In most plans, you need to use plan doctors, hospitals, and other providers, or you may pay more or all of the costs.
- You usually pay a monthly premium (in addition to your Part B premium) and a copayment or coinsurance for covered services.
- Costs, extra coverage, and rules vary by plan.

### Step 2

#### Decide If You Want Prescription Drug Coverage (Part D)

- If you want prescription drug coverage, and it's offered by your plan, in most cases you must get it through your plan.
- In some types of plans that don't offer drug coverage, you can join a Medicare Prescription Drug Plan.

**Note:** If you join a Medicare Advantage Plan, you don't need a Medigap policy. If you already have a Medigap policy, you can't use it to pay for out-of-pocket costs you have in the Medicare Advantage Plan. If you already have a Medicare Advantage Plan, you can't be sold a Medigap policy.

In addition to Original Medicare or a Medicare Advantage Plan, you may be able to join other types of Medicare health plans.

# Original Medicare

## ▶ Has Part A – Hospital Insurance



- Hospital
- Skilled Nursing Facility
- Home health care
- Hospice care

## ▶ Has Part B – Medical Insurance



- Doctor's visits
- Outpatient hospital services
- Clinical lab tests
- Durable Medical Equipment
- Preventive services

# Part B Covered Preventive Services

- “Welcome to Medicare” visit
- Annual “Wellness” visit
- Abdominal aortic aneurysm screening\*
- Alcohol misuse screening and counseling
- Behavioral therapy for cardiovascular disease
- Bone mass measurement
- Cardiovascular disease screenings
- Colorectal cancer screenings
- Depression screening
- Diabetes screenings
- Diabetes self-management training
- Flu shots
- Glaucoma tests
- Hepatitis B shots
- HIV screening
- Mammograms (screening)
- Obesity screening and counseling
- Pap test/pelvic exam/clinical breast exam
- Pneumococcal pneumonia shot
- Prostate cancer screening
- Sexually transmitted infection screening (STIs) and high-intensity behavioral counseling to prevent STIs
- Smoking cessation

\*When referred during Welcome to Medicare physical exam

# Medicare Part A (Hospital Insurance)

- ▶ What does Part A cost?
  - Most people get Part A premium free
    - If you paid FICA taxes at least 10 years
  - If you paid FICA less than 10 years
    - You can pay a premium to get Part A
    - May have penalty
      - If not bought when first eligible

# What you Pay for Inpatient Hospital Stays

For each benefit period in 2012	You Pay
Days 1–60	\$1,156 deductible
Days 61–90	\$289 per day
Days 91–150	\$578 per day (60 lifetime reserve days)
All days after 150	All Costs

# What you Pay for Skilled Nursing Facility Care

For each benefit period in 2012	You Pay
Days 1–20	\$0
Days 21–100	\$144.50 per day
All days after 100	All Costs

# Monthly Part B Premium

If your Yearly Income in 2010 was		You Pay
File Individual Tax Return	File Joint Tax Return	
\$85,000 or below	\$170,000 or below	\$99.90
\$85,001-\$107,000	\$170,001-\$214,000	\$139.90
\$107,001-\$160,000	\$214,001-\$320,000	\$199.80
\$160,001-\$214,000	\$320,001-\$428,000	\$259.70
above \$214,000	above \$428,000	\$319.70

**Note:** Premiums are usually deducted from your Social Security benefit payment.

# Paying for Part B Services

- ▶ In Original Medicare you pay
  - Yearly deductible of \$140 in 2012
  - 20% coinsurance for most services
- ▶ Programs may help pay these costs
  - For people with limited income and resources

# Enrolling in Medicare

- ▶ Automatic for those receiving
  - Social Security benefits
  - Railroad Retirement Board benefits
- ▶ Initial Enrollment Period Package
  - Mailed 3 months before
    - 25th month of disability benefits
    - Age 65



# Medicare Card

- ▶ Keep it and accept Medicare Parts A and B
- ▶ Return it to refuse Part B
  - Follow instructions on back of card

Front

Back

<b>MEDICARE</b>			<b>HEALTH INSURANCE</b>	
<b>1-800-MEDICARE (1-800-633-4227)</b>				
NAME OF BENEFICIARY				
<b>JANE DOE</b>				
MEDICARE CLAIM NUMBER		SEX		
<b>000-00-0000-A</b>		<b>FEMALE</b>		
IS ENTITLED TO		EFFECTIVE DATE		
<b>HOSPITAL MEDICAL</b>		<b>(PART A)</b>	<b>07-01-1986</b>	
		<b>(PART B)</b>	<b>07-01-1986</b>	
SIGN HERE →		<i>Jane Doe</i>		

1. Carry your card with you when you are away from home.
2. Let your hospital or doctor see your card when you require hospital, medical, or health services under Medicare.
3. Your card is good wherever you live in the United States.

WARNING: Issued only for use of the named beneficiary. Intentional misuse of this card is unlawful and will make the offender liable its penalty. If found, drop in nearest U.S. Mail box.

  
Centers for Medicare & Medicaid Services  
 Baltimore, MD 21244-1850  
 Form CMS-1968 (01/2002)

If you have questions about Medicare, call 1-800-MEDICARE (1-800-633-4227); TTY/TDD: 1-877-486-2048 or visit us at [www.medicare.gov](http://www.medicare.gov).

I DO NOT WANT MEDICAL INSURANCE  Check Here

Written Signature (or Legal Representative)
SIGN HERE
Signature by Mark (X) Must Be Witnessed
Signature of Witness
Address of Witness

If you DO NOT want Medical Insurance

1. Check the box above (top right), sign your name, and return the entire form in the enclosed envelope. Do NOT tear off the Medicare card. It would be improper to use it since you do not want Medical Insurance. You must return the form BEFORE the Medical Insurance effective date shown on the card.
2. Since you are entitled to Hospital Insurance even though you do not want Medical Insurance, we will send you a new card showing that you have Hospital Insurance only.

# How to Enroll in Medicare

- ▶ Enrollment is automatic
  - If you get Social Security or RRB benefits
- ▶ If enrollment is not automatic
  - For instance, you're still actively working
  - You need to enroll with Social Security
    - Visit local office
    - Call 1-800-772-1213
    - Online at [socialsecurity.gov](http://socialsecurity.gov)
- ▶ If retired from Railroad enroll with RRB
  - Call your local RRB office or 1-877-772-5772

# When to Enroll in Medicare

- ▶ You don't have to be retired
- ▶ Your Initial Enrollment Period lasts 7 months
  - Begins 3 months before your 65<sup>th</sup> birthday
  - Includes the month you turn 65
  - Ends 3 months after you turn 65
- ▶ There are other times you may enroll
  - But you may pay a penalty if you delay

# Decision

## Should I keep/sign up for Part A?

Yes

### ▶ Consider

- Get it automatically if getting Social Security/RRB
- Free for most people
- Can pay if work history is not sufficient
  - There may be a penalty if you delay
- If you/your spouse is actively working and covered by employer plan
  - Contact Social Security to sign up

# Decision

## Should I keep/sign up for Part B?

# It Depends

### ▶ Consider

- Automatic if getting Social Security/RRB benefits
- Most people pay a monthly premium
  - Usually deducted from SS/RRB benefits
  - Amount depends on income (see Attachment C)
- It may supplement employer coverage

# Decision

## Should I keep/sign up for Part B?

- ▶ Sometimes you must have Part B
  - If you want to buy a Medigap policy
  - If you want to join a Medicare Advantage Plan
  - If you're eligible for TRICARE
  - If your employer coverage requires you have it
    - Talk to your employer's benefits administrator
- ▶ With Veterans benefits it's optional
  - But you pay a penalty if you sign up late or if you don't sign up during your initial enrollment period

# Decision

## Should I keep/sign up for Part B?

- ▶ If you *don't* have coverage from *active* employment **Probably**
  - Yours or your spouses
  - Delaying Part B may mean
    - Higher premiums
    - Paying for your health care out-of-pocket
- ▶ If you *do* have coverage through *active* employment **Maybe Not**
  - You may want to delay Part B
  - No penalty if you enroll while you have coverage or within 8 months of losing coverage

# What is a Medigap policy?

- ▶ Medicare Supplement Insurance Policies
  - Sold by private companies
- ▶ Fill the gaps in Original Medicare
  - Deductibles, coinsurance, copayments
- ▶ Standardized plans in all but three states
  - Minnesota, Massachusetts, Wisconsin
- ▶ All plans with same letter
  - Have same coverage
  - Only the costs are different

# Decision

## Do I need a Medigap policy?

Maybe

### ▶ Consider

- It only works with Original Medicare
- Do you have other supplemental coverage?
  - You might not need Medigap
- Can you afford Medicare deductibles and copayments?
- What does the monthly Medigap premium cost?

# Decision

When is the best time to buy Medigap?

Usually during your  
Medigap Open Enrollment Period

## ▶ Consider

- Your Medigap Open Enrollment Period begins when you're 65 or older AND enrolled in Part B
  - Lasts 6 months (may vary by state)
  - You have protections – plans MUST sell you a plan
- You can buy a Medigap policy whenever a company agrees to sell you one
  - If later, there may be restrictions

# Decision

Which Medigap policy do I buy?

# It Depends

## ▶ Consider

- The coverage under each standardized plan
- The cost of each plan – be sure to shop
- Your individual health care needs

Medigap Benefits	Medigap Plans									
	A	B	C	D	F*	G	K**	L**	M	N
Part A Coinsurance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Up to 365 Days	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Part B Coinsurance	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Blood	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Hospice Care Coinsurance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Skilled Nursing Coinsurance			✓	✓	✓	✓	50%	75%	✓	✓
Part A Deductible		✓	✓	✓	✓	✓	50%	75%	50%	✓
Part B Deductible			✓		✓					
Part B Excess Charges					✓	✓				
Foreign Travel Emergency (Up to Plan Limits)			✓	✓	✓	✓			✓	✓

\*Plan F has a high-deductible option

\*\* Plans K and L have out-of-pocket limits of \$4,660 and \$2,330 respectively

# Decision

## How do I find the right Medigap policy for me?

- ▶ By computer or phone
  - Call 1.800.MEDICARE (1-800-633-4227)
    - TTY users should call 1-877-486-2048
  - Visit [medicare.gov](http://medicare.gov) and use the compare tool
  - Call your State Health Insurance Program (SHIP)

# Part C – Medicare Advantage



- ▶ Health plan options approved by Medicare
  - Another way to get Medicare coverage
  - Still part of the Medicare program
  - Run by private companies
- ▶ Medicare pays amount for each member's care
- ▶ May have to use network doctors or hospitals

# How Medicare Advantage Works

- ▶ Still in Medicare with all rights and protections
- ▶ Still get Part A and Part B services
- ▶ May include prescription drug coverage
- ▶ May include extra benefits
  - Like vision or dental
- ▶ Benefits and cost-sharing may be different



# Decision

## Do I want to join a Medicare Advantage Plan? **It Depends**

### ▶ Consider

- Most offer comprehensive coverage
  - Including Part D drug coverage
- May require you to use a network
- You must pay Part B and monthly plan premium
- May need a referral to see a specialist
- Can only join/leave plan during certain periods
- Doesn't work with Medigap policies
- You must have Part A and Part B to join

# When can I enroll in a MA plan?

- ▶ During 7 month Initial Enrollment Period
- ▶ During the Open Enrollment Period
  - October 15 – December 7 each year
  - Coverage begins January 1
- ▶ May be able to join at other times
  - Special Enrollment Period
- ▶ Contact the plan to join
  - Call their number
  - Visit their website
  - Plan information is available on [www.medicare.gov](http://www.medicare.gov)

# Part D – Medicare Prescription Drug Coverage



- ▶ Available for all people with Medicare
- ▶ Provided through
  - Medicare Prescription Drug Plans
  - Medicare Advantage Plans
  - Other Medicare plans

# How Medicare Part D Works?

- ▶ It's optional
  - You can choose a plan and join
- ▶ Plans have formularies
  - Lists of covered drugs
  - Must include range of drugs in each category
- ▶ You pay the plan a monthly premium
- ▶ You pay deductibles and copayments
- ▶ There is Extra Help to pay Part D costs
  - If you have limited income and resources

# Who Can Join Part D?

- ▶ You must have Part A and/or Part B
- ▶ You must live in the plan's service area
- ▶ You can't live outside the U.S.
- ▶ You must actively enroll to join
  - In most cases no automatic enrollment
  - You must fill out an application

# Decision

Should I enroll in a Part D plan?

**It Depends**

- ▶ Consider
  - Do you have creditable drug coverage?
    - Coverage as good as Medicare's
    - For example through an employer plan
  - Will that coverage end when you retire?
  - How much do your current drugs cost?
  - What do the premiums cost for Part D plans?
- ▶ Without creditable coverage
  - Later enrollment may mean you pay a penalty

# Joining a Part D Plan

- ▶ You can join
  - During your 7 month Initial Enrollment Period
  - During the Open Enrollment Period
    - October 15 – December 7
    - Coverage starts January 1
  - During other special times
    - Special Enrollment Period

# How do I choose a Part D plan?

- ▶ Call or by computer
  - 1-800-MEDICARE
  - Medicare Plan Finder at [www.medicare.gov/find-a-plan](http://www.medicare.gov/find-a-plan)
  - Call SHIP for help comparing plans
- ▶ To join a Part D Plan
  - Enroll on [www.medicare.gov](http://www.medicare.gov)
  - Complete a paper enrollment form
  - Call the plan
  - Enroll on the plan's Web site
  - Call 1-800-MEDICARE (1-800-633-4227)

# What Do I Pay?

- ▶ Costs vary and change yearly
  - In Original Medicare
    - Does the provider accept Assignment?
  - In Medicare Advantage
    - Check with plan
  - In Medicare Prescription Drug Plans
    - Check with plan

# What help is there for people with limited income and resources?

- ▶ Medicaid
- ▶ Children's Health Insurance Program (CHIP)
- ▶ Extra Help
- ▶ Medicare Savings Programs

# What is Extra Help?

- ▶ Help paying prescription drug costs
- ▶ Social Security or state makes determination
- ▶ Some groups automatically qualify
  - People with Medicare and Medicaid
  - Supplemental Security Income (SSI) only
  - Medicare Savings Programs
- ▶ You or someone on your behalf can apply

# What are Medicare Savings Programs?

- ▶ Help from Medicaid paying Medicare costs
  - Pay Medicare premiums
  - May pay Medicare deductibles and coinsurance
- ▶ Often higher income and resources
- ▶ Income amounts change each year
- ▶ Some states offer their own programs

# Who Can Qualify For MSP?

Medicare Savings Program	Individual Monthly Income Limit*	Married Couple Monthly Income Limit*	Helps Pay Your
Qualified Medicare Beneficiary (QMB)	\$951.00	\$1,281.00	Part A and Part B premiums, and other cost-sharing (like deductibles, coinsurance, and copayments)

# Who Can Qualify For MSP?

Medicare Savings Program	Individual Monthly Income Limit*	Married Couple Monthly Income Limit*	Helps Pay Your
Specified Low-Income Medicare Beneficiary (SLMB)	\$1,137.00	\$1,533.00	Part B premiums only
Qualifying Individual (QI)	\$1,277.00	\$1,723.00	Part B premiums only
Qualified Disabled & Working Individuals (QDWI)	\$3,809.00	\$5,129.00	Part A premiums only

# What is the Children Health Insurance Program (CHIP)?

- ▶ Covers America's uninsured children
- ▶ Jointly financed by the Federal and state Government
- ▶ Administered by each state
  - State's option to expand Medicaid, create a stand-alone program, or create a combination program

# Who Is Eligible for CHIP?

- ▶ Uninsured children up to age 19 and pregnant women
  - Family income too high for Medicaid
- ▶ Must be a U.S. citizen
  - Or certain non-citizen lawfully residing in the U.S
- ▶ Families w/o health insurance
  - May be eligible even if parent(s) are working

# Decision

Should I apply for these programs?

Yes

- ▶ Apply if you MIGHT qualify
- ▶ Your SHIP can help you

# Key Points to Remember

- ▶ Medicare is a health insurance program
- ▶ It does not cover all of your health care costs
- ▶ There are other ways to get coverage within the program
- ▶ There are programs for people with limited income and resources

# Key Points to Remember

- ▶ Important
  - Make the right decisions
  - Make them at the right times
  - Get help if you need it
  
- ▶ The Children's Health Insurance Program
  - Covers uninsured children
  - Pregnant women

# For More Information

- ▶ [www.medicare.gov](http://www.medicare.gov)
- ▶ Medicare & You Handbook
- ▶ Other CMS publications
- ▶ 1-800-MEDICARE
- ▶ National Medicare Training Program
  - [cms.hhs.gov/NationalMedicareTrainingProgram](http://cms.hhs.gov/NationalMedicareTrainingProgram)
- ▶ Your SHIP counselor
- ▶ [www.healthcare.gov](http://www.healthcare.gov)
- ▶ [www.insurekidsnow.gov](http://www.insurekidsnow.gov)

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