

Retiree Solutions Program Worksite Seminar



Here's what we'll be talking about today:



Medicare 101 – what it's all about and what you need to know



Gaps in Medicare



Coverage Options



Additional Information

You are not required to provide any information during this presentation.

2 Any information provided will not affect membership.



Medicare 101

Eligibility

U.S. citizens and legal residents Residing in U.S. who have lived in the U.S. for at least 5 years in a row are eligible for Medicare.

They must be:



Age 65 or older



Or under 65 with a
qualifying disability



Or have End Stage Renal
Disease. ESRD is
permanent kidney failure
needing dialysis or a kidney
transplant.

Parts of Medicare

Part A: Hospital Insurance

Covers inpatient hospital stays, skilled nursing care, hospice and limited home health care

Part B: Medical Coverage

Covers doctor visits, outpatient procedures, diagnostic tests, medical supplies and vaccines

Part C: Medicare Advantage

Medicare approved health plan options run by private insurance companies to administer beneficiary benefits

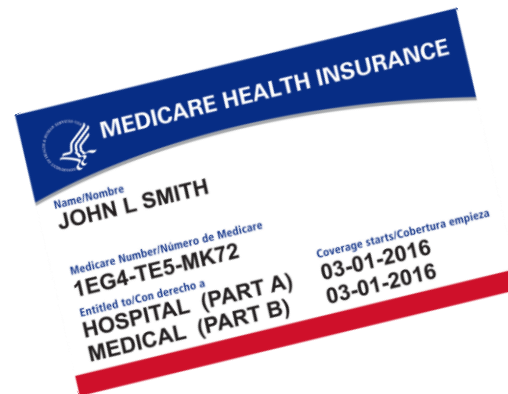
Part D: Prescription Drug Coverage

Offered by private insurance companies and helps pay for prescription drugs

Enrolling in Medicare

You will automatically receive your Medicare card from Social Security if you are receiving:

- Social Security Retirement
- Supplemental Security Income (SSI)
- Social Security Disability (eligible 25th month on Disability)
- You should receive your Medicare card 3 months before your 65th birthday



Enrolling in Medicare continued...

- You are automatically enrolled in Medicare Part A and Part B when you enroll in Medicare.
- Medicare Part A has no premium if you or your spouse worked 40 quarters (10 years).
- Most people sign up for Medicare Part A, even if they are covered by their former employer's health insurance plan.
- Some people elect not to sign up if they have a group employer health plan because they may want to continue to contribute to an HSA, which is not permitted with Medicare Part A or Part B enrollment
- If you are not automatically enrolled in Medicare, you can apply at your local Social Security office or online at www.ssa.gov or www.Medicare.gov

Medicare Part B

You may wait to enroll in Medicare Part B if you or your spouse are actively employed in a company with 20 or more employees and actively covered under your employer's group health insurance.



You will get a special enrollment period (8 months) from when your coverage ends or you stop working



You must notify Social Security if you do not want Part B



Coverage based on current employment does NOT include COBRA, Retiree Coverage, Veteran's Administration Coverage or individual health coverage through the Marketplace

Enrolling in Medicare Part B

- If you do not enroll in Medicare Part B when you are first eligible or within the 8-month period after employment or coverage ends, you may enroll during the General Enrollment Period from January 1st-March 31st each year. Coverage will begin July 1st.
- If you do not sign up for Medicare Part B when you are first eligible, you may pay a lifetime late enrollment penalty. Your monthly premium will be increased up to 10% for each 12-month period you could have had Part B but did not enroll.

Enrollment Periods:

Mark your calendar

Enrollment Period	Length of Time	Important Dates	Frequency
Initial Enrollment Period (IEP)	7 Months	3 months before your 65 th birthday month + The month of your 65 th birthday + 3 months following your 65 th birthday month	1x
Annual Election Period (AEP)	7 Weeks	October 15 th – December 7 th	Annually (Coverage Will Start 1/1)
Open Enrollment Period (MA OEP)	3 Months	January 1 st to March 31 st	Annually

NOTE: A Special Enrollment Period allows individuals to enroll anytime during a calendar year and is created by a qualifying event such as:

- Losing employer coverage
- Moving to a new service area



Gaps in Medicare

Gaps in Medicare

Medicare Doesn't Cover...

- Prescription Drugs
- Non-Emergency Transportation Services
- Routine Dental
- Routine Vision Care Including Coverage for Eye Goggles or Contacts
- Routine Hearing Exams and Hearing Aids
- Fitness
- Alternative Medicine
- Long-term Care
- Medicare Care outside the United States

Original Medicare Costs

There are monetary and coverage gaps you need to know about

Costs for Part A	Costs for Part B
<ul style="list-style-type: none"> • Part A Deductible =\$1,364 • No premium if you or your spouse worked 40 quarters or more • Inpatient Hospitalization: <ul style="list-style-type: none"> • Days 1-60: \$0 after deductible is satisfied • Days 61-90: \$341/day • Days 91-150: \$682/day • Days 151+: Responsible for 100% of the cost • Skilled Nursing Facility: <ul style="list-style-type: none"> • Days 1-20: \$0 copay • Days 21-100: \$170.50/day • Days 101+ : Responsible for 100% of costs 	<ul style="list-style-type: none"> • Part B Deductible = \$185 Annually • Monthly Premium =\$135.50 • 20% Coinsurance for some services after deductible • Higher premiums if income is more than \$85,000 (Single) or \$170,000 (Married) • Billed quarterly if not receiving Social Security • Late enrollment will increase monthly premium cost by 10% for every year not signed up for Part B. This penalty will last a lifetime

A Benefit Period begins the day you are admitted as inpatient to a hospital or skilled nursing facility. A benefit period ends when you have not received any inpatient hospital care for 60 days in a row.

If you are admitted to a hospital or skilled facility after one benefit period has ended, a new benefit period begins. The inpatient hospital deductible applies for each new benefit period.



Coverage Options

There are 3 ways to add to your Medicare coverage – all of which are offered by private insurers

Medicare Supplement

sometimes called Medigap

Medicare Part D

also called Prescription Drug Coverage

Medicare Part C

also known as Medicare Advantage

Medicare coverage: you have options

Some prefer the simplicity of a Medicare Advantage plan

Original Medicare

Part A
(Hospital)

Part B
(Medical)



Medicare Supplement

Medigap
(Supplemental)



Stand-alone Prescription Drug Plan

Part D
(Prescription Drug Coverage)



Medicare Advantage

Part C
(Part A and Part B)

with or without Part D
(Prescription Drug Coverage)

Medicare Supplement: (sometimes called Medigap)

Offered by Private Insurers



Secondary insurance to Original Medicare. Must have Part A and Part B



No prescription drug coverage included



No network association. You can usually go to any provider who accepts Medicare

Medicare Supplement/Medigap Plans

- Medigap plans limit your out of pocket spending for Medicare covered services. There is NO maximum out-of-pocket.
- There are 10 Standardized Plans (Plans A-D, F & G, and K-N). Each letter offers slightly different benefit options
- Do not confuse Medigap Standardized Plans with Medicare Parts A, B, C and D
- Medicare daily limits still apply
- Plan benefits do not vary from company to company
- Plan premiums can vary from company to company
- If you apply for a policy after your Open Enrollment Period has ended, the insurance company can use medical underwriting and can refuse to enroll you, can charge you higher premiums and/or impose up to a 6 month pre-existing coverage exclusion

Purchasing A Medicare Supplement/Medigap Plan

When can you purchase a Medicare Supplement/Medigap Plan?

- ✓ During a Guaranteed Issuance Period (6 months from the effective date of your Medicare Part B).
- ✓ If you lose health coverage through no fault of your own.
- ✓ You joined a Medicare Advantage Plan or Programs of All-inclusive Care for the Elderly (PACE) when you were first eligible for Medicare Part A at 65, and within the first year of joining, you decide you want to switch to Original Medicare.
- ✓ You dropped a Medigap policy to join a Medicare Advantage Plan (or to switch to a Medicare SELECT policy) for the first time; you have been in the plan less than a year, and you want to switch back.

Medicare Part D: Prescription Drug Plans

- Medicare Part D is available to Medicare beneficiaries receiving Part A and/or Part B
- There are increased plan premiums for beneficiaries of higher income (\$85,000 single and \$170,000 married)
- Some plans may have a deductible up to \$415
- Most Medicare Advantage Plans include prescription coverage and do not require/allow enrollment in a separate Part D Plan

Medicare Part D: Prescription Drug Coverage

Offered by private insurance companies and helps pay for prescription drugs

- Can be purchased as a stand-alone product or included in a Medicare Advantage plan
- Each plan has a list of covered generic and brand name drugs called a formulary
- If you do not enroll in a Part D plan when you are first eligible, there may be a late-enrollment penalty

The late enrollment penalty is calculated by multiplying 1% of the "national base beneficiary premium" (\$33.19 in 2019) times the number of months you went without other creditable prescription drug coverage.

Medicare Advantage

- ✓ Also known as Medicare Part C; combines Parts A, B and D (prescription drugs) for additional coverage
- ✓ Medicare Advantage plans typically have lower out-of-pocket costs than Original Medicare
- ✓ Each plan MAY include additional coverage not provided by Original Medicare and Medicare Supplement plans:
 - Routine Vision Coverage
 - Routine Coverage
 - Routine Hearing Coverage
 - Fitness Center Coverage
- ✓ Annual Enrollment Period occurs from October 15th-December 7th each year. During this time, Medicare recipients may enroll in or change their Medicare Advantage and/or Part D Plans, effective January 1st

Options within Medicare Advantage

HMO

- ✓ Plans have a list of contracted providers, so it's important to make sure your providers participate with the plan
- ✓ All routine (non-emergency) care must be provided by in network providers
- ✓ Generally will offer lower out-of-pocket costs

PPO

- ✓ Beneficiaries have the option to see in or out of network providers
- ✓ Lower costs for services received in the network
- ✓ Higher cost sharing for services received out of the network

Comparing Medicare Supplement and Medicare Part C

	Medicare Supplement	Medicare Part C
Commonly Called	Medigap	Medicare Advantage
Type of plan	Secondary insurance to Medicare	Most Commonly HMO, PPO plans provide primary coverage
Premiums	Typically higher monthly premiums	Generally lower monthly premiums
Doctors and hospitals	No network. Use any provider who accepts Medicare.	Participating network
Emergency coverage	Not Covered by all plans	Generally very limited
Additional benefits: vision, hearing, dental, chiropractic and podiatry	Not covered	Covered in some plans
Prescription drugs	You must purchase a separate prescription drug plan (Part D) at an additional premium	Most plans include prescription drug coverage (Part D)



Additional Information

If you need extra help paying for prescription drugs, these agencies may be able to help:

Medicare

CALL 1-800-MEDICARE (TTY: 1-877-486-2048), available 24 hours a day, 7 days a week

The Social Security Administration

CALL 1-800-772-1213 (TTY: 1-800-325-0778), available 7 a.m. to 7 p.m., Monday through Friday

State Medicaid Office

VISIT your local State Medicaid Office

Veterans Administration

APPLY at local facility or online at www.va.gov

PACE or PACENET

CALL Pennsylvania Department of Aging at 1-800-225-7223 (TTY: 1-800-222-9004), available 9 a.m. to 5 p.m., Monday through Friday
Enroll online at <https://pacecares.magellanhealth.com/>

Thanks for joining me today.

Have more questions? I'm here to help!

Highmark Blue Shield, Highmark Choice Company, Highmark Senior Health Company, Highmark Senior Solutions Company, and HM Health Insurance Company are independent licensees of the Blue Cross and Blue Shield Association.

Highmark Choice Company, Highmark Senior Health Company, and Highmark Senior Solutions Company are Medicare Advantage plans with a Medicare contract. HM Health Insurance Company is a PDP plan with a Medicare contract. Enrollment in Highmark Choice Company, Highmark Senior Health Company, Highmark Senior Solutions Company, and HM Health Insurance Company depends on contract renewal.

Out-of-network/non- contracted providers are under no obligation to treat Freedom Blue PPO, Community Blue Medicare PPO members, and Security Blue HMO-POS members, except in emergency situations. Please call our customer service number or see your Evidence of Coverage for more information, including the cost- sharing that applies to out-of-network services.