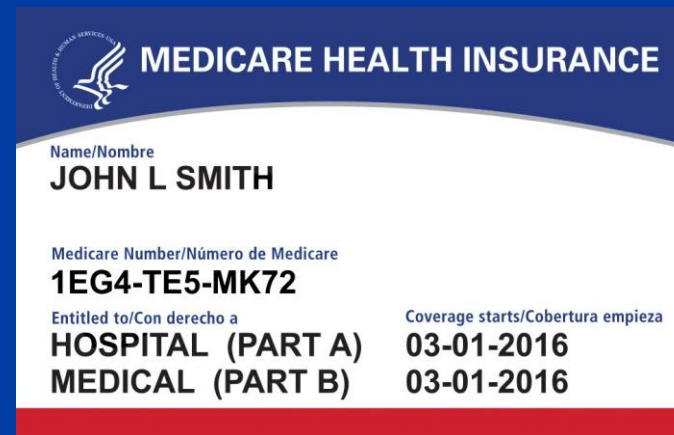


# Individual Health Insurance Options



The image shows a Medicare Health Insurance card for John L. Smith. The card has a dark blue header with the Medicare logo and the text "MEDICARE HEALTH INSURANCE". Below the header, the cardholder's name is listed as "JOHN L SMITH". The Medicare Number is "1EG4-TE5-MK72". The card also lists the coverage start date as "03-01-2016" for both Hospital (Part A) and Medical (Part B) coverage.

<b>MEDICARE HEALTH INSURANCE</b>	
Name/Nombre <b>JOHN L SMITH</b>	
Medicare Number/Número de Medicare <b>1EG4-TE5-MK72</b>	
Entitled to/Con derecho a	Coverage starts/Cobertura empieza
<b>HOSPITAL (PART A)</b>	<b>03-01-2016</b>
<b>MEDICAL (PART B)</b>	<b>03-01-2016</b>

# Top 10 Medicare Questions

1. What is Medicare?
2. Who can get Medicare?
3. What does Medicare cover?
4. How much does Medicare cost?
5. Where can I get more coverage?
6. How do I choose?
7. When can I enroll?
8. When can I change my coverage?
9. What if I have Group Coverage?
10. Where can I go for help?



# What is Medicare?

# What is Medicare?

## Medicare is...

- A federal health insurance program for eligible U.S. citizens and legal residents
- Funded in part by taxes you pay while working
- Individual health insurance

## Medicare is not...

- A family health plan
- Social Security
- Medicaid
- Free

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Who can get  
Medicare?

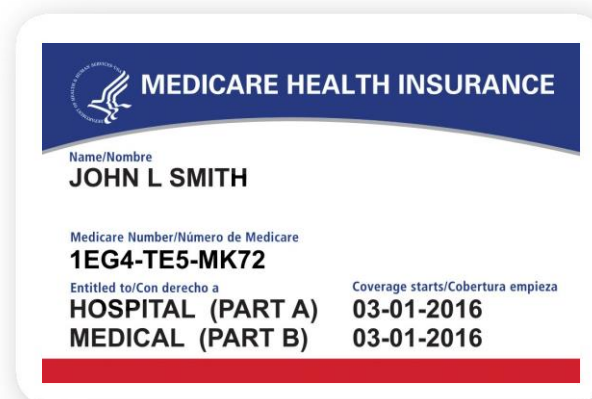
# Who can get Medicare?

## U.S. citizens and legal residents

Legal residents must live in the U.S. for at least 5 years in a row, including the 5 years just before applying for Medicare.

## You must also meet one of the following requirements:

- Age 65 or older
- Younger than 65 with a qualifying disability
- Any age with a diagnosis of end-stage renal disease or ALS



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What does  
Medicare cover?

# Parts A & B: Original Medicare

Original Medicare has two parts:

- Part A is hospital insurance
- Part B is medical insurance

## Original Medicare

Provided by the federal government

PART

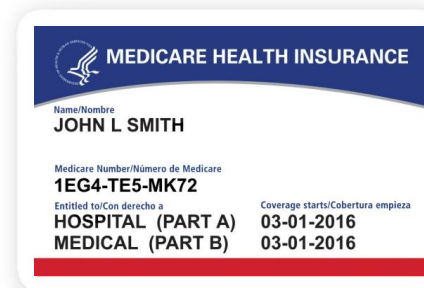


Helps pay for hospital stays and inpatient care

PART



Helps pay for doctor visits and outpatient care

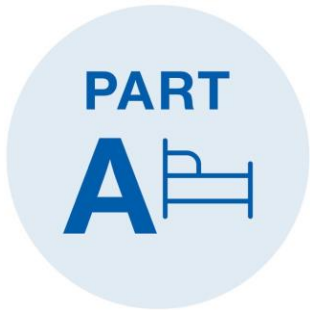




# Medicare Part A: Hospital Insurance

## Medicare Part A covers hospital stays and inpatient care, including:

Your hospital room and meals	Skilled nursing services
Care in special units, such as intensive care	Some blood transfusions
Drugs and medical supplies used during an inpatient stay	Hospice care, including medications to manage symptoms and pain
Lab tests, X-rays and medical equipment as an inpatient	Part-time, skilled care for the homebound after a qualified inpatient stay
Operating room and recovery room services	Rehabilitation services after a qualified inpatient stay



# Medicare Part A: Hospital Insurance

## Fast facts

- Premium free if you or your spouse worked and paid taxes for 10 years or longer
- Can't be denied coverage
- Coverage is nationwide, including any qualified hospital in the U.S.
- Coverage and costs are per “benefit period”
- Must be admitted as an inpatient (not on “observation status”)
- Provides additional 60 “lifetime reserve” days

## Medicare Part B: Medical Insurance

**Medicare Part B covers doctor visits and outpatient care, including:**

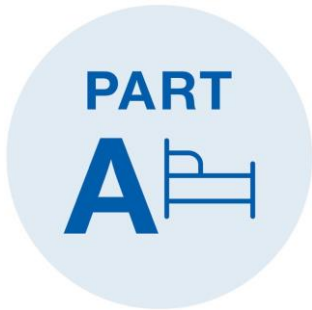
Doctor visits, including when you are in the hospital	Diabetes screenings, education and certain supplies
An annual wellness visit and preventive services, like flu shots	Mental health care
Clinical laboratory services, like blood and urine tests	Durable medical equipment for use at home, like wheelchairs and walkers
X-rays, MRIs, CT scans, EKGs and some other diagnostic tests	Ambulatory surgery center services
Some health programs, like smoking cessation and obesity counseling	Ambulance and emergency room services
Physical therapy, occupational therapy and speech-language pathology services	



## Medicare Part B: Medical Insurance

### Fast facts

- Monthly premium, adjusted for income
- Can't be denied coverage
- Coverage is nationwide, including any provider who accepts Medicare
- Premium penalty for late enrollment



## Medicare Doesn't Cover Everything

**Original Medicare (Parts A & B) does not cover:**

- All of the cost of your care — you have out-of-pocket costs, with no limit
- Prescription drugs
- Routine dental, vision or hearing care
- Eyeglasses, contacts or hearing aids
- Long-term or custodial care (help bathing, eating, dressing)
- Excess charges for services by doctors who don't accept Medicare assignment
- Care received outside the U.S., except for certain circumstances

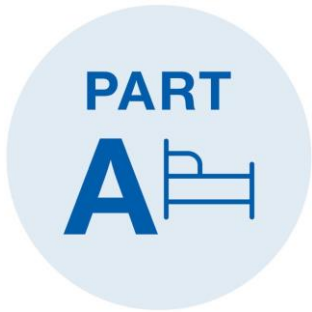
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**How much does  
Medicare cost?**

# Medicare Costs

## Types of costs

Premium	Deductible	Copay	Coinsurance
A fixed amount that you pay for coverage, usually monthly	A set amount that you pay for covered services before your plan begins to pay	A fixed amount you pay at the time you receive a covered service	An amount you pay when the cost of a covered service is split with you by percentage, such as 80/20



## 2019 Medicare Part A (Hospital) Costs

Premium	Deductible	Other Costs	Note
<b>\$0</b> for most people	<b>\$1,364</b> per benefit period (up to 60 days)	<b>\$341</b> per day for days 61–90 in one benefit period  <b>\$682</b> per lifetime reserve day (maximum of 60 days)	<b>NO</b> out-of- pocket limit





## 2019 Medicare Part B (Medical) Costs

Premium	Deductible	Other Costs	Note
<b>\$135.50</b> per month for most people, income adjusted	<b>\$185</b> for the year	<b>20%</b> of approved amount for most covered services <b>Excess charges</b> (if any)	<b>NO</b> out-of-pocket limit

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Where can I get  
more coverage?

# Options for More Coverage

## OPTION 1

OR

## OPTION 2

Add one or both of the following to Original Medicare.

Choose a Medicare Advantage plan.

### Medicare Supplement Insurance Plan

Offered by private companies



Helps pay some of the out-of-pocket costs that come with Original Medicare

### Medicare Part D Plan

Offered by private companies



Helps pay for prescription drugs

### Medicare Advantage Plan

Offered by private companies



Combines Part A (hospital insurance) and Part B (medical insurance) in one plan



Usually includes prescription drug coverage



May offer additional benefits not provided by Original Medicare



## Medicare Advantage

### Another way to get your Medicare benefits

- An alternative to Original Medicare (Parts A & B)
- Plan members are still in the Medicare program
- Benefits are administered by the plan
- Plans offered by private insurance companies



## Medicare Advantage

All Medicare Advantage plans cover:

All the benefits of Part A  
(except hospice care, which is still covered by Part A)

All the benefits of Part B

Most Medicare Advantage plans cover:

Prescription drugs

Medicare Advantage plans may offer additional benefits, such as:

Dental exams, cleanings and X-rays

Eye exams, eyeglasses and corrective lenses

Hearing tests and hearing aids

Wellness programs and fitness memberships

Medicare Advantage plans have an annual out-of-pocket maximum to help protect against high costs.



# Medicare Advantage

## Fast facts

- Must be enrolled in both Medicare Part A and Part B and live in plan service area
- Can't be denied coverage based on current financial or health status, including pre-existing conditions\*
- May be required to use provider and pharmacy networks
- Coverage and costs vary by plan and may change each year
- Annual limit on out-of-pocket costs for covered services
- May charge a monthly plan premium
- Must continue to pay Part B premium to Medicare

\*Special rules for people with end-stage renal disease.



# Medicare Prescription Drug Coverage

Helps with the cost of prescription drugs

Two ways to get coverage:

- Add a standalone Part D plan to Original Medicare
- Choose a Medicare Advantage plan that includes prescription drug coverage

Plans offered by private insurance companies



# Medicare Prescription Drug Coverage

Medicare Part D plans cover:

Types of drugs most commonly prescribed for Medicare beneficiaries as determined by federal standards

Specific brand name drugs and generic drugs included in the drug list (formulary)

Commercially available vaccines not covered by Part B





## Formulary: List of Covered Drugs

### Tiered formulary

- Drugs are grouped into tiers based on cost
- In general, the lower the tier, the lower the cost
- Deductibles may be charged by tier

#### Formulary Tiers

<b>Tier 1</b>	<b>\$</b>
<b>Tier 2</b>	<b>\$\$</b>
<b>Tier 3</b>	<b>\$\$\$</b>
<b>Tier 4</b>	<b>\$\$\$\$</b>
<b>Tier 5</b>	<b>\$\$\$\$\$</b>



# Medicare Prescription Drug Coverage

## Fast facts

- Must be enrolled in Part A, Part B or both
- May be required to use pharmacy network
- Coverage and costs vary by plan and may change each year
- Part D premium penalty for late enrollment



## Medicare Supplement Insurance: Medigap

Helps pay some costs not paid by Medicare

- Supplements Original Medicare (Part A and Part B)
- Can't be used with Medicare Advantage
- 10 plans with benefits standardized by the federal government
- Plans offered by private insurance companies in your state



# Medicare Supplement Insurance: Medigap

## Plans may help pay:

- Part A and Part B deductibles
- Copays, coinsurance and provider excess charges
- Cost for extra 365 days of hospital care after lifetime reserve days used
- Cost of blood transfusions, first 3 pints
- Cost of foreign travel emergency, up to plan limit

\*Some plans may offer special programs to members to help with some of these costs.

## Plans do not help with:

- Prescription drugs
- Routine dental, vision or hearing care\*
- Eyeglasses, contacts or hearing aids\*
- Extra days in a skilled nursing facility after Part A benefit
- Custodial care (help bathing, eating, dressing)
- Long-term care

# Standardized Medicare Supplement Plans

Benefit	Plan A	Plan B	Plan C	Plan D	Plan F	Plan G	Plan K	Plan L	Plan M	Plan N
Part A hospital coinsurance and 365 extra hospital days	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Part A deductible		100%	100%	100%	100%	100%	50%	75%	50%	100%
Part B coinsurance or copays	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%*
Part B annual deductible			100%		100%					
Part B excess charges					100%	100%				
Cost of blood transfusion (first 3 pints)	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Cost of foreign travel emergency (up to the plan limits)			80%	80%	80%	80%			80%	80%
Hospice care coinsurance costs	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Part B preventive care coinsurance	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	100%	100%	50%	75%	100%	100%
Yearly out-of-pocket limit before all benefits paid at 100% (2019)							\$5,560	\$2,780		

\*except certain copays



# Medicare Supplement Insurance: Medigap

## Fast facts

- Must be enrolled in both Medicare Part A and Part B and live in the state where plan is offered
- No medical underwriting up to 6 months after enrolling in Part B at age 65 or older
- Nationwide coverage and no provider network
- Guaranteed renewable\*
- Plan premiums may vary, even for same coverage
- Plans with more coverage generally have higher premiums
- Must continue to pay Part B premium to Medicare

\* As long as material facts are stated correctly on application and premiums are paid

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How do I choose?

# Medicare Coverage Choices

**STEP 1**


Enroll in Original Medicare.


**STEP 2**

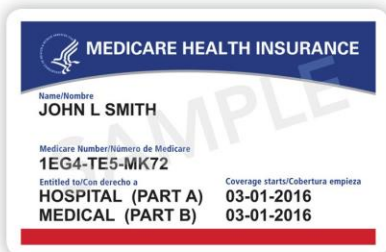
Decide if you need additional coverage. There are two ways to get it.

## Original Medicare

Provided by the federal government

**PART A**  Helps pay for hospital stays and inpatient care

**PART B**  Helps pay for doctor visits and outpatient care



**OPTION 1** ————— OR ————— **OPTION 2**

Add one or both of the following to Original Medicare.

Choose a Medicare Advantage plan.

**Medicare Supplement Insurance Plan**  
Offered by private companies



Helps pay some of the out-of-pocket costs that come with Original Medicare

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**Medicare Advantage Plan**  
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Combines Part A (hospital insurance) and Part B (medical insurance) in one plan



Usually includes prescription drug coverage



May offer additional benefits not provided by Original Medicare



# Medicare Supplement or Medicare Advantage?

CONSIDERATIONS	MEDICARE SUPPLEMENT	MEDICARE ADVANTAGE
<b>Coverage</b>	<ul style="list-style-type: none"> <li>• Pays some costs not paid by Original Medicare</li> <li>• Does not help with drug costs</li> <li>• Nationwide coverage</li> </ul>	<ul style="list-style-type: none"> <li>• Provides benefits of Original Medicare and beyond</li> <li>• Often includes drug coverage</li> <li>• May have provider network</li> </ul>
<b>Cost</b>	<ul style="list-style-type: none"> <li>• Monthly plan premium</li> <li>• Drug plan premium and other costs if coverage added</li> <li>• Out-of-pocket costs depend on plan chosen</li> </ul>	<ul style="list-style-type: none"> <li>• May charge plan premium</li> <li>• Often no additional premium for drug coverage</li> <li>• Copays or coinsurance for most covered services</li> <li>• Annual out-of-pocket maximum</li> </ul>
<b>Convenience</b>	<ul style="list-style-type: none"> <li>• Multiple plans (when added to Original Medicare along with a Part D plan)</li> </ul>	<ul style="list-style-type: none"> <li>• All-in-one plan</li> </ul>



**When can I enroll?**

# Initial Enrollment Period



- Enrolled in Part A and Part B automatically if receiving Social Security or Railroad Retirement Board (RRB) benefits at age 65, or after receiving Social Security disability benefits for 24 months
- Enroll yourself if not receiving benefits (go to [SSA.gov](https://www.ssa.gov) or local office)
- Enroll early to avoid gaps in coverage and late enrollment penalties
- May refuse or delay enrollment in Part B
- May enroll in a Medicare Advantage or a prescription drug plan

# General Enrollment Period

Every year

Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Parts A and B						Parts C and D					

- For those who miss their Initial Enrollment Period
- May enroll in Part A, Part B or both
- May choose to enroll in a Medicare Advantage plan (Part C) or a prescription drug plan (Part D)
- Late enrollment premium penalties may apply

# Medicare Supplement Open Enrollment

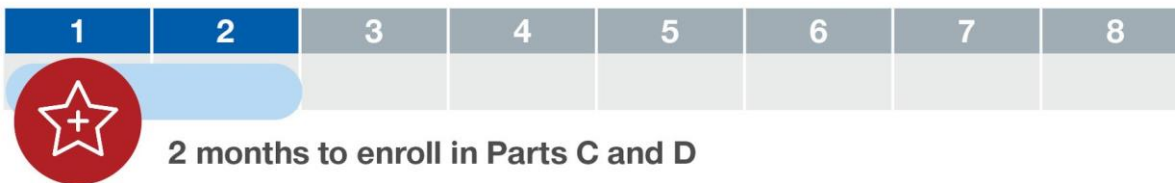
65 or older and enrolled in Part B



- No medical underwriting if you enroll during this time
- May enroll in a plan later but could be denied or charged more based on health history

# Special Enrollment Period: Working Past 65

Month after the last month of employment or employee health coverage



- For those who delayed enrollment
- May enroll in Part A, Part B or both
- Part B enrollment triggers Medicare Supplement Open Enrollment
- May choose a Part C or Part D plan
- **Enroll in Part D early to avoid penalty**

## Late Enrollment Premium Penalties

COVERAGE	PENALTY
<b>Medicare Part A</b>	<ul style="list-style-type: none"><li>• None if qualified for premium free</li><li>• Otherwise 10%</li></ul>
<b>Medicare Part B</b>	<ul style="list-style-type: none"><li>• None if qualified for SEP</li><li>• Otherwise 10% for each full 12-month period</li></ul>
<b>Medicare Part D</b>	<ul style="list-style-type: none"><li>• None if less than 63 days without creditable coverage</li><li>• Otherwise 1% of current average premium for each month</li></ul>



**When can I change  
my coverage?**



# Medicare Annual Enrollment

Every year

Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.

October 15 – December 7

- Switch from Original Medicare (Parts A & B) to a Medicare Advantage plan (Part C), or vice versa
- Switch from one Medicare Advantage plan to another
- Join, switch or drop a Medicare prescription drug plan (Part D)

# Special Enrollment Period: Qualifying Events

Month after you move or the month after you notify your plan



- Move out of plan service area
- Move within plan service area and have new plan options
- Leave or lose other health care coverage
- Qualify for a Special Needs Plan
- Move into or out of an institution, such as a nursing home
- Get or lose financial help with Medicare
- Move back to U.S. after living outside the country

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What if I have  
group coverage.



## When to consider Medicare

- Retirement
- Active Employee
  - Employee contributions versus Medicare premiums
  - Employer plan deductible and co-insurance
  - Maximum out of pocket (MOOP)
- Other considerations
  - Budget
  - On-going care or treatment
  - Chronic conditions
  - Prescription drug use
  - Hospital and Dr. preference
  - Travel

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Where can I go  
for help?

# Assistance

**InsureOne Benefits serves as your “Trusted Advisors”**

- No cost or fee for our service
- Identify personal and health care needs
- Present and discuss insurance plan options
- Answer questions
- Assist with and process applications
- Obtain approval
- Provide personal service throughout the year
- Review options during the annual election period (AEP)
  - OCTOBER 15<sup>TH</sup> TO DECEMBER 7<sup>TH</sup>

**Thank you!**