

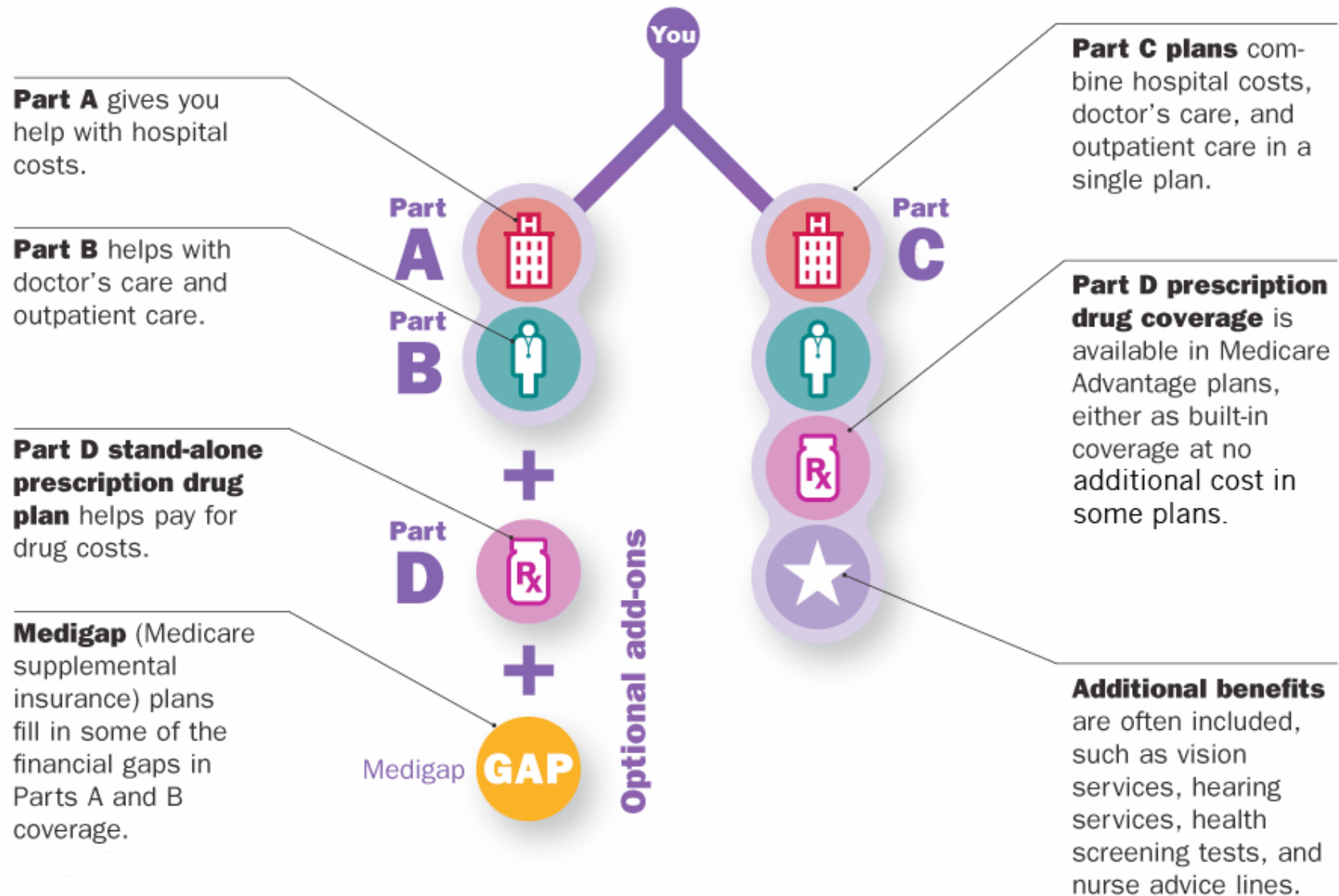


# Welcome to Medicare Made Clear

*Understanding Your Medicare Options*



# Review of Medicare



# Eligibility

You are eligible for Medicare if:



- 1** You are 65 years old, or are otherwise eligible because of a qualifying disability and
- 2** You are a US citizen or are a legal resident
- 3** You are under age 65 and you qualify on the basis of disability or you have End Stage Renal Disease

Note: You may also be able to join Medicare without paying Social Security taxes for 10 years but you will have to pay an additional premium

# A Closer Look at Part A

*Provides help with the cost of hospital stays and skilled nursing services after a hospital stay plus some other skilled care*

## Advantages

- Most people do not pay a monthly premium
- Only pay first \$992 of costs – your deductible – for a hospital stay of less than 60 days
- You can go to any hospital in the U.S. that's qualified
- Enrollment is guaranteed. If you are eligible you cannot be denied coverage due to medical history or current health conditions

## Disadvantages

- Hospital stays of more than 60 days require a daily co-payment. Long hospitalizations can be expensive
- Multiple stays may mean multiple deductibles
- Hospital care outside the U.S. isn't covered
- No limit on out-of-pocket spending



# A Closer Look at Part B

*Help with the cost of doctor visits and other medical services that do not require an overnight stay in a hospital*

## Advantages

- You can receive care from any participating physician
- Paying premiums is easy. It's deducted from your Social Security check
- Enrollment is automatic. You cannot be denied coverage due to medical history or current health conditions

## Disadvantages

- If you wait to join, you may have to pay a higher premium
- Limited preventive care
- 20% coinsurance on most services can add up to a lot. No limit on total out-of-pocket spending
- Care outside of the U.S. is not covered



# A Closer Look at Part C

*A single plan offered by private insurance companies that combines coverage for Medicare Parts A & B. Some plans include Part D.*

## Advantages

- Convenience of single plan
- Some include prescription drug coverage for no additional premium
- Some offer additional benefits not covered by Medicare (e.g., dental, vision, preventive care)
- If eligible for Medicare, you cannot be denied coverage (special rules apply to ESRD)
- If there is a premium, it is not affected by your age or health status
- Some plans offer limits on the total amount you will pay for healthcare in a year

## Disadvantages

- In most plans, you receive your coverage in a service area – unless it's an emergency
- Your access to doctors and hospitals may be limited to a network of local providers
- Plan premiums and terms can change from year to year
- Limited time periods for enrollment or plan changes



# A Closer Look at Part C Flavors

## Five (5) “flavors” of Medicare Part C

1. Health Maintenance Organization Plans (HMOs)
2. Preferred Provider Organization Plans (PPOs)
3. Special Needs Plans (SNP)
4. Private Fee for Service Plans (PFFS)
5. Medicare Savings Account Plans (MSA)



# A Closer Look at Part D

*Provides help with the cost of prescription drugs through private companies*

## Advantages

- You get help with the cost of your prescription drugs
- You'll save money when your plan negotiates lower drug costs and passes the savings along to you
- Limit on total out-of-pocket spending in a single year protects you from very high drug costs

## Disadvantages

- Cost sharing levels change and can be confusing
- Costs can vary significantly by plan
- Each plan has a list of drugs that it covers. Lists can be different



# Medicare Supplement Plans

*Private insurance that helps pay your part of cost sharing in traditional Medicare Parts A & B. Also known as Medigap plans.*

## Advantages

- Some or all of your out-of-pocket costs for care under Medicare A & B are covered
- You are guaranteed the right to buy a Medigap plan during your open enrollment period
- You can pick from different plans to get one that suits you

## Disadvantages

- Plan premiums can change from year to year
- Prices for the same coverage can vary sharply.
- After your open enrollment period, insurers can refuse coverage or charge you a higher premium based on your health, or make you wait to get coverage for an illness you already have



# Enrollment Periods

## When can I enroll initially?

## What if I'm late?

### Medicare Part A



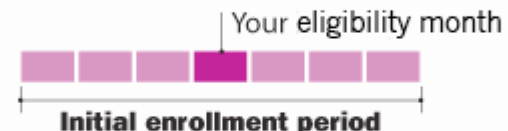
**Any time** after you are 64 years and 9 months or otherwise eligible for Medicare. Enrollment will be automatic if you are already receiving Social Security benefits; otherwise you'll have to enroll at your local Social Security office.

There are no penalties for signing up late.

### Medicare Part B



**Any time** from 3 months before you become eligible for Medicare until 3 months after your eligibility month.

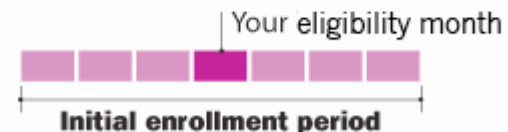


If you enroll after the initial enrollment period, premiums will be higher unless you qualify for an exception. Contact Medicare to learn more about these exceptions.

### Medicare Part C Medicare Advantage



**7 month window**  
Your initial enrollment period is any time up to 3 months before or after your eligibility month.



If you miss the enrollment window, you must wait to join a plan between November 15 and December 31 each year, unless you qualify for an exception.

# Enrollment Periods

## When can I enroll initially?

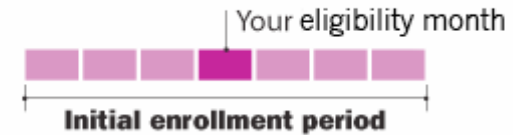
## What if I'm late?

### Medicare Part D



#### 7 month window

Your initial enrollment period is any time up to 3 months before or after your eligibility month.



If you miss the enrollment window, you must wait to join a plan between November 15 and December 31 each year, unless you qualify for an exception. If you enroll later, premiums will usually be higher, unless you qualify for an exception.

### Medigap Insurance



#### 6 month window for guaranteed right

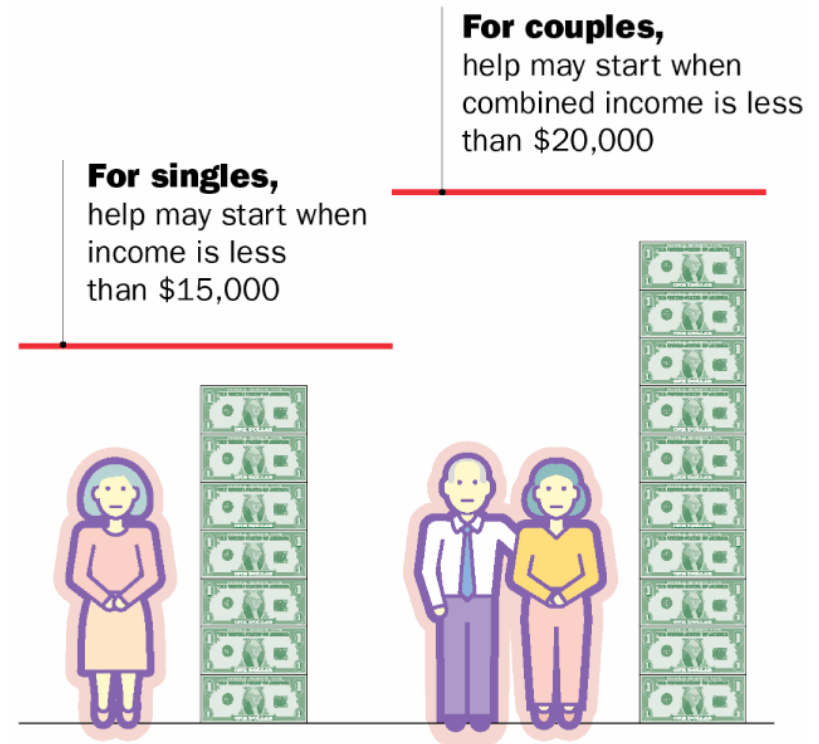
When you turn 65 **AND** enroll in Medicare Part B, you have a guaranteed right to buy a Medigap policy for six months. You cannot be refused if you sign up during this open enrollment period.



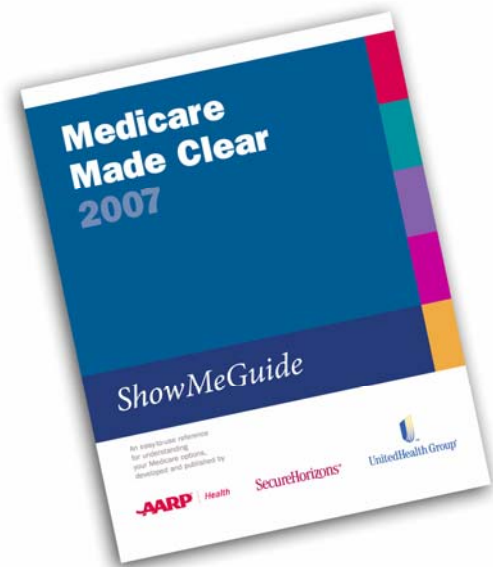
If you miss the window, you can apply later at any time. But you may be charged a higher rate or rejected if you have a health history that makes you appear to be a higher risk.

# Extra Help

- Extra help is available for people with low incomes and few assets to help pay the costs of Medicare.
  - Medicare Savings Program
  - Prescription Drug Assistance Programs
  - Medicaid
  - PACE
- Local Social Security Office or state Medicaid office is a good place for more information



FOR EXAMPLE



Questions?