Understanding the A,B,Cs & Ds of Medicare

by Emily Carrick

PacificSource Medicare

What is the difference between:

Social Security

Pension program for individuals ages 62+ and the disabled. SSA also enrolls people onto Medicare.

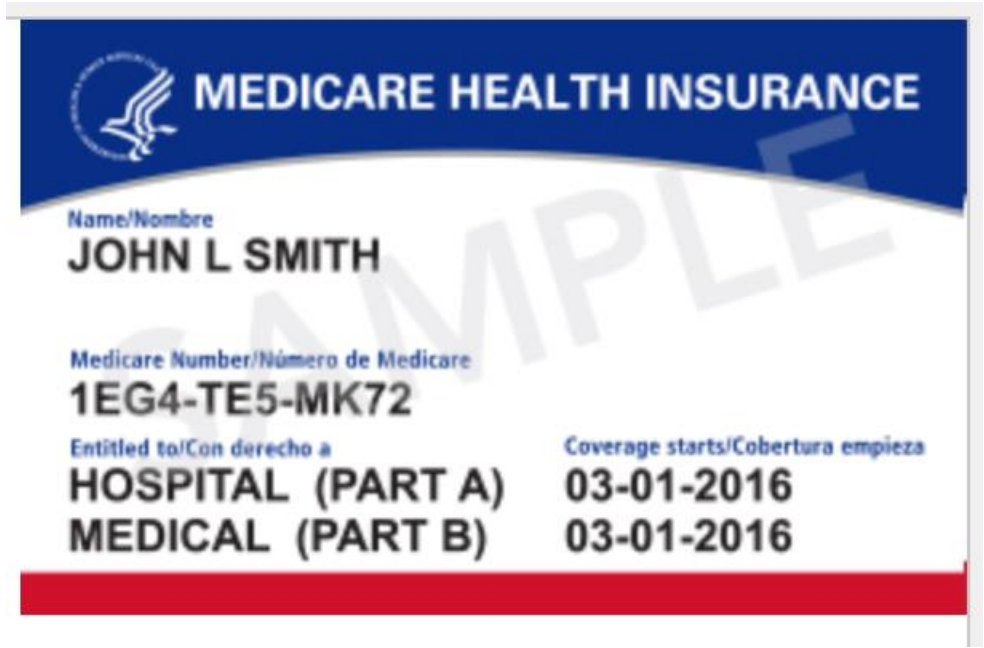
Medicaid

Program to provide health care for individuals with limited income and resources.

Medicare

Health insurance for an individual age 65 or older and individuals with a qualifying disability.

Medicare Basics: Part A and Part B



Medicare Premiums

Part A (Hospital)
Most people pay no monthly premium.

Part B (Medical)
In 2021, you pay $148.50/mo.
(higher incomes pay more)

Deducted from your SSA check or billed quarterly.

Basic Medicare Coverage

PART A	PART B
Hospital Stays In 2021 you pay: • $1,484 per stay, days 1-60 • $371 per day, days 61-90 • $742 per day, days 91-150	**Doctor office visits** **X-rays** **Outpatient surgery** **Emergency care** **Ambulance** **Urgent care** In 2021 you pay: • $203 annual deductible then 20% co-insurance.

What isn’t covered by Medicare?

- Dental
- Alternative Care
- Long Term and Personal Care
- Eyeglasses and Hearing Aids
- Care Outside of the U.S.

Signing Up for Medicare

If you are already collecting Social Security

- Automatically enrolled in Medicare Parts A and B.
- Your Medicare card will arrive about 3 months before your 65th birthday

If you are not yet collecting Social Security

- Contact Social Security to sign up for Medicare (2-3 months before your birthday)
- Or apply online at www.SSA.gov
- Bend Social Security Office phone number: 1-877-405-0302

Special Considerations

If you are already covered by an employer insurance plan:

- If the employer has 20+ employees, you can delay Part B without penalty.
- Contact SSA to sign up for Part B within 8 months of retiring.

If you delay Part B and you have no other health insurance:

- If no employer or other health insurance coverage, you can sign up between January – March each year. Part B coverage begins July 1st.
- 10% annual premium penalty will apply.

Is Basic Medicare Enough?

If you only have Basic Medicare:

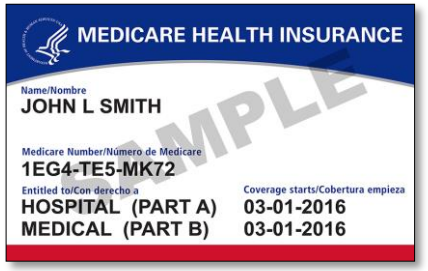
- 20% not covered by Medicare could be a significant expense.
- Medicare does not have an out-of-pocket limit on total expenses.

Ways to add more coverage:

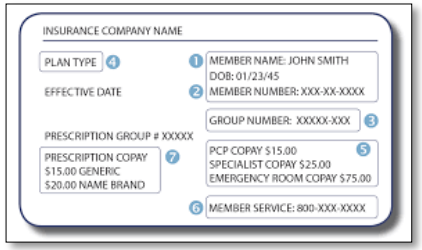
- Medicare Supplement Plan (Medigap)
  + optional Part D Prescription Plan
- Medicare Advantage Plan
  "all-in-one" plans with Part D Prescription Plan included

Medicare Supplement vs. Medicare Advantage

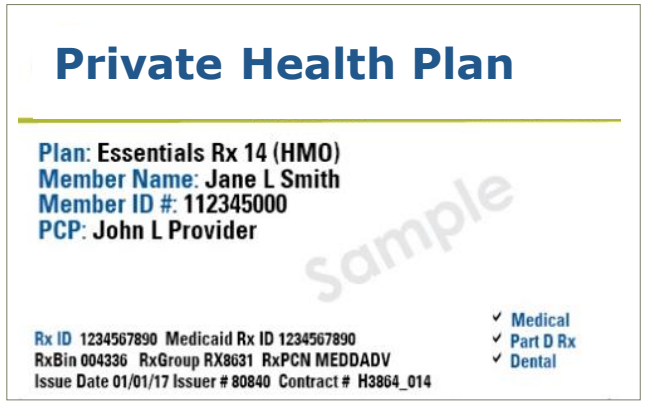
Medicare Card



Supplement Card



Prescription Card (Part D)



Includes:

- Medicare Benefits
- Extra Benefits
- Part D Rx (optional)

Medicare Supplement Plans (Medigap)

- Medicare billed first (primary).
- The supplement pays after Medicare.
- There are 12 Standardized Medicare Supplement plans:
  - A, B, C*, D, F*, High-deductible Plan F*, G, High-deductible Plan G, K, L, M and N.

  Plans marked with an (*) are not available to Medicare beneficiaries who started Medicare after 1/1/20.

Medicare Supplement Plans (Medigap)

- Typically helps pay for Medicare-covered services only.
- See any provider (doctor) that accepts Medicare.
- Monthly premiums based on age.
- You must continue to pay your Medicare Part B monthly premium.

Medicare Advantage Plans (Part C)

- Health plan billed directly for all services.
- May cover extra services like vision, hearing, gym benefits.
- Generally pay a “co-pay,” but protected by annual out-of-pocket maximum.
- See providers in the plan’s network (except in an emergency).
- Monthly premiums are not based on age. You must continue to pay your Medicare Part B monthly premium.

Part D: Prescription Drug Benefits

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Part D Prescription Coverage

- Designed by Medicare, but you can only buy a Part D plan from private insurance companies
- A lifetime late enrollment penalty may apply if you have been on Medicare and you haven’t had any prescription coverage
  - Waived for VA, Tricare, and many employer plans
  - Limited enrollment opportunity for Part D (Oct. 15 – Dec. 7 each year)
- The so-called “Donut Hole” has gone away.

Adding Medicare Part D

- **Medicare** + stand-alone Part D Prescription Plan
- **Medicare** + **Supplement Plan** + stand-alone Part D Plan
- A **Medicare Advantage Plan** with Part D Plan included

Extra Help for Part D

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Extra Help with Medicare Part D

Income and Asset Guidelines

	Gross Annual Income (below 150% FPL)	Assets*
Single	**Less than $19,140**	**Less than $14,610**
Married	**Less than $25,860**	**Less than $29,160**
	Contact Social Security to apply for Extra Help.	

**Assets do not include the value of your home or car. These amounts may change each year.*

Enrollment Opportunities

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New to Medicare?

You can apply for either:

- Medicare Supplement Plan: Within 6 months on Medicare (guaranteed acceptance). Add Part D separately, within 3 months on Medicare.

-OR-

- Medicare Advantage Plan: Within 3 months on Medicare (guaranteed acceptance). Choose a plan with Part D included, if desired.

Already on Medicare?

You can apply for either:

- Medicare Supplement Plan: Anytime of the year – but if you've been on Medicare more than 6 months, you must qualify.

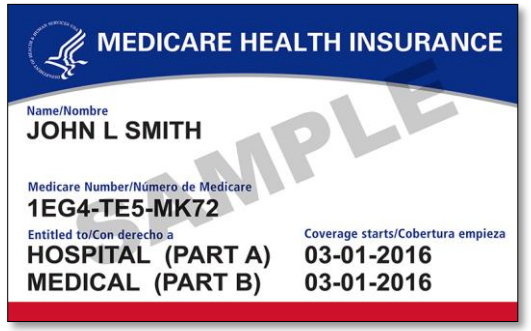
-OR-

- Medicare Advantage Plan: During the Annual Election Period (October 15th – December 7th) every year. Coverage begins January 1st.

Medicare Advantage Open Enrollment Period

If you are already on a Medicare Advantage plan, you can make **one** additional plan change between **January 1st and March 31st every year.**

Switch to another
Medicare Advantage plan
(with or without prescription coverage)



Disenroll from Medicare Advantage
to return to Original Medicare
(and buy a stand-alone Part D prescription plan)

Common Special Enrollment Opportunities

- You've recently moved.
- You're leaving an employer group health plan.
- You qualify for the "Extra Help" program.

Resources for Additional Information

PacificSource ADMINISTRATORS

Resources

- SHIBA (Senior Health Insurance Benefits Assistance): Call 541-678-5483 for an appointment with a certified counselor
- Local Insurance Broker: Meet with an independent, licensed insurance broker who specializes in Medicare plan. Visit www.healthcare.Oregon.gov and click on “Find local help,” at the top of the page.
- Medicare: Visit www.Medicare.gov or call 1-800-Medicare