

NEW TO MEDICARE

East Central Kansas
Area Agency on Aging
785-242-7200

*THE INFORMATION IN THIS POWERPOINT IS PROPERTY OF THE
EAST CENTRAL KANSAS AREA AGENCY ON AGING*

Grant and Training

- The Senior Health Insurance Counseling for Kansas (SHICK) program is made possible by a grant from the Kansas Department of Aging and Disability Services, Topeka, KS.
- All counselors who assist with the SHICK program on behalf of the East Central Kansas Area Agency on Aging are background checked and trained through Kansas Department of Aging and Disability Services.

What is the Area Agency on Aging

- Serve AN, CF, FR, LN, MI and OS Counties
- Provide SHICK services in Johnson county as well
- Serve those ages 60 and over
- Provide assessment and evaluation to determine needs
- Target those in need of support system to remain independent
- Case Management
- Other:
 - Caregiver
 - Intergenerational
 - Health Fairs
 - Health and Wellness
 - CARE assessments
 - Legal Assistance
 - Utility Assistance
 - Support Groups
 - Senior Health Insurance Counseling for Kansas (SHICK)

Expectations and Questions

What you hope to gain from today's information.

Specific questions, issues, areas of Medicare that need
addressed.....

What is Medicare?

US Health Insurance Program for seniors and disabled people

- **Part A**
- Hospital Insurance
- Helps pay the cost of staying in the:
 - Hospital or Skilled Nursing Facility
 - Hospice
 - Home Health
 - Inpatient Medications
- **Part B**
- Medical Insurance
- Helps pay the cost of:
 - Physicians & Outpatient Services
 - Lab Tests
 - Medical Equipment
 - Doctor's Services while in the hospital
 - Medicine administered in the doctor's office
- Premium required

What is Medicare? (continued)

- **Part C**

- Also known as a Medicare Advantage Plan

- Consists of private health plans which provide Medicare benefits in one package

- Part of Medicare Modernization Act of 2003

- **Part D**

- Prescription Drug Plans
- Helps Pay the cost of:

- Prescriptions
- Insulin Supplies
- Some vaccines

**Some Medicare Advantage Plans have prescription coverage included in the plan

What Medicare Is Not

- **SOCIAL SECURITY**

- Federal program that makes income payments
- Must meet minimum requirement for working and contributing to system **OR**
- Must be beneficiary of someone who did **OR**
- Must meet age or disability qualifications

- **MEDICAID**

- Shared federal and state health insurance program for beneficiaries with very low incomes and few assets
- Could be disabled, children, pregnant, etc
- Dual-eligible---have both Medicare and Medicaid

Costs

- **Medicare A:**
 - Usually don't pay a monthly premium for Part A if you or your spouse paid Medicare taxes while working.
 - If you aren't eligible for premium free Part A it can be purchased
 - \$458/month in 2020 if no late penalties

Costs (continued)

- **Medicare B:**
 - Monthly premium based on standard amount
 - Adjusted for gross income above a certain amount
 - Social Security contacts beneficiary if they have a higher premium
 - \$144.60 for new beneficiaries or beneficiaries not drawing their Social Security benefit
 - Higher premium is based on income tax returns from 2018

Costs (continued)

- **Medicare C:**

- Plan costs vary on which plan is chosen from those available in Kansas each year.
- Plans are sold by county and zip code location
- Multiple plans in each county but may not all be accepted by providers – dependent on contracts

- **Medicare D:**

- Plan costs vary on which plan is chosen from those available in Kansas each year
- 28 plans are available in Kansas for 2020
- Monthly premiums in Kansas range from \$13.20 to \$74.70

Enrollment

- Part A: Automatic and based on work quarters
 - Part B: It depends 😊
 - Part C: October 15, 2020- December 7, 2020**
January 1, 2021 effective date
 - Part D: October 15, 2020 - December 7, 2020**
January 1, 2021 effective date
- **Dates apply to current beneficiaries—new beneficiaries follow their Initial Enrollment dates
- Health Savings Account rules

Automatic Part A and B enrollment....

- Automatic if you are eligible and already receive benefits from Social Security or Railroad Retirement Board
- ✓ Start the first day of the month you turn 65 (if DOB is on first day of month benefits start first day of prior month)
- ✓ If under 65 & disabled, automatically get both after you receive disability benefits from Social Security or certain disability benefits from RRB for 24 months.
- ✓ Will get a red/white/blue Medicare card in the mail 3 mo before 65th birthday or your 25th month of disability— follow directions on the back of the card
 - ✓ Card comes if you are in the system/if not must notify Social Security Office

When Can You Sign Up

- **Initial Enrollment Period (IEP)**
 - 3 mo before/month of/3 mo after 65th birthday
 - Last 4 months of IEP may cause delay in start date of coverage
 - Turn 65 in July—July/Aug, Aug/Oct, Sep/Dec, Oct/Jan
- **General Enrollment Period (GEP)**
 - If miss IEP can sign up Jan 1-March 31 each year
 - Coverage will begin July 1
 - Could have a higher premium for late enrollment
- **Special Enrollment Period (SEP)**
 - If don't sign up during IEP due to employer insurance
 - Can do so any time covered by group health plan—employer/union **OR**
 - During 8 mo period that begins the month after employment ends or group coverage ends, whichever happens first
 - **COBRA does not make someone eligible for enrollment during SEP**

Where to Enroll for Part A & B

- Contact Social Security office near you
 - make appointment
 - take a list of questions
- If 65 or older can use
 - www.socialsecurity.gov/retirement
- If get RRB contact 877-772-5772
 - www.socialsecurity.gov/retirement
- **REMEMBER**—if you already get your social security they will send you the A & B info
 - If you aren't YOU MUST CONTACT THEM

Benefits Under A/B

- **Part A: hospital**
 - **Blood** (unless they have to buy it- then you pay first 3 units or get it donated by you or someone else)
 - **Home Health** —medically necessary, skilled, PT/OT/ST
 - **Hospice**—physician must certify 6 mo or less
 - **Hospital stays-** doesn't include private duty nursing
 - Outpatient hospital stays affect out-of-pocket costs
 - **Religious Nonmedical Health Care Institution**
 - Hospital or skilled facility for those whose care isn't in agreement with their religious beliefs
 - **Skilled Nursing Facility Care**
 - Medically necessary after 3 day minimum inpatient hospital stay for related illness/injury-----NOT custodial care

Benefits Under A/B (continued)

- **Part B:** medical insurance
 - Medically necessary services
 - Doctor's services
 - Tests
 - Outpatient care
 - Home health services
 - Durable medical equipment
 - Preventative Services

What's NOT Covered by A & B

- Long-term care
- Routine dental care
- Dentures
- Cosmetic Surgery
- Acupuncture
- Hearing aids
- Exams for fitting hearing aids
- Eyeglasses-- except in the case of cataracts

Working After Age 65

- **If you have health care benefits:**
 - **Group health insurance from current employer**
 - Most times can't be forced to join Medicare-must be offered same coverage as fellow workers
 - If you are entitled to Medicare and employer has 20+ workers group plan is primary, Medicare is secondary
 - If you are entitled to Medicare and employer has fewer than 20 workers Medicare is primary; group plan is secondary
 - Disability numbers are 100+ and fewer than 100
 - Should you delay Part B?
 - **Retiree health benefits**
 - A & B always primary and retiree plan becomes supplemental

Working After Age 65 (continued)

- **Federal retiree health benefits**
 - Not required to join Medicare B but enroll later = penalty
 - If keep plan and join Medicare, Medicare becomes primary
 - Can switch to lower cost federal plan for secondary
- **Veterans health benefits**
 - Not required to join Medicare B but it's recommended—increases coverage beyond VA hospitals and doctors
 - If delay enrollment in Part B—late penalty if lose VA coverage
 - Can have both VA and Part D (Rx)/if lose VA Rx coverage and enroll in Part D w/in 2 mo there is no late penalty

Working After Age 65 w/out Health Benefits

- Contact Social Security office prior to 65th birthday
 - Unless you already draw social security benefits than your enrollment is automatic
- Enroll 3 mo before/month of/3 mo after 65 birthday
 - Remember last 4 mo delay effective date
- Part A is automatic, Part B has a premium
 - 80/20 cost share==supplement or Medigap

Working After Age 65 w/out Health Benefits

- Decide if Part C (Medicare Advantage) is better option than Original Medicare
 - Does it have prescription coverage?
- If decide Original Medicare is better option
 - Choose Part D plan (prescription coverage)
 - Medications/pharmacy/price
- Choose supplement/Medigap plan
 - 80/20 cost share
 - Standardized in Kansas

Supplements/Medigaps

- Helps cover gaps in Medicare expenses
 - 80/20
- Purchased with Original Medicare
 - Can not be purchased with Medicare Advantage
- Standardized in Kansas
 - Plan benefits do not change from company to company
 - Premium determined by company
- Plans are identified by letter
 - A, B, D, G, K, L, M & N (C & F -- grandfathered status in 2020)
 - Sold by private insurance companies

Supplements/Medigaps Enrollment Periods

- 6 mo Open Enrollment to all Medicare beneficiaries
- Begins with first month in which beneficiary first enrolled for benefits under Medicare Part B
 - Required to offer any supplement policy to all enrollees regardless of health status with no premium differences between healthy/unhealthy individuals
- After 6 mo period ends can use medical underwriting
 - To determine acceptance into plan
 - To determine cost of premium

Medicare D Enrollment

- Open Enrollment for 2021 is Oct 15 – Dec 7, 2020.
 - Plans effective Jan 1, 2021
 - Must stay in plan for year unless special circumstance
- If new to Medicare can join during Initial Enrollment Period
 - May change plan during Open Enrollment
 - Must stay in plan for year unless special circumstance
- May join/change during year if Special circumstance
 - Plan leaves service area
 - You leave plan service area
 - Lose group coverage –63 days
 - Enter nursing home
 - Become eligible for **Extra Help**

Medicare Part D

- Prescription coverage offered to anyone with Medicare
- Must join prescription plan approved by Medicare
 - Stand alone or thru Medicare Advantage Plan
- Premiums, deductible and co-pays vary by plan
- If have other “creditable coverage” you do not need to get a Medicare prescription plan
 - Also pay no penalty if choose to join Medicare D plan later
- Penalty applied if you do not join Medicare D when you should
 - If have no other Rx coverage
 - If other coverage is not deemed creditable
 - Pay penalty each month for as long as you have Part D Coverage

Medicare D Extra Help (LIS)

- Assistance with prescription drug costs
 - Premiums, deductibles and medication copays
 - No coverage gap
 - No late enrollment penalty
- Qualify based on income/assets
 - Apply thru Social Security
- Automatically qualify if
 - Have full Medicaid coverage
 - Receive help thru a Medicare Savings Program from State
 - Receive Supplemental Security Income (SSI) benefits



Questions

Contacts

- East Central Kansas Area Agency on Aging
 - 785-242-7200 /for JOCO 913-286-0292, Martha Maurin
- Social Security
 - <http://www.socialsecurity.gov>
- Medicare
 - <http://www.medicare.gov>
 - 1-800-633-4227
- Kansas Insurance Department
 - 1-800-432-2484