SENIOR HEALTH INSURANCE PROGRAM

BASICS OF MEDICARE

PRESENTED BY HARVARD COMMUNITY SENIOR CENTER SHIP

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ARE YOU CONFUSED? YOUR NOT ALONE

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WHAT ARE WE GOING TO TALK ABOUT?

1. What is Medicare?
2. Who can get Medicare?
3. When, and Where do I sign up for Medicare?
4. What does Medicare Cover/NOT COVER
5. What does Medicare cost?
6. What are Medicare A,B,C,D and Supplements?

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WHAT IS “SHIP”

- SENIOR HEALTH INSURANCE PROGRAM
- STATE SPONSORED THROUGH THE ILLINOIS DEPARTMENT ON AGING
- MOST COUNSELORS ARE VOLUNTEERS
- COUNSELORS ARE NOT PERMITTED TO BE EMPLOYED IN THE INSURANCE INDUSTRY NOR HAVE ANY FINANCIAL INTEREST IN YOUR DECISIONS
- COUNSELORS ADVISE-EDUCATE-INFORM-ASSIST. COUNSELORS DO NOT SELL.
- OFFICES THROUGHOUT ILLINOIS
- HARVARD COMMUNITY SENIOR CENTER 815-943-2740

THIS IS A STATE SPONSORED TAXPAYER FUNDED PROGRAM FOR YOUR BENEFIT.

USE IT.

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MAKING INFORMED CHOICES ON MEDICARE COVERAGE

- EVERY YEAR 13% OF SENIORS OVER 65 DECLARE BANKRUPTCY. THE NUMBER ONE REASON IS HEALTH CARE EXPENSES
- ONE OUT OF THREE AMERICANS WILL BE DIAGOSED WITH CANCER DURING THE COURSE OF THEIR LIVES. 80 PERCENT OF THESE DIAGNOSIS TAKE PLACE IN PEOPLE OVER THE AGE OF 55.
- COST TO TREAT CANCER RANGES FROM $150,000 TO OVER $1 MILLION
- 20% OF SENIORS ADMIT TO BEING UNDERINSURED (UNABLE TO AFFORD NECESSARY CARE)

EXPECTED THE UNEXPECTED!!! HOPE FOR THE BEST! PLAN FOR THE WORST!!

BAD THINGS HAPPEN WHEN YOU DON'T EXPECT THEM.

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What is Medicare?

- Medicare is a voluntary national health insurance program sponsored by the federal government where the government assumes responsibilities to pay your medical bills based on the terms of Medicare .

- Provides comprehensive coverage for in/out of hospital care
- 82% of doctors nationwide accept Medicare
- Care delivered in two separate programs:
- Medicare A: Hospitalization
- Medicare B: Doctor care and outpatient testing/procedures

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Who can get Medicare?

- Seniors 65 and over who are American citizens and their spouses over 65
- Legal immigrants who have lived in the United States for five consecutive years and are over 65.
- Individuals who are disabled and unable to work AND who have been receiving Social Security Disability for a minimum of two years. No age requirement.
- Individuals with end stage renal disease (kidney failure)
- Individuals with ALS

- COSTS ARE DETERMINED BASED ON WORK/CONTRIBUTION HISTORY.

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When can I sign up for Medicare?

- You have a 7 month window in which you can sign up for Medicare This window is called your individual enrollment period **SIGN UP EARLY.**
- Your individual enrollment period begins 3 months before the month you turn 65 and continues for seven months.
- You must sign up during your IEP or you will need to wait until the following January to enroll and potentially face penalties UNLESS you continue working past 65 and maintain employer coverage.
- If you miss your IEP you can sign up during Medicare's enrollment period which runs January 1 to March 30
- If you continue to work fulltime past the age of 65 and have access to an employer insurance plan, meet with a ship counselor during your open enrollment period to discuss your options.

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WHAT ARE THE PARTS OF MEDICARE

- Part A covers hospitalization expenses after your deductible is met
- Part B covers 80 percent of your expenses for doctor's visits, lab work, testing, and outpatient procedures after your deductible is met
- Part C (Medicare Advantage) is a private insurance option
- Part D covers self administered prescriptions and some vaccinations
- Medicare Supplements can cover the deductibles and co pays Medicare does not cover

- MEDICARE **DOES NOT** PROVIDE ANY COVERAGE FOR DENTAL,VISION, OR HEARING
- MEDICARE **DOES NOT** COVER LONG TERM CARE OR NURSING HOME ACCESS

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How to I sign up for Medicare?

- YOU HAVE THREE OPTIONS TO SIGN UP FOR MEDICARE
- 1. AT ANY SOCIAL SECURITY OFFICE NATIONWIDE
- 2. BY FILING OUT THE ONLINE APPLICATION AT WWW.SSA.GOV.
- 3. MAKE AN APPOINTMENT WITH A CERTIFIED SHIP COUNSELOR
- NOTE: IF YOU ARE RECEIVING SOCIAL SECURITY BENEFITS PRIOR TO YOUR OPEN ENROLLMENT PERIOD YOU WILL BE AUTO ENROLLED INTO MEDICARE

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MEDICARE PART A

- Medicare Part A will cover
  --Hospital expenses ($1700 deductible) after admission
  --Skilled Nursing care if prescribed after Hospital stay
  --Hospice care
  --Limited Home health care under certain situations

If you have worked 10 years or more and contributed to the Medicare FICA tax, Part A is provided at no additional cost

If worked less than 10 years a buy in option is available.

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MEDICARE PART B

- MEDICARE PART B WILL COVER 80% AFTER DEDUCTIBLE
  - Services from Doctors and other health care providers
  - Outpatient care (care received at a hospital outpatient center
  - Certain Home health care
  - Durable medical equipment
  - Many preventive services (screenings, some vaccinations)

Part B has an annual deductible of 283.00 After that pays 80%

PART B HAS NO MAXIMUM OUT OF POCKET LIMIT

MONTHLY PREMIUM FOR MOST $202.50

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WHAT ARE MY OPTIONS FOR RECEIVING MEDICARE COVERAGE

WHEN YOU JOIN MEDICARE YOU MUST CHOOSE

1. STAY ON TRADITIONAL MEDICARE AND RECEIVE YOUR HEALTH COVERAGE THROUGH THE FEDERAL GOVERNMENT BASED ON THE TERMS OF MEDICARE

2. SWITCH TO A PRIVATE INSURANCE OPTION (MEDICARE C ADVANTAGE PLAN) AND RECEIVE YOUR HEALTH COVERAGE THROUGH A PRIVATE INSURANCE COMPANY BASED ON THE TERMS OF THE PLAN YOU SELECT

MEDICARE PART C

- Medicare Part C is a bundled private insurance plan offered as an option to traditional Medicare. Part C IS NOT Medicare. Bills are payed for by private insurance company based on the terms of the plan.

  Medicare Part C

  Sold by many private insurance companies

  “Bundled” plan that is structured similar to traditional insurance plans.

  Usually includes some dental and vision coverage as well as Prescription and
- Possibly other benefits

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OVERVIEW OF OPTIONS

Traditional medicare

- Use any doctor you want who accepts Medicare anywhere in the USA
- No network
- Very few preapprovals required
- Purchase of a supplement and separate Part D to obtain full coverage
- No maximum out of pocket

Part C Advantage Private Ins.

- Must use plan network
- Has HMO and PPO options
- More Preapprovals
- Pay as you go Copays for most services
- Often sold at 0 premium—but must continue to pay the part B premium of $185.70
- Includes drug coverage and can include some dental, vision, and other benefits
- No supplement or Part D purchase necessary
- Similar coverage to Medicare but terms and restrictions'
- All plans have max. out of pockets

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PART D

- Prescription coverage for self administered drugs and some vaccines
- Purchase separately on Traditional Medicare—included with most Part C
- Sold by 30 private insurance companies
- ALL PLANS ARE DIFFERENT—DIFFERENT DRUGS, COPAYS AND PREMIUMS
- NO BEST PLAN—BEST PLAN FOR YOU DEPENDENT ON DRUGS YOU TAKE
- USE THE MEDICARE PLAN FINDER TO DETERMINE YOUR BEST PLAN
- DON'T BUY ON PREMIUM ONLY—EVALUATE TOTAL OOP COST.

- NEVER EVER EVER BUY A PART D PLAN WITHOUT USING THE PLAN FINDER
- ALWAYS CHECK YOUR PLAN ANNUALLY DURING OPEN ENROLLMENT

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MEDICARE SUPPLEMENT

- Available to Participants on Traditional Medicare
- Sold by many private insurance companies
- Will pay a portion of the deductibles and co pays Medicare does not cover
- There are several to select from—identified by a letter A through N with G being the most common. High deductible options also available.
- You have a 6 month window of guaranteed acceptance from when you join Medicare to purchase a supplement. After that you must undergo health vetting. Once you are accepted, you can never be cancelled EXCEPT for non- payment of premium.
- Buy into a plan with a large pool of participants—at least 500,000.

- NEVER EVER EVER EVER BE ON TRADITIONAL MEDICARE WITHOUT BUYING A SUPPLEMENT

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WHAT DOES MEDICARE COST

- Part A: Part A is funded via Medicare tax paid when working. Once you hit 65 with 10 years of contributions Part A is fully funded.
- Part B Beneficiaries pay 25% of the cost of Part B coverage. 75% is funded by the taxpayers. This year's beneficiary contribution is $174.00 a month
- Part C: Funded primarily by the taxpayers via $1100 monthly payments to Part C providers. Beneficiaries pay Co-Pays at time of service which can be large dependent on medical services provided

Supplement: Funded solely by beneficiaries. Premiums increase as beneficiaries age. Cost for Plan G starts around $170 month

Part D Beneficiaries fund 25% of cost of drug plan plus copays. Taxpayers fund 75%. Premium costs range from $0.00 to $149 a month

MEDICARE OPEN ENROLLMENT PERIODS

- OCTOBER 15-DECEMBER 7
- DURING THIS OPEN ENROLLMENT PERIOD YOU CAN:

  Change your Part D if a better plan exists (no vetting)

  Move from traditional Medicare to Part C

  Move from Part C to traditional Medicare (Health vetting may apply for sup)

  and purchase a new Part D

  Change from one advantage plan to another (no vetting)

You can change your Medicare supplement anytime during the year but after your GAP (guaranteed acceptance period) you will be subject to health vetting.

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OPEN ENROLLMENT PERIOD CONT

- January 1-March 31

- During this open enrollment period you can:

  Switch from one advantage plan to another

  Switch from Part C back to traditional Medicare (supplement subject to health vetting) and buy a new Part D (no vetting)

  Sign up for Medicare A and B if outside your IEP

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MEDICARE PROGRAMS TO ASSIST LOW INCOME

- 1. Extra help-- Pays 95% of Part D drug costs plus Part D premium for qualifying individuals
  2. Medicare Savings Programs—Can pay all or part of Medicare Part A and Part B premiums plus copays and deductibles
  3. QMB—Can assist with Part A and Part B expenses

SEE A CERTIFIED SHIP COUNSELOR TO DETERMINE IF YOU ARE ELIGIBLE AND FOR ASSISTANCE SIGNING UP.

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2026 Medicare changes

- Part B premium projected to increase from $185 to $202 per month
- Part B deductible projected to increase from $257 to $283 per year
- Part D deductible (for high end drugs) increase from $590 to $615
- Part D out of pocket max to increase from $2000 to $2100
- Medicare advantage to continue to cut benefits such as dental and vision
- Medicare prescription Payment plan will provide automatic reinrollment
- Impact of negotiated drug prices should lower cost of some medications
- Vaccines will now be covered under part D/B with no deductibles

RECAP

- SIGN UP EARLY IN YOUR INDIVIDUAL ENROLLMENT PERIOD
- CAREFULLY EVALUATE YOUR OPTIONS—SEE A SHIP COUNSELOR
- USE THE PLAN FINDER TO SELECT A PART D—SEE A SHIP COUNSELOR
- IF SIGNING UP FOR TRADITIONAL MEDICARE—BUY YOUR SUPPLEMENT DURING YOUR GUARENTEED ISSUE PERIOD

CHECK YOUR PART D EVERY YEAR DURING MEDICARES FALL OPEN ENROLLMENT

USING THE PLAN FINDER—SEE A SHIP COUNSELOR FOR HELP

REFER TO WWW.MEDICARE.GOV WITH QUESTIONS OR TO FIND THE PLAN FINDER

AND MOST OF ALL

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RELAX----YOU GOT THIS