Medicare 101---2021

Federal health insurance program administered by the Centers for Medicare and Medicaid Services (CMS) for those who are:

- 65 and older
- Any age & on Social Security Disability payments for 24 months
- Diagnosed with End Stage Renal Disease (ESRD) or ALS (Lou Gehrig’s Disease)

<table>
<thead>
<tr>
<th>Medicare</th>
<th>Medicaid</th>
</tr>
</thead>
<tbody>
<tr>
<td>■ Insurance Program</td>
<td>■ Assistance Program</td>
</tr>
<tr>
<td>■ Serves mostly people over 65 regardless of Income</td>
<td>■ Serves low-income people of any age</td>
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<tr>
<td>■ Participants pay part of Costs</td>
<td>■ Participants in the past have paid no part of costs in Ohio</td>
</tr>
<tr>
<td>■ Federal Program-same across the US</td>
<td>■ Federal/State Program-services vary from state to state</td>
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<tr>
<td>■ Enrollment through the Social Security Office and Specific information on <a href="http://www.socialsecurity.gov">www.socialsecurity.gov</a></td>
<td>■ Information through the Ohio Dept. of Medicaid <a href="http://www.medicaid.ohio.gov">www.medicaid.ohio.gov</a></td>
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### Applying for Medicare

- **Apply** with Social Security during a 7 month Initial Enrollment Period (IEP): which is the 3 months before you turn age 65, the month you are 65, and the 3 months after you turn 65. **Everyone on Medicare received a new card with a unique number—not their Social Security number in 2018.**

- **Medicare Will Enroll You Automatically If:**
  - You have been receiving Social Security Disability Benefits for 24 consecutive months before reaching age 65.
  - You have been collecting early Social Security retirement payments (Medicare is not available for early retirees until they reach age 65).

- **If you do not sign up for Medicare (either Parts A or B)** because you are covered under a group health plan based on your or your spouse’s current employment: You have an 8-month period that begins the month after the employment ends or the group health plan coverage ends (whichever happens first) to sign up without having to pay a penalty. Check with your current health plan to determine your options.

Updated 1/2021
Medicare Part A Covers:
  o Hospital Care
    ▪ After Initial Deductible of $1484, pays 100% for next 60 days of care
    ▪ After 60 days out of the hospital, deductible is due again if admitted to the hospital
    ▪ Pays the hospital a set amount for a diagnosis regardless of the time there
  o Limited number of days in Post Hospital Skilled Nursing Home Care (also called sub-acute or rehab care)
  o Skilled Home Health Care Services
  o Hospice Care (terminal diagnosis of 6 months or less)

No monthly premium—coverage is automatic for most if eligible for and enrolled in Medicare

Medicare Part B Covers:
  ▪ Doctor’s Bills
  ▪ Some Outpatient Treatments
  ▪ Some Skilled Home Health Care (100% instead of 80%)
  ▪ Durable Medicare Equipment
  ▪ Some Rehabilitative Therapies
  ▪ Some Laboratory Procedures (100% instead of 80%)
  ▪ Some Mental Health Services (80%)
  ▪ Some Preventative Care
  ▪ Voluntary to join, monthly premium is taken from Social Security check
  ▪ If choose not to join, pay a penalty if choose to join later unless have existing “creditable” coverage (penalty is 10% for every 12 month period of delay)
  ▪ If choose not to join, must wait until an open enrollment period to join (January 1-March 31st with coverage beginning July 1).
  ▪ Premium is $148.50 a month for most enrollees (may be higher if income is greater than $85,000).
  ▪ Pays 80% of bills after yearly $203.00 Deductible

What Medicare Does Not Cover:
  ▪ Most dental care, eye care, and hearing aids
  ▪ Intermediate and protective level of care in nursing homes and home care
  ▪ Care in “Assisted Living” Facilities & Adult Day Health Services
  ▪ Homemaker, chore and meal services in the home
  ▪ Non-traditional therapies (except some Chiropractic)
  ▪ Transportation Services outside emergencies

Updated 1/2021
Preventive Services & Screenings

❖ One time Welcome to Medicare Exam
❖ Yearly Physical
❖ Abdominal aortic aneurysm screening
❖ Bone mass screening
❖ Cardiovascular disease Screening & Counseling
❖ Colorectal Cancer Screening
❖ Diabetes screening & Supplies
❖ Pneumonia vaccines
❖ EKG Tests
❖ Flu Shots
❖ Glaucoma tests
❖ Hepatitis B shots
❖ Mammograms
❖ Pap test
❖ Prostate Screenings
❖ Smoking Cessation & Counseling
❖ Depression Screening
❖ Obesity Screening & Counseling
❖ Alcohol Misuse Screening & Counseling
❖ HIV & Sexually Transmitted Diseases Screening Counseling
❖ Shingles Vaccine—under Part D

Supplemental Medicare Insurance

❖ Sometimes called Medigap or Medsup
❖ Regulated and Standardized
❖ Choice of 8 Policy Types: A,B,D,G,K,L,M,N
❖ Coverage is the same in each type
❖ Medicare Beneficiary should only have one.
❖ Initial 6 month open enrollment after age 65 and enrolled in Part B—after that period, the plans can turn down people for any reason or choose not to cover pre-existing health conditions.
❖ Once a person is enrolled, cannot be canceled involuntarily no matter how sick or expensive they are to the plan.
❖ Very Different from Long-Term Care Insurance
❖ See “Buyers Guides” published for free by the Ohio Dept. of Insurance for more information.

Medicare Advantage Plans(Part C)

❖ Expanded and better benefits than in the past.
❖ Many offer set co-pays and deductibles as well as some expanded coverage(eyes, teeth, gym memberships)
❖ Usually includes prescription coverage. No need for an extra Part D Plan.
❖ Most cover a specific geographic area—i.e. county.
❖ Must go to plans’ providers to receive coverage outside of emergency care.
❖ No need for Medsup policy—however if a person drops their policy to enroll in a Medicare Advantage Plan, he/she may pick it back up—ONCE—if they later drop the Medicare Advantage Plan.
❖ Open Enrollment period for Advantage Plans is extended to January 1-March 31, 2021. After that, a person must keep a plan until the next open enrollment period (Oct. 15-Dec. 7) unless a person moves or is involuntarily dropped.
Medicare Prescription Drug Coverage (Part D)

❖ Available for all people with Medicare
❖ Covers outpatient medication both name brand and generic.
❖ Have both statewide or national plans
❖ Every Medicare Beneficiary should enroll in one unless he/she already has coverage through an employer or retiree plan.
❖ There is a penalty for not enrolling which is 1% of the premium for each month you delay.
❖ Need to check your plan each fall in the open Enrollment Period (October 15-Dec.7) and decide to stay in your plan or change plans.

Medicare’s Standard Drug Plan—2020 Components

❖ All Plans have a different cost structure including premiums
❖ Monthly Premium(average of about $35.00 per month-can vary by plan)
❖ A Deductible from $0-435.00
❖ After meeting the deductible, You pay $25% of name brand prescriptions and your plan pays 75%.
❖ Catastrophic Coverage-pays 95% when your total drug costs reach $9719.00
❖ Note: Out of pocket expenses do not include monthly premium or other coverage you may have.

What Drugs does a Part D Plan Help To Cover?

❖ A Plan’s list of covered drugs(called a formulary) is different for each plan
❖ Plans place their drugs into different “tiers” on their formularies
❖ Drugs in each tier have a different cost
❖ Plans may require: prior authorization, quantity limits or step therapy
❖ If you or your doctor believe that one of these coverage rules should be waived, you can ask for an exception
Medicare Part D---Extra Help for People with Limited Income & Resources

❖ You may qualify for a Limited Income Subsidy(LIS) from Medicare which gives you extra help to pay prescription drug costs if your yearly income & resources are below the following limits for 2020:

❖ Income:
  o Below 150% of Federal poverty level:
  o $1581.00 a month for an individual
  o $2134.00 a month for a married couple
  o It varies based on family size

❖ Resources
❖ Up to $14,610 for an individual
❖ Up to $29,160 for a married couple
❖ Includes $1500 a person funeral or burial costs
❖ Counts savings and stocks but does not count cash value of life insurance
❖ Does not count home you live in
❖ To apply—call or go online to the agencies listed on p. 6 of this handout

Medicare Savings Programs-
What Are They?

❖ Qualified Medicare Beneficiary(QMB)- Pays Part B premiums, deductibles and any co-insurance
❖ Specified Low Income Medicare Beneficiary(SLMB)--Pays Part B premiums
❖ Qualified Individual(QI)- Pays Part B premiums
❖ All of these qualify a person for extra help with prescription drug coverage (Part D)
❖ Apply for these with Ohio Department of Job and Family Service or Ohio Dept. of Medicaid.
  www.medicaid.ohio.gov

PROTECT Yourself From Unscrupulous Sales Practices

❖ The following sales tactics are prohibited:
❖ Door to door sales
❖ Giving out cash or gifts exceeding $15.00
❖ Misrepresenting a plan or giving incomplete information
❖ A company representing themselves as Medicare
❖ Report to Ohio Department of Insurance at 1-800-686-1527
Important Mailings in 2021: Pay Attention

August-December 2021

- Re-determination by Social Security for extra help
- Auto Plan assignment by Centers for Medicare & Medicaid
- Plan drops out—Notice Sent
- Plan Premium goes above benchmark (about $35.00 a month in 2021)
- State records no longer show deemed eligible—CMS will notify
- ANOC—Annual Notice Of Change from your current plan
- Letter from Existing Health Plan about future coverage

Medicare: Where to Find Information or Get Assistance

❖ Central Ohio Area Agency on Aging 800-589-7277, www.coaaa.org
❖ Medicare 1-800-Medicare, www.medicare.gov
❖ Social Security Administration, 1-800-772-1213, www.ssa.gov

About the Sponsor

The Central Ohio Area Agency on Aging is an advocacy, service and development agency, serving the interests of older adults in 8 counties (Delaware, Fairfield, Fayette, Franklin, Licking, Madison, Pickaway and Union). Programs include the Older Americans Act, PASSPORT, Franklin County Senior Options, Volunteer Guardian, Speakers Bureau, Caregiver Support, Training & Education. Operated by Columbus Recreation & Parks Dept., Cindy Farson, COAAA Director. Call 614-645-7250 or 1-800-589-7277 for general information. www.coaaa.org

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