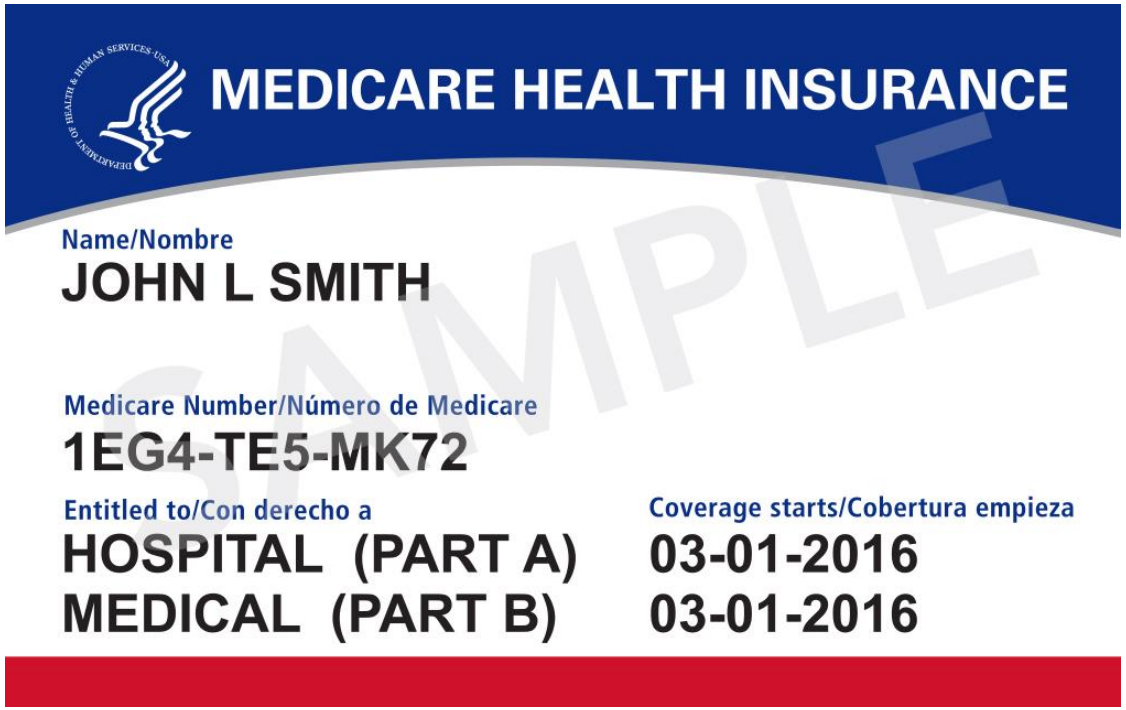
MEDICARE 101



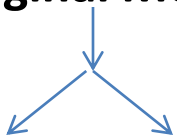
YOUR MEDICARE PLAN CHOICES

Part A
Hospital Insurance

and/ or

Part B
Medical Insurance

"Original Medicare"



You can add one or both

Medicare Supplement/ Medigap Policy
Must have A *and* B

Part D Prescription Drug Plan (PDP)
Can have A *or* B

Part A
Hospital Insurance

and

Part B
Medical Insurance

"Advantage Plan" or "Medicare Health Plan"

Part C
Combines Part A and Part B and usually Part D

Social Security Administration
1 888 487-0150

MEDICARE PART A

HOSPITAL COVERAGE

PART A: HOSPITAL- INPATIENT

You Pay:

- $1,484 deductible per benefit period of 60 days
- $371 per day for day 61-90 & $742 through 90 days up to lifetime reserve of 60 days
- Formal Admission vs. Under Observation

PART A: SKILLED NURSING HOME

You Pay:

- $0 for the first 20 days of each benefit period
- $185.50 per day for days 21-100
- No coverage after 101 days as Medicare is **NOT** Long-term Care

PART A: HOSPICE

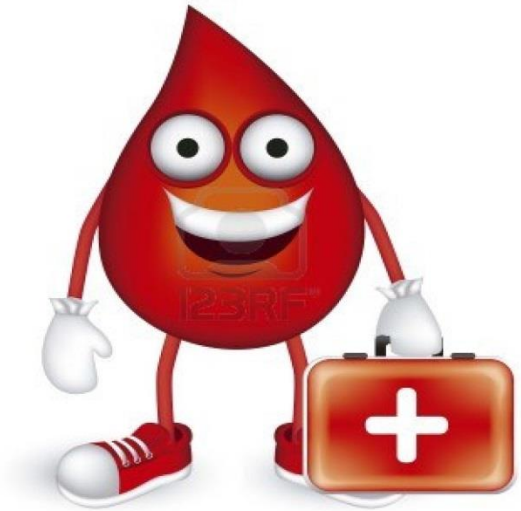
You Pay:

- A co-payment of up to $5 per prescription for pain management
- 5% Medicare-approved respite

PART A & B: BLOOD

You Pay:

- Medicare does not pay for the first three pints



PART A & B: HOME HEALTH CARE

You Pay:

- $0 for homecare services
- 20% of Medicare-approved amount for durable medical equipment
- Durable medical equipment loan closets

MEDICARE PART B

DOCTOR COVERAGE

PART B PREMIUMS/DEDUCTIBLES

You Pay:

- $148.50 for monthly premiums
- $203.00 deductible per year

PART B: DOCTORS

You Pay:

- 20% of Medicare-approved amount

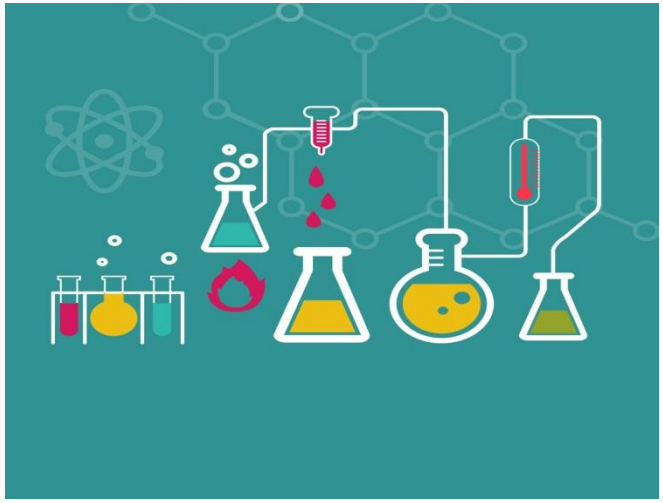
3 Doctor Types:

- **Assignment**: Accepts Medicare and it pays
- **Non-Assignment**: Accepts Medicare but not what it pays; charge 15% more
- **Non-Medicare**: Does not accept Medicare; you will pay 100% for doctor's services

PART B: LABORATORY SERVICES

You Pay:

- $0 for Medicare-approved services



PART B: OTHER COVERED SERVICES

X-Ray, MRI, ambulance, durable medical equipment, Part B drugs

You Pay:

- 20% copayment

PART B: OUTPATIENT HOSPITAL SERVICES

You Pay:

- 20% of the Medicare-approved amount for doctor/health care provider
- Copayment to the hospital for each service (except some preventive services)

Note: You may save money by having the same service(s) done in the doctor's office instead, if that's an option

MEDIGAP/SUPPLEMENT POLICY with Original Medicare

MEDIGAP/SUPPLEMENT POLICY BASICS

A Medigap/Supplement policy:

- An insurance plan that helps pay for out-of-pocket Medicare costs

- These plans are identified by letters A through D, F, G, and K through N and are standardized to offer the same benefits
- Do not confuse Medicare Part A & B with Medigap Plan A & B
- All same-letter plans have the same basic benefits
  - Plan G is a G no matter whom you purchase it from
  - Same-letter plans vary in cost
- You **MUST** have original Medicare Part A & B
- You cannot also have a Medicare Advantage Plan
- Supplements cover one person. Spouses must buy a separate policy

Benefits	Medigap plans									
	A	B	C	D	F*	G*	K	L	M	N
Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Medicare Part B coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%***
Blood (first 3 pints)	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Part A hospice care coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	100%	100%	50%	75%	100%	100%
Part A deductible		100%	100%	100%	100%	100%	50%	75%	50%	100%
Part B deductible			100%		100%					
Part B excess charges					100%	100%				
Foreign travel emergency (up to plan limits)			80%	80%	80%	80%			80%	80%
							Out-of-pocket limit in 2020**			
							$5,880	$2,940		

* Plans F and G also offer a high-deductible plan in some states. With this option, you must pay for Medicare-covered costs (coinsurance, copayments, and deductibles) up to the deductible amount of $2,340 in 2020 before your policy pays anything. (You can't buy Plans C and F if you were newly eligible for Medicare on or after January 1, 2020. See previous page for more information.)

** For Plans K and L, after you meet your out-of-pocket yearly limit and your yearly Part B deductible ($203 in 2021), the Medigap plan pays 100% of covered services for the rest of the calendar year.

*** Plan N pays 100% of the Part B coinsurance. You must pay a copayment of up to $20 for some office visits and up to a $50 copayment for emergency room visits that don't result in an inpatient admission.

MEDIGAP/SUPPLEMENT POLICY ELIGIBILITY

Open Enrollment:

- ***6-month*** period beginning when you start Part B
  - Usually starts when you turn 65
- If you have *creditable* coverage, the 6 months begin when your current coverage ends and your Part B starts.
  - During this 6 months, you have a "guaranteed issue right", meaning they do not look at pre-existing conditions (except for Plans **G** and **N**)
  - After open enrollment, they may charge you more or not insure you at all
  - If you switch from a Medigap to an Advantage Plan, you can try it out; if you want to switch back to your Medigap you must do so within 1 year.

MEDIGAP/SUPPLEMENT POLICY ENROLLMENT

How to enroll:

- You must purchase a Medigap plan through an insurance agent. Try to see an *independent* agent.
- The booklet provided is from the State Commissioner of Insurances in MT
  - Gives estimated annual costs for each plan and companies who provide them. Call phone number on last page for information.

Cost:

- Same-letter plans vary in cost depending on company
- Annual plan premiums change based on your age

MEDIGAP/SUPPLEMENT POLICY

What's *not* covered:

- Medication costs (which are only covered by Medicare Part D – see next page)
- Monthly Medicare Part B premium of $148.50/month
- Most vision, dental or hearing services, including hearing aids, dentures, and eyeglasses (which are covered by some in-house member plans or the more expensive of the Medicare Advantage Plans)

MEDICARE PART D with Original Medicare

PERSCRIPTION MEDICATION COVERAGE

PART D DRUG COVERAGE

You Pay

- Monthly **Premiums**:
  - Premiums will vary depending on your medications and what insurance company you choose (cheapest is $7.30/month)
- Medication **Co-Pays or co-insurances**:
  - You may pay part of the cost of your prescriptions
  - The **Donut Hole is Gone**, enrollees pay 25% of drug costs after meeting their deductible until they reach catastrophic coverage, $4130.00 to $6550.00
- **Deductibles**:
  - Some Medicare Part D plans have deductibles to meet before the plan starts covering the cost when you fill your medications

PART D DRUG COVERAGE

Choosing a Plan:

- You need to choose your **drug plan** carefully. Make sure your plan covers all of your drugs.
- When you enroll in Part B you ***MUST*** get enrolled in a Part D (unless you have creditable coverage) to:
  - **avoid a penalty** of 1% of the premium per month for every month that you do not have a policy.
  - This ***penalty*** is added to your Part D premium every month ***for life!***

MEDICARE PART C

ADVANTAGE PLANS/MEDICARE HEALTH PLANS

MEDICARE PART C

- **What Is Part C:**

  A Medicare Advantage (MA) Plan (Medicare Health Plan): is a choice offered by private insurance companies

  - You *MUST* have both Part A and B to participate in Part C
  - These plans will cover your medical and drug needs according to rules set up by Medicare.

MEDICARE PART C

- **How Does Medicare Part C Work:**
  - Medicare pays each month to the insurance company instead of covering you with Medicare part A & B for your medical costs
    - **"Out of pocket costs"** are determined by the plan you choose
    - Deductibles & co-pays for doctors, suppliers, & prescription medications are all considered **"out of pocket costs"**
  - You may only go to doctors, facilities, or suppliers that belong to their **"network"** and, and you may need permission for **"out-of-network"** services
    - Your out-of-pocket costs will be higher when out-of-network

MEDICARE PART C

- **<u>Medicare Part C Insurance Companies:</u>**
  - In Montana, the companies must have approval for sale in your county
  - In Flathead County as of 2021 there are 3 companies approved: Blue Cross Blue Shield, Humana and Lasso

COMMON CONCERNS	SUPPLEMENT/MEDIGAP	MEDICARE ADVANTAGE (MA)
Restrictive network of doctors, hospitals and providers	NO	YES
Co-payment to providers	NO	YES
Cap on out-of-pocket expenses (excluding prescription drugs)	NO Except Plans K and L	YES
Health plan decides what tests and procedures are approved for you	NO	YES
Can your plan be cancelled?	NO As long as premiums are paid	YES Plans are approved yearly and can be dropped
Ability to travel in country and use any Medicare-approved doctor or hospital	YES	POSSIBLY Exception: MA covers emergency out-of-network care
Pre-certification required for some treatments	NO	YES Penalties can apply if pre-certification not done
Hard to re-enroll after cancelled	YES	NO
MAYO clinic included	YES	POSSIBLY
Emergency internat'l coverage	SOME PLANS	POSSIBLY

STOP FRAUD ANYTIME

- Read your Medicare Summary Notice or Medicare Advantage Explanation of Benefits when they arrive.
- Wait for Medicare and other insurers to pay before paying a bill and call SMP when you think something is not right.

MONTANA SMP

1-800-551-3191

PROTECT DETECT REPORT

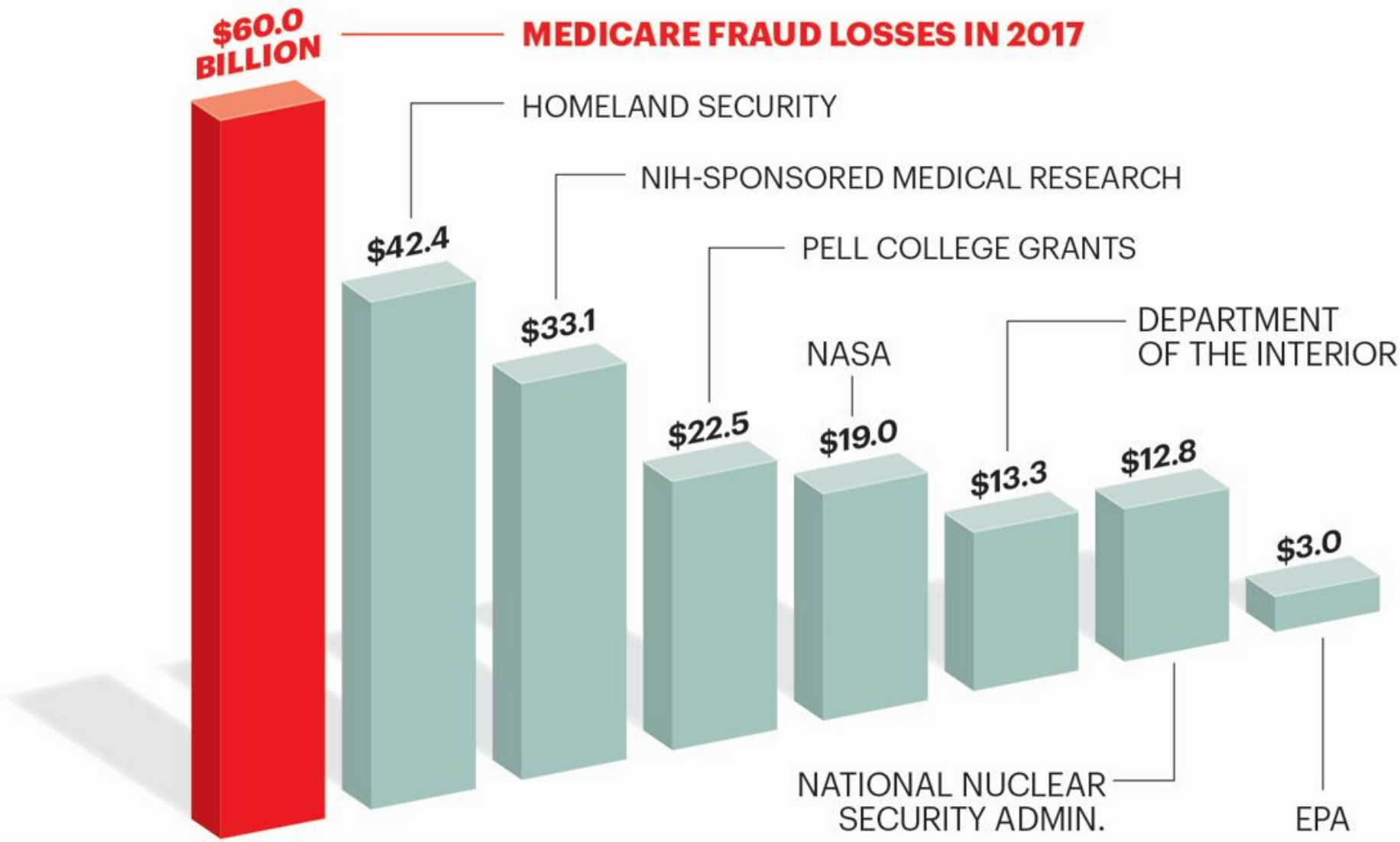
Montana SMP is a program administered by Missoula Aging Services, partnered with local Montana Area Agencies on Aging and supported, in part by grant 90MP0233, from the U.S. Administration for Community Living. Points of view or opinions do not necessarily represent official ACL policy.

STOP FRAUD

1. Medicare will never call or visit. Medicare will only send information via postal mail service.
2. Protect your Medicare number like you would a credit card.
3. If you receive a call about Medicare or from anyone requesting personal information, especially from a number you do not recognize, hang up immediately.
4. Call Montana SMP if you feel you've been the victim of Medicare waste, fraud or abuse.

Montana SMP
Empowering Seniors To Prevent Healthcare Fraud

1-800-551-3191


$60.0 BILLION
MEDICARE FRAUD LOSSES IN 2017
HOMELAND SECURITY
$42.4
NIH-SPONSORED MEDICAL RESEARCH
$33.1
PELL COLLEGE GRANTS
$22.5
NASA
$19.0
DEPARTMENT OF THE INTERIOR
$13.3
$12.8
$3.0
NATIONAL NUCLEAR SECURITY ADMIN.
EPA

AARP

Flathead County
agency on aging

Flathead County Agency on Aging
40 11th St W, Kalispell
758-5730

BenefitsCheckUp®
National Council on Aging

ncoa
National Council on Aging

Learn More About Benefits

Learn more about the programs that can help you save money.

Medications | Health Care | Income Assistance | Food & Nutrition | Housing & Utilities | Tax Relief | Veteran | Employment | And More

Medications

You may be eligible for programs that save money on **medications and other health care costs (such as copays and deductibles).** People who have applied for these benefits **can save, on average, $4,000 annually** in assistance.

Find My Benefits

Examples of Medication Programs

- Medicare Part D
- Medicare Low Income Subsidy (LIS)/Extra Help
- State Pharmaceutical Assistance Program (SPAP)
- Patient Assistance Programs
- Prescription Savings and Discount Cards

A Better Way to Find Benefits

Simple Steps

Answer a few questions and quickly find the benefits you deserve.

Secure & Protected

Search for benefits with confidence. We do not track your personal information.

Tailored to You

Your benefits search will find the programs that meet your unique individual needs.

Confidential, online tool that includes state-specific public and private programs for older adults with limited income.

BenefitsCheckUp®
National Council on Aging

The free benefits screening takes about 20 minutes and can be done by phone, in person or mail. After providing information on income, resources, and expenses a benefits report will list the programs that may help you with:

- **Prescription drug savings**
- **Health care costs**
- **Utility bill assistance**
- **Property tax assistance**
- **Food expense**
- **Medicaid**
- **Veteran services**

What are some of the Available Benefits?

Core Benefits

- Medicare Part D Extra Help- helps with premium, deductibles and coinsurance
- Medicare Savings Program (MSP)-helps pay Medicare Part A and/or Part B premiums, deductibles and copayments
- Medicaid-pays for medical care for people who have very low incomes and also helps pay for long-term care at home or in a facility
- Supplemental Nutrition Assistance Program-provides an electronic card use to purchase food at the grocery store
- Low Income Energy Assistance Program (LIEAP)-pays for weatherization and/or part of winter energy bills

Enrollment Assistance for Other Benefits

- ☑ Montana Big Sky Rx
- ☑ Property Tax Relief
- ☑ Other local and state benefits

WE FOLLOW THROUGH!

Expect us to follow-up with you to make sure benefits have been approved and the services are meeting your needs.

The ultimate goal: a streamlined process to identify and apply for multiple benefits at one time based on an individual's circumstances.

Do you know someone who needs a

BenefitsCheckUp®
National Council on Aging

A neighbor, friend, or parent?

fcaa
Flathead County
agency on aging

758-5730