



# ODI

Ohio Department  
of Insurance

John R. Kasich, Governor

Mary Taylor, Lt. Governor/Director

# Medicare & You

Presented by



**OSHIP**

Answers to your  
Medicare questions

# Medicare 2015

- The Exchange **won't** have any effect on your Medicare coverage. Your Medicare benefits aren't changing.
- It's against the law for someone who knows that you have Medicare to sell you an Exchange plan.
- The Medicare open enrollment period is a time when there's a higher risk for fraudulent activities.
- DO NOT share your Medicare number or other personal information with anyone who knocks on your door or contacts you uninvited to sell you a health plan.



**ODI**  
Ohio Department  
of Insurance

# What is Medicare?

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

1. 65 and older
2. any age and Disabled
3. diagnosed with End Stage Renal Disease (ESRD)

## Option 1

### Original Medicare

Part A and Part B

+

### Secondary Insurance

GHI, MedSup, or Medicaid

+

### Rx Coverage

Part D or GHI

# OR



## Option 2

### Medicare Advantage

(Part C)

1. Hospitalization,
2. Medical
3. Rx (MA-PD)



MEDICARE			HEALTH INSURANCE	
<b>1-800-MEDICARE (1-800-633-4227)</b>				
NAME OF BENEFICIARY				
<b>JANE DOE</b>				
MEDICARE CLAIM NUMBER			SEX	
<b>000-00-0000</b>				
IS ENTITLED TO		EFFECTIVE DATE		
<b>HOSPITAL</b>	<b>(PART A)</b>	<b>07-01-1986</b>		
<b>MEDICAL</b>	<b>(PART B)</b>	<b>07-01-1986</b>		
SIGN HERE 				

## Part A- Hospital

- Inpatient Hospitalization
- Skilled Nursing Facilities
- Home Health Care
- Hospice

- ❖ Medicare was never intended to pay 100% of health care costs
- ❖ Medicare does not cover non-medically necessary services or care outside the USA in most cases
- ❖ Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) must be obtained from a contracted supplier

## Part B- Medical

- Doctors/Providers
- Preventive Benefits
- Durable Medical Equip.
- Outpatient services



# Applying for Medicare

- Enrollment automatic if you get Social Security or Railroad Retirement benefits prior to Medicare eligibility
- All others must apply with Social Security (or Railroad Retirement) during their

## **7 month Initial Enrollment Period (IEP)**

- 3 months before your 65<sup>th</sup> birthday
  - Month of your 65<sup>th</sup> birthday
  - 3 months after your 65<sup>th</sup> birthday
- If you are covered under your (or your spouse's) **current** employer group health plan, you may delay enrollment into Medicare Part B



# 2015 Medicare Amounts

## Part A

- Hospital Deductible  
\$1,260/benefit period
- Hospital Copays  
\$315/day, days 61-90  
\$630/Lifetime Reserve Day
- Skilled Nursing Copay  
\$157.50/day, days 21-100
- Monthly Premiums  
40 or more credits= \$0  
30-39 credits= \$224  
30 or less credits= \$407

## Part B

- Monthly Premium \$104.90
- Late enrollees may incur a 10% penalty for each year of delay
- Those with higher incomes may pay a higher premium
- Annual Deductible \$147
- Copayments generally 20% of Medicare Approved Amount

Use [MyMedicare.gov](http://MyMedicare.gov) to see all your Medicare claims!

# Medicare Preventive Benefits

- “Welcome To Medicare” physical exam
- Bone mass measurement
- Annual Wellness Exam
- Cardiovascular screening
- Colorectal cancer screening
- Diabetes screening, services and supplies
- Obesity Screening
- Depression Screening
- Vaccinations
  - Flu, Pneumococcal & Hepatitis B
- Glaucoma screening
- Pap test and pelvic exam with clinical breast exam
- Prostate cancer screening
- Screening mammogram
- Smoking cessation counseling
- Alcohol Misuse Screening

Part B Deductible and Coinsurance is waived for most preventive care services.

# Secondary Insurance

**Original Medicare**

Part A and Part B

+

**Secondary Insurance**

GHI, MedSup, or Medicaid

- **Group Health Insurance (GHI)**
  - Insurance from a former employer or union that supplements Medicare
- **Medicaid**
  - State assistance for those with limited income and resources
  - Medicare Savings Programs
- **Medicare Supplemental Insurance**
  - Private insurance designed to coordinate with Original Medicare





# Medicare Supplement Insurance

- Plans are standardized
  - All companies sell same plans
  - Premiums will vary from company to company
  - Plans A, B, C, D, F, G, K, L, M, N
- No Network
- Pay only after Original Medicare (Parts A & B)
- Guaranteed Issue
  - Open Enrollment- 6 months beginning with Part B effective date at age 65 or older
  - Special Circumstances- typically 63 days after loss of coverage

Check out the Ohio Shopper's Guide To Medicare Supplement Insurance at [www.insurance.ohio.gov](http://www.insurance.ohio.gov)



# Medicare 101

**Original Medicare**  
Part A and Part B

+

**Secondary Insurance**  
GHI, MedSup, or Medicaid

+

**RX Coverage**  
Part D or GHI

**1. Primary Coverage**

**2. Secondary Coverage**

**3. Prescription Drug Coverage**



# Medicare Part D

- ALL people with Medicare can get Part D
  - May not need Part D if you have credible coverage
- Medicare's Prescription Drug Coverage
  - Offered by private companies that contract with Medicare
  - Available two ways
    - Stand Alone Prescription Drug Plans (PDPs)
    - Available through Medicare Advantage Plans (MAPDs)
  - Initial enrollment is the same as Part B
- Open Enrollment **October 15<sup>th</sup>- December 7<sup>th</sup>**
  - Coverage begins January 1
  - Other enrollment times based on circumstance
- All Medicare patients should review plan options each year at [www.medicare.gov](http://www.medicare.gov)



# Review Drug Plans Each Year!

(3 C's of PDPs)

- Convenience

- Network Pharmacies
- Mail Order Options

- Coverage

- Choose a plan that includes your meds on the formulary
- Take the formulary with you when seeing your physicians

- Cost

- Know all possible costs!

Compare plans at [www.medicare.gov](http://www.medicare.gov)!



# Part D Costs in 2015

- **Average Monthly Premiums-** \$30
- **Annual Deductible-** \$0-\$320
- **Copays-** 25% or flat copay amounts based on formulary
- **Coverage Gap** (doughnut hole)- \$2,960-\$6,680 in total drug costs.
- Coverage Gap discounts: 55% discount on brand name medications and 35% discount on generic medications during the coverage gap
- Discounts to increase each year until gap is closed in 2020
- **Catastrophic Coverage-** Approx. 5% copay after coverage gap

## Things to Consider

- All plans have a different cost structure!
- Late enrollees may incur a 1% penalty for each month of delay
- Those with limited incomes/resources may qualify for extra help (Limited Income Subsidy-LIS) through the Social Security Administration



# 2014 Low Income Subsidy (Extra Help)

Anyone with Medicare can join a Part D plan but some may qualify for Extra Help to pay the out of pocket costs

- Reduced or NO Premium
- Reduced or NO Deductible
- No more than 15% copays

## **NO DOUGHNUT HOLE**

Income:

single- \$1,458

married \$1,966

Resources:

single- \$13,440

married-\$26,860



# Medicare Options

## Option 1

**Original Medicare**  
Part A and Part B

+

**Secondary Insurance**  
GHI, MedSup, or Medicaid

+

**RX Coverage**  
Part D or GHI

**OR**

## Option 2

**Medicare  
Advantage  
(Part C)**

1. Hospitalization,
2. Medical
3. Rx (MA-PD)

# Medicare Advantage

- Available to those
  - enrolled in Part A & B
  - That live within the plan's service area (county)
  - Do NOT have End Stage Renal Disease
- Alternative to Original Medicare
  - Offered by private companies to replace Original Medicare and secondary insurance.
  - Multiple options in each county
    - Health Maintenance Organizations (HMO)
    - Preferred Provider Organizations (PPO)
  - Most plans include Part D benefit (MAPD)
  - Enrollees pay Part B premium and any other applicable costs (Know all possible out of pocket costs)





# Medicare Advantage

- Open Enrollment **October 15<sup>th</sup>- December 7<sup>th</sup>**
  - Coverage begins January 1
  - Other enrollment times based on circumstances
- MA Annual Disenrollment Period
  - January 1<sup>st</sup> - February 14<sup>th</sup> (first 45 calendar days of the year)
  - May disenroll from a MA plan and return to Original Medicare and enroll in a stand alone prescription drug plan
- 5 Star rated plans (MA, MAPD or PDP) may allow an enrollment at anytime during the year



# Know Your Options!

## Option 1

**Original Medicare**

Part A and Part B

+

**Secondary Insurance**

GHI, MedSup, or Medicaid

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**RX Coverage**

Part D or GHI

**OR**

## Option 2

**Medicare**

**Advantage**

**(Part C)**

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# Protect Yourself From Unscrupulous Sales Practices

- The following sales tactics are prohibited:
  - Door to Door Sales
  - Giving out cash gifts or gifts exceeding \$15
  - High Pressure Sales Tactics
  - Misrepresenting a plan or giving incomplete information
  - Representing themselves as Medicare
- If you feel you have been victimized by an agent or a company
  - Get as much information as possible
    - Agents card, including name, address, phone
    - Company and plan information
  - Report the incident to the Ohio Dept. of Insurance at;
    - **1-877-727-6427** Healthcare Exchange Reports
    - **1-800-686-1527** All Other Reports



# Thank you for your attention

## Questions?



**OSHIIP**  
Answers to your  
Medicare questions

**1-800-686-1578**

[www.insurance.ohio.gov](http://www.insurance.ohio.gov)



**1-800-MEDICARE**  
[www.medicare.gov](http://www.medicare.gov)  
[www.mymedicare.gov](http://www.mymedicare.gov)



**1-800-772-1213**  
[www.socialsecurity.gov](http://www.socialsecurity.gov)



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