

Medicare 101

2024 Health Fairs



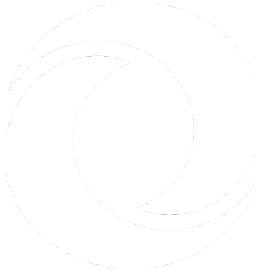
Session objectives



Original Medicare



Medicare Advantage Plans



Forms of Medicare coverage



Original Medicare

Original Medicare is comprised of Parts A & B. Part A is hospital insurance, and B is medical insurance. It does not cover prescription drugs or any supplemental benefits.



Medicare Advantage

Medicare Advantage health coverage is provided through a private plan rather than the federal government. It's often referred to as Part C and is a combination of Parts A&B, usually Part D, and it typically includes additional coverage for things such as vision, dental and hearing.



Medigap

Medigap is a supplementary insurance policy individuals can purchase that is used *in addition to* Original Medicare. It helps cover the costs Original Medicare does not.



Original Medicare



Original Medicare

What is it?

- A national health insurance program administered by the Centers for Medicaid and Medicare Services (CMS).
- Congress created Medicare in 1965 to help mature Americans, regardless of income or medical history, have access to insurance coverage.



Who does it cover?

- Medicare provides health insurance coverage for Americans aged 65 and older.
- Younger individuals deemed permanently disabled by the Social Security Administration (SSA) for at least 24 months.

Centers for Medicare & Medicaid Services (CMS)

CMS responsibilities include the **development of policies, guidelines** and **procedures** for administering the Health Insurance Provisions of the Social Security Act.



Policies



Procedures



Guidelines

How does it work?



Original Medicare covers most, but not all of the costs for approved health care services and supplies.

After an individual meets their deductible, they pay their share of costs for services and supplies as they receive them.

There's **no limit** on what an individual will pay out-of-pocket in a year unless they have other coverage (like Medigap, Medicaid, or employee or union coverage).

Parts of Original Medicare



Part A

Medicare Part A hospital insurance covers inpatient hospital care, skilled nursing facility, hospice, lab tests, surgery, home health care.

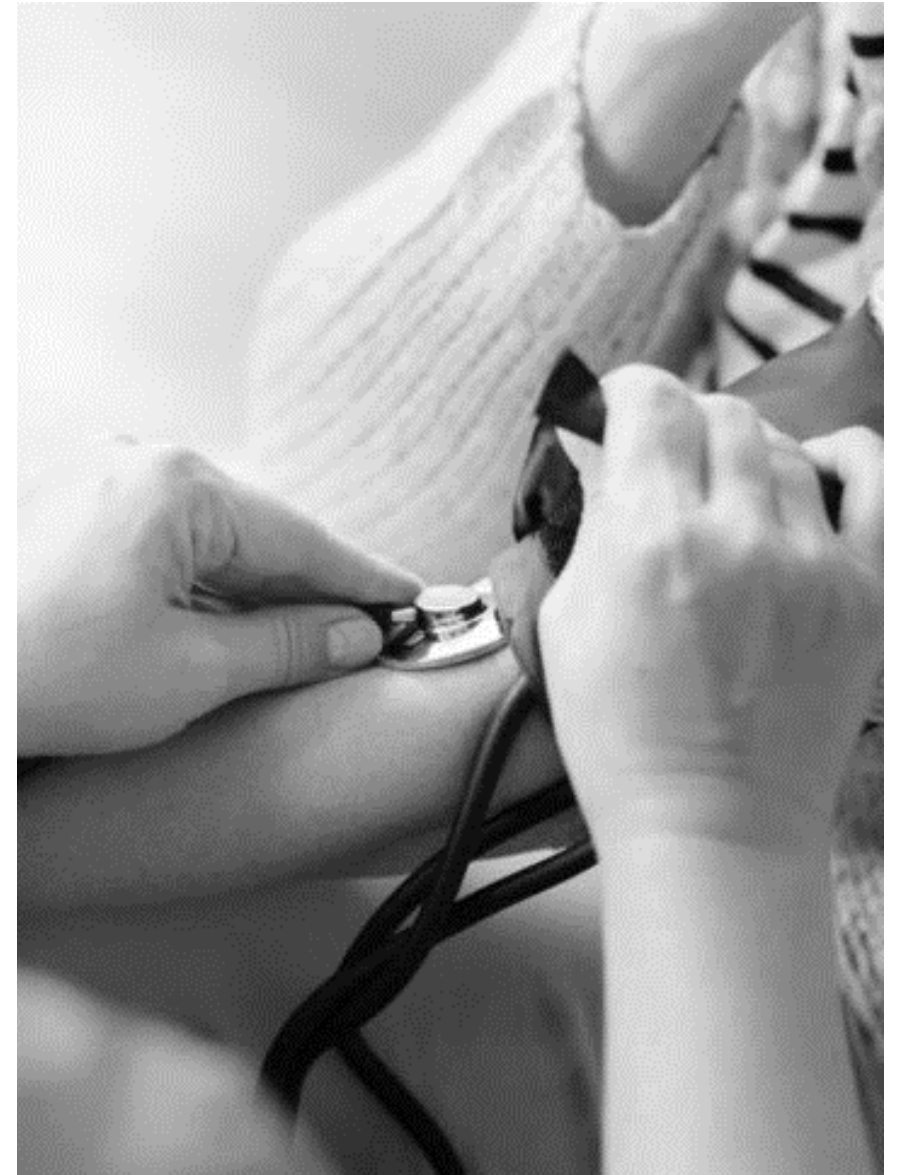


Part B

Medicare Part B (Medical Insurance) covers, including doctor and other health care providers' services and outpatient care. Part B also covers durable medical equipment, home health care, and some preventive services.

What does it cover?

- Services covered by Medicare must be medically necessary.
- If an individual goes to a doctor or other health care provider that accepts the Medicare-approved amount, their share of costs may be less.
- If an individual get a service that Medicare doesn't cover, they pay the full cost.
- If an individual sees a provider who has opted out of Medicare, they pay the full cost.



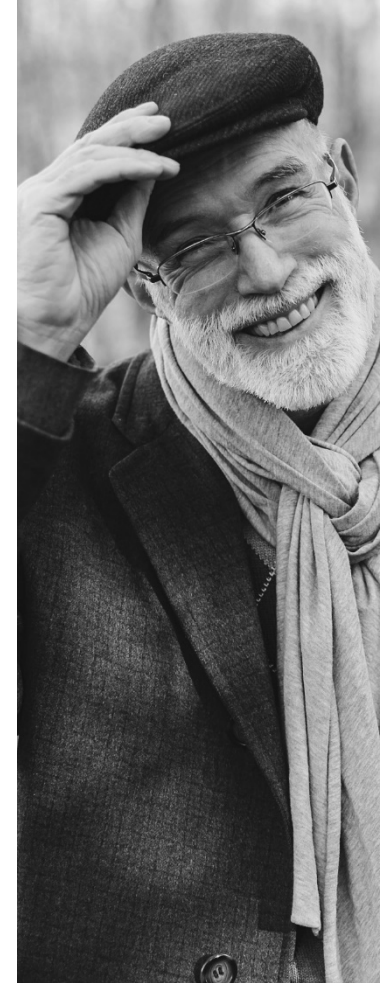
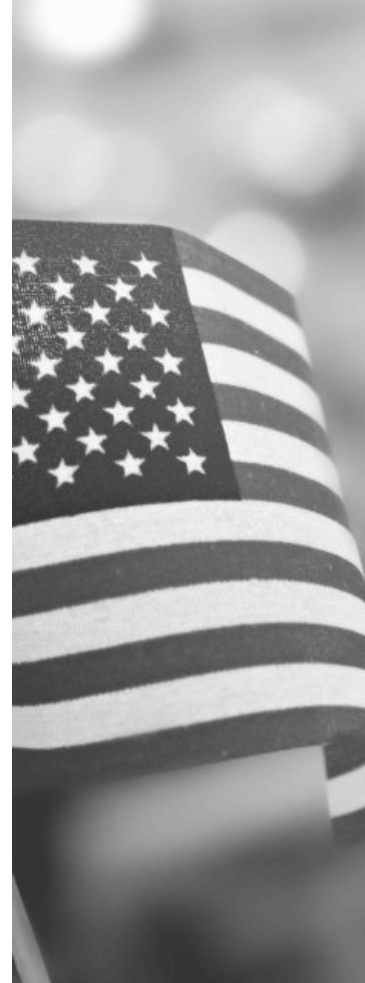
Who is eligible?

Individuals must be either:

- | a U.S. citizen.
- | a permanent legal resident for at least five (5) continuous years.

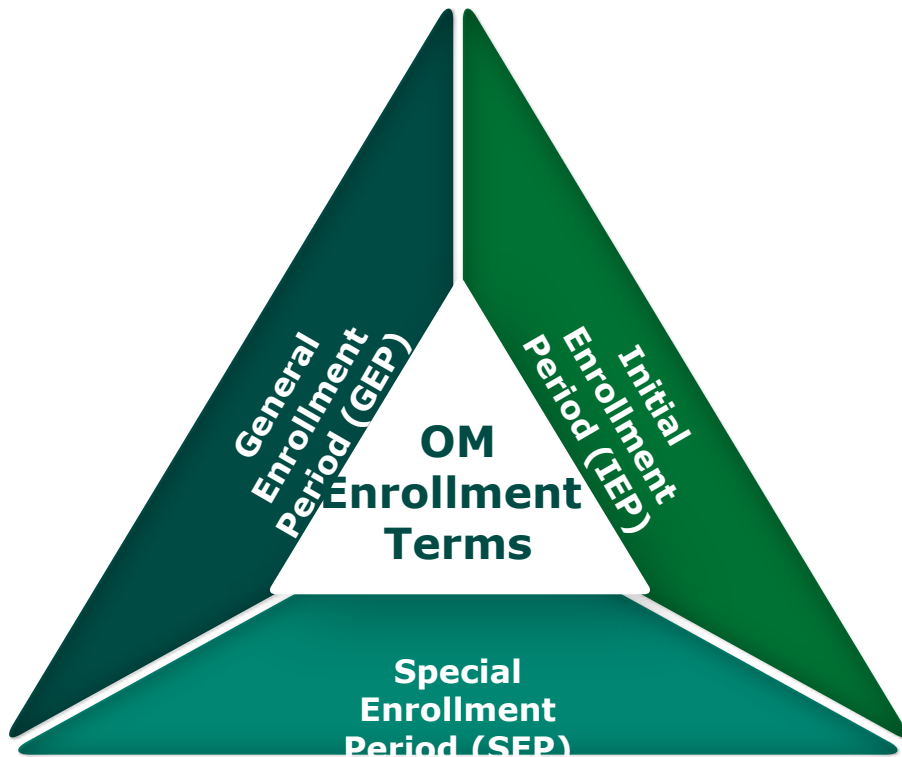
And they must meet at least **one** of the following criteria:

- | Age 65 or older and eligible for Social Security.
- | Be permanently disabled and have received disability benefits for at least 24 months.
- | Have End-Stage Renal Disease (ESRD), or ALS (also called Lou Gehrig's disease), if specific criteria is met.



Original Medicare Enrollment Period

The three Medicare enrollment periods — initial, special and general — are specific time frames when individuals can enroll in Medicare based on certain circumstances.



Initial Enrollment Period (IEP)

Cadence: One time: 7 month period unique per individual

This period is an individual's initial 7-month window of time to enroll in Medicare. It includes one's 65th birthday month, the 3 months prior and the 3 months after.

Special Enrollment Period (SEP)

Cadence: Episodic

Individuals have an extra opportunity to enroll in Part B after age 65 without a late enrollment penalty if they qualify for a special enrollment period. The most common reason for a SEP is if someone or their spouse are still working and have health insurance from that employer.

They can enroll in Medicare any time while they have that coverage and up to eight months after the employment or coverage ends, whichever is first.

General Enrollment Period (GEP)

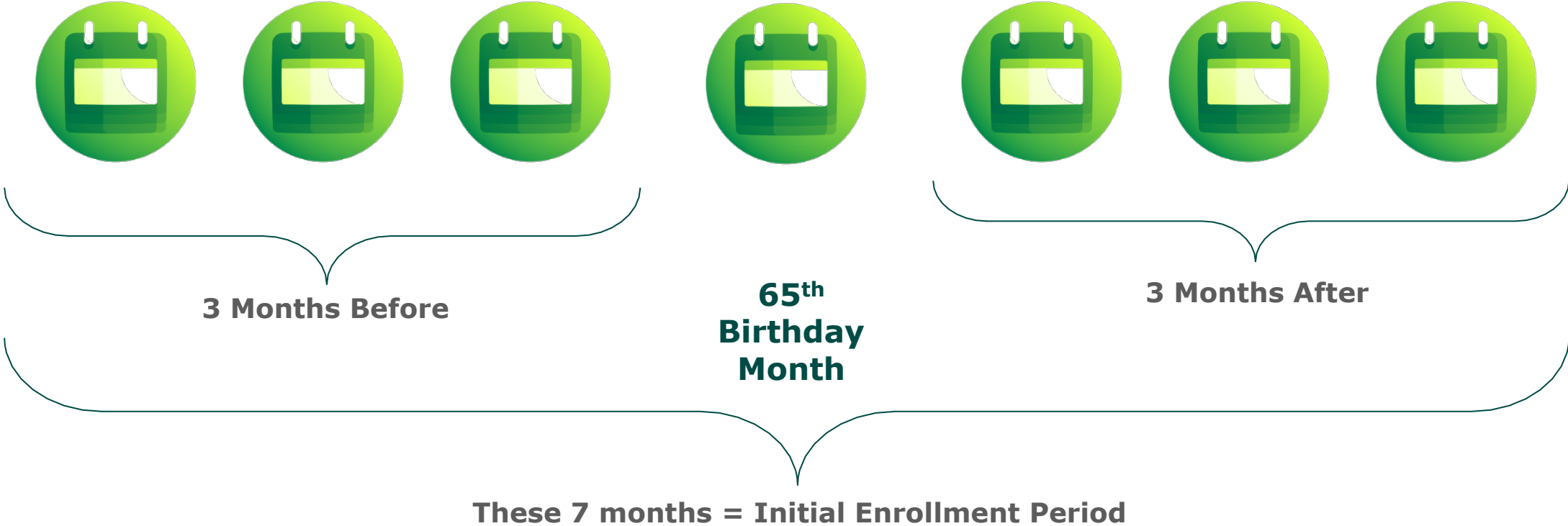
Cadence Annually: January 1 – March 31

The general enrollment period runs Jan. 1 to March 31 each year, with coverage beginning the first of the month after an individual signs up, but they may have to pay a late enrollment penalty. This period is specifically for signing up for the first time for Medicare Parts A and B.

Note: Individuals don't need to take advantage of any of the enrollment periods if they're receiving Social Security benefits at least four months before they turn 65, in which case they're signed up automatically for Original Medicare.

Initial Enrollment Period (IEP)

If an individual is eligible for Medicare because they're turning 65, their IEP is a 7-month window that starts 3 months before the month of their birthday, includes their birthday month and ends 3 months after their birthday month.

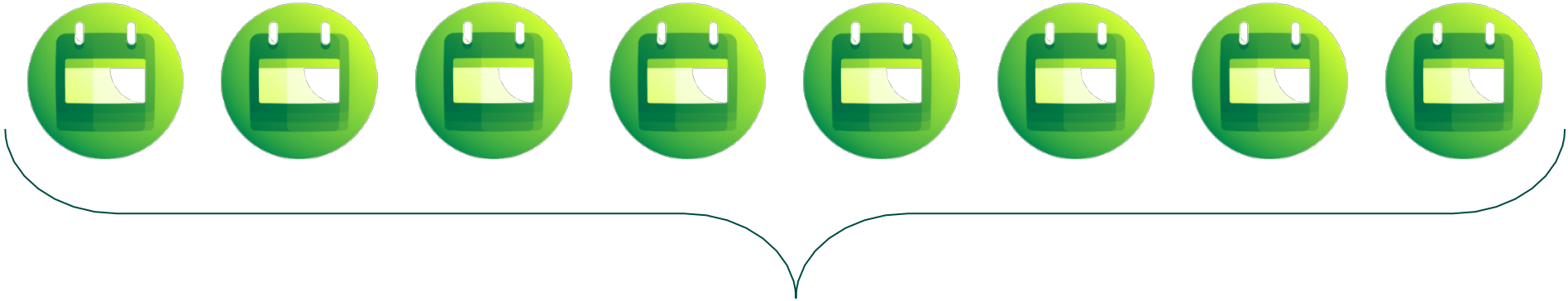


Special Election Period (SEP)

Individuals who qualify for an SEP have an extra opportunity to enroll in Part B after age 65 without a late enrollment penalty. The most common reason for an SEP is if someone or their spouse are still working and have health insurance from that employer.

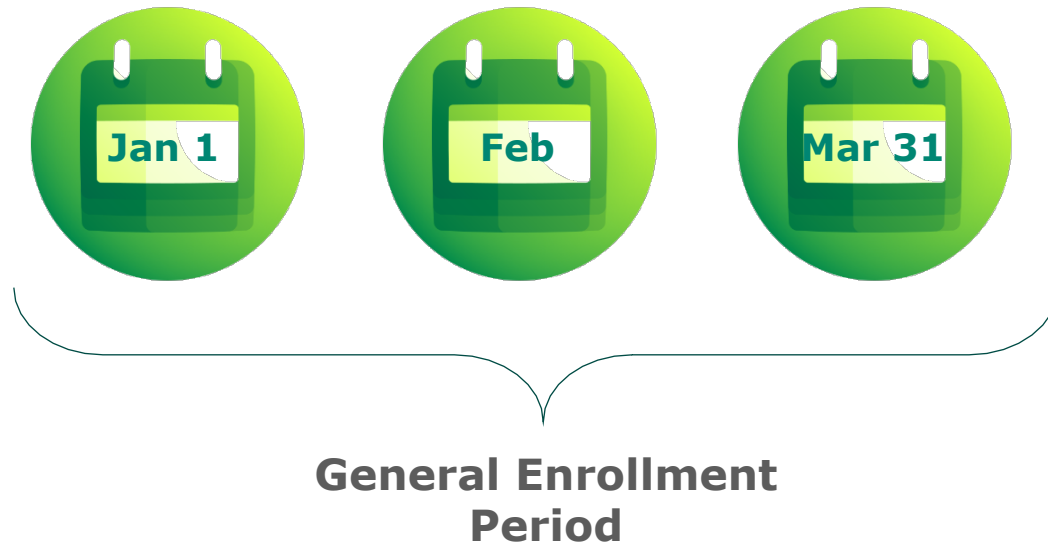
Individuals can enroll in Medicare any time while they have that coverage and up to eight months after the employment or coverage ends, whichever is first.

**Example:
Prior
Coverage**



These 8 months = Special Election Period
Up to 8 months after employment or coverage ends, whichever is first

General Enrollment Period (GEP)



- | Election begins January 1 and ends March 31.
- | Coverage begins the first of the month after an individual signs up
- | This period is specifically for signing up for the first time for Medicare Parts A and B. This period allows people who missed their Initial Enrollment Period (IEP) to enroll in Medicare.

Original Medicare

The enrollment / application process

- The SSA has the responsibility of managing enrollment into the Medicare program.
- Medicare's plan year is always Jan 1 – Dec 31.
- Medicare sends a "Welcome to Medicare" 3 months prior to an individual's 65th birthday.

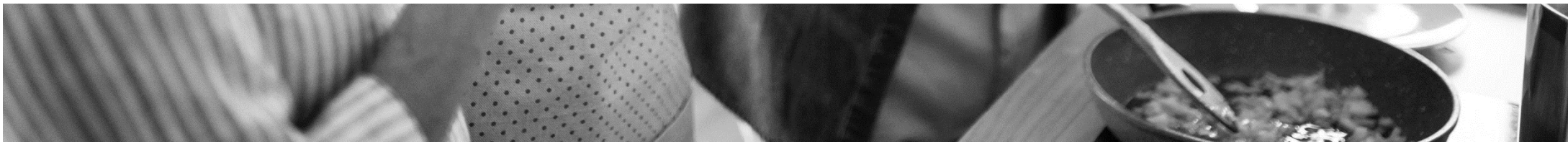


Eligible individuals can apply...

- 1.** By mail through a paper application
- 2.** In person at the local SSA office
- 3.** By phone at the SSA's 800 number
- 4.** Online on the SSA's website



Medicare Advantage



Medicare Advantage Parts

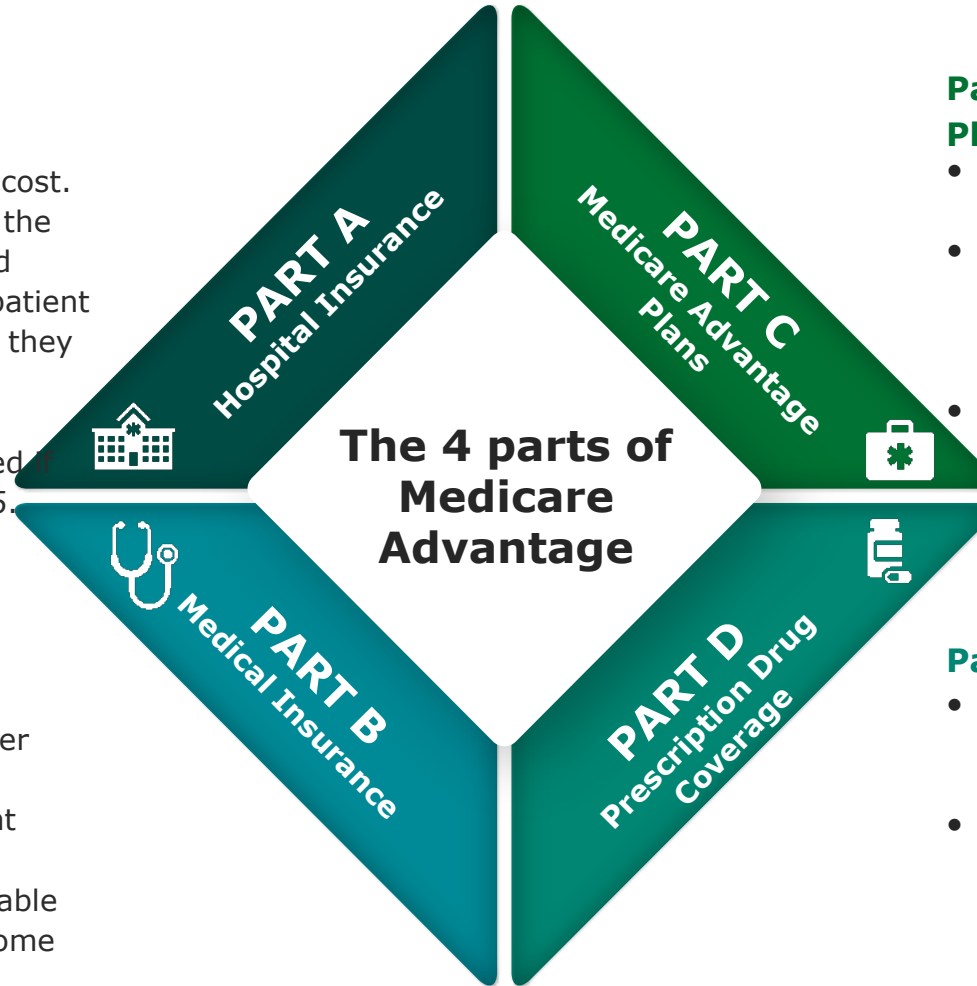
Original Medicare
(Parts A&B)

Part A - Hospital Insurance

- Usually no premium cost.
- Individuals may pay the Part A deductible and coinsurance from inpatient hospital care, unless they have a separate supplemental policy.
- Automatically enrolled if eligible for SSA at 65.

Part B - Medical Insurance

- Covers doctor and other health care providers' services and outpatient care.
- Part B also covers durable medical equipment, home health care, and some preventive services.



Part C - Medicare Advantage Plan

- Premiums and deductibles vary by plan.
- Coverage is offered by private insurance companies and covers hospital, medical and prescription drug coverage.
- It's combined with Parts A and B benefits and usually (but not always) includes prescription drug coverage. (MA are plans are without the drug coverage, MAPD are with drug coverage.)

Part D - Prescription Drugs

- Sold through private organizations that are contracted with Medicare.
- Can be stand alone (PDP) or included with Part C, referred to as Medicare Advantage Prescription Drug (MAPD) plans.

Medicare Advantage
(Parts C&D)



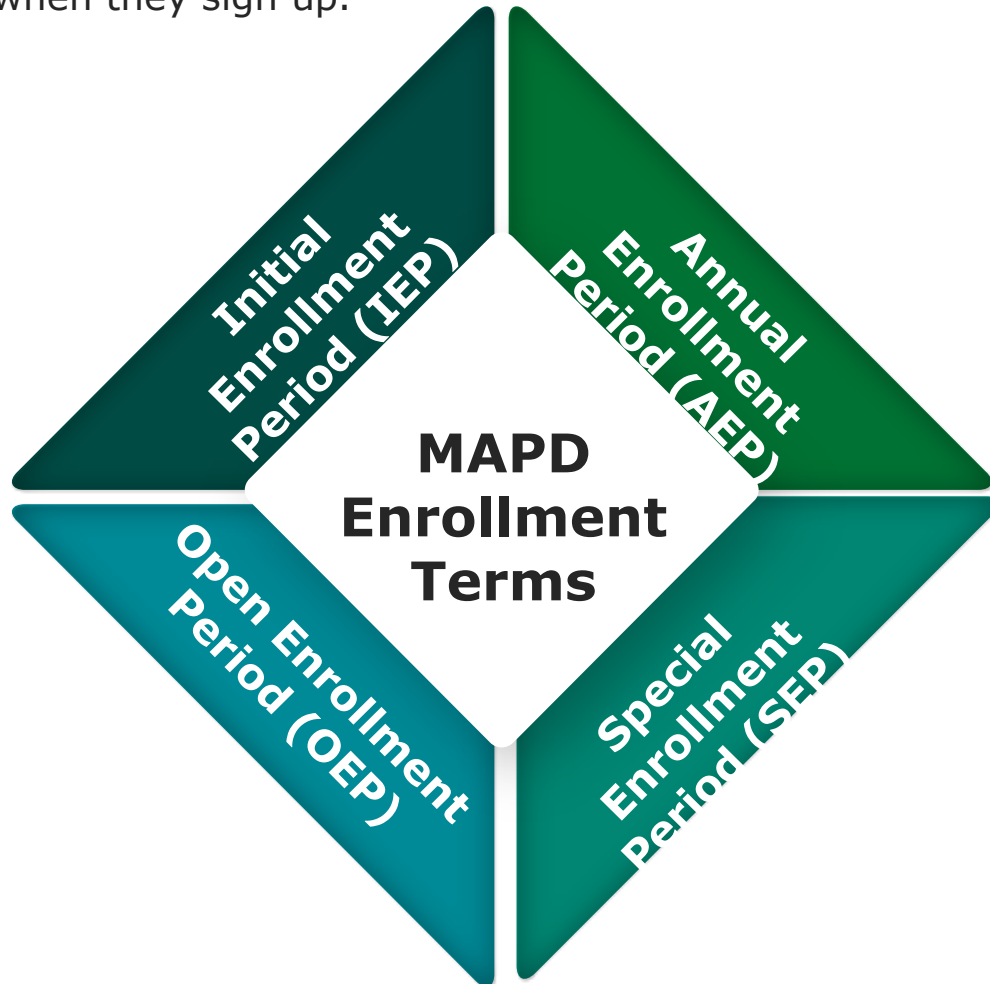
To be eligible for a Medicare Advantage (MA) plan, also known as Part C, individuals must meet the following requirements:

Who is eligible?

- } Be eligible for Medicare
- } Be enrolled in both Medicare Part A (Hospital) and Part B (Medical Insurance)
- } Live in the plan's service area, which is based on an individual's county of residence
- } Pay the Medicare Part B premium

Medicare Advantage Enrollment

Understanding when to enroll can help individuals avoid gaps in benefits and late enrollment penalties. The date on which one's Medicare benefits begin depends on when they sign up.



Initial Enrollment Period (IEP)

Cadence: One time: 7 month period unique per individual

This period is an individual's initial 7-month window of time to enroll in Medicare. It includes one's 65th birthday month, the 3 months prior and the 3 months after.

Open Enrollment Period (OEP)

Cadence: Annually: January 1 – March 31

This period is specifically for individuals **already enrolled** in a Medicare Advantage Plan who **want to make a change**.

Special Enrollment Period (SEP)

Cadence: Episodic

This is a special period when an individual can make changes to their Medicare Advantage and drug coverage due to certain life events, such as moving or losing other healthcare coverage.

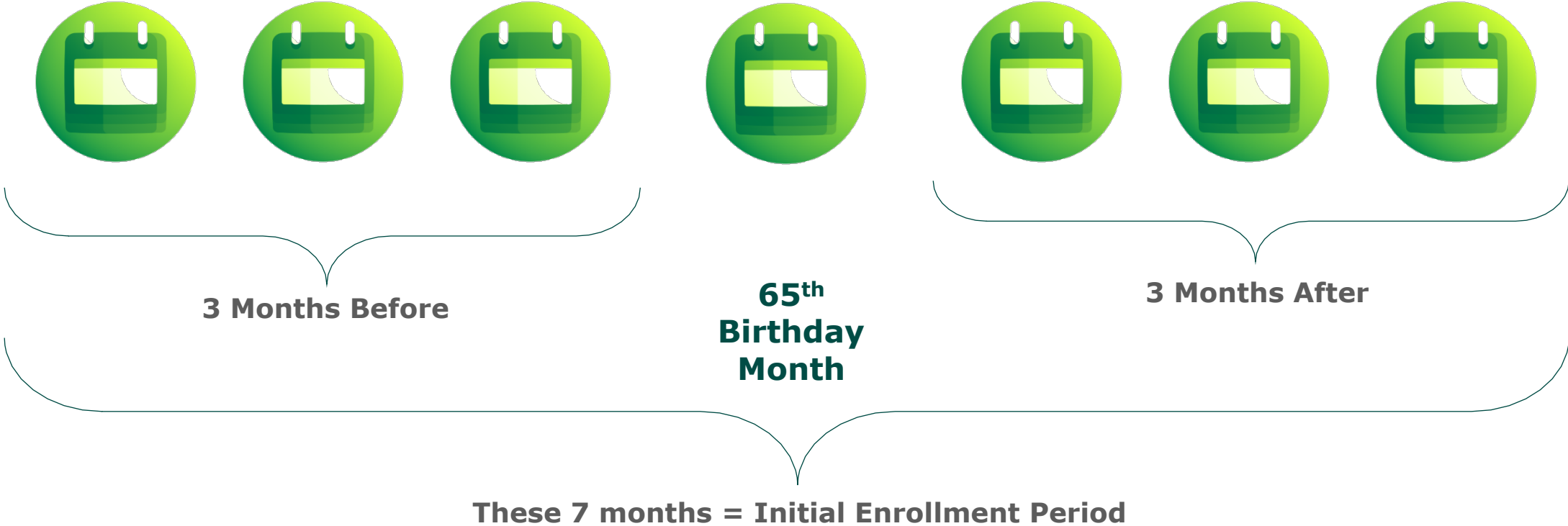
Annual Enrollment Period (AEP)

Annually: October 15 – December 7

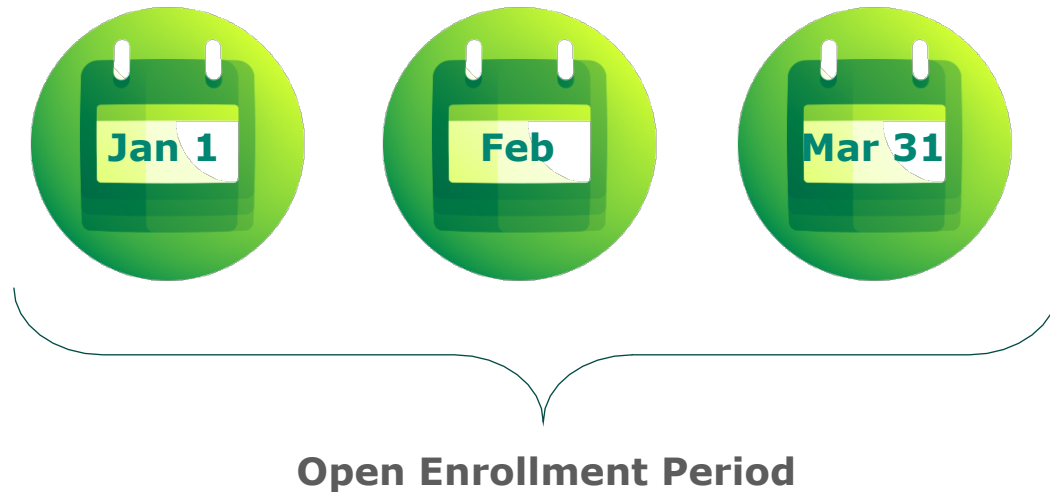
This period allows individuals to sign up for Medicare Advantage (MA), switch or drop MA plans, sign up for Medicare Part D prescription drug plan (PDP) from Original Medicare, or switch or drop PDP's.

Initial Enrollment Period (IEP)

If an individual is eligible for Medicare because they're turning 65, their IEP is a 7-month window that starts 3 months before the month of their birthday, includes their birthday month and ends 3 months after their birthday month.



MA Open Enrollment Period (OEP)



- | An election period, following AEP and ICEP, for members to make a one-time change.
- | Election begins January 1 and ends March 31.
- | Takes effect 1st of month following receipt of the disenrollment form/letter or application to enroll.
- | Insurers cannot actively market to members during this period.

Who can use	Occurs	Changes allowed
MA members, as of January 1	Jan 1-Mar 31	<ol style="list-style-type: none"> 1. Can switch to an MAPD plan 2. Can switch to an MA only plan 3. Can switch to Original Medicare, with or without Part D
New MA members who enrolled during their ICEP	Begins the month that their Parts A & B become effective and ends the last day of the 3 rd month following their 65 th birthday month.	

MA Annual Election Period (AEP)



- During the AEP, Medicare Advantage (MA) eligible individuals can enroll in or disenroll from an MA(MAPD) Plan.
- Members can complete multiple applications with multiple insurance companies during AEP, but it's the last application accepted by CMS at the end of the election period that becomes effective.
- CMS tracks all of this and notifies us (carriers) if they have subsequently been accepted by another insurance company.

Important phone numbers, websites and references



U.S. Department of Health and Human Services

<https://www.hhs.gov>

The U.S. Department of Health & Human Services

200 Independence Avenue, S.W.
Washington, D.C. 20201

Toll Free Number: 1-877-696-6775



<https://www.cms.gov>

Centers for Medicare and Medicaid Services

7500 Security Boulevard
Baltimore, Maryland 21244-1850

Toll Free Number: 1-877-267-2323



Medicare

<https://www.medicare.gov/>

Medicare Contact Center Operations

PO Box 1270
Lawrence, KS 66044

Toll Free Number: 1-800-633-4227



<https://www.ncoa.org>

National Council on Aging

251 18th Street South, Suite 500
Arlington, VA 22202



Thank You!

