PREPARING FOR MEDICARE
✓ What is Medicare?
✓ Who is eligible for Medicare?
✓ How do you enroll and when?
✓ What are my coverage options?
✓ What are my next steps?
✓ Important reminders!
✓ Where can I find more information?
WHAT IS MEDICARE?

➢ It is the insurance program offered to you by the federal government when you turn 65 or retire after the age of 65.

➢ It is administered by Centers for Medicare and Medicaid Services (CMS).

➢ Original Medicare benefits are comprised of two parts that generally pay 80% of your health care costs. You are responsible for the remaining 20%.

ORIGINAL MEDICARE

Part A
Inpatient Care

&

Part B
Outpatient Care
### WHO IS ELIGIBLE FOR MEDICARE?

<table>
<thead>
<tr>
<th>Someone who is:</th>
<th>And is one of the following:</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ A <strong>U.S.</strong> citizen or legal resident for at least 5 consecutive years</td>
<td>✓ Age 65 or older</td>
</tr>
<tr>
<td></td>
<td>✓ Younger than 65 with a qualifying disability</td>
</tr>
<tr>
<td></td>
<td>✓ Any age with a diagnosis of end-stage renal disease or ALS</td>
</tr>
</tbody>
</table>
HOW AND WHEN DO I ENROLL?
Medicare Enrollment Periods

- Initial Enrollment Period
- Special Enrollment Period
- General Enrollment Period
TURNING 65

Your **Initial Enrollment Period** to sign up for Medicare is 7 months. The 3 months prior to your 65\textsuperscript{th} birthday, the month of your 65\textsuperscript{th} birthday, and the three months after your 65\textsuperscript{th} birthday. If you enroll in the 3 months after your 65 birthday your Medicare coverage may be delayed. If you do not enroll in this 7 month period refer to the **General Enrollment Period**.

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The month you turn 65 years old

1. 3 months before
2. 65
3. 3 months after
TURNING AGE 65, RETIRING AND COLLECTING SOCIAL SECURITY BENEFITS:

✓ If you are receiving your Social Security or Railroad Retirement Board Benefits you will be automatically enrolled in Medicare Parts A & B when you become eligible.

  o Your Medicare Part B premium will automatically be debited from your Social Security benefit.
TURNING AGE 65, RETIRING AND NOT COLLECTING SOCIAL SECURITY BENEFITS:

✓ If you are not receiving Social Security benefits when you become eligible you need to enroll in Medicare yourself. Call or visit your local Social Security office, or go to SSA.gov/Medicare to enroll online.

○ If you are not collecting your monthly benefit you will be billed quarterly directly by Medicare.
WHAT IF I WORK PAST AGE 65?

If you have employer or plan-sponsored coverage when you first become eligible you may not need to enroll in Part B until you retire or otherwise lose that coverage.
WHAT IF I WORK PAST AGE 65?

✓ You may delay signing up for Part B beyond age 65 for as long as you have group insurance from an employer (with 20+ employees) for whom you or your spouse are actively working.

✓ Notify the Social Security office if you will defer your Medicare Parts B & Part D enrollments.
WHAT IF I RETIRE PAST AGE 65?

When you or your spouse stop working or health coverage ends, you will be entitled to a **Special Enrollment Period**.

✓ The Special Enrollment period is the 8 month period that begins the month after employment ends, or the coverage ends, whichever happens first.
WHAT IF I RETIRE PAST AGE 65?

✓ To enroll in Medicare Part B after age 65 you will need to speak with your local Social Security office and likely go there. A delayed Part B enrollment cannot be completed online.

✓ You will be required to send or take a filled out Employment Verification Form (completed by your Employer) to the Social Security office in order to get enrolled in Part B of Medicare.
  - This form is used by the Social Security office to confirm that you had credible coverage since age 65.
  - It will also ensure that you will not be subject to a Part B late enrollment penalty.
Important COVID-19 Update

In the event that your local Social Security office is closed, individuals will need to call the national Social Security number to start the process. The telephone number is 1-800-772-1213.

After the voice prompts you can indicate the reason for your call, either say "Medicare" or "Medicare part B" to get connected to a person for assistance.

You will be requested to fax, email or mail in your Employment verification form after you speak to the representative at Social Security in order to get enrolled in Part B, and you will fax, email or mail your Part B enrollment form as well.
General Enrollment Period

✓ If you missed the deadline for either the Initial or Special Enrollment periods you must wait until the General Enrollment Period.

✓ General Enrollment takes place every year from January 1 ending March 31\textsuperscript{st}, with an effective date of July 1\textsuperscript{st} of that year.

✓ There are penalty’s for not signing up during your Initial or Special Enrollment Period.
TIP: SIGN UP EARLY

➢ Start doing your research 12 weeks prior to your 65th Birthday or your Medicare start date (if later). Enroll before your eligible month to avoid a delay in your coverage start date. Your Medicare enrollment will be effective the 1st day of the month.

➢ If you enroll when you turn age 65 and your birthday falls on the 1st of the month, then your Medicare will be effective the 1st of the prior month. For example, if your birth date is 8/1/1955 then your Medicare will be effective 7/1/2020.

➢ Keep in mind, it takes about 6-8 weeks for coverage to begin.
Late Enrollment Penalties for Part B

• Your penalty for not signing up during your “Initial” or “Special Enrollment period” will be an increase of 10% of your Part B monthly premium for each full 12 month period that you should have been enrolled.

• Your monthly penalty may last for as long as you are enrolled in any Part B plan.

Example: Mr. Smith’s initial enrollment period ended September 30, 2015. He waited to sign up for Part B until March 2018. His Part B premium penalty is 20%, and he will have to pay this penalty for as long as he has Part B.
WHAT ARE MY COVERAGE OPTIONS?

- Part A
- Part B
- Part C
- Med Supp
- Part D

Original Medicare

MountainOne INSURANCE
COSTS

- Medicare Part A is free for most everyone.
- There is a benefit period deductible for Part A of $1,408.
- A benefit period begins the day you are admitted as an inpatient to a hospital and ends when you have not received any care for 60 consecutive days.
- Multiple stays may mean multiple deductibles in a calendar year.

ENROLLMENT

- You cannot be denied Part A coverage - You cannot be turned down because of your medical history or a pre-existing condition.

COVERAGE

- You can go to any qualified hospital in the U.S. that accepts new Medicare patients.
- Hospital care outside the U.S. is not usually covered.
WHAT DOES PART A COVER?

- **“INPATIENT” CARE IN A HOSPITAL** - Typically covers 80% of your inpatient costs.

- **INPATIENT CARE IN A SKILLED NURSING FACILITY** - For rehabilitation care like physical, speech or occupational therapy after a 3-day minimum, medically necessary, “inpatient” hospital stay for a related illness or injury.

- **HOSPICE CARE**

- **HOME HEALTH CARE** - Medically necessary part-time skilled nursing care, physical therapy, speech or occupational services for homebound patients.

- **INPATIENT MENTAL HEALTH CARE** - Typically covered are room and board and non-medical or religious items and services.

- **SOME BLOOD TRANSFUSIONS** - You are typically responsible for the first 3 units of blood you get in a calendar year.
What Does Medicare Part A Pay?

<table>
<thead>
<tr>
<th>SERVICE</th>
<th>MEDICARE PART A PAYS</th>
<th>YOUR COST SHARE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Days 1-60: All but $1,408</td>
<td>$1,408 Deductible</td>
</tr>
<tr>
<td></td>
<td>Days 61-90: All but $352 per day</td>
<td>$352 per day copayment (as much as $10,560; 30 days)</td>
</tr>
<tr>
<td></td>
<td>Days 91-150: (Lifetime Reserve Days) All but $704 per day</td>
<td>$704 per day copayment (as much as $42,240; 60 days)</td>
</tr>
<tr>
<td></td>
<td>Nothing beyond 150 days (After using Lifetime Reserve Days)</td>
<td>All costs for the remainder of your stay</td>
</tr>
<tr>
<td></td>
<td>First 3 pints of blood: $0</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Days 1-20: 100% of approved amount</td>
<td>Nothing</td>
</tr>
<tr>
<td>Skilled Nursing Facility Care</td>
<td>Days 21-100: All but $176 per day</td>
<td>$176 per day copayment (as much as $14,080; 80 days)</td>
</tr>
<tr>
<td></td>
<td>Days 100+: No benefit</td>
<td>All costs for the remainder of your stay</td>
</tr>
</tbody>
</table>

A Medicare Supplement or Medicare Advantage Plan may help cover some or all of your cost share for Part A.
**COSTS**

- No out-of-pocket maximum.
- For co-insurance, you pay 20% of Medicare-approved costs.
- The Part B has a monthly premium amount of $144.60 or higher depending on your income.
- May have higher premiums if you join after your initial enrollment period.

**ENROLLMENT**

- You cannot be denied Part B coverage – you cannot be turned down because of your medical history or a pre-existing condition.

**COVERAGE**

- You can get care throughout the U.S., but generally not outside the country.
- By participating physicians accepting new Medicare patients.
WHAT DOES PART B COVER?

- OUTPATIENT HOSPITAL SERVICES – typically 80% of outpatient medical & minor surgical services. Also includes outpatient physical, occupational and speech-language therapy.

- PHYSICIAN SERVICES or DOCTOR VISITS

- AMBULANCE

- OUTPATIENT MENTAL HEALTH

- DIAGNOSTIC TESTS – such as lab or blood tests, MRI & CT scans.

- DURABLE MEDICAL EQUIPMENT - medically necessary wheelchairs, oxygen, etc.

- SOME PREVENTATIVE CARE - e.g., flu and pneumonia shots.
What Does Medicare Part B Pay?

<table>
<thead>
<tr>
<th>SERVICE</th>
<th>MEDICARE PART B PAYS</th>
<th>YOUR COST SHARE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical Expenses, Outpatient Hospital Expenses</td>
<td>80% of the approved amount (once the annual deductible has been met)</td>
<td>Deductible per calendar year - $198 for 2020</td>
</tr>
<tr>
<td></td>
<td></td>
<td>20% of the approved amount</td>
</tr>
</tbody>
</table>

A Medicare Supplement or Medicare Advantage plan may help cover some or all of your cost share.

These costs are *in addition to* the monthly Medicare Part B premium, which you will need to pay.
WHAT ARE MY PART B & PART D MONTHLY COSTS?

Your Part B and Part D premiums are based upon your modified gross annual income and a 2 year look back. This amount is adjusted each year.

<table>
<thead>
<tr>
<th>Tax Filing Status</th>
<th>If your yearly income in 2018 (for what you pay in 2020) was</th>
<th>Part B Monthly Premiums</th>
<th>Part D Monthly Premiums</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Married</td>
<td>Less than $87,000</td>
<td>$144.60</td>
<td>Plan Premium only</td>
</tr>
<tr>
<td></td>
<td>Less than $174,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single Married</td>
<td>$85,001 - $109,000</td>
<td>$202.40</td>
<td>$12.20 + Plan premium</td>
</tr>
<tr>
<td></td>
<td>$170,001 - $218,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single Married</td>
<td>$107,001 - $136,000</td>
<td>$289.20</td>
<td>$31.50 + Plan premium</td>
</tr>
<tr>
<td></td>
<td>$214,001 - $272,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single Married</td>
<td>$133,501 - $163,000</td>
<td>$376.00</td>
<td>$50.70 + Plan Premium</td>
</tr>
<tr>
<td></td>
<td>$267,001 - $326,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single Married</td>
<td>$160,001 - $500,000</td>
<td>$462.70</td>
<td>$70.00 + Plan Premium</td>
</tr>
<tr>
<td></td>
<td>$320,001 - $750,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single Married</td>
<td>More than $500,000</td>
<td>$491.60</td>
<td>$76.40 + Plan Premium</td>
</tr>
<tr>
<td></td>
<td>More than $750,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax Filing Status</td>
<td>If your yearly income in 2018 (for what you pay in 2020) was</td>
<td>Part B Monthly Premiums</td>
<td>Part D Monthly Premiums</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>---------------------------------------------------------------</td>
<td>-------------------------</td>
<td>-------------------------</td>
</tr>
<tr>
<td>File married &amp; separate tax return</td>
<td>$87,000 or less</td>
<td>$144.60</td>
<td>Plan Premium only</td>
</tr>
<tr>
<td></td>
<td>Not applicable</td>
<td>$202.40</td>
<td>$12.20 + Plan premium</td>
</tr>
<tr>
<td></td>
<td>Not applicable</td>
<td>$289.20</td>
<td>$31.50 + Plan premium</td>
</tr>
<tr>
<td></td>
<td>Not applicable</td>
<td>$376.00</td>
<td>$50.70 + Plan Premium</td>
</tr>
<tr>
<td></td>
<td>Above $87,000 and less than $413,000</td>
<td>$462.70</td>
<td>$70.00 + Plan Premium</td>
</tr>
<tr>
<td></td>
<td>$413,000 and above</td>
<td>$491.60</td>
<td>$76.40 + Plan Premium</td>
</tr>
</tbody>
</table>
WHAT DO YOU NEED IN ADDITION TO MEDICARE PARTS A & B?

IN ORDER TO FILL THE 20% GAP LEFT BY MEDICARE PARTS A & B, IT IS RECOMMENDED THAT MEDICARE ENROLLEES ALSO OBTAIN THE FOLLOWING:

➢ Either a Medicare Advantage Plan also known as Medicare PART C
Or a
➢ Medicare Supplemental/ Medigap Plan
➢ Medicare PART D – Prescription Drug Plan (PDP).
✓ Plans must cover all the services that Original Medicare covers.
✓ You enroll in these plans as an individual.
✓ These plans are offered by private insurance companies such as:
  - United Healthcare
  - Blue Cross Blue Shield
  - Fallon
  - Harvard Pilgrim
  - Health New England
  - Tufts
MEDICARE ADVANTAGE PLANS

PART C
Part C - MEDICARE ADVANTAGE PLANS

- Convenience of one single plan. It combines Parts A & B and usually includes prescription drug coverage Part D.

- Must be enrolled in Medicare Parts A & B to be eligible.

- Eligibility is not affected by health or financial status.

- Plans have a yearly limit on your out-of-pocket costs.

- Plans may have deductibles, copays and coinsurance for certain services.
Part C - Coverage

✓ You must live in the plan service area for the coverage you are applying for.

✓ Coverage is often limited to a service area — unless it’s an emergency.

✓ May be required to see doctors and hospitals that are included in the plan’s network. Some plans offer out-of-network coverage.

✓ May offer additional benefits not covered by Medicare like vision and hearing.
<table>
<thead>
<tr>
<th>PART C – HMO &amp; PPO</th>
<th>Advantage HMO Plan – Health Maintenance Organization</th>
<th>Advantage PPO Plan – Preferred Provider Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>You must use doctors and hospitals in the plans network. Except for emergency or urgent care, or out-of-network dialysis.</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>You will be required to choose a Primary Care Physician (PCP) from the HMO Network and referrals are usually necessary to see a specialist</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>If you receive health care outside of your plans network, you may have to pay the full cost</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Use either In-Network or Out-of-Network providers; pay additional cost for Out-of-Network services.</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Primary Care Physician (PCP) is not required. In most cases you will not need a referral to see a specialist.</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Medicare Advantage PPO Plans usually offer more benefits than original Medicare, but you may have to pay extra for these benefits</td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>
STANDARDIZED MEDICARE SUPPLEMENT INSURANCE PLANS
MED SUPP/MEDIGAP PLAN
MEDICARE SUPPLEMENT

✓ Must be enrolled in Medicare Parts A and B.
✓ Must be a resident of the state in which you are applying for coverage.
✓ Massachusetts is one of three states that has different standardized plans than the other 47 states. (The other two are Minnesota and Wisconsin).
✓ The remaining 47 states have 10 standardized Medicare supplement plans. Each labeled with a letter.
MED SUPP Eligibility

☑️ You cannot use, and cannot be sold a Med Supp/Medigap policy if you are in a Medicare Advantage Plan.

☑️ Some Medicare supplement plans can be purchased as part of a Group Plan.

☑️ Some Medicare supplement plans can be age banded and premiums may increase as you get older.
➢ COSTS
• Helps with some of the out-of-pocket costs not paid by Medicare.
• Premiums vary based on the plan and insurance carrier.

➢ ENROLLMENT
• Generally, the best time to sign up is during your six-month open enrollment period.
• Enrolling during this period gives you a guaranteed right to buy any Medicare Supplement plan sold in your state, regardless of any medical condition you may have.

➢ COVERAGE
• Goes with you anywhere in the U.S.
• Guaranteed to continue as long as you pay your premium on time.
PRESCRIPTION DRUG PLANS
PART D
PART D PRESCRIPTION DRUG PLANS

✓ Helps with the cost of prescription drugs.
✓ Prescription drug coverage varies from plan to plan.
✓ Catastrophic coverage protects you from very high drug costs.
✓ Benefits can change each year.
✓ You may pay an additional monthly cost in addition to the monthly premium based on annual income.
Part D Formulary

❖ A formulary is the list of drugs covered by an insurance plan.

❖ In general, the lower the tier, the lower the cost.

❖ Make sure your drugs are covered before you enroll in a plan.

❖ The list of drugs a plan covers can change each year.

Many plans have a tiered formulary, where drugs are divided into groups called “tiers”.

- Tier 1 $ - Preferred generic drugs
- Tier 2 $$ - Generic drugs
- Tier 3 $$$ - Preferred brand name drugs
- Tier 4 $$$$ - Non-preferred drugs
- Tier 5 $$$$$ - Specialty drugs

Tip: Ask your doctor about generic or lower-tier prescription drug options. Or use an online tool GoodRx (www.goodrx.com).
PART D PLANS HAVE 4 COVERAGE STAGES:

- The amount of money you pay changes depending on the stage you are in during the year.
- Most people stay in the initial coverage stage for the whole plan year. If you take a lot of medications, especially high-cost medications, you may move into the next stages.
- If your plan has a deductible, you pay the total cost of your drugs until you reach the deductible amount set by your plan. The maximum deductible in 2020 is $435.
- The Amounts listed above reflect the 2020 plan year annual deductible. The “gap exposes you to $2,330 out of pocket.
Late Enrollment Penalties for Part D

• You may be subject to a Part D penalty if you do not enroll during your Initial Enrollment, Special Enrollment Period or if you go for 63 or more consecutive days without creditable coverage.

• Penalty is calculated by multiplying 1% of the average Part D premium ($32.74 in 2020) for each month you delay enrollment.

• The national base premium will change each year as will your penalty.

• The penalty may last as long as you are enrolled in any Part D Plan.
MEDICARE-RELATED CHOICES

You have options. These two easy steps may help you make a decision.

Step 1
Enroll in government-provided Original Medicare when you become eligible.

ORIGINAL MEDICARE

- Part A
  Covers hospital stays.
- Part B
  Covers doctor and outpatient visits

Step 2
Obtain additional coverage offered by private insurance companies. You have two ways to get it:

Option 1 – Add one or both of the following:
- Medicare Supplement Insurance
  Covers some or all of the costs not paid by Parts A and B
- Medicare Part D
  Covers prescription drugs

OR

Option 2 - Choose a Medicare Advantage Plan:
- Medicare Advantage (Part C)
  Combines Parts A and B
  Provides additional benefits
  Most plans covers prescription drugs
Annual Open Enrollment

✓ DURING THE OPEN ENROLLMENT PERIOD YOU CAN SWITCH BETWEEN MEDICARE SUPPLEMENTAL PLANS.

✓ OPEN ENROLLMENT STARTS EACH OCTOBER 15 TO DECEMBER 7 WITH AN EFFECTIVE DATE OF JANUARY 1.
EVALUATE YOUR NEEDS EACH YEAR

**Health Status**
- Has my health changed?

**Finances**
- Has my financial situation changed?

**Location**
- Have I moved?
- Will I be away from my home for a significant period of time in the next year?
- How frequently do I travel and where?

**My Coverage needs**
- Are my doctors and hospital in network?
- Are my prescriptions covered?
WHAT ARE MY NEXT STEPS?

1. Review enrollment periods
2. Research your options
3. Ask Questions
4. Get Answers
5. Find financial help
6. Enroll
7. Yearly review
IMPORTANT REMINDERS!
✓ Contact your local Social Security Office if you have any questions about when YOU might be 1st eligible to avoid PENALTIES.

✓ If you have not received your Medicare Card in the mail contact your local Social Security office to check the status of your enrollment.

✓ The following are not consider “credible coverages” for Medicare: COBRA, Retiree Coverage, VA Coverage, or Individual health coverage like through the Health Insurance Marketplace.
✓ Choose a Medicare Supplemental plan or Medicare Advantage Plan at the same time you enroll in Medicare Part B.

✓ Enroll in a Medicare Part D drug plan at that time as well.

✓ Make sure you understand the limits and costs associated with the plans that you choose.

✓ $$$$$$ You will pay a monthly premium for:
  - Original Medicare Part B (and possibly Part D),
  - Medicare Supplement Plan,
  - & Medicare Part D drug plan, or Medicare Advantage Plan.
The Centers for Medicare (CMS) will have mailed new Medicare cards.

Medicare is removing Social Security numbers from your Medicare Cards and assigning unique numbers called Medicare Beneficiary Identifiers (MBIs) to enrollees.

As of 1/1/2020 the old cards are no longer valid.

This change will help protect your identity.
Where can I find more information?

**Social Security Office /www.ssa.gov**

North Adams, MA - 96 Marshall ST. - 877-319-5709  
Pittsfield, MA - Federal Bldg. Suite 101  
78 Center St – 413-445-7958

**Centers for Medicare and Medicaid Services (CMS)**

1-800-MEDICARE (1-800-633-4227)  
TTY: 1-877-486-2048  
[www.medicare.gov](http://www.medicare.gov)  
“Medicare and You 2020” download from Medicare web site

**SHINE Program through Elder Services (Serving the Health Insurance Needs of Everyone) through Elder Services**

Elder Services - 413-499-0524  
ECU Health Care – 413-663-8711
To learn more about these plans

Contact Linda Grande directly at 413-663-2384 or email at linda.grande@mountainone.com

Sharon Coe at 413-449-5314
Sharon.coe@mountainone.com

Office locations: 85 Main St. Suite 100 North Adams, MA 01247
Also available at MountainOne Pittsfield location by appointment:
111 Silver Lake Blvd. Pittsfield, MA 01201
QUESTIONS?

Thank you.