

# Medicare Review

Medicaid, Medicare Supplements,  
and Advantage Plans

# Medicaid is a joint federal and state program that:

- ▶ Is administered by the state.
- ▶ Helps with medical costs for some people with limited income and resources.
  - ▶ The Medicaid cap is 138% of the Federal Poverty Level
    - ▶ Individual:  $\$12,140 \times 138\% = \$16,753$
    - ▶ Married couple:  $\$16,460 \times 138\% = \$22,714$
- ▶ Offers benefits not normally covered by Medicare, like nursing home care and personal care services.
- ▶ Never pays first for services covered by Medicare. It only pays after Medicare or other insurance.



# Medicare is a federal health insurance program for people who are:

- ▶ 65 or older
- ▶ Under 65 with certain disabilities
- ▶ Of any age and have End Stage Renal Disease or Amyotrophic Lateral Sclerosis, (ALS), also referred to as “Lou Gehrig’s Disease”.



# With Medicare, You can choose a Medicare Supplement with a separate Prescription Drug Plan, or choose an Advantage Plan

**OPTION 1** ————— **OR** ————— **OPTION 2**

**Add one or both of the following to Original Medicare:**

**Medicare Supplement Insurance**  
Offered by private companies



Covers some of the costs not paid by Original Medicare Parts A and B

**Medicare Part D**  
Offered by private companies



**Part D** covers prescription drugs

**Choose a Medicare Advantage plan:**

**Medicare Advantage (Part C)**  
Offered by private companies



**Part C** combines Part A (hospital) and Part B (doctor)




Provides additional benefits



Most plans cover prescription drugs

# Whether You choose an Advantage Plan or a Medicare Supplement, You'll need Original Medicare - (Medicare Part A and Part B)




**MEDICARE HEALTH INSURANCE**

Name/Nombre  
**JOHN L SMITH**

Medicare Number/Número de Medicare  
**1EG4-TE5-MK72**

Entitled to/Con derecho a	Coverage starts/Cobertura empieza
<b>PART A</b>	<b>03-03-2016</b>
<b>PART B</b>	<b>03-03-2016</b>



## A Medicare Supplement, aka, a MedSupp, or MediGap Plan, supplements Original Medicare, and:

- ▶ You can select any provider that accepts Medicare
- ▶ You can see specialists without referrals
- ▶ No network restrictions, coverage is across the United States
- ▶ Prior authorizations are not required for procedures and tests
- ▶ You will pay a monthly premium in addition to your Part B premium
- ▶ Prescription Drug coverage is not included, you will need to purchase a Medicare Part-D Prescription Drug Plan

# MedSupps are standardized, meaning that Medicare determines the benefits

Medicare Supplement Insurance (Medigap) plans										
Benefits	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 2017			
							\$5,120	\$2,560		

# Plan F and Plan C are ending for new Medicare Beneficiaries January 1, 2020

- ▶ The Medicare Access and CHIP Reauthorization Act of 2015, (MACRA), prohibits the sale of Plan F and Plan C to “newly eligible” Medicare Beneficiaries as of January 1, 2020.
- ▶ How does this affect RIPEA’s Comprehensive Plan? It doesn’t!
  - ▶ Group Retiree Plans are not required to follow Medicare’s Standardized Plan designs.
  - ▶ RIPEA’s Comprehensive Plan is modeled on the Plan F, but includes additional Major Medical coverage, which makes it unique.
  - ▶ RIPEA’s rates are the same whether you reside in Indiana, or in Florida or other states that have higher Medicare Supplement rates than Indiana.



# Medicare's Part-D Rx coverage has 4 Stages, whether thru a stand-alone PDP, or if included in a Medicare Advantage Plan

## Prescription drug coverage: how it works

Stage <b>1</b>	Stage <b>2</b>	Stage <b>3</b>	Stage <b>4</b>
<b>Deductible</b>	<b>Initial coverage</b>	<b>Coverage gap (donut hole)</b>	<b>Catastrophic coverage</b>
<p><b>You pay:</b> Full discounted cost of formulary drugs until you reach your yearly deductible, if your plan has a deductible.</p> <p>You stay in this stage until you have paid your yearly deductible amount, if your plan has a deductible.</p>	<p><b>You pay:</b> Part of the cost for your drugs.</p> <p><b>For example:</b> \$2 per 30-day supply or \$45 per 30-day supply</p> <p><b>Your plan pays:</b> The rest of the cost until the combined amount (plus any deductible) reaches \$3,750.</p>	<p>After your total yearly drug costs reach \$3,750.</p> <p><b>You pay:</b> 35%* of the plan's cost for covered brand-name drugs and 44%* for covered generic drugs.</p> <p>*Some plans have additional coverage in the gap. You will pay a copayment/coinsurance for covered drugs.</p>	<p>After your total covered out-of-pocket costs reach \$5,000.</p> <p><b>You pay:</b> \$3.35 for generics and \$8.35 for brand drugs, or 5% of the total cost (whichever is greater).</p>

# Medicare Advantage Plans, aka, Medicare Health Plans are not Medicare Supplements

- ▶ You may be required to use in-network doctors and hospitals
- ▶ You may need referrals to see a specialist
- ▶ You may have network restrictions, though emergency care is covered within the United States
- ▶ Prior Authorizations and other restrictions may be utilized to control costs
- ▶ You may pay a low or \$0 premium in addition to your Part B premium
- ▶ When you use services, you will pay co-pays, co-insurance and deductibles
- ▶ You will have a maximum out of pocket for medical coverage
- ▶ Prescription drug coverage is included with most Advantage Plans

# Medicare Advantage Plans



Low Monthly  
Premiums



Outpatient Medical  
Coverage



Inpatient Hospital  
Benefits



Part D  
Drug Benefits

## Network of Providers



You pay copays for medical services as you go along, up to the plan's out of pocket maximum.



## Up to the Out of Pocket Maximum

no more than **\$6700** per calendar year

Out of pocket maximum cap on Part A & B expenses  
This cap varies by plan, and does not include Part D spending.

# Election Periods For Advantage Plans & Part-D Prescription Drug Plans

- ▶ **Initial Enrollment Period** - 7-month period that starts 3 months before the month you turn 65, includes the month you turn 65, and ends 3 months after the month you turn 65.
- ▶ **Open Enrollment Period** - Runs October 15 thru December 7, with a January 1 effective date.
- ▶ **Medicare Advantage Disenrollment Period** - You have from January 1 thru February 14 to disenroll from an Advantage Plan and enroll in a Part-D Plan, effective the 1<sup>st</sup> of the next month.
- ▶ **Special Enrollment Period** - You qualify due to losing/leaving employer coverage, moved out of your current plan's service area, or 15 other qualifiers, lasts 2 full months after the month you qualified.

# Key points for RIPEA Members either on or considering an Advantage Plan:

- ▶ If someone changes from a non-RIPEA Medicare Supplement to an Advantage Plan, they have a 12 month trial period, (1<sup>st</sup> time only), during which they can return to their original Medicare Supplement. If they want to change back after that 12 month period, they must pass underwriting during the Annual Election Period, October 15 thru December 7.
- ▶ All RIPEA members can enroll in a RIPEA Medicare Supplement during RIPEA's Annual Enrollment Period in December of each year, without underwriting.
- ▶ This is true whether they are coming from an Advantage Plan, a non-RIPEA Medicare Supplement, or no coverage at all, other than original Medicare.
- ▶ RIPEA members can also enroll within 90 days of their 65<sup>th</sup> birthday or retirement date.

# Medicare & Medicaid Contact Info

## ▶ Medicare:

- ▶ Telephone#: 1-800-MEDICARE (1-800-633-4227)
- ▶ Website: Medicare.gov
- ▶ Personal account: MyMedicare.gov
- ▶ NAIC Model Regulation for 2020:  
<http://www.naic.org/store/free/MDL-651.pdf>

## ▶ Medicaid:

- ▶ Telephone#: 1-800-457-4584
- ▶ Website: [in.gov/Medicaid/](http://in.gov/Medicaid/)

## ▶ Extra Help, (Rx):

- ▶ Telephone#: 1-800-772-1213, (Social Security)
- ▶ Website: [ssa.gov/benefits/medicare/prescriptionhelp/](http://ssa.gov/benefits/medicare/prescriptionhelp/)