

# Medicare – Getting started



Revised – Feb. 22, 2023

# What is SHIBA?

---

## Statewide **H**ealth **I**nsurance **B**enefits **A**dvisors

- We are a **FREE** program of the Office of the Insurance Commissioner
- We provide **unbiased** and **confidential** information about Medicare and other health insurance
- We are an **educational** service
- **We don't sell anything**

# Today's overview

---

- **Medicare** basics: **A, B, D** or **C**
- How and when to **enroll**
- **Part D** (prescription drug coverage)
- **Medigaps** (Medicare Supplement plans)
- **Medicare Advantage** plans
- Do you need **help paying** for your plan
- Medicare **fraud**

# People with retiree plans

---

- Contact your retiree plan (such as TRICARE, PEBB, IBEW, FEHB, Boeing) to learn how it coordinates with Medicare.
- We cannot give you information on your retiree plan.
- Please contact your retiree plan benefits administrator.

# As you research Medicare options

---

- ✓ Keep a notebook
- ✓ Write down the names of people you talk to, the date and their contact information
- ✓ Note what was said in the conversation
- ✓ Keep copies of any paperwork
- ✓ Beware of fraud

# What is Medicare?

---

## Health insurance for people:

- Age 65 and older
- Under age 65 and deemed disabled by the Social Security Administration
  - 24-month waiting period
- End-Stage Renal Disease (ESRD)
- Lou Gehrig's Disease (also known as ALS)
  - No waiting period
- Legal permanent resident for at least 5 continuous years

# Medicare

---

## **Administered by:**

- Centers for Medicare & Medicaid Services (CMS)

## **Enrollment is through:**

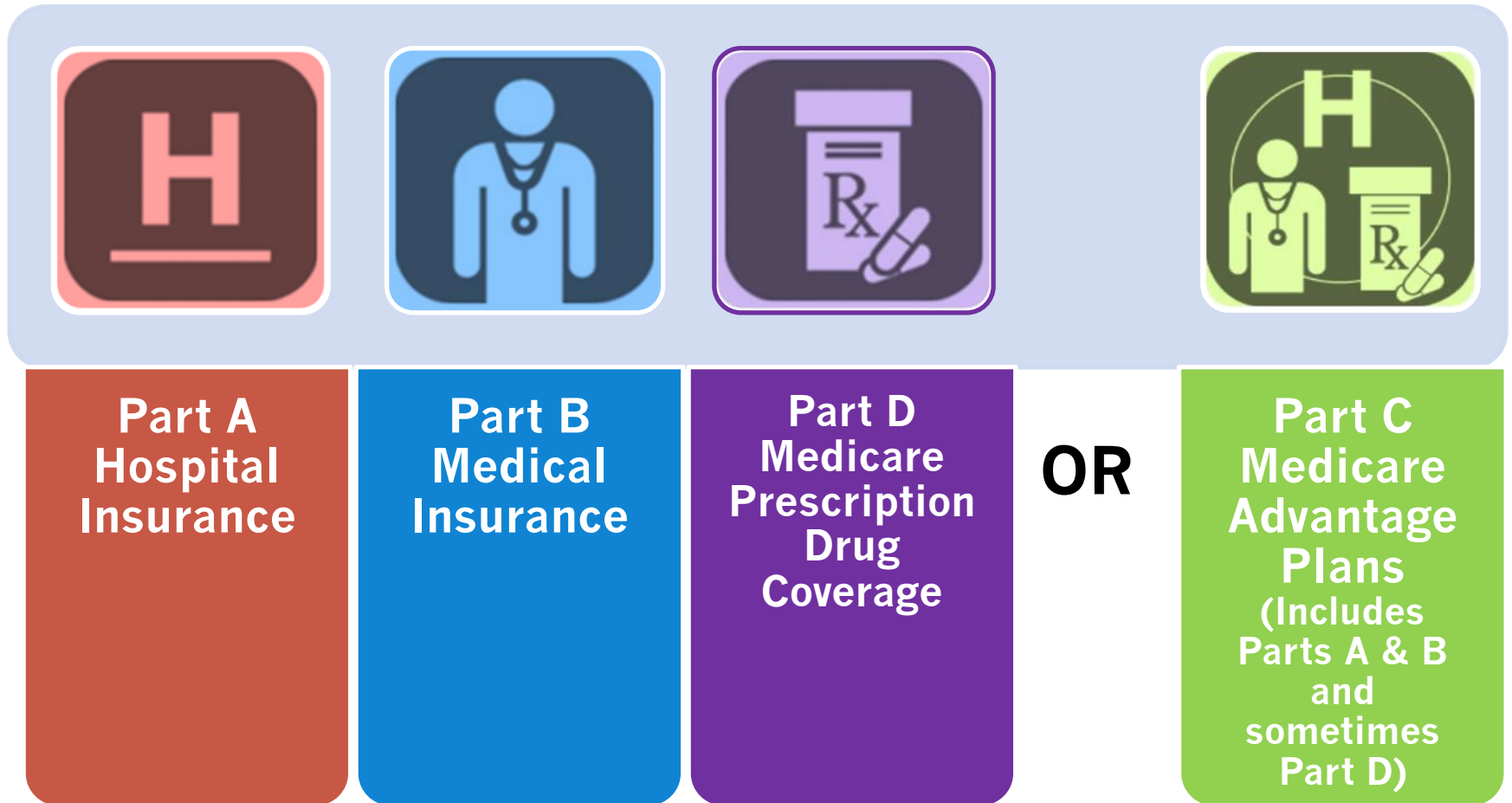
- Social Security Administration (SSA) for most
- Railroad Retirement Board (RRB) railroad retirees

## **Medicare generally pays:**

- 80% of medically-necessary charges if services are provided by Medicare-approved provider

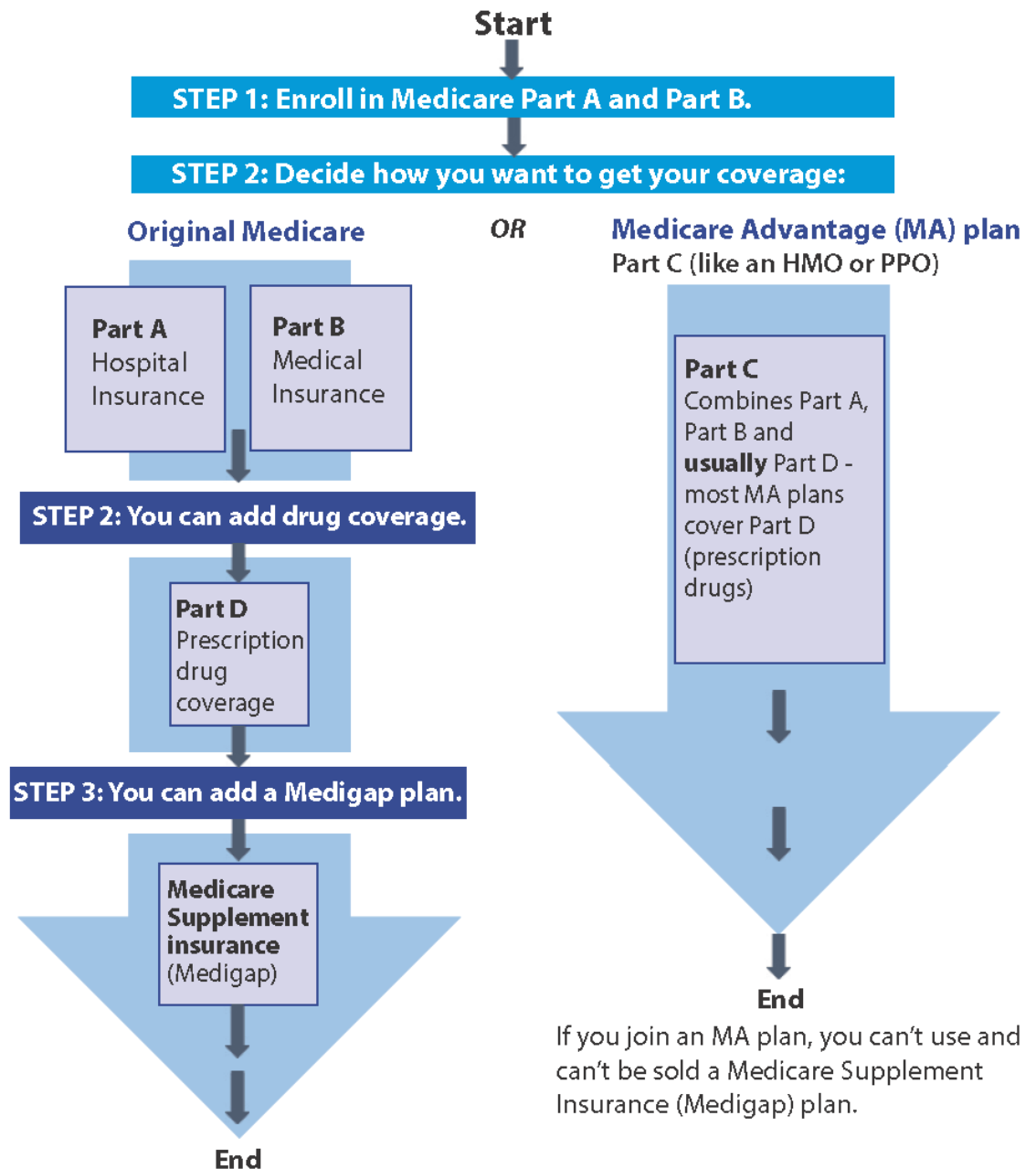
# The four parts of Medicare

---

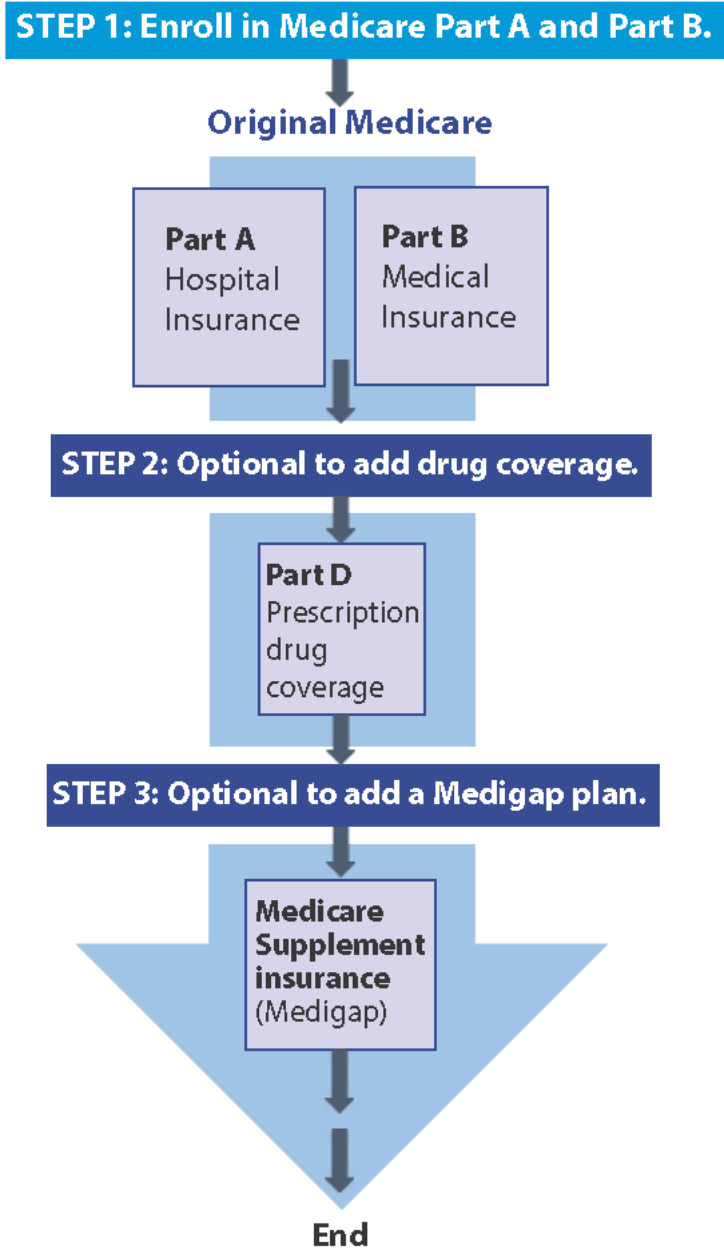




# Decide how you want to get your Medicare



# Original Medicare



# Original Medicare

---



## Part A – Hospital insurance

- Hospital (inpatient)
- Skilled Nursing Facility
- Home health care
- Hospice care



## Part B – Medical insurance

- Doctor's visits
- Outpatient hospital services
- Clinical lab tests
- Durable Medical Equipment
- Preventive services

# Medicare Part A (hospital insurance)

---

## What does Part A cost?

- Most people get **Part A** premium **free**
  - Based upon enrollee or spouse working and paying FICA taxes
- Some people **pay** a premium to get **Part A**
  - If you don't have the work history
- In 2023: It'll cost **\$278** or **\$506** a month depending on work credits



# Medicare Part B (medical insurance)

---

## What does Part B cost?

- Most people **new** to Medicare will pay
  - In 2023: **\$164.90/month**
- Those with higher incomes may pay more
- Social Security notifies you of what you have to pay
  - Premiums may change yearly



# Additional Medicare costs

---

- **Part A** hospital deductible:  
In 2023: **\$1,600**
- **Part B** yearly deductible:  
2023: **\$226**
- **20%** coinsurance, co-pays

# Medicare does **not** cover everything

---

- Routine eye exams, eyeglasses
  - Only glasses after cataract surgery
- Routine dental care
  - Cleanings, fillings, crowns, bridges, dentures
- Hearing aids
- Most “alternative” medicine
  - Acupuncture (unless it’s for lower back pain)
  - Naturopathy
- Long-term care

# Medicare enrollment



# Automatic enrollment

---

Some people get Parts A and B **automatically**:

- If you receive **early** retirement benefits from Social Security **or** the Railroad Retirement Board, you will automatically be enrolled at age **65**.
- If you're **under** age 65 and **deemed** disabled by **Social Security**, it will automatically enroll you in Medicare **after** 24 months.

# Enrollment is **not** automatic

---

At age **65** you must **actively** enroll in Medicare if you're not yet receiving Social Security or Railroad Retirement Board benefits:


- You need to enroll with Social Security or Railroad Retirement Board:
  - Online at: [socialsecurity.gov](https://www.socialsecurity.gov)
  - Call Social Security: 1-800-772-1213
  - Visit your local Social Security office
  - Railroad Retirement Board: 1-877-772-5772

# Enrollment periods

---

- **Initial Enrollment Period (IEP)**
  - When you turn 65
- **General Enrollment Period (GEP)**
  - When you miss your IEP
- **Special Enrollment Period (SEP)**
  - Example: You continue to work past age 65

# Initial Enrollment Period

3 months before the month you turn age 65	2 months before the month you turn age 65	1 month before the month you turn age 65	<b>Your birthday month</b> 	1 month after you turn age 65	2 months after you turn 65	3 months after you turn 65
Medicare starts BD month	Medicare starts BD month	Medicare starts BD month	Medicare starts next month	Medicare starts 1 <sup>st</sup> day of next month	Medicare starts 1 <sup>st</sup> day of next month	Medicare starts 1 <sup>st</sup> day of next month

# General Enrollment Period

---

General Enrollment Period starts **January 1 – March 31** for those who missed their Initial Enrollment Period and do not qualify for a Special Enrollment period.

- Coverage starts the month following signing up
- Possible late-enrollment penalty

# Special Enrollment Period – working past 65

---

- For people who are 65 and older, **actively working**, have employer coverage of their own or through their spouse can enroll in **Part B**.
- Any time still covered by the employer plan.
- During the **8-month** Special Enrollment Period that **starts** the month after **active employment ends** or the **coverage ends**, whichever happens first.

*\*\*\*The Special Enrollment Period for **Part D** and **Medicare Advantage** plans is only **63** days\*\*\**

# Should I keep/sign up for Part B?

---

- If you're **actively** working and covered by an employer plan, you **may not** need Part B.
  - Check with your benefits administrator.
- If you're **not actively** working but have coverage through your spouse's employer plan, you **may not** need Part B.
  - Check with your Benefit Administrator.
- If you're **not actively** working – you'll need to consider signing up for Part B – unless you have a unique situation.

# Part B

---

- Sometimes you **must have Part B** if:
  - You want to buy a Medigap policy
  - You want to enroll in a Medicare Advantage plan
  - Your employer coverage requires you have it - talk to your employer's benefits administrator
  - You're eligible for TRICARE





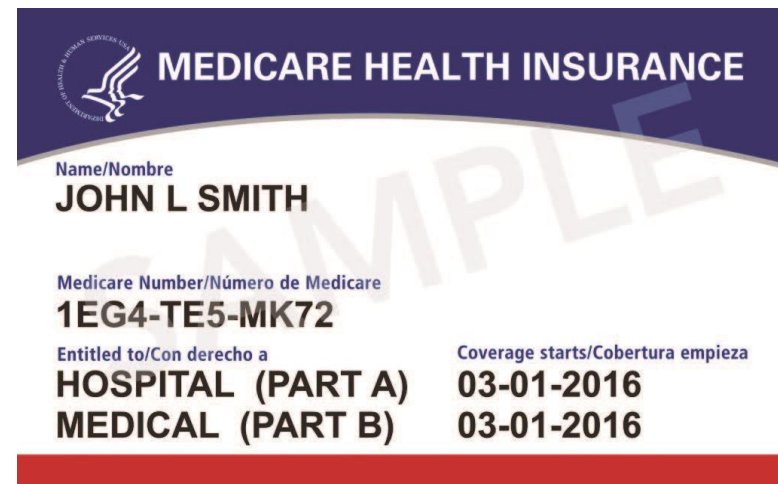
# Medicare card

---

- Keep your Medicare card to **accept** Medicare Parts A and B.
- To **refuse/defer** Part B, return your Medicare card.
- If you have **Original Medicare, you use your red, white, and blue Medicare card when you get health care.**
- Your Medicare card shows the Medicare coverage (Part A hospital coverage and/or Part B medical coverage) and the date the coverage starts.

# How to get a Medicare replacement card

- If you lose your Medicare card or it was stolen or destroyed, request a replacement by using your online my Social Security account.
- If you don't have an account, create one at: [www.ssa.gov/signin](http://www.ssa.gov/signin)
- Once you're logged in, select the "Replacement Documents" tab. Then select "Mail my replacement Medicare card."
- You will receive your replacement card by U.S. mail in about 30 days at the mailing address you have on file with Social Security.
- If you don't have access to go online, call Social Security at: 1-800-772-1213 (TTY: 1-800-325-0778), Mon. – Fri., 7 a.m to 7 p.m.



# Watch out for Medicare cards scams

---

- Beware of scams – scammers may contact you to:
  - Ask you to confirm your Medicare or Social Security Number because your Medicare card has been compromised.
  - Tell you there's a charge for your Medicare card and they need to verify your personal information.
  - Threaten to cancel your health benefits if you don't share your Medicare number or other personal information.

Hang up and call SHIBA at 1-800-562-6900 to report it.

# Medicare prescription drug plans

*Medicare Part D*

# Part D – Medicare Rx drug coverage

---

- **Part D plans are optional**
  - However, if you choose **not** to sign up when you're first eligible, you **could be** subject to a penalty.
- **Part D coverage options**
  - Medicare Part D stand-alone plans work with Original Medicare.
  - Most, but, **not** all Medicare Advantage plans have prescription drug coverage.



# Part D enrollment

---

- You **must** have **Part A** and/or **Part B**.
- You must **actively** enroll in a Part D plan.
- You **can't** have a Part D plan outside the U.S.
- If you **have** drug coverage through your **employer plan**, you **may** have creditable coverage.
  - Creditable coverage is coverage that is as good or better than Medicare Part D.
  - With creditable coverage you **may not** need Part D.

# Part D enrollment

---

## Enroll in Part D during:

- Initial Enrollment Period (when you turn 65)
- The Open Enrollment Period that happens every year:
  - October 15 – December 7

*\*\*\*Coverage starts January 1\*\*\**
- Special Enrollment Period
  - Move to a new area
  - Gain or lose employer or retiree coverage
  - Eligible for Extra Help/Low Income Subsidy (LIS)

# Part D enrollment

---

## To enroll in a Part D plan:

- Call **SHIBA** 1-800-562-6900
- Enroll at [www.medicare.gov](http://www.medicare.gov)
- Call the Part D plan
- Enroll on the Part D plan's website
- Call 1-800-MEDICARE (633-4227)



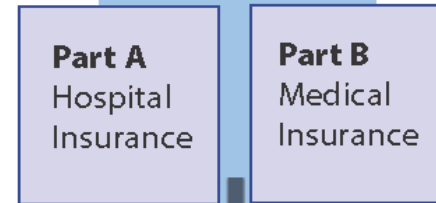
# Medigaps

*Also called Medicare Supplement insurance*

# Medicare Supplement Insurance (Medigap)

**STEP 1: Enroll in Medicare Part A and Part B.**

**Original Medicare**



**STEP 2: Optional to add drug coverage.**

**Part D**  
Prescription drug coverage

The diagram shows a light blue rectangular box containing the text 'Part D Prescription drug coverage'. A downward arrow points from the top of this box to the next step.

**STEP 3: Optional to add a Medigap plan.**

**Medicare Supplement insurance (Medigap)**

The diagram shows a light blue rectangular box containing the text 'Medicare Supplement insurance (Medigap)'. This box is centered within a large, downward-pointing light blue arrow. A downward arrow points from the bottom of this box to the final step.

**End**

# What is a Medigap policy?

---

- Medigap policies are sold by private companies.
- Medigap plans fill the gaps in Original Medicare.
  - Deductibles, coinsurance, copayments
- Washington state Medigap plans are standardized.
  - Plans with the same letter have the same coverage, the only difference is the cost

# Medigap plans

Medigap benefits	A	B	D	G*	K**	L**	M	N	C	F*
Part A Coinsurance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Up to 365 Days	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Part B Coinsurance	✓	✓	✓	✓	50%	75%	✓	✓	✓	✓
Blood	✓	✓	✓	✓	50%	75%	✓	✓	✓	✓
Hospice Care Coinsurance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Skilled Nursing Coinsurance			✓	✓	50%	75%	✓	✓	✓	✓
Part A Deductible		✓	✓	✓	50%	75%	50%	✓	✓	✓
Part B Deductible									✓	✓
Part B Excess Charges				✓						✓
Foreign Travel Emergency (Up to Plan Limits)			80%	80%			80%	80%	80%	80%

\*Plan F and G offer a high-deductible option  
 \*\* Plans K and L have out-of-pocket limits of \$6,940 and \$3,470 respectively  
 Plans C&F only apply to people first eligible for Medicare prior to Jan. 1, 2020.

# Best time to buy a Medigap

---

- The best time to enroll in a Medigap plan is during the first 6 months starting with the day you turn age 65 (or older) **and** you have **BOTH** Medicare Parts A & B.
- During these first **6 months**, the plan **cannot**:
  - Subject you to a health screen
  - Deny you for pre-existing conditions
- If you missed this 6-month window (also called guaranteed issuance or Medigap Open Enrollment Period), you can apply for a Medigap:
  - However, the company does **not** have to sell you one

*\*\*\*Under age 65 there is no guaranteed issuance for a Medigap.\*\*\**

# Medigap plans

---

## Things to consider:

- Medigap plans **only** work with Original Medicare.
- Do you have other supplemental coverage, such as a retiree plan?
- Can you afford Medicare deductibles and copayments?

# Once you're enrolled in a Medigap plan

---

- There's no yearly open enrollment period for Medicare Supplement (Medigap) plans.
- If you're already enrolled in a Medigap plan, you may apply to buy or switch plans at any time.
- For specific Medigap enrollment/health screening questions, call the Office of the Insurance Commissioner's consumer hotline at: 1-800-562-6900 and ask to speak with a health analyst.

# Medicare Advantage plans

*Medicare Part C – also called “Medicare Health Plans”*



# Part C - Medicare Advantage plans

**STEP 1: Enroll in Medicare Part A and Part B.**

**Medicare Advantage (MA) plan**  
Part C (like an HMO or PPO)

**Part C**  
Combines Part A,  
Part B and  
**usually** Part D -  
most MA plans  
cover Part D  
(prescription  
drugs)

**End**

If you join an MA plan, you can't use and can't be sold a Medicare Supplement Insurance (Medigap) plan.

# Part C – Medicare Advantage (MA) plans

---

- Medicare contracts with private insurance companies to administer Medicare, creating another way to get your Medicare coverage.
- You **will** continue to **pay** your **Part B** premium and may have a monthly premium for your Medicare Advantage plan.
- You must **use** Medicare Advantage plan **network** doctors or hospitals.
- Medicare Advantage plans vary depending on the county you live in; you **must live** in the county where the plan is sold.

*\*\*\*Some counties don't offer Medicare Advantage plans.\*\*\**

# How Medicare Advantage plans work

---

- Medicare Advantage plans **have** all the rights and protections of Original Medicare.
- Medicare Advantage plans **include** both Parts A and B and **may** include prescription drug coverage.
- Medicare Advantage plans **may** include **extra benefits** such as:
  - Vision, dental, hearing & gym membership
- The plan **may** require you to have a referral to see a specialist.

*\*\*\*Medicare Advantage plan premiums, benefits and cost sharing are determined by the plan.\*\*\**

# Medicare Advantage plan enrollment

---

Enroll in Medicare Advantage plan during:

- **Initial Enrollment Period (when you turn 65)**
- **Medicare's Open Enrollment Period**
  - October 15 – December 7 every year

*\*\*\*Coverage starts January 1\*\*\**

# Medicare Advantage plan enrollment *(cont.)*

---

- **Medicare Advantage Open Enrollment Period**

- January 1 – March 31 every year
- If you're enrolled in an MA plan on Jan. 1, you can:
  - Change to a different MA plan
  - Leave your MA plan to join Original Medicare
  - Add or drop Medicare Part D when switching plans
- Any changes you make, take effect the first day of the month after your request

- **Special Enrollment Period**

- Move to a new area
- Gain or lose employer or retiree coverage
- Eligible for Extra Help/Low Income Subsidy (LIS)

# Medicare Advantage plan enrollment

---

To enroll in a Medicare Advantage plan:

- Call **SHIBA** 1-800-562-6900
- Enroll at [www.medicare.gov](http://www.medicare.gov)
- Call the Medicare Advantage plan
- Enroll on the Medicare Advantage plan's website
- Call 1-800-MEDICARE (633-4227)

# Paying for Medicare

# Ways to pay for Medicare

---

## **Part A :**

- Most beneficiaries have premium-free Part A based on their work history.

## **Part B:**

- If you receive a social security benefit, it's withheld from your social security.
- Mail your premium into Medicare; you can pay by check, credit or debit card.
- Mail your payment to the Railroad Retirement Board.
- Sign up for Medicare Easy Pay for monthly deductions from your checking or savings account.
- Make your payment online to Medicare.

## **Part D:**

- Contact your drug plan to have your premium deducted from Social Security or the Railroad Retirement Board.
- Contact your drug plan if you want the drug plan to bill you directly.

## **Part C:**

- Make your payment directly to your Medicare Advantage plan.



# Help for limited-income beneficiaries

# What are Medicare Savings Programs (MSPs)?

---

- Help from Medicaid to pay Medicare costs
  - Pays Medicare premiums
  - May pay Medicare deductibles and coinsurance
- Income amounts change each year

# Who can qualify for MSP?

	Individual monthly income limit:	Married couple monthly income limit:	Helps pay your:
<b>Medicare Savings Program (Effective April 2023)</b>	<b>\$1,660</b>	<b>\$2,239</b>	<b>Part B premiums, and sometimes Part A premiums, Medicare A &amp; B deductibles and coinsurance</b>

**Note:** Starting Jan. 1, 2023, there is no resource/asset test for the MSPs. This means you won't be asked to verify any resources, such as bank account balances.

# Extra Help for prescription drugs

---

- Help paying for prescription drug costs
- Social Security makes the determination
- Some people automatically qualify
  - Example: Person qualifies for both Medicare AND Medicaid
- You or someone on your behalf can apply to Social Security
- Program also called “Low Income Subsidy”

# Who can qualify for Extra Help?

---

	Individual monthly income limit	Married couple monthly income limit	Helps pay your:
<b>Extra Help</b> (Effective 2023)	<b>\$1,843</b>	<b>\$2,485</b>	<b>Part D premium, deductibles and copays</b>

**Resource limits: Individual is \$16,660 or Couple is \$33,240**

**Note:** People who work may have even higher income than what this chart shows. Resources do not include the home you live in and one car.

# What is Medicaid?

---

- Federal-state health insurance program for people:
  - With **limited income/resources**
  - With **disabilities or age 65 and older**
  - Covered by Medicare and Medicaid, covers most health care costs
- Eligibility determined by DSHS - Department of Social & Health Services
- Apply if you MIGHT qualify

# Medicare and the Affordable Care Act (ACA)

# Medicare & the Affordable Care Act (ACA)

---

In Washington state, the ACA offers health insurance coverage to people through the Washington Healthplanfinder: [www.wahealthplanfinder.org](http://www.wahealthplanfinder.org)

**Q:** Can individuals who already have Medicare enroll in health coverage through the Washington Healthplanfinder?

**A:** No. It's illegal to knowingly sell one of these plans to a Medicare beneficiary.



# Enrolled in ACA when Medicare starts

---

**Q:** What if I'm currently enrolled in a Qualified Health Plan and become entitled to free Medicare Part A?

**A:** You can keep your plan, but any tax credits you receive will be discontinued once Medicare Part A starts.

# Enrolled in Apple Health when Medicare starts

---

**Q:** What if I am currently enrolled Washington Apple Health and get free insurance, and then become eligible for Medicare?

**A:** Your Apple Health plan will be discontinued once Medicare starts. You may be eligible for assistance via Medicaid or the Medicare Savings Program or for Extra Help for Medicare Part D. You may have to submit new applications. SHIBA can help with this.

# Dropping Medicare to keep ACA coverage

---

## **Important!**

People who get free Part A cannot drop it without dropping their retiree benefits (social security or railroad retirement) and paying back all retirement benefits received and costs incurred by the Medicare program.

# Two points to consider...

---

Before you decide to avoid or defer enrolling in Medicare to sign up for (or keep) individual market coverage:

1. People who do not enroll in Medicare when first eligible, probably will have to wait to enroll.
  - See earlier information on General Enrollment Period.
2. Waiting to enroll in Medicare risks a break in health insurance coverage and paying higher premiums.
  - Late enrollment premium surcharge - usually lifelong.

# Medicare fraud

# Avoid becoming Medicare fraud victim

---

- Guard your Medicare card
- Don't fall for phone scams
- Review your Medicare Summary Notices
- If you suspect fraud, report it to SHIBA!



# Wrap up

# For more information

---

## **SHIBA:**

- 1-800-562-6900 or [www.insurance.wa.gov/shiba](http://www.insurance.wa.gov/shiba)

## **Medicare:**

- 1-800-MEDICARE (633-4227)/TTY: 1-877-486-2048
- [www.medicare.gov](http://www.medicare.gov)
- *Medicare & You* handbook

## **Social Security:**

- [www.socialsecurity.gov](http://www.socialsecurity.gov)

## **Apply for assistance:**

- [www.washingtonconnection.org](http://www.washingtonconnection.org)



# Become a SHIBA volunteer

---

- Help others within your local community
- Rewarding
- Stimulating
- Continuous learning and training

We would love to have you volunteer with SHIBA!



# Need help with other insurance questions?

---

The Office of the Insurance Commissioner can also help you with questions, information and complaints about all types of insurance, such as:

- Homeowner
- Auto
- Life
- Annuities
- Health
- And more!

Call our Insurance Consumer Hotline:

**1-800-562-6900**

On the web at: [www.insurance.wa.gov](http://www.insurance.wa.gov)

# More questions?

---

- Please complete and return evaluation form.
- Let us know if you want us to contact you to:
  - Discuss your personal situation
  - Learn more about becoming a volunteer

**THANK YOU!!!**