2018 National Training Program

Understanding Medicare
New Medicare Card! New Medicare Number!

Medicare will mail new Medicare cards between April 2018 – April 2019. To help protect your identity, your new card will have a unique Medicare Number instead of your Social Security Number. The new card won’t change your coverage or benefits. Here’s what you need to know:

- You don’t need to do anything to get your new card, but you should make sure your mailing address is up to date.
- If your address needs to be corrected, contact Social Security at ssa.gov/myaccount or 1-800-772-1213. TTY users can call 1-800-325-0778.
- Medicare will never call you uninvited and ask for your personal information. Beware of anyone who contacts you about your new Medicare card.
- You’ll get more information from Medicare when your new card is mailed.
What is Medicare?

- Health insurance for three groups of people
  - 65 and older
  - Under 65 with certain disabilities
  - Any age with End-Stage Renal Disease (ESRD)

- Administered by
  Centers for Medicare & Medicaid Services (CMS)
  - Social Security Administration (SSA)
    - Enrolls most individuals
  - Railroad Retirement Board (RRB)
    - Enrolls railroad retirees
The Four Parts of Medicare

Part A Hospital Insurance

Part B Medical Insurance

Part C Medicare Advantage Plans (like HMOs/PPOs) Includes Part A, Part B and sometimes Part D coverage

Part D Medicare Prescription Drug Coverage
Enrolling in Medicare

- Already get Social Security or Railroad Retirement
  - Enrolled automatically
    - 3 months before age 65
    - 3 months before your 25th month of disability benefits
  - Receive Initial Enrollment Package in mail
    - Includes your Medicare card

- Not getting Social Security or Railroad Retirement
  - Enroll through SSA or RRB (not automatic)
  - Apply 3 months before age 65
    - Don’t have to be retired
# Enrollment Periods

<table>
<thead>
<tr>
<th>Enrollment Period</th>
<th>Begins</th>
<th>Ends</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Enrollment Period (IEP)</td>
<td>3 months before the month of birthday</td>
<td>3 months after the month of birthday</td>
</tr>
<tr>
<td>Special Enrollment Period (SEP)</td>
<td>the month after you lose employer coverage – based on active employment</td>
<td>8 months after coverage ends</td>
</tr>
<tr>
<td>General Election Period (GEP)</td>
<td>January 1st</td>
<td>March 31st</td>
</tr>
</tbody>
</table>
Enrolling in Part B if You Have Employer or Union Coverage

- May affect your Part B enrollment rights
  - You may want to delay enrolling in Part B if
    - You have employer or union coverage and
    - You or your spouse, or family member if you are disabled, is still working
- See how your insurance works with Medicare
  - Contact your employer/union benefits administrator
When Medicare is Primary

- Medicare is your only insurance
- Your other source of coverage is
  - A Medigap policy
  - Medicaid
  - Retiree benefits
  - The Indian Health Service
  - Veterans benefits and TRICARE for Life
  - COBRA continuation coverage
    - Except 30-month coordination period for people with End-Stage Renal Disease (ESRD)
Medicare is Secondary

- To employer group health plans (EGHP)
  - 65+ and still working: EGHP 20 or more employees
  - Disability: EGHP 100 or more employees
  - ESRD: Any size EGHP after initial 30-months

- To non-EGHP involving
  - Workers’ Compensation (WC)
  - Black Lung Program
  - No-fault/liability insurance
Paying for Medicare Part A

- Most people receive Part A premium free
  - If you paid FICA taxes at least 10 years
- If you paid FICA less than 10 years
  - Can pay a premium to get Part A
  - May have penalty
    - If not bought when first eligible
Paying the Part B Premium

- Deducted monthly from
  - Social Security benefit payments
  - Railroad retirement benefit payments
  - Federal retirement benefit payments

- If not deducted
  - Billed every 3 months
  - Medicare Easy Pay to deduct from bank account

- Contact SSA, RRB or OPM about premiums
Part B Late Enrollment Penalty

- Penalty for not signing up when first eligible
  - 10% more for each full 12-month period
  - May have penalty as long as you have Part B

- Sign up during a Special Enrollment Period
  - Usually no penalty
Your Medicare Coverage Choices

Original Medicare

- Part A Hospital Insurance
- Part B Medical Insurance

You can add one or both

Medicare Supplement Insurance (Medigap) Policy.
Must have Part A and B

Medicare Advantage Plan

- Part C Combines Part A and Part B and usually Part D

Sometimes may add a Separate Part D Plan
Prescription Drug Coverage
(Most Part C plans cover prescription drugs. You may be able to add drug coverage to some plan types if not already included.)

Part D Prescription Drug Coverage.
Can have Part A and/or Part B

June 2017
Understanding Medicare
What is Original Medicare?

- Health care option run by the Federal government
- Provides your Part A and/or Part B coverage
- See any doctor or hospital that accepts Medicare
- You pay
  - Part B premium (Part A is usually premium free)
  - Deductibles, coinsurance or copayments
- Get Medicare Summary Notice (MSN)
- Can join a Part D plan to add drug coverage
Part A Helps Pay for Medically Necessary

- Hospital inpatient care
- Skilled nursing facility (SNF) care
- Home health care
- Hospice care
Part B Helps Pay for Medically Necessary

- Physician/practitioner services
- Outpatient medical/surgical svcs & supplies
- Diagnostic tests
- Outpatient therapy
- Outpatient mental health services
- Other medical services

Also pays for some preventive health care services
Part B-Covered Preventive Services

- "Welcome to Medicare" preventive visit
- Yearly “Wellness” visit
- Abdominal aortic aneurysm screening
- Alcohol misuse screening and counseling
- Bone mass measurement
- Breast cancer screening (mammogram)
- Cardiovascular disease (CVD) Risk Reduction Visit
- Cardiovascular disease screenings
- Cervical and vaginal cancer screening
- Colorectal cancer screenings
  - Screening fecal occult blood test
  - Screening flexible sigmoidoscopy
  - Screening colonoscopy
  - Screening barium enema
- Depression screening
- Diabetes screenings
- Diabetes self-management training
- Flu shots (Vaccine)
- Glaucoma tests
- Hepatitis B shots (Vaccine)
- Hepatitis C screening
- HIV screening
- Medical nutrition therapy services
- Obesity screening and counseling
- Pneumococcal shot (Vaccine)
- Prostate cancer screening
- Sexually-transmitted infections screening and counseling
- Tobacco use cessation counseling
NOT Covered by Part A and Part B

- Long-term care
- Dental care
- Dentures
- Cosmetic surgery
- Acupuncture
- Hearing aids and exams for fitting hearing aids
- Other – check on www.medicare.gov
2018 Medicare Costs

See Handout

Understanding Medicare
Medigap Policies

- Medigap (Medicare Supplement Insurance) policies
  - Private health insurance for individuals
  - Sold by private insurance companies
  - Supplement Original Medicare coverage
  - Follow Federal/state laws that protect you

- Medigap Open Enrollment Period
  - Starts when you are both 65 and signed up for Part B
  - Once started cannot be delayed or repeated
Medicare Advantage (MA) Plans

- Health plan options approved by Medicare
  - Another way to get Medicare coverage
  - Still part of the Medicare program
  - Run by private companies
- Also called Part C
- Includes all benefits/services covered under Part A and Part B
- May have to use network doctors or hospitals
- May include prescription drug coverage (Part D)
- Types of plans available may vary
  - HMOs, PPOs, PFFS, SNPs
# Medicare Advantage Eligibility Requirements and Costs

<table>
<thead>
<tr>
<th>Requirements</th>
<th>Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>You must live in plan’s service area</td>
<td><strong>You must still</strong> pay Part B premium</td>
</tr>
<tr>
<td>You must have Medicare Part A and Part B</td>
<td>You may pay additional monthly premium to plan</td>
</tr>
<tr>
<td>You must not have ESRD when you enroll – Some exceptions</td>
<td>You pay deductibles, coinsurance and copayments</td>
</tr>
<tr>
<td>You can only belong to one Medicare health plan at a time</td>
<td></td>
</tr>
</tbody>
</table>
Other Types of Medicare Health Plans

- Other types of Medicare health plans
  - Not Medicare Advantage Plans
    - Medicare Cost Plans
    - Demonstrations and Pilot Programs
    - Programs of All-inclusive Care for the Elderly (PACE)
- Only available in certain areas
Medicare Prescription Drug Coverage

- Also called Medicare Part D
- Prescription drug plans approved by Medicare
- Run by private companies
- Available to everyone with Medicare
- Must be enrolled in a plan to get coverage

Two sources of coverage
- Medicare Prescription Drug Plans (PDPs)
- Medicare Advantage Plans with Rx coverage (MA-PDs)
  - And other Medicare health plans with Rx coverage
Medicare Part D Eligibility Requirements and Costs

**Requirements**
- You must have Medicare Part A and/or Part B
- You must live in plan service area
- You must enroll in a Medicare Rx plan
- You can’t live outside the U.S. or be incarcerated

**Costs**
- Costs vary by plan
- In 2018 most people will pay
  - A monthly premium
  - An annual deductible - $405
  - Copayments or coinsurance
  - 35% on covered brand-name drugs in donut hole
  - 44% on generic drugs in donut hole
  - Very little after spending $5,000 out-of-pocket
## Improved Coverage in the Coverage Gap

<table>
<thead>
<tr>
<th>Year</th>
<th>What You Pay for Brand-Name Drugs in the Coverage Gap</th>
<th>What You Pay for Generic Drugs in the Coverage Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>47.5%</td>
<td>79%</td>
</tr>
<tr>
<td>2014</td>
<td>47.5%</td>
<td>72%</td>
</tr>
<tr>
<td>2015</td>
<td>45%</td>
<td>65%</td>
</tr>
<tr>
<td>2016</td>
<td>45%</td>
<td>58%</td>
</tr>
<tr>
<td>2017</td>
<td>40%</td>
<td>51%</td>
</tr>
<tr>
<td>2018</td>
<td>35%</td>
<td>44%</td>
</tr>
<tr>
<td>2019</td>
<td>30%</td>
<td>37%</td>
</tr>
<tr>
<td>2020</td>
<td>25%</td>
<td>25%</td>
</tr>
</tbody>
</table>
Medicare Prescription Drug Coverage Premium

- Higher income pay higher Part D premium
  - Uses same thresholds used to compute income-related adjustments to the Part B premium
    - As reported on your IRS tax return from 2 years ago
- Must pay if you have Part D coverage
Late Enrollment Penalty

- Higher premium if you wait to enroll
  - Additional 1% of base beneficiary premium
    - For each month eligible and not enrolled
    - For as long as you have Medicare drug coverage
  - National base beneficiary premium
    - $35.02 in 2018
    - May change each year
- Except if you had creditable drug coverage or get Extra Help
# When you can Join or Switch MA or Part D Plans

<table>
<thead>
<tr>
<th>Enrollment Period</th>
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<tr>
<td>Initial Enrollment Period (IEP)</td>
<td>7 month period begins 3 months before the month you turn 65</td>
<td>3 months after the month of birthday</td>
</tr>
<tr>
<td><strong>Annual Enrollment Period</strong></td>
<td><strong>October 15</strong></td>
<td><strong>December 7</strong></td>
</tr>
<tr>
<td>Special Enrollment Period (SEP)</td>
<td>• Move from the plan service area &lt;br&gt; • You enter, live in or leave a long-term care facility &lt;br&gt; • Other special situations &lt;br&gt; • 5 Star Plans &lt;br&gt; • Low Performing Plans</td>
<td>The month before and 2 months after &lt;br&gt; Continuous &lt;br&gt; Limited</td>
</tr>
<tr>
<td>Medicare Advantage Disenrollment Period (MADP)</td>
<td><strong>January 1st</strong></td>
<td><strong>February 14th</strong></td>
</tr>
</tbody>
</table>

Understanding Medicare
# Introduction to Medicare Resource Guide

## Resources

<table>
<thead>
<tr>
<th>Centers for Medicare &amp; Medicaid Services (CMS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-800-MEDICARE (1-800-633-4227) (TTY 1-877-486-2048)</td>
</tr>
<tr>
<td><a href="http://www.medicare.gov">www.medicare.gov</a></td>
</tr>
<tr>
<td><a href="http://www.CMS.gov">www.CMS.gov</a></td>
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<tr>
<td>1-800-772-1213</td>
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<tr>
<td>TTY 1-800-325-0778</td>
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<td><a href="http://www.socialsecurity.gov/">http://www.socialsecurity.gov/</a></td>
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</table>

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<thead>
<tr>
<th>Railroad Retirement Board</th>
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<tbody>
<tr>
<td>1-877-772-5772</td>
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</table>

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<thead>
<tr>
<th>State Health Insurance Assistance Programs (SHIPs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>For telephone numbers call CMS 1-800-MEDICARE (1-800-633-4227) 1-877-486-2048 for TTY users</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Colorado SHIP: 1-888-696-7213 in Larimer County: 970-495-8558</th>
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## Medicare Products

<table>
<thead>
<tr>
<th>Medicare &amp; You Handbook</th>
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<tbody>
<tr>
<td>CMS Product No. 10050</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Your Medicare Benefits</th>
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<tbody>
<tr>
<td>CMS Product No. 10116</td>
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<table>
<thead>
<tr>
<th>Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare</th>
</tr>
</thead>
<tbody>
<tr>
<td>CMS Product No. 02110</td>
</tr>
</tbody>
</table>

**To access these products**

View and order single copies at [www.medicare.gov](http://www.medicare.gov)

Order multiple copies (partners only) at productordering.cms.hhs.gov. You must register your organization.
This training module is provided by the **CMS National Training Program**

For questions about training products, e-mail Training@cms.hhs.gov

To view all available training materials or to subscribe to our listserv, visit [http://cms.gov/Outreach-and-Education/Training/CMSNationalTrainingProgram/index.html](http://cms.gov/Outreach-and-Education/Training/CMSNationalTrainingProgram/index.html)