Helping Seniors Age Well at Home

Sourcewise provides expertise, education, and quality support services to Santa Clara County seniors, their families and caregivers.
Sourcewise Direct Services

- Information & Awareness
- Care Management
- Senior Employment
- Meals on Wheels
- Health Insurance Counseling & Advocacy Program
Health Insurance Counseling & Advocacy Program

- HICAP counselors are available at Sourcewise and at senior centers throughout Santa Clara County
- Call for an appointment!! (408) 350-3200, option 2
State Health Insurance Assistance Program (SHIP)

Medicare Helpful Contacts

Search By Organization Name

Choose Organization:
SHIP -- State Health Insurance Assistance

Search Top 5 Organizations

Choose a State/Territory:
Select a State

OR

Choose Organization(s):
Select All

Carrier
DME MAC -- Durable Medical Equipment Medicare Administrative Contractor
Fiscal Intermediary
SSA -- Social Security Administration
State Medical Assistance Office
Overview

- Introduction to Medicare
  - Parts and Coverage
  - Premiums
  - Enrollment in A&B

- Medicare Choices and Options
  - Original Medicare
    - Costs and how to mitigate them
    - Medigap
  - Medicare Advantage
  - Medicare Drug Coverage

- Final Reminders and Summary
What is Medicare?

- Social Security Act Title XVIII
- A federal health insurance program for people:
  - 65 years of age or older
  - under age 65 with certain disabilities
    - Including Amyotrophic Lateral Sclerosis (ALS)
  - any age with End-Stage Renal Disease (ESRD)
Parts of Medicare Law

- **Part A**  Hospital Insurance
- **Part B**  Medical Insurance
- **Part C**  Medicare Advantage Plans
- **Part D**  Prescription Drug Coverage
Original Medicare
Fee-for-Service

Part A
- Inpatient hospital care
- Skilled nursing care
- Home health care
- Hospice care

Part B
- Doctor’s services and outpatient care
- Home health care
- Diagnostic tests
- Some therapies
- Durable medical equipment
- Annual Wellness Visit
- Preventive services

Part D
- Outpatient prescription drugs

Medicare Advantage
Managed Care Capitation

Part C

A
OR
B

Part D
Not Covered by Medicare Part A or B

- Long-term care
- Routine dental care
- Dentures
- Vision
- Cosmetic Surgery
- Acupuncture
- Hearing aids and exams for fitting hearing aids
- Other - check on www.medicare.gov
2015 Part A Premium

$0 / month  40+ Social Security credits*

$224/ month  30-39 credits

$407/ month  less than 30 credits

*One credit  = $1,200 in earnings in 2014. Four credit max/year.
# 2015 Part B Premium

<table>
<thead>
<tr>
<th>Modified Adjusted Gross Income in 2013:</th>
<th>You pay Social Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Tax Return</td>
<td>Joint Tax Return</td>
</tr>
<tr>
<td>$85,000 or less</td>
<td>$170,000 or less</td>
</tr>
<tr>
<td>$85,001-$107,000</td>
<td>$170,01-$214,000</td>
</tr>
<tr>
<td>$107,001-$160,000</td>
<td>$214,001-$320,000</td>
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<tr>
<td>$160,001-$214,000</td>
<td>$320,001-$428,000</td>
</tr>
<tr>
<td>Above $214,000</td>
<td>Above $428,000</td>
</tr>
</tbody>
</table>
Medicare Enrollment

- Part A and B
  - Social Security Administration (www.SSA.gov) or Railroad Retirement Board (RRB)

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- Medigap (Medicare Supplement Insurance)
  - Contact insurance company

- Part C
  - Insurance Co. / 1-800 Medicare / medicare.gov

- Part D
  - Insurance Co. / 1-800 Medicare / medicare.gov
Initial Enrollment Period for Part A & B

Seven months, beginning three months before month of eligibility

<table>
<thead>
<tr>
<th>Month 1</th>
<th>Month 2</th>
<th>Month 3</th>
<th>65th birthday Month</th>
<th>Month 5</th>
<th>Month 6</th>
<th>Month 7</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1st</td>
<td>August</td>
<td>September</td>
<td>October 2nd birthday</td>
<td>November</td>
<td>December</td>
<td>January 31st</td>
</tr>
</tbody>
</table>

- Do not have to be retired
- Already receiving Social Security or Railroad Retirement benefits? Then enrollment is automatic at age 65.
- Otherwise, contact the Social Security Administration to enroll.

Enrollment period is based on your entitlement month, not the specific day of the month. Birthdays on the first of the month are entitled in the prior month.
Special Enrollment Period for Part B

Enroll anytime while working OR within eight months after the month active employment ends or employer coverage ends, whichever happens first.

- Must have employer or union group health coverage
  AND
- Coverage is based on active employment
  - Individual’s or spouse’s
  - Warning: COBRA does not count
Missed Your IEP or SEP for Part A,B?

**General Enrollment Period (GEP)**
January 1 through March 31 each year

- Coverage not effective until July 1
- Premium penalty
  - Additional 10% for each 12-month period eligible but not enrolled
  - Permanently added to any future Part B premium
Medicare Card
What are My Medicare Choices?

- Original Medicare – Part A,B
  w/ Medigap (Medicare Supplement)
  w/ separate Drug Plan

  OR

- Medicare Advantage – Part C
  w/ Drug Plan included
Original Medicare

- Part A, Part B or both
- Network: any provider that accepts Medicare
- Additional Costs
  - Deductibles
  - Copayments
  - Coinsurance
When admitted into a hospital:

<table>
<thead>
<tr>
<th>Days admitted</th>
<th>Individual’s responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - 60</td>
<td>$1260 deductible</td>
</tr>
<tr>
<td>61 - 90</td>
<td>$315 per day co-pay</td>
</tr>
<tr>
<td>91 - 150*</td>
<td>$630 per day co-pay</td>
</tr>
</tbody>
</table>

* After 150 days, individual responsible for all hospital costs
Example of Part A Costs continued

When moved to a nursing facility (after a three-day inpatient hospital stay):

<table>
<thead>
<tr>
<th>Days in a Skilled Nursing Facility</th>
<th>Individual’s responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - 20</td>
<td>$0</td>
</tr>
<tr>
<td>21 - 100</td>
<td>$157.50 per day co-pay</td>
</tr>
<tr>
<td>101 +</td>
<td>Entire cost</td>
</tr>
</tbody>
</table>

- Must meet skilled requirements for Medicare to cover the stay
- Does NOT cover custodial care alone
Part B Costs 2015

- $147 yearly deductible
- 20% coinsurance for most services
  - Physician costs
  - Hospital care as an “out-patient” (not admitted as an “inpatient”)
  - Durable medical equipment
  - Limited drugs
  - Ambulance
  - Some therapy
- Go to medicare.gov for additional services
Medigap

Medigap Card

“Medicare Supplement Insurance”
What is a Medigap (Medicare Supplement Insurance)?

- Insurance policy sold by private companies
  - Might use health screening
- Pays Medicare A & B out-of-pocket costs (“gaps”)
- Ten standardized Medigap plans
  (A, B, C, D, F, G, K, L, M, N)
- Must have Part A and B at time of coverage
When to can I purchase a Medigap?

Open Enrollment Period (OEP)*
within 6 months, starting from
Part B effective date

When you lose certain kinds of health coverage*, e.g.
employer coverage, COBRA

Anytime (if the company will sell you a policy)

*no health screening allowed
Medicare Advantage - Part C

Medicare Advantage Card
Medicare Advantage (MA) Plans: Part C

- Live in the plan’s county service area
- Must have Part A and Part B at time of coverage
  - Continue to pay Part B premium
  - Pay the MA Part C plan premium
- No health screening except . . .
- Cannot have ESRD at enrollment
Three Common Types of MA Plans

- Health Maintenance Organizations (HMO) Plans
- Preferred Provider Organizations (PPO) Plans
- Special Needs Plans
Medicare Advantage HMO Plans

- Generally must obtain care and services from plan’s network
  - Must select and see primary care doctor first
- Copayments are set by the plan
  - May have to pay in full for care outside plan’s network
  - New maximum out-of-pocket limit
Medicare Advantage PPO Plans

- Generally wider network
  - Do not need referral to see specialist
  - Do not need referral to see out-of-network providers

- Copayment set by plan
  - Will usually pay more for out-of-network care
Medicare Advantage Special Needs Plans

- Dual eligible Beneficiaries
  - Medicare and Medi-Cal
- Beneficiaries with certain medical conditions
  - Diabetes
  - Chronic lung disease
  - Cardiovascular disorder
  - Living in a nursing facility
Enrollment Periods for MA Plans

**Initial Enrollment Period**
Coincides with your Part A/B IEP

**Special Enrollment Period**
Usually within two months after other coverage ends

**Annual Enrollment Period**
October 15 - December 7

Anytime into a 5-star rated Plan
i.e. Kaiser Senior Advantage Plan
Prescription Drug Coverage - Part D

Medicare Rx
Prescription Drug Plan Card

Medicare Rx
Prescription Drug Plan Card

Medigap Card
“Medicare Supplement Insurance”
Prescription Drug Coverage - Part D

Medicare Advantage Card

Medicare Rx
Drug Coverage
Prescription Drug Coverage - Part D

- Available to anyone with Medicare A or B
- Provided through private:
  - Medicare prescription drug plans- Stand Alone “PDP”
  - Medicare Advantage plans- “MA-PD”
  - Some employers and unions
## Part D Premium Adjustment 2015

<table>
<thead>
<tr>
<th>If your yearly income in 2013 was:</th>
<th>(Individual Tax Return)</th>
<th>(Joint Tax Return)</th>
<th>You pay extra:</th>
</tr>
</thead>
<tbody>
<tr>
<td>$85,000 or less</td>
<td>$170,000 or less</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>$85,001-$107,000</td>
<td>$170,001-$214,000</td>
<td>$12.30</td>
<td></td>
</tr>
<tr>
<td>$107,001-$160,000</td>
<td>$214,001-$320,000</td>
<td>$31.80</td>
<td></td>
</tr>
<tr>
<td>$160,001-$214,000</td>
<td>$320,001-$428,000</td>
<td>$51.30</td>
<td></td>
</tr>
<tr>
<td>Above $214,000</td>
<td>Above $428,000</td>
<td>$70.80</td>
<td></td>
</tr>
</tbody>
</table>
Enrollment Periods for Part D Plans

Initial Enrollment Period
Coincides with your Part A/B IEP

Special Enrollment Period
Usually within two months after other coverage ends

Annual Enrollment Period
October 15 – December 7

Anytime into a 5-star rated Plan
- none in Northern CA -
Helpful Part D Reminder

- When creditable drug coverage ends
  - Examples: employer or COBRA drug coverage
  - Sign up for a Medicare Part D plan within two months after the month coverage ends to avoid the penalty.

- Next opportunity
  - Annual Enrollment Period (October 15 - December 7)
  - Effective the following year (January 1)
Potential Consequences of Missing your Enrollment Periods

- **Part B**
  - Premium increased 10 percent for each 12 month period that an individual could have been, but was not, enrolled in Part B; delay in medical coverage.

- **Part D**
  - Premium increased 1 percent for each month that an individual could have been, but was not, enrolled in Part D; delay in drug coverage.

- **Medigap**
  - Denial of purchase due to pre-existing conditions
Prevent Fraud and Abuse

- Medicare Card and your SS#
- Check your statements for accuracy
- [www.stopmedicarefraud.gov](http://www.stopmedicarefraud.gov) (800) 447-8477
Contact Your State Health Insurance Assistance Program (SHIP)

- Go to Medicare.gov
- Click the “Forms, Help, & Resources” Tab
- Click “phone numbers & websites”
- Select “Do you want to find a specific organization”
- Click on SHIP and enter your state
Thank You