

# A Guide to Understanding Medicare



The image shows a sample Medicare Health Insurance card. At the top, there is a blue header with the Medicare logo and the text "MEDICARE HEALTH INSURANCE". Below this, the cardholder's name is listed as "JOHN L SMITH". The Medicare Number is "1EG4-TE5-MK72". The card also lists the types of coverage and their start dates: "HOSPITAL (PART A)" and "MEDICAL (PART B)", both starting on "03-01-2016". A large, semi-transparent "SAMPLE" watermark is overlaid on the card. The card has a red horizontal bar at the bottom.

Name/Nombre	
JOHN L SMITH	
Medicare Number/Número de Medicare	
1EG4-TE5-MK72	
Entitled to/Con derecho a	Coverage starts/Cobertura empieza
HOSPITAL (PART A)	03-01-2016
MEDICAL (PART B)	03-01-2016

**URONE**<sup>TM</sup>  
BENEFITS

# Agenda

**1** What is Medicare?

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**2** Who can get Medicare?

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**3** Do I need Medicare if I plan to work past 65?

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**4** What does Medicare cover?

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**5** Where can I get more coverage?

**6** When can I enroll?

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**7** When can I change my coverage?

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**8** Where to get additional help?

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**What is Medicare?**

# What is Medicare?



A federal health insurance program for eligible U.S. citizens and legal residents



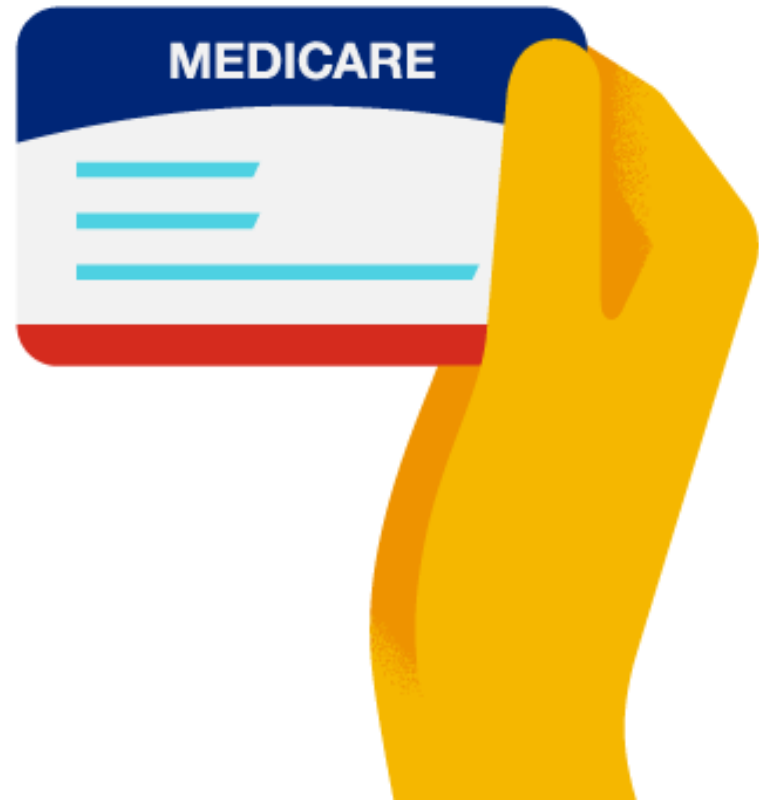
Funded in part by taxes you pay while working



Individual health insurance

## Medicare is not...

- Free
- A family health plan
- Social Security
- Medicaid



**Who can get Medicare?**

# Who can get Medicare?



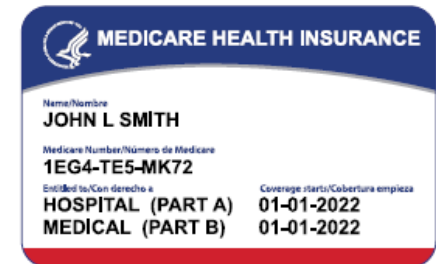
U.S. citizens and legal residents



Legal residents must live in the U.S. for at least 5 years in a row, including the 5 years just before applying for Medicare

## You must also meet one of the following requirements:

- Age 65 or older
- Younger than 65 with a qualifying disability
- Any age with a diagnosis of end-stage renal disease or ALS



**Do I need Medicare if I  
plan to work past 65?**

# Your Medicare enrollment options when working past 65 may be different

## You may be able to delay, or you may have to enroll at age 65

### Generally, you can delay Medicare past age 65 without penalty if:

- The employer has 20 or more employees
- The employer health coverage is considered “creditable”

### You need to enroll at age 65 if:

- Your employer has fewer than 20 employees
- Your coverage is not considered “creditable”



### What if I’m covered by my spouse’s employer?

You may be able to delay if your employer-based health coverage is through your spouse. You may have to enroll. It depends on the spouse’s employer and any rules the employer has around covered dependents.



# Getting Medicare while still working



**Medicare and your employer insurance can work together**

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**If you take any part of Medicare, you will no longer be able to contribute to an HSA (health savings account)**

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**Medicare will not cover anyone but you, so consider how any dependents will be covered**

**What does  
Medicare cover?**



# Original Medicare: Parts A & B

## Original Medicare has two parts:



### Part A (hospital insurance)

Helps pay for hospital and inpatient care



### Part B (medical insurance)

Helps pay for doctor and outpatient care



# Part A: Hospital Insurance

Medicare Part A covers hospital stays and inpatient care, including:



Your hospital room and meals



Care in special units, such as intensive care



Prescription drugs and medical supplies used during an inpatient stay



Lab tests, X-rays and medical equipment as an inpatient



Operating room and recovery room services



Skilled nursing services



Some blood transfusions



Hospice care, including medications to manage symptoms and pain



Part-time, skilled care for the homebound after a qualified inpatient stay



Rehabilitation services after a qualified inpatient stay



# Part A: Hospital Insurance

## Fast facts



Premium-free if you or your spouse worked and paid taxes for 10 years or longer



Can't be denied coverage



Coverage is nationwide, including any qualified hospital in the U.S.



Coverage and costs are per "benefit period"



Must be admitted as an inpatient (not on "observation status")



Provides 60 "lifetime reserve" days



# Part B: Medical Insurance

## Medicare Part B covers doctor visits and outpatient care, including:



Doctor visits, including when you are in the hospital



An annual Wellness Visit and preventive services, like flu shots



Clinical laboratory services, like blood and urine tests



X-rays, MRIs, CT scans, EKGs and some other diagnostic tests



Some health programs, like smoking cessation and obesity counseling



Physical therapy, occupational therapy and speech-language pathology services



Diabetes screenings, education and certain supplies



Mental health care



Durable medical equipment for use at home, like wheelchairs and walkers



Ambulatory surgery center services, ambulance and emergency room services



# Part B: Medical Insurance

## Fast facts



Monthly premium, adjusted for income



Can't be denied coverage



Coverage is nationwide, including any provider who accepts Medicare



Premium penalty for late enrollment, unless you qualify for a Special Enrollment Period



# Medicare doesn't cover everything

## Original Medicare (Parts A & B) does not cover:



All of the cost of your care — you have out-of-pocket costs, with no limit



Prescription drugs



Routine dental, vision or hearing care



Eyeglasses, contacts or hearing aids



Long-term or custodial care (help bathing, eating, dressing)



Excess charges for services by doctors who don't accept Medicare assignment



Care received outside the U.S., except for certain circumstances



**Where can I get  
more coverage?**

# Medicare coverage choices

**STEP  
1**

**Enroll in  
Original Medicare**

**STEP  
2**

**Decide if you need additional coverage.  
There are two ways to get it.**

## Original Medicare

Provided by the federal government



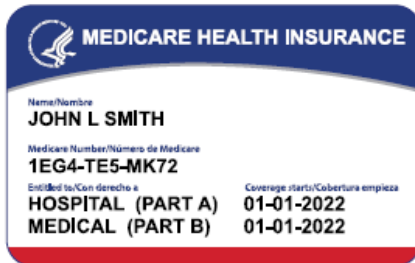
### Part A

Helps pay for hospital stays and inpatient care



### Part B

Helps pay for doctor visits and outpatient care



## Option 1

OR

## Option 2

Add one or both of the following to Original Medicare:

Choose a Medicare Advantage plan:

### Medicare Part D Plan

Offered by private insurers



Helps pay for prescription drugs

### Medicare Supplement Plan

Offered by private insurers



Helps pay some or all of the out-of-pocket costs not paid by Original Medicare

### Medicare Advantage Plan or Part C Plan

Offered by private insurers



### Part C

Combines Part A and Part B in one plan



### Part D

Usually includes prescription drug coverage



Provides additional benefits, services and programs not provided by Original Medicare



# Part C: Medicare Advantage



Another way to get your Medicare benefits



Plans are offered by private insurance companies



An alternative to Original Medicare (Parts A & B)



Most plans offer built-in prescription drug coverage



Plan members are still in the Medicare program



Plans may also offer additional health benefits such as dental, vision and fitness



Benefits are administered by the plan



# Part C: Medicare Advantage

## All Medicare Advantage plans cover:



All the benefits of Part A  
(except hospice care, which is still covered by Part A)



All the benefits of Part B

## Most Medicare Advantage plans cover:



Prescription drugs

## Medicare Advantage plans may also offer additional benefits and features, such as:



Dental exams, cleanings and X-rays



Eye exams, eyeglasses and contact lenses



Hearing tests and hearing aids



Fitness programs and memberships



# Part C: Medicare Advantage

## Fast facts



Must be enrolled in both Medicare Part A and Part B and live in plan service area



Can't be denied coverage based on current financial or health status, including pre-existing conditions



May be required to use provider and pharmacy networks



Coverage and costs vary by plan and may change each year



Annual limit on out-of-pocket costs for covered services



May charge a monthly plan premium



Must continue to pay Part B premium to Medicare



# Part D: Prescription Drug Coverage

**Medicare Part D insurance provides coverage for prescription drugs and some vaccines**

**Two ways to get coverage:**



A stand-alone Part D plan



A Medicare Advantage plan that includes prescription drug coverage





# Part D: Prescription Drug Coverage

## Medicare Part D plans cover:



Types of drugs most commonly prescribed for Medicare beneficiaries as determined by federal standards



Specific brand name drugs and generic drugs included in the drug list (formulary)



Commercially available vaccines not covered by Part B



# Part D: Prescription Drug Coverage

## Formulary: a list of prescription drugs covered by a plan

### Tiered formulary

- Drugs are grouped into tiers based on cost
- In general, the lower the tier, the lower the cost
- Deductibles may be charged by tier

Formulary tiers	
Tier 1	\$
Tier 2	\$\$
Tier 3	\$\$\$
Tier 4	\$\$\$\$
Tier 5	\$\$\$\$\$





# Part D: Prescription Drug Coverage

## Fast facts



Must be enrolled in Medicare Part A, Part B or both



May be required to use a pharmacy network



Coverage and costs vary by plan, and may change each year



Part D premium penalty for late enrollment, unless you qualify for a Special Enrollment Period



# Medicare Supplement Insurance: Medigap

## Helps pay some of the out-of-pocket costs not paid by Medicare Parts A & B



Works with Original Medicare (Parts A & B) and Medicare Part D



Can't be used to pay for Medicare Advantage costs



10 plans standardized by federal and state law\*



Plans are labeled by letters, (i.e. Plan A, Plan G) and what costs and services are covered vary by plan\*



Plans with the same letter offer the same basic benefits nationwide. MA, MN and WI standardize plans differently.



Plans are offered by private insurance companies in your state

\*Plans C and F are only available to individuals who were eligible for Part A or turned 65 before 1/1/20.



# Medicare Supplement Insurance: Medigap

## Plans may help pay:

- Part A hospital coinsurance
- Part A skilled nursing facility care coinsurance
- Part B coinsurance or copays
- Cost of blood transfusions (first 3 pints)
- Costs for 365 extra hospital days
- Hospice care coinsurance
- Part B deductible\*, Part A deductible
- Foreign travel emergency care up to plan limits
- Provider charges above Medicare's approved amount



## Plans do not help cover:

- Prescription drugs
- Routine dental, vision or hearing care\*\*
- Eyeglasses, contacts or hearing aids\*\*
- Custodial care (help bathing, eating, dressing)
- Long-term care

\*Not available for those newly eligible for Part A in 2020 or beyond.

\*\*Medigap insurers may make value-added services available either free or on a discounted basis.

# Standardized Medicare Supplement Plans

Only available to Medicare first eligible before 1/1/2020

Benefits covered by chosen Medigap plan	Plan A	Plan B	Plan D	Plan G**	Plan K	Plan L	Plan M	Plan N	Plan C	Plan F**
Part A hospital coinsurance and 365 extra hospital days	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Part A deductible		100%	100%	100%	50%	75%	50%	100%	100%	100%
Part B coinsurance or copays	100%	100%	100%	100%	50%	75%	100%	100%*	100%	100%
Part B annual deductible									100%	100%
Part B excess charges				100%						100%
Cost of blood transfusion (first 3 pints)	100%	100%	100%	100%	50%	75%	100%	100%	100%	100%
Foreign travel emergency (up to the plan limits)			80%	80%			80%	80%	80%	80%
Hospice care coinsurance costs	100%	100%	100%	100%	50%	75%	100%	100%	100%	100%
Part B preventive care coinsurance	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	50%	75%	100%	100%	100%	100%
Yearly out-of-pocket limit before benefits paid at 100%					\$6,940	\$3,470				

\* Except certain copays

\*\* Plans F and G also have high deductible versions with a \$2,700 deductible before the plans pay the benefits shown.



# Medicare Supplement Insurance: Medigap

## Fast facts



Must be enrolled in both Medicare Part A and Part B and live in the state where plan is offered



Plan premiums may vary for same coverage



No medical underwriting up to 6 months after enrolling in Part B at age 65 or older



Plans with more coverage generally have higher premiums



Nationwide coverage and no provider network\*



Must continue to pay Part B premium to Medicare

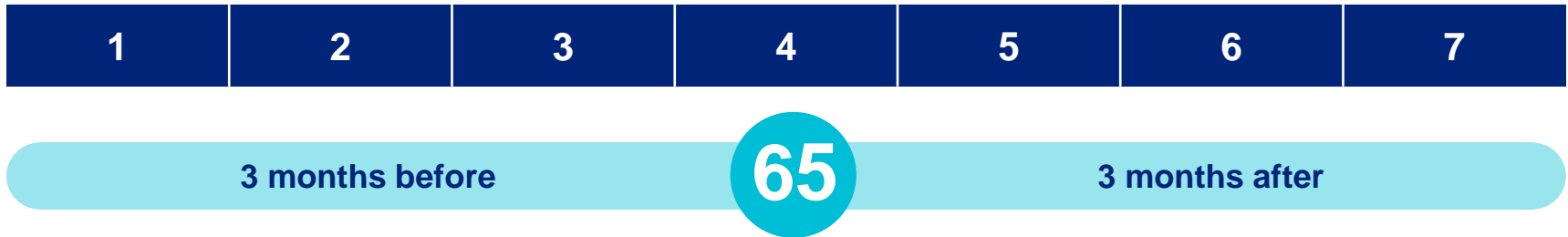


Guaranteed renewable as long as you pay your premium

\*Medicare Select plans use hospital networks

**When can I enroll?**

# Initial Enrollment Period



## Medicare Part A & Part B

- You'll be enrolled automatically if you're receiving Social Security or Railroad Retirement Board (RRB) benefits at age 65, or after receiving Social Security disability benefits for 24 months
- You must enroll yourself if not receiving benefits. Go to [ssa.gov/benefits/medicare/](https://ssa.gov/benefits/medicare/) to enroll online, or call or visit your local Social Security office

## Medicare Advantage (Part C) & Part D

- You need to enroll directly with the plan provider



### Tips:

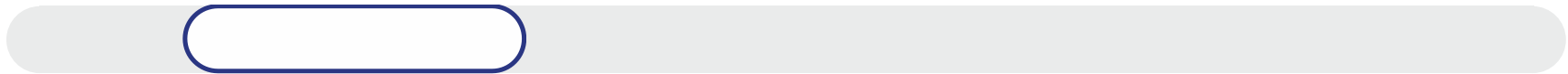
- Enroll early to avoid gaps in coverage and late enrollment penalties
- May refuse or delay enrollment in Part B with creditable employer coverage

# Special Enrollment Period: Working past 65

▼ The last month of employment or employee health coverage



▲ Parts A and B



▲ Parts C and D

- For those who delayed enrollment with creditable employer health coverage
- You will have 8 months to enroll in Part A, Part B or both
- You will have only the first 2 months to enroll in a Medicare Advantage (Part C) or Part D prescription drug plan
- You have exactly 63 days to get a stand-alone Part D plan or Medicare Advantage plan with prescription drug coverage without penalty



# Late enrollment premium penalties



## Medicare Part A

- None if qualified for premium free
  - The penalty is 10% of the Part A premium
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## Medicare Part B

- None if qualified for a Special Enrollment Period
  - The penalty is 10% of the monthly Part B premium amount for each full 12-month period enrollment is delayed
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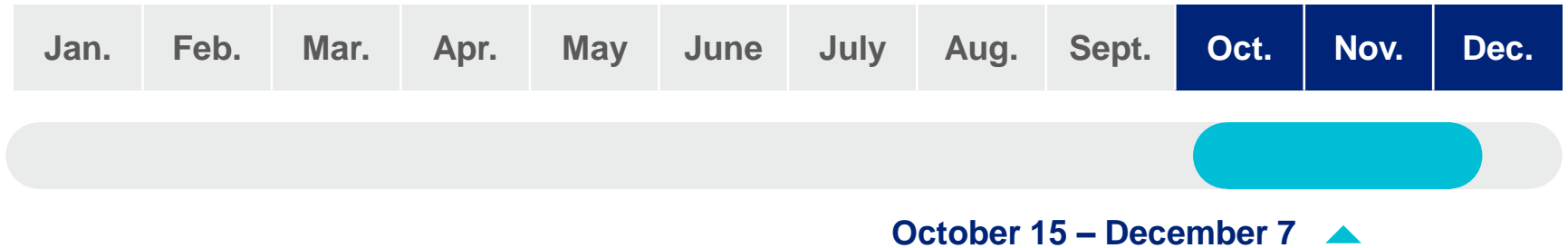


## Medicare Part D

- None if less than 63 days without creditable coverage
- The penalty is an additional 1% of the average Part D premium for each month you delayed enrollment

**When can I change  
my coverage?**

# Medicare Annual Enrollment Period



- Join, switch or drop a Medicare Advantage (Part C) or Medicare Part D prescription drug plan
- Switch from Original Medicare (Parts A & B) to a Medicare Advantage plan, or vice versa
- Switch from one Medicare Advantage plan to another

# Special Enrollment Period: Qualifying life events

▼ The month you have a qualifying event



▲ Special Enrollment Period

In most cases, you have two full months after the month of a qualifying event to make plan changes. During this time, you may join, change or drop a Medicare Advantage or prescription drug plan outside of the Medicare Annual Enrollment Period without penalty.

## Common events that may qualify include:

- Moving
- Leaving retiree, union or COBRA coverage

**Where can I go for help?**

# UROnefits serves as your “Trusted Advisors”

- No cost or fee for our service
- Identify personal and health care needs
- Present and discuss insurance plan options
- Answer questions
- Assist with and process applications
- Obtain approval
- Provide personal service throughout the year
- Review options during the annual election period (AEP)
  - OCTOBER 15<sup>TH</sup> TO DECEMBER 7<sup>TH</sup>

# More resources



Visit [www.uronebenefits.com](http://www.uronebenefits.com)



Call **1-800-722-7331**



Email

[nmiklos@oswaldcompanies.com](mailto:nmiklos@oswaldcompanies.com)

## CHOOSING THE RIGHT MEDICARE COVERAGE

Choosing the right Medicare Coverage is an important decision. It's not a "one size fits all" situation because everyone has different needs and budgets.

To assist you, we have designed a Personal Information Sheet for you to complete. This information, coupled with the answers to your questions, will help determine the right type of Medicare Coverage, benefits, out-of-pocket expense and cost to meet your personal health care needs and budget.

### MEMBER INFORMATION

NAME	DATE OF BIRTH
PHONE	EMAIL
MEDICARE CLAIM #	
PART A EFFECTIVE DATE	PART B EFFECTIVE DATE
HOME ADDRESS	
CITY	STATE
ZIP CODE	COUNTY

### MY Rx LIST

MEDICATION NAME	DOSAGE	QUANTITY	DAY SUPPLY	MAIL ORDER/RETAIL

### MY DOCTOR LIST

DOCTOR NAME	ZIP CODE	PHONE	SPECIALTY	HOSPITAL	ZIP CODE	PHONE

### MY HOSPITAL LIST

Once you have reviewed the "Pieces to the Puzzle" call **1-800-722-7331** for one-on-one help from our Medicare Enrollment Specialists.

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**Thank you!**