

Medicare – Getting started



Revised – March 4, 2024

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**

SHIBA celebrates 45 years

SHIBA celebrates 45 years of helping people on Medicare!

- In 1976, a small group of volunteers, known as Health Insurance Referral Services, were part of a pilot program in Mount Vernon. They helped counsel senior citizens on health insurance, Medicare and Medicaid.
- In 1978, the OIC's Consumer Protection Deputy Commissioner helped the group become SHIBA, which then stood for Senior Health Insurance Benefits Advisors.
- In 1979, the state's Insurance Commissioner Dick Marquardt, officially endorsed SHIBA as a statewide project with the Office of the Insurance Commissioner.
- Later on, SHIBA inspired the federal government in 1990 to create a model, called the national State Health Insurance Programs (SHIPs).
- Today, there are SHIPs in all 50 states, plus Puerto Rico, Guam, the District of Columbia and the US Virgin Islands.

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.
- 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)

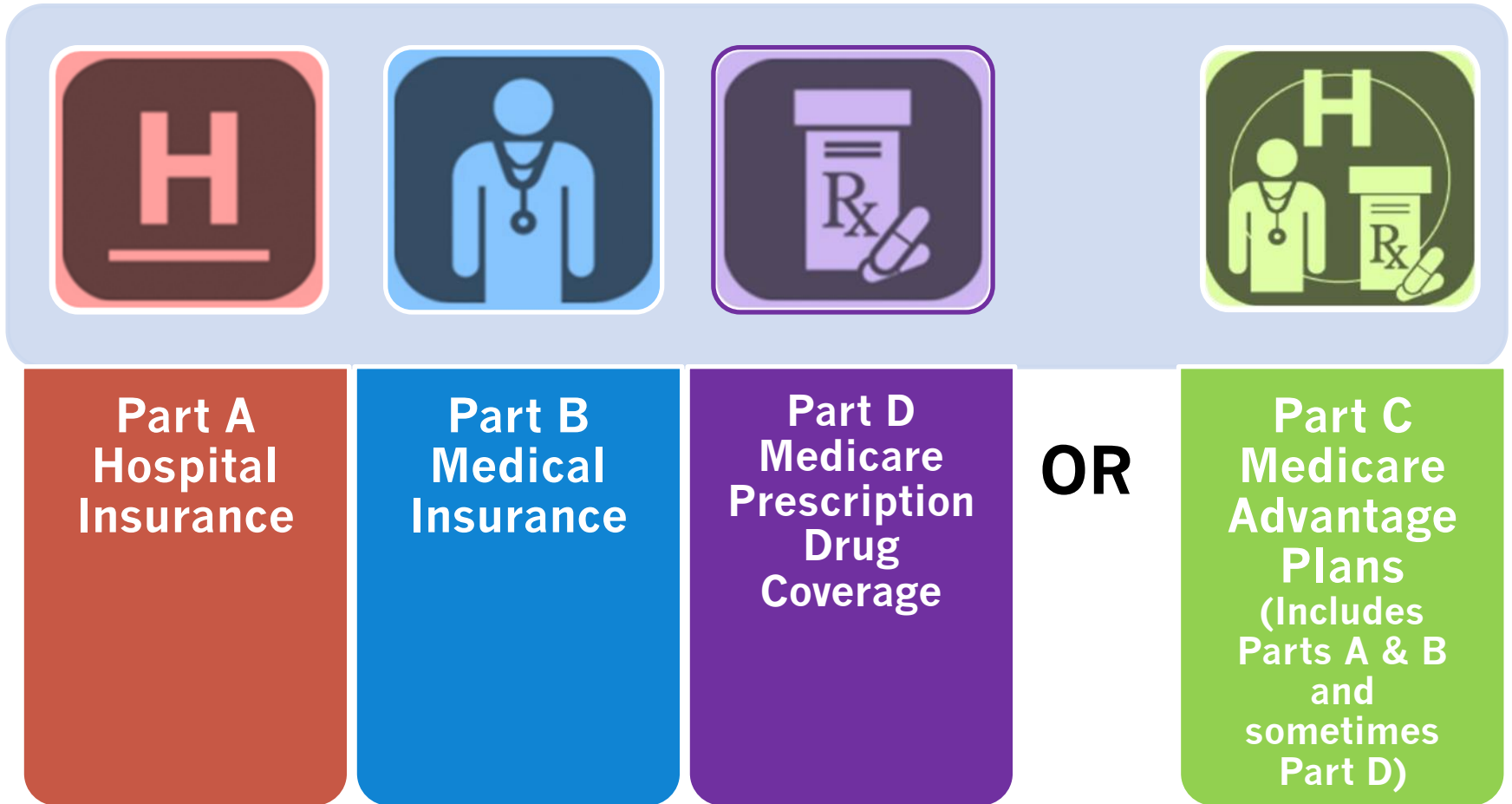
Enrollment is through:

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

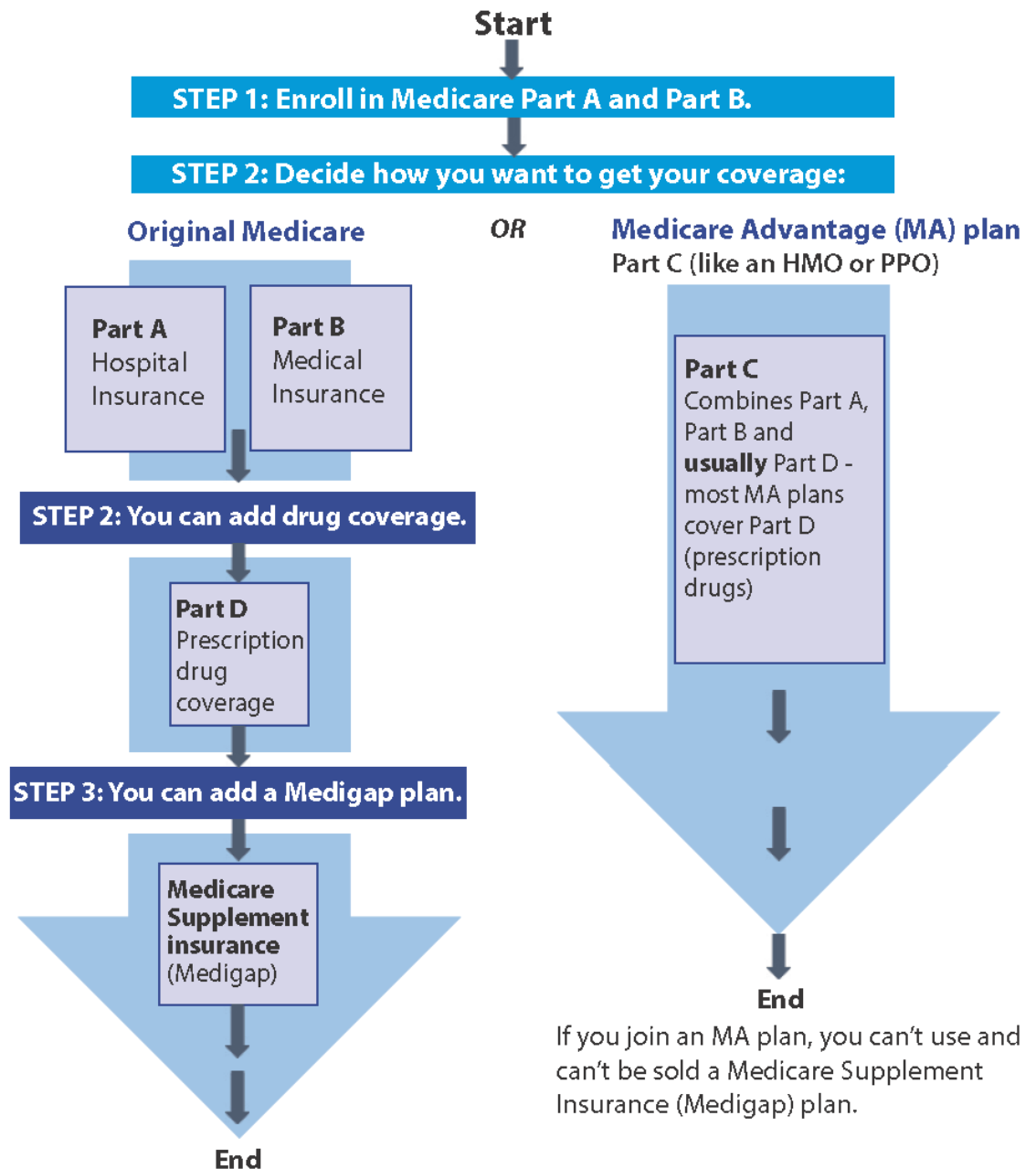
Medicare generally pays:

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

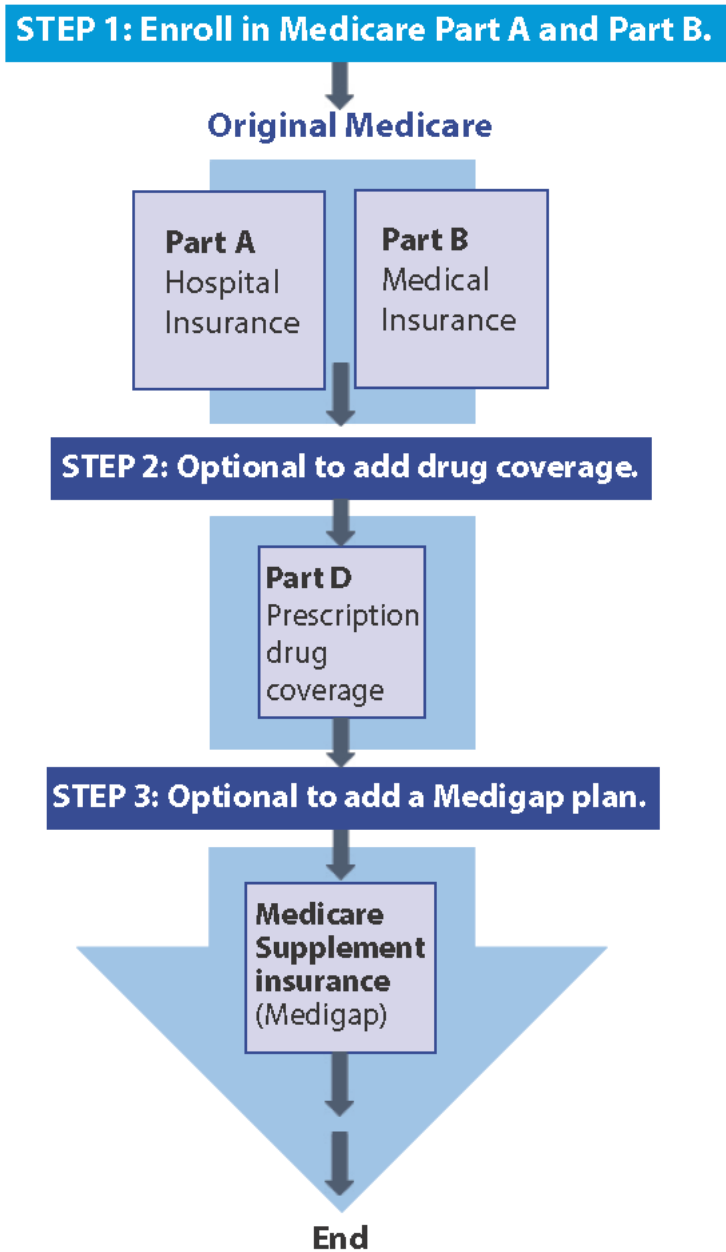
The four parts of Medicare



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 2024: It'll cost **\$278** or **\$505** a month depending on work credits



Medicare Part B (medical insurance)

What does Part B cost?

- Most people **new** to Medicare will pay
 - In 2024: **\$174.70/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 2024: **\$1,632**
- **Part B** yearly deductible:
2024: **\$240**
- **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	Your birthday month 	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 st day of next month	Medicare starts 1 st day of next month	Medicare starts 1 st 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

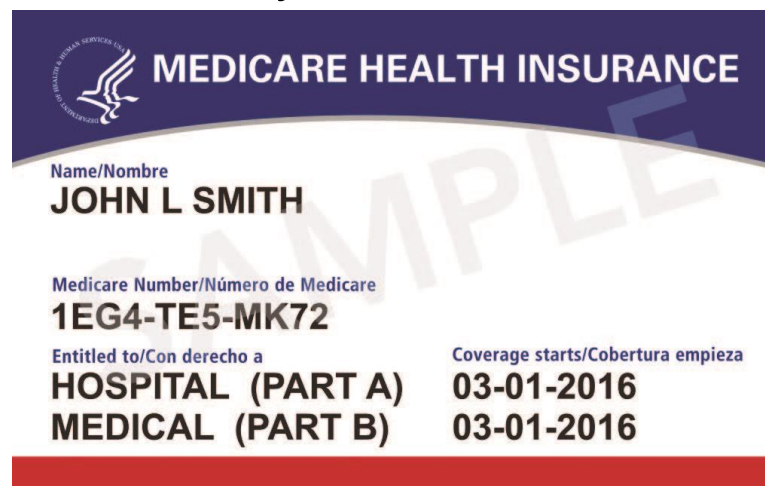


Medicare card

- 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
- 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
- Call the Part D plan
- Enroll on the Part D plan's website
- Call 1-800-MEDICARE (633-4227)

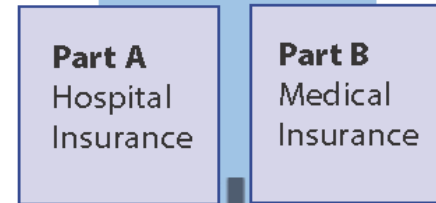
Medigaps

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

STEP 3: Optional to add a Medigap plan.

Medicare Supplement insurance (Medigap)

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 \$7,060 and \$3,530 respectively

Plans C&F only apply to people first eligible for Medicare prior to Jan. 1, 2020.

Medigap changes in 2020

Due to a congressional act (MACRA) - as of Jan. 1, 2020, Medigap Plans C, F and high-deductible Plan F are no longer be available to newly eligible Medicare beneficiaries.

Who's affected?

- People turning age 65 on or **AFTER Jan. 1, 2020**
- Medigap Plans D, G and high-deductible Plan G replace Plans C and F and high-deductible Plan F

Who's NOT affected?

- People already age 65 or who'll turn 65, or became eligible for Medicare due to disability **BEFORE 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?

Enrolling in a Medigap plan

1. Decide which benefits you want
2. Choose which of the standardized Medigap plans meets your needs
3. Find out which insurers sell Medigaps in our state (see SHIBA's Medigap plan chart)
4. Call the insurers you're interested in to double check premium costs and compare
5. Call the insurer directly once you decide on the plan you want to buy or buy through a licensed insurance agent or broker

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
- 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:
Medicare Savings Program (Effective April 2024)	\$1,752	\$2,371	Part B premiums, and sometimes Part A premiums, Medicare A & B deductibles and coinsurance

Note: 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:
Extra Help (Effective February 2024)	\$1,903	\$2,575	Part D premium, deductibles and copays

Resource limits: Individual is \$17,220 or Couple is \$34,360

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

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 ACA when Medicare starts

Q: What if I'm enrolled in a Qualified Health Plan and become eligible to get Medicare Part A, but I can't get it for free?

A: You can keep your plan, but any tax credits or reduced cost-sharing you receive will be discontinued once Medicare Part A starts. If you choose to **ONLY** sign up for Medicare Part B, you can continue to receive the tax credits and reduced cost-sharing.

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

Medicare:

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

Social Security:

- www.socialsecurity.gov

Apply for assistance:

- 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

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!!!