

# Medicare Basics

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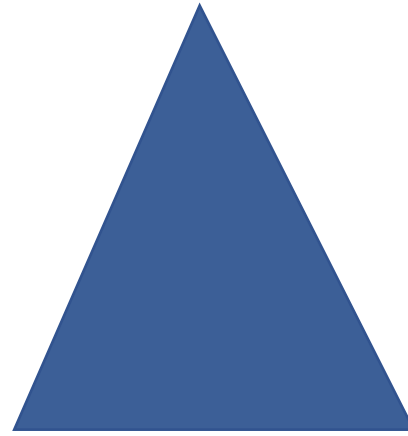
Medicare Portal

703-214-4600



If you're not confused,  
you're not paying  
attention.

- **Tom Peters**



# What You Will Learn Today

- Medicare Eligibility
- Medicare Enrollment
- Medicare Parts A, B, C and D
- Medicare Supplement
- Medicare Costs
- How To Get Help

# Who's Eligible?

## Requirements:

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

## Additional Criteria:

- Age 65 or older
- Younger than 65 with a qualifying disability
- Any age – ESRD or ALS/Lou Gehrig's Disease

# What is Medicare?

**Health insurance for American citizens age 65 and older and other eligible individuals.**

- 4 Parts – A, B, C and D
- Original Medicare – 1966 - Part A (hospital) and Part B (medical).
- Part C – 1997- All-in-one plans also known as Medicare Advantage.
- Part D – 2006 - Prescription drug plans.

# What are my options?

## Options

Add one or both of the following Original Medicare

**Medicare Supplement Insurance**  
Offered by private companies



Covers some of the costs not paid by Original Medicare Parts A and B

**Medicare Part D**  
Offered by private companies



Part D covers prescription drugs

# What are my options?

## Option 2

### Choose a Medicare Advantage Plan:

**Medicare Advantage (Part C)**  
Offered by private companies



**Part C** combines Part A (hospital) and Part B (doctor)



Provides additional benefits



Most plans cover prescription drugs

# Original Medicare

Original Medicare		Optional
Part A	Part B	Part D
<p>Provides coverage for:</p> <ul style="list-style-type: none"><li>• Hospital</li><li>• Skilled Nursing</li><li>• Hospice</li><li>• Home Care</li></ul>	<p>Provides coverage for:</p> <ul style="list-style-type: none"><li>• Doctor Visits</li><li>• Surgery</li><li>• Lab Tests</li><li>• DME</li><li>• Preventive Care</li></ul>	<p>Provides coverage for:</p> <ul style="list-style-type: none"><li>• Prescription Drugs</li><li>• Brand and Generic</li><li>• Retail and Mail Order</li></ul>





# Medicare Supplement (Medigap) Policy

Original Medicare



Medigap

- Must be enrolled in Parts A **AND** B
- Fills secondary coverage gaps in Medicare
- Standardized benefits across all available plans
- Premiums based on age, gender, smoker and residence

# Part C

Original Medicare		Private Insurers/ Health Plans	
Part A	Part B	Part D	Part C
Required for enrollment	Required for enrollment	No additional premium	<b>A+B+D = C</b>
Benefits provided under Part C except for Hospice	All benefits provided under Part C	Uniform benefits  Separate out-of-pocket costs and no maximum	Extra benefits: <ul style="list-style-type: none"><li>• Dental</li><li>• Vision</li><li>• Hearing</li><li>• Gym Membership</li></ul>

# Enrollment During IEP

**3 Months  
Before Your  
65th Birthday**



**The Month  
You Turn 65**



**3 Months  
After Your  
65th Birthday**



Good job!  
You enrolled  
on time.

You're a little  
late. Benefits  
delayed one  
month.

Uh-oh!  
Your benefits are  
delayed 4-7 months.

# How do I enroll in Medicare?

- **Receiving SSI/Railroad Benefits prior to age 65:**

Automatic Enrollment into Parts A and B

- **Not receiving SSI Benefits prior to age 65:**

You have to apply for Parts A and B

Important: You will receive no notifications from Medicare regarding enrollment.

# How do I apply during my IEP?

## Enrollment Options:

- Online – [www.ssa.gov](https://www.ssa.gov) (you will need a SSA account)
- In-person – local SSA office (use SSA Locator to find office nearest you)
- Mail – local SSA office
- Phone – National Help - 800-772-1213

# Penalties for Parts B & D

Plan	Reason for Penalty	Penalty	Duration of Penalty	Exceptions
<b>Part B</b>	Didn't enroll when first eligible  NO SEP	Late Enrollment Penalty of 10% for every 12 months	Lifetime	Qualify for a Special Enrollment Period
<b>Part D</b>	Didn't enroll when first eligible  NO SEP	Late Enrollment Penalty of 1% per month	Lifetime	Qualify for a Special Enrollment Period

# Part B Income Related Monthly Adjustment Amount (IRMAA)

Tier	Individual MAGI	Married Joint MAGI	IRMAA	Total Monthly Premium
Baseline	Up to \$88,000	Up to \$176,000	\$0	\$148.50
1	Up to \$111,000	Up to \$222,000	\$57.80	\$207.90
2	Up to \$138,000	Up to \$276,000	\$144.60	\$297.00
3	Up to \$165,000	Up to \$330,000	\$231.40	\$386.10
4	Up to \$500,000	Up to \$750,000	\$318.10	\$475.20
5	\$500,000+	\$750,000+	\$347.00	\$504.90

# Working past 65?

1

Employer has 20 or less employees	Employer has over 20 employees
Medicare is your primary insurance	Employer - Primary Medicare - Secondary Likely to Enroll in Part A Only

2

Failure to maintain creditable coverage for Part B/D could result in penalties. Check with your HR department for creditable coverage status.

3

By maintaining creditable coverage, you create a **Special Enrollment Period (SEP)** allowing you to enroll penalty-free.

*NOTE: COBRA is not considered creditable coverage for Part B after age 65.*



# Applying during a Special Enrollment Period?

## Options:

- Online – SSA SEP webpage
- Mail – your local SSA office (use SSA Locator)
- In-person – your local SSA office

# Important Things to Know and Do!

- ✓ Know your IEP and don't be late!
- ✓ Receiving SSA, do nothing. Everyone else, take action!
- ✓ Understand Original Medicare vs Medicare Advantage.
- ✓ Check with your providers for what Medicare plans they accept.
- ✓ Know your employer size if working past 65.
- ✓ Ask questions.

~~Reactive~~  
Proactive



# Final Thoughts

**Medicare can be confusing and frustrating.**

**Start early, research and make sure you understand your enrollment periods.**

**Medicare is an individual decision.**

**Select the policies that work best for you.**

**Select plans that meets your medical needs first.**

**Know the costs of your plans as they go beyond premiums.**

# Helpful Resources

## Online:

- [www.ssa.gov](http://www.ssa.gov)
- [www.medicare.gov](http://www.medicare.gov)
- [www.mymedicare.gov](http://www.mymedicare.gov)
- Medicare APP: What's Covered (smart phone)
- [www.medicareportal.org](http://www.medicareportal.org)

## Local Help:

- Medicare Portal
- Local SSA Offices



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