

Medicare 101

An overview of Medicare benefits and options.



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Ohio Department of Insurance
The Ohio Senior Health Insurance Information Program (OSHIIP)

A message from Director Jillian Froment

Dear Ohioans:

The Ohio Department of Insurance (ODI) is pleased to share this Medicare 101 booklet. It is important to evaluate your coverage choices each year and this booklet can provide assistance in understanding the benefits and options available to you.

In the following pages you will find an overview of information about Medicare Part A (inpatient coverage), Medicare Part B (outpatient coverage), Medicare Supplements (Medigap), Medicare Advantage plans, Medicare Part D prescription drug coverage and predatory sales practices.

I am confident this information will serve as a helpful resource as you consider available Medicare options. Should you have questions or require further assistance, please contact ODI's Ohio Senior Health Insurance Information Program (OSHIIIP) at 1-800-686-1578.

Sincerely,

Jillian Froment
Director

New Medicare Cards are Coming!

Cards will be mailed between April 2018 – April 2019



The Centers for Medicare & Medicaid Services (CMS) will remove Social Security numbers from Medicare cards and mail each person a new card. This will help to keep information more secure and help protect against identity fraud.

Cardholders will receive a new Medicare number that is unique to them. The new card will not change coverage or benefits.

Here's how you can get ready:

- 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.
- Beware of anyone who contacts you about your new Medicare card. CMS will never ask you for personal or private information to receive your new Medicare number and card.
- Mailing new cards will take time. Your card delivery may arrive at a different time period than your family, friends, or neighbors.

Medicare is a federal health insurance program administered by the Centers for Medicare & Medicaid Services (CMS) for people who are:

- Age 65 and older.
- Any age and disabled.
- Diagnosed with End Stage Renal Disease (ESRD).

Most people get their Medicare health coverage in one of two ways. Your costs vary depending on your plan, coverage and the services you use.

Option 1

Original Medicare

Part A
(Hospital) &
Part B
(Medical)

+

Secondary Insurance

Group Health Insurance,
MedSup, or Medicaid

+

Rx Coverage

Part D or Group Health
Insurance

Option 2

Medicare Advantage (Part C)

1. Hospitalization
2. Medical
3. Rx (MA-PD)

OR

Medicare Annual Open Enrollment

Each year from Oct. 15 through Dec. 7 you can update or switch your Medicare drug plan and/or your Medicare Advantage plan. Your new coverage will begin Jan. 1 of the next year.

Applying for Medicare

Enrollment is automatic if you get Social Security or Railroad Retirement benefits prior to Medicare eligibility. If not, you must apply with Social Security (or Railroad Retirement) during one of the periods described here:

7 month Initial Enrollment Period

- 3 months before your 65th birthday.
- The month of your 65th birthday.
- 3 months after your 65th birthday.

If you're covered under your (or your spouse's) current employer group health plan, you may delay enrolling in Medicare Part B without penalty.

Contact the Social Security Administration (SSA)

- Visit or call your local SSA office.
- Go to www.ssa.gov.
- Call the national phone number 800-772-1213.

General Enrollment Period

If you don't sign up for Part A and/or Part B when you are first eligible, you can sign up from Jan. 1 - March 31 each year. Your coverage will begin July 1 of that year. You may have to pay a higher Part A and/or Part B premium for late enrollment.

Special Enrollment Period

If you don't sign up for Part A and/or Part B when you are first eligible because you're covered under a group health plan based on current employment (your own, a spouse's, or a family member's if you're disabled), you can sign up for Part A and/or Part B:

- Anytime you're still covered by the group health plan.
- During the 8-month period that begins the month after the employment ends or the coverage ends, whichever happens first.

Medicare Enrollment Examples

If your 65th birthday is April 10 and you apply for Medicare in...

January • February • March

↓
Medicare starts April 1

April • May • June • July

Medicare starts the first day of
↓ ↓ ↓ ↓
May • July • Sept. • Oct.

However, if you miss your enrollment period and apply...

After July

-
- You can't enroll until the next January.
 - Your coverage starts the following July.
 - You'll pay a 10 percent penalty each year you wait.

Part A - Hospital Coverage

Inpatient Hospital

Medicare covers semi-private rooms, meals, general nursing, and drugs as part of your inpatient treatment, and other hospital services and supplies. This includes care you get in acute care hospitals, critical access hospitals, inpatient rehabilitation facilities, long-term care hospitals, inpatient care as part of a qualifying clinical research study, and mental health care. This doesn't include private-duty nursing, television or phone charges, or personal care items. If you have Part B, it generally covers 80% of the Medicare-approved amount for doctor's services you get while you're in a hospital.

Skilled Nursing Facility

Medicare covers up to 100 days of semi-private rooms, meals, skilled nursing and rehabilitative services, and other medically necessary services and supplies after a minimum of a 3-day (three consecutive midnights) inpatient hospital stay for a related illness or injury.

Home Health Care

Medicare covers medically necessary part-time or intermittent skilled nursing care, and/or physical therapy, speech-language pathology services, and/or services for people with a continuing need for occupational therapy and homebound.

Hospice

Medicare provides hospice care (pain relief and symptom management) for terminally ill patients who qualify and choose the palliative care over curative treatment. Medicare does not pay for room and board at a hospice or nursing facility.

Part B - Medical Coverage

Outpatient Hospital and Medical Services

Medicare covers many diagnostic and treatment services in hospital outpatient departments, including observation stays. Medicare covers approved procedures like X-rays, casts, stitches or outpatient surgeries.

Doctor Visits

Medicare covers medically necessary doctor services (including doctor services you get when you are a hospital inpatient). Medicare also covers other health care providers, like physician assistants, nurse practitioners, social workers, physical therapists and psychologists.

Durable Medical Equipment (DME)

Medicare covers items like oxygen equipment and supplies, wheelchairs, walkers and hospital beds ordered by a doctor for use in the home. Make sure doctors and DME suppliers are enrolled in Medicare. Most DME, prosthetics, orthotics and supplies must be purchased from a contracted supplier.

Preventive Benefits

Medicare pays for many preventive services to keep you healthy. Preventive services can find health problems early - when treatment works best - and can keep you from getting certain diseases. Preventive services include exams, shots, lab tests, and screenings. They also include counseling and education to help you take care of your own health. A list of Medicare's preventive benefits is available on the next page.

Medicare doesn't cover everything.

Some items and services not covered by Medicare include:

- Long-term care (also called custodial care)
- Most dental care
- Eye examinations related to prescribing glasses
- Dentures
- Cosmetic surgery
- Acupuncture
- Hearing aids and exams for fitting them
- Routine foot care
- Most care outside of the USA, including cruise ships

Part B - Medical Coverage

Medicare Preventive Benefits

The Part B deductible and coinsurance are waived for most preventive care services. Below is a partial list of preventive benefits.

Shots

- Pneumococcal
- Flu
- Hepatitis B (for people at medium to high risk)

Exams

- One-time “Welcome to Medicare” physical exam (within the first 12 months you have Part B)
- Annual “Wellness” visits

Screenings

- Colorectal cancer
- Prostate cancer
- Breast cancer (mammograms)
- Pelvic exam
- Clinical breast exam (part of pelvic exam)
- Pap test
- Cardiovascular
- Diabetes (for people at risk)
- Glaucoma (for people at high risk)

Other

- Diabetes supplies and self-management training
- Bone mass measurement
- Medical nutrition therapy
- Smoking cessation counseling

My Notes

Please call us for a complete list of all preventive services available.

Call the Ohio Senior Health Insurance Information Program (OSHIIIP) with questions: 1-800-686-1578.

2018 Medicare Amounts

Out-of-Pocket Part A Costs

Monthly Premium - \$0 for most*
Hospital Deductible - \$1,340/benefit period

Hospital Daily Copayments

Days 1-60 - \$0

Days 61-90 - \$335

Days 91-150 - \$670

(Lifetime reserve days)

Skilled Nursing Daily Copayments

Days 1-20 - \$0

Days 21-100 - \$167.50

***Those with fewer than 40 quarters of work credit pay a Part A Premium of up to \$422/month.**

Out-of-Pocket Part B Costs

Monthly Premium - \$130 average
Annual Deductible - \$183

Coinsurance - 20% for most services after meeting the deductible

Some will pay a higher premium if they enroll late (late enrollment penalty) or have higher income (see chart below).

Beneficiaries who file an individual tax return with income:	Beneficiaries who file a joint tax return with income:	Income-related monthly adjustment amount:	Total monthly premium amount:
Less than or equal to \$85,000	Less than or equal to \$170,000	\$0.00	\$134.00
Greater than \$85,000 and less than or equal to \$107,000	Greater than \$170,000 and less than or equal to \$214,000	\$53.50	\$187.50
Greater than \$107,000 and less than or equal to \$133,500	Greater than \$214,000 and less than or equal to \$267,000	\$133.90	\$267.90
Greater than \$133,500 and less than or equal to \$160,000	Greater than \$267,000 and less than or equal to \$320,000	\$214.30	\$348.30
Greater than \$160,000	Greater than \$320,000	\$294.60	\$428.60

If your income and resources are limited, you may qualify for help paying amounts related to Medicare's medical coverage. Medicare Savings Programs pay your monthly Medicare Part B premium and save you other associated out-of-pocket costs as well. Most people who are eligible for Medicare Savings Programs (MSP) also qualify for the Part D Low-Income Subsidy.

There are four levels of eligibility under MSP.

1. Qualified Medicare Beneficiary (QMB)

- Acts like a free Medicare Supplement policy.
- Pays the Part B premium.
- Pays all deductibles and coinsurance that Medicare does not pay.

2. Specified Low Income Medicare Beneficiary (SLMB)

- Pays the Part B premium.

3. Qualified Individual (QI)

- Pays the Part B premium.

4. Qualified Disabled and Working Individuals (QDWI)

- Helps pay the Part A premium.

You may qualify for MSP if your yearly income and total resources are below these limits in 2018.

• **Single person**

- Income less than \$1,386/month, and
- Total resources less than \$7,560.

• **Married person living with a spouse and no other dependents**

- Income less than \$1,872/month, and
- Total resources less than \$11,340.

How to apply

- Call OSHIIP: 1-800-686-1578.
- Call your local Area Agency on Aging: 1-866-243-5678.
- Call the Ohio Medicaid Hotline: 1-800-324-8680.

Please note: Some agencies may refer to Medicare Savings Programs (MSP) as Medicare Premium Assistance Programs (MPAP).

Understanding MedSup policies

Original Medicare pays for many health care services and supplies, but not all. Medicare Supplement (MedSup) Insurance policies are sold by private companies and can help pay some of the health care costs that Original Medicare doesn't cover, like copayments, coinsurance and deductibles. They are also called **Medigap** policies.

Some MedSup policies also offer coverage for services that Original Medicare doesn't cover, like medical care when you travel outside the U.S. If you buy a MedSup policy, Medicare will pay its share of the Medicare-approved amount for covered health care costs. Your MedSup policy then pays its share. All MedSup policies have a premium that's additional to amounts you pay for Medicare Part A and Part B.

MedSup policies are standardized

Every Medicare Supplement policy must follow federal and state laws designed to protect you, and policies must be clearly identified as "Medicare Supplement Insurance." Insurance companies can sell you a "standardized" policy only, identified by letters. All policies offer the same basic benefits, but some offer additional benefits so you can choose the one that meets your needs.

Comparing MedSup policies

Different insurance companies may charge different premiums for the same policy. As you shop for a policy, be sure you're comparing the same policy. For example, compare the premium for Plan A from one company with another company's Plan A premium.

Also, you may be able to buy a type of MedSup policy called Medicare SELECT. These policies require you to use specific hospitals and, in some cases, specific doctors or other health care providers to get full coverage. If you buy a Medicare SELECT policy, you have the right to change your mind within 12 months and switch to a standard MedSup policy.

Your right to a policy is guaranteed

- During your initial open enrollment - 6-month period beginning with your Part B effective date at age 65 or older.
- In special circumstances - typically 63 days after the loss of coverage.

Medicare supplement (MedSup) protections apply to those persons who face uncertain conditions as explained below. There may be times when more than one situation applies to you. When this happens, you can choose the MedSup protection that gives you the best choice of MedSup policies.

Guaranteed issue and open enrollment rights apply to both MedSup and Medicare SELECT policies. Regardless of your health, you have an open enrollment opportunity during the first six months you are both age 65 and enrolled in Medicare Part B. You also have guaranteed issue rights in the situations described below; these rights generally end 63 days after you lose coverage.

Situation	Protects you if...	MedSup Plan Choices
Situation 1	Your Medicare Advantage Plan or PACE coverage ends because the plan is leaving the Medicare program.	A, B, C, F, K, L
Situation 2	Your coverage through your group health plan ends.	A, B, C, F, K, L
Situation 3	You have to end your health coverage because you move out of the plan's service area.	A - N
Situation 4 (trial right)	You joined a Medicare Advantage Plan or PACE program when you were first eligible for Medicare at age 65. Within the first year of joining, you decided you want to leave.	A, B, C, F, K, L
Situation 5 (trial right)	You dropped a MedSup policy to join a Medicare Advantage Plan, Medicare SELECT policy or PACE program for the first time and now you want to leave after less than a year on the plan.	A, B, C, F, K, L
Situation 6	You lose your MedSup coverage when your insurance company goes bankrupt or your MedSup coverage ends through no fault of your own.	A, B, C, F, K, L
Situation 7	You leave your plan because your Medicare Advantage Plan, Medicare SELECT policy, or MedSup company has misled you or hasn't followed the rules. For example, the marketing materials were not true or quality standards were not met.	A, B, C, F, K, L

Medicare Supplement Insurance (Medigap) Plans										
Benefits	A	B	C	D	F*	G	K**	L**	M	N***
Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Medicare Part B coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100% ***
Blood (first 3 pints)	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Part A hospice care coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	100%	100%	50%	75%	100%	100%
Medicare Part A deductible		100%	100%	100%	100%	100%	50%	75%	50%	100%
Medicare Part B deductible			100%		100%					
Medicare Part B excess charges					100%	100%				
Foreign travel emergency (up to plan limits)			80%	80%	80%	80%			80%	80%
* Plan F also offers a high-deductible plan. If you choose this option, this means you must pay for Medicare-covered costs (coinsurance, copayments, deductibles) up to the deductible amount of \$2,240 in 2018 before your policy pays anything.										
** For Plans K and L, after you meet your out-of-pocket yearly limit and your yearly Part B deductible (\$183 in 2018), the Medigap plan pays 100% of covered services for the rest of the calendar year.										
*** Plan N pays 100% of the Part B coinsurance, except for a copayment of up to \$20 for some office visits and up to \$50 copayment for emergency room visits that don't result in an inpatient admission.										
								Out-of-pocket limit in 2018		
								\$5,240	\$2,620	

This page helps you understand the insurance company and policy information contained in our premium charts. Each company reported the premiums for its policies to the department of Insurance in April 2018 **Please note:** premiums can change at any time. Use these premium charts as a shopping tool, not as current information.

Using Premium Charts

Read the premium charts from left to right to find these details about the company and the policies it offers. Companies may offer various discounts, so be sure to ask if you qualify.

- **Company** — Due to space limitations words like Insurance, Company and Corporation are not used.
- **Phone** — The number to call for new sales.
- **Internet Address** — How to reach the company online.
- **Avg. % Change** – What is the 1-year average change in the company's premiums for the policies shown over the past 5 years? *Note:* N/A in this column means the company has sold Medicare policies in Ohio less than 5 years.
- **Pre-ex** — The number of months before the policy will pay for your pre-existing conditions, if pre-ex applies to you.
- **Plans A, B, C, etc.** — The monthly premium amount a new customer would pay for a policy. A separate version of Plan F with a \$2,240 deductible (2018) is noted with an *.
 - **GI** = The policy is Guaranteed Issue; you cannot be turned down for coverage because of poor health.

Your gender, zip code, age at the time of purchase, attained age, tobacco use, payment method and medical claims are some of the factors that can affect your premium amount for Medicare supplemental insurance.

For specific plan comparison information, call the Ohio Senior Health Insurance Information Program (OSHIIIP) with questions: 1-800-686-1578.

Sample MedSup Plan Monthly Premiums for Age 65

Company	Phone	Internet Address	A	B	C	D	F	F*	G	K	L	M	N
AARP / United Healthcare *G*	800-523-5800	www.aarpmedicaresupplement.com	\$77	\$118	\$147		\$148		\$124	\$47	\$86		\$103
Aetna Health and Life Insurance Co.	800-264-4000	www.aetnaseniorproducts.com	\$92	\$97			\$125	\$50	\$105	N/A			\$85
American Republic Corp Ins. Co.	888-755-3065	www.americanenterprise.com	\$137				\$176	\$60		\$82	\$112		
Americo Financial Life and Annuity Co.	800-231-0801	www.americo.com	\$110		\$125	\$95	\$120		\$94				\$81
Anthem BC/BS	888-641-5224	www.anthem.com	\$97				\$126						\$91
Assured Life Association#	877-223-3666	www.Assuredlife.org	\$159	\$173	\$236	\$182	\$237		\$145				\$84
AulicCare's Prime Time Choices	877-863-1791	www.primetimehealthplan.com	\$112				\$154	\$61	\$141			\$127	\$128
Bankers Fidelity Life Insurance Co.	800-241-1439	www.bflc.com	\$130				\$163		\$161	\$77			\$84
Cigna Health and Life Insurance Co.	866-459-4272	www.cigna.com	\$104				\$129		\$105				\$89
Combined Insurance Co. of America	800-490-1322	www.combinedinsurance.com	\$116				\$134						\$109
Companion Life Insurance Co.	888-220-0466	www.companionlife.com	\$101				\$142		\$122				
CSI Life Insurance Co.	866-644-3988	www.csi-omaha.com	\$98		\$159	\$113	\$160		\$114				\$91
Equitable Life & Casualty Insurance Co.	877-358-4060	www.equilife.com	\$139				\$271		\$131				\$127
Everence Association, Inc. #	800-348-7468	www.everence.com	\$136		\$203		\$210				\$103		\$96
Everest Reinsurance Co.	844-301-0395	www.everestgroup.com	\$107		\$131	\$102	\$132		\$103				\$89
Geber Life Insurance Co.	877-778-0839		\$154		\$218	\$175	\$223		\$146				
Globe Life and Accident Insurance Co.	800-801-6831	www.globecaremedsupp.com	\$84	\$128	\$148		\$149	\$34					
Government Personnel Mutual Co.	866-242-7573	www.gpmlife.com	\$99		\$130	\$99	\$131		\$100				\$84
Guarantee Trust Life Insurance Company	800-338-7452	www.gtlic.com	\$125				\$159						
Humana Insurance Co.	888-310-8482	www.humana.com	\$85				\$142	\$48					\$98
Individual Assurance Co.	888-524-3629	www.iclife.com	\$127		\$132	\$103	\$133		\$104				\$88
Manhattan Life Insurance	800-877-7703	www.familylifeins.com	\$110	\$129	\$153	\$129	\$154		\$117			\$119	\$94

G Group policy; may not be available for individual purchase.
. . . . Company is a fraternal benefit organization; policies are available only to those eligible for membership.

Sample MedSup Plan Monthly Premiums for Age 65

Company	Phone	Internet Address	A	B	C	D	F	F*	G	K	L	M	N
Medical Mutual	800-382-5729	www.medmutual.com	\$83		\$144		\$145	\$52	\$107				\$100
Medico Corp Insurance Co.	888-755-3065	www.americanenterprise.com	\$113				\$151	\$44	\$105				\$92
Oxford Life Insurance Co.	866-641-9999	www.oxfordlife.com	\$151		\$176				\$105				\$140
Paramount Insurance Co.	888-891-0707	www.paramounthealthcare.com	\$108		\$140		\$144						\$114
Pekin Life Insurance Co.	800-322-0160	www.pekininsurance.com	\$177				\$212	\$75	\$162				
Philadelphia American Life	800-552-7879	www.newerlife.com	\$116		\$172	\$103			\$124				\$117
Physicians Mutual Insurance Co.	800-228-9100	www.physiciansmutual.com	\$176			\$170	\$240	\$47					\$147
Reserve National Insurance Co.	800-654-9106	www.reservenational.com	\$169		\$251		\$204	\$47	\$170				\$145
Shenandoah Life Insurance Co.	855-406-9085	www.shenlife.com	\$96		\$138	\$101	\$139		\$102				\$85
State Farm Mutual Auto Insurance Co.	Call a local agent	www.statefarm.com	\$103		\$155		\$156						
THP Insurance Company, Inc.	877-847-7915	www.healthplan.org	\$105		\$143	\$128	\$143	\$63	\$139				\$114
Thrivent Financial for Lutherans #	800-847-4836	www.thrivent.com	\$123	\$135	\$159	\$185	\$164	\$37	\$142		\$98	\$129	
Transamerica Life Insurance Co.	866-205-9120	www.transamerica.com	\$93	\$145	\$145	\$134	\$146		\$103	\$63	\$94	\$116	\$115
Unified Life Insurance Co.	877-807-2143	www.unifiedlife.com	\$105				\$131	\$41	\$104				\$85
United American Insurance Co.	800-331-2512	www.unitedamerican.com	\$84	\$180	\$198	\$185	\$210	\$30	\$162	\$91	\$128		\$144
United Commercial Travelers #	800-848-0123	www.uct.org	\$91	\$100	\$121	\$102	\$122	\$99					\$84
United World Life Insurance Co.	800-667-2937	www.mutualofomaha.com	\$84		\$122	\$98	\$134	\$44	\$85				\$90
USAA Life	800-531-8722	www.USAA.com	\$114				\$135						\$99

G Group policy; may not be available for individual purchase.

. . . . Company is a fraternal benefit organization; policies are available only to those eligible for membership.

Medicare Coverage — Part D

Part D is prescription drug coverage

Medicare offers prescription drug coverage to everyone with Medicare. Consider joining a Medicare drug plan even if you don't currently take prescriptions. If you decide not to join a Medicare drug plan when you're first eligible, and you don't have other creditable prescription drug coverage, or you don't qualify for Extra Help, you'll likely pay a late enrollment penalty if you join a plan later. Plus, you'll have a waiting period before coverage starts.

To get Medicare prescription drug coverage, you must join a plan offered by an insurance company or other private company approved by Medicare. Each plan can vary in cost and specific drugs covered.

There are 2 ways to get Medicare prescription drug coverage:

1. Medicare Prescription Drug Plans. These plans (sometimes called "PDPs") add drug coverage to Original Medicare.

2. Medicare Advantage Plans (like an HMO or PPO) or other Medicare health plans that offer Medicare prescription drug coverage. You get all of your Part A, Part B, and prescription drug coverage (Part D) through these plans. Medicare Advantage Plans with prescription drug coverage are sometimes called "MA-PDs." You must have Part A and Part B to join a Medicare Advantage Plan.

If you have employer or union coverage...

Call your benefits administrator before you make any changes, or before you sign up for any other coverage. If you drop your employer or union coverage, you may not be able to get it back. You also may not be able to drop your employer or union drug coverage without also dropping your employer or union health (doctor and hospital) coverage. If you drop coverage for yourself, you may also have to drop coverage for your spouse and dependents.

When can I join, switch, or drop a Medicare drug plan?

- When you're first eligible for Medicare, you can join during the 7-month initial enrollment period that begins 3 months before the month you turn 65, includes the month you turn 65, and ends 3 months after the month you turn 65.
- If you get Medicare due to a disability, you can join during the 7-month period that begins 3 months before your 25th month of disability benefits and ends 3 months after your 25th month of disability. You'll have another chance to join during the 7-month period that begins 3 months before the month you turn 65 and ends 3 months after the month you turn 65.
- Between Oct. 15 and Dec. 7, anyone can join, switch, or drop a Medicare drug plan. The change will take effect on Jan. 1 as long as you enroll by Dec. 7.
- Anytime, if you qualify for **Extra Help**.

Special Enrollment Periods

You generally must stay enrolled for the calendar year, but you may be able to join, switch, or drop Medicare drug plans at other times if you:

- Move out of your plan's service area.
- Lose other creditable prescription drug coverage (like an employer plan or a retirement plan).
- Live in a care facility (like a nursing home).
- Have Medicaid
- Qualify for **Extra Help**

If you have limited income and resources, you may qualify for help to pay for some prescription drug costs. Extra Help is a Medicare program to help people with limited income and resources pay Medicare prescription drug costs. You may qualify for Extra Help, also called the low-income subsidy (LIS), if your yearly income and total resources are below these limits in 2018:

- **Single person:**
 - Income less than \$1,538/month, and
 - Total resources less than \$14,100.
- **Married person living with a spouse and no other dependents:**
 - Income less than \$2,078/month, and
 - Total resources less than \$28,150.

2019 Part D Costs

Costs can change every year

- **Average Monthly Premium:** \$35.00
- **Annual Deductible:** \$0 - \$415
- **Copays:** 25% or flat copay amounts based on formulary.
- **Coverage Gap** (donut hole): Starts when you and your plan have spent \$3,820 in total drug costs, and ends when these total drug costs reach \$7,653.75
 - Coverage Gap discounts: 65% discount on brand name medications and 56% discount on generic medications during the gap.
 - Discounts to increase each year until gap is closed in 2020.
- **Catastrophic Coverage:** Approximately 5% copay after coverage gap.

Each Medicare drug plan has its own formulary. Many plans place drugs into different “tiers” on their formularies. Drugs in each tier have a different cost; drugs in a lower tier will generally cost you less than those in a higher tier.

Note: Medicare drug plans must cover all medically necessary, commercially available vaccines not already covered under Part B (like the shingles vaccine).

Plans may have additional restrictions for coverage:

- **Prior authorization:** You and/or your prescriber must contact the drug plan before you can fill certain prescriptions. Your prescriber may need to show that the drug is medically necessary for the plan to cover it.
- **Quantity limits:** Limits on how much medication you can get at a time.
- **Step therapy:** You must try one or more similar, lower cost drugs before the plan will cover the prescribed drug.

If you or your prescriber believe that one of these coverage rules should be waived, you can ask for an exception.

Also, your plan may have contracted with certain pharmacies you must use to keep your copayments at their lowest. Make sure you know which pharmacies your plan has designated as preferred and network. Some plans have an option to receive prescriptions by mail-order.

Part D - Medicare Prescription Drug Coverage

Listed below are the 2019 Part D monthly income-related premium adjustment amounts to be paid by beneficiaries who file an individual tax return (including those who are single, head of household, qualifying widow(er) with a dependent child, or married and filing separately who lived apart from their spouse for the entire taxable year) or a joint tax return.

Beneficiaries who file an individual tax return with income:	Beneficiaries who file an joint tax return with income:	In 2019 you pay income-related monthly adjustment amount plus your plan premium (YPP):
Less than or equal to \$85,000	Less than or equal to \$170,000	\$0.00 + YPP
Greater than \$85,000 and less than or equal to \$107,000	Greater than \$170,000 and less than or equal to \$214,000	\$12.40 + YPP
Greater than \$107,000 and less than or equal to \$133,500	Greater than \$214,000 and less than or equal to \$267,000	\$31.90 + YPP
Greater than \$133,500 and less than or equal to \$160,000	Greater than \$267,000 and less than or equal to \$320,000	\$51.40 + YPP
Greater than \$160,000 and less than or equal to \$500,000	Greater than \$320,000 and less than or equal to \$750,000	\$70.90 + YPP
Greater than \$500,000	Greater than \$750,000	\$77.40 + YPP

Late Enrollment Surcharges and Penalties

If you aren't eligible for premium-free Part A, and you don't buy it when you're first eligible, your monthly premium may go up 10%. You'll have to pay the higher premium for twice the number of years you could have had Part A, but didn't sign up.

If you don't sign up for Part B when you're first eligible, or if you drop Part B and then get it later, you may have to pay a late enrollment penalty for as long as you have Medicare. Your monthly premium for Part B may go up 10% for each full 12-month period that you could have had Part B, but didn't sign up for it.

If you don't sign up for Part D when you're first eligible, or if you drop Part D and then get it later, you may have to pay a late enrollment penalty for as long as you have Part D. The cost of the late enrollment penalty depends on how long you didn't have creditable prescription drug coverage. The late enrollment penalty is calculated by multiplying 1% of the national base beneficiary premium (\$35.02 in 2018) times the number of full, uncovered months that you were eligible but didn't join a Medicare prescription drug plan and went without other creditable prescription drug coverage. This final amount is rounded to the nearest \$.10 and added to your monthly premium. The national base beneficiary premium may increase each year, so the penalty amount may also increase each year.

Medicare Advantage Plans

Medicare Advantage Plans are available to those who:

- Are enrolled in Part A and Part B.
- Live within the plans service area(county).
- Who DO NOT have End Stage Renal Disease.

Choosing Medicare Advantage Plans as an alternative to Original Medicare:

- Advantage Plans must cover everything Original Medicare covers.
- Offered by private companies to replace Original Medicare and secondary insurance.
- Multiple options in each county, such as:
 - Health Maintenance Organizations (HMO) require care and services from providers and facilities in the plan's network.
 - Preferred Provider Organizations (PPO) allow care and services from outside the network but typically with higher costs.
- Most plans include the Part D benefit (MAPD).
- Enrollees pay the Part B premium and any other applicable costs.

When can I join, switch, or drop a Medicare Advantage Plan?

- When you first become eligible for Medicare, you can join during the 7-month period that begins 3 months before the month you turn 65, includes the month you turn 65, and ends 3 months after the month you turn 65.
- If you get Medicare due to a disability, you can join during the 7-month period that begins 3 months before your 25th month of disability and ends 3 months after your 25th month of disability.
- From Oct. 15 to Dec. 7 anyone can join, switch, or drop a Medicare Advantage Plan. Your coverage will begin Jan. 1, as long as the plan gets your request by Dec. 7.

New in 2019, Medicare Advantage Open Enrollment Period (MA OEP)

From January 1- March 31, anyone in a Medicare Advantage Plan can use this enrollment period to switch to a different MA or MA-PDP, or drop their current MA or MA-PDP and return to Original Medicare and enroll in Part D (if you have Part D). You won't have a guaranteed issue right to buy a Medigap policy. You cannot use this enrollment period to enroll in a Part D Plan or MA plan for the first time. To use this enrollment period, you must already be in a MA or MA-PDP on January 1. Your coverage begins the first of the month after you enroll.

Special Enrollment Periods

In most cases, you must stay enrolled for the calendar year in which your coverage begins. However, you may be able to join, switch, or drop a Medicare Advantage Plan during a Special Enrollment Period. Such a period occurs when:

- You move out of your plan's service area.
- You have Medicaid.
- You qualify for Extra Help.
- You live in a care facility (like a nursing home).

12-Month Trial Period

You may have a guaranteed right to buy a Medicare Supplement policy in either circumstance shown below:

- You enroll in a Medicare Advantage plan when you are first eligible for Medicare at age 65, but within the first 12 months you decide to replace the MA plan with a MedSup.
- You drop a Medicare Supplement policy and join a Medicare Advantage plan for the first time, but within the first 12 months you decide to replace the MA plan with a MedSup.

Find out provider network details and all possible out-of-pocket costs associated with any plan you're considering.

My Notes

22 Medicare Supplement vs. Medicare Advantage

	Medicare Supplement (MedSup or Medigap)	Medicare Advantage (Part C)
Cost?	<ul style="list-style-type: none"> • Part B Premium • Higher plan premium • Little or no out-of-pocket cost when used 	<ul style="list-style-type: none"> • Part B Premium • Lower plan premium • Charged out-of-pocket cost as plan is used
Coverage?	<ul style="list-style-type: none"> • Pays secondary after (and only after) Medicare Part A and Part B process claims 	<ul style="list-style-type: none"> • Replaces Medicare Part A and Medicare Part B (and usually includes Part D drug benefit) • Must cover at minimum all services provided by Original Medicare
Provider choice?	<ul style="list-style-type: none"> • Any provider that accepts Medicare • May have foreign travel emergency coverage 	<ul style="list-style-type: none"> • Plan will have a provider network. Cost will be higher out of network • Check with plan for travel restrictions
Is Drug coverage included?	<ul style="list-style-type: none"> • No • Need to purchase separate Part D Plan 	<ul style="list-style-type: none"> • Yes • Some plans available without drug coverage
Considerations	<ul style="list-style-type: none"> • Important to use any provider without network restrictions • Can afford higher monthly premiums 	<ul style="list-style-type: none"> • Willing to use network of providers • May have added benefits (vision, dental, hearing, fitness, etc.)
Cards in your wallet?	<ul style="list-style-type: none"> • Three <ol style="list-style-type: none"> 1. Original Medicare card 2. MedSup card 3. Part D/prescription card 	<ul style="list-style-type: none"> • One <ol style="list-style-type: none"> 1. Medicare Advantage card. No need to carry your Original Medicare card
When can I purchase?	<p>Applications may be completed through insurance companies and agents during:</p> <ul style="list-style-type: none"> • MedSup open enrollment (1st six months after taking Part B at age 65 or older) • Guaranteed issue situations • Anytime, however outside of the MedSup open enrollment and guaranteed issue situations, plans may medically underwrite policies and turn you down 	<p>Applications may be completed on medicare.gov during:</p> <ul style="list-style-type: none"> • Initial open enrollment when new to Medicare • Annual open enrollment (Oct 15 - Dec 7) • Special enrollment periods based on individual situations • Medicare Advantage plans must accept your application during enrollment periods as long as you <ol style="list-style-type: none"> 1. Live in the service area (county) 2. Have both Medicare A& B 3. Do not have End Stage Renal Disease

How to Prevent Medicare Sales Fraud 23

Medicare Sales Fraud is defined as when someone intentionally falsifies information or deceives Medicare. Common types of health care fraud include medical identity theft, billing for unnecessary services or items, billing for services or items not furnished, upcoding to more complex services and upselling a single comprehensive code to create individual charges.

Questionable practices include:

- Removing you from Original Medicare without your knowledge.
- Enrolling you in a plan you can't afford.
- Falsely telling you that your doctor or hospital accepts your plan.

When selling Medicare products, agents cannot legally:

- Use high-pressure sales tactics.
- Sell policies door-to-door, send unsolicited emails, or make unsolicited telephone calls.
- Enroll you at a health fair or event.
- Sell any other product, such as life insurance, at the time of the sale.

When you receive your open enrollment information from Medicare and insurance companies:

- Call the Ohio Department of Insurance at 1-800-686-1578 for assistance.
- Ask if enrolling in private insurance could jeopardize your retirement benefits.
- Never sign anything on the same day as the sales presentation.
- Request information in writing about each plan you are considering and take the time to review it.

Be Proactive - For more information about Medicare, call the Ohio Department of Insurance at 1-800-686-1578 or visit the official Medicare website at www.medicare.gov.

If you suspect wrongdoing or have been victimized, call the Ohio Department of Insurance's Fraud and Enforcement hotline at 1-800-686-1527 or contact non-profit Pro Seniors and its fraud-fighting Ohio Senior Medicare Patrol (SMP) at 1-800-488-6070.

*Healthcare Exchange enrollment begins at the same time as Medicare Open Enrollment.

There may be a greater risk for fraudulent activities. It is important to know that the Healthcare Exchange does not have any effect on your Medicare coverage or choices, and it is against the law for someone to sell you an Exchange plan when they know you receive Medicare.

Contacts and Resources

Agency	Phone Number	Website
Ohio Senior Health Insurance Information Program	800-686-1578	insurance.ohio.gov
Ohio Department of Insurance		insurance.ohio.gov
Consumer Services	800-686-1526	insurance.ohio.gov
Fraud & Enforcement	800-686-1527	insurance.ohio.gov
KEPRO	855-408-8557	keproqio.com
National Council on Aging	202-479-1200	ncoa.org
Ohio Benefit Bank	800-648-1176	ohiobenefits.org
Ohio Department of Aging	800-282-1206	aging.ohio.gov
Ohio Department of Health	800-342-0553	odh.ohio.gov
Ohio Department of Medicaid	800-324-8680	medicaid.ohio.gov
Ohio Public Employee Retirement System (OPERS)	800-222-PERS (800-222-7377)	opers.org
Ohio School Employees Retirement System (SERS)	800-878-5853	ohsers.org
ProSeniors	800-488-6070	proseniors.org
Social Security Administration	800-772-1213	ssa.gov
TRICARE	877-874-2273	tricare.mil
U.S. Center for Medicaid & Medicare	800-MEDICARE (800-633-4227)	medicare.gov
U.S. Department of Labor	866-487-2365	dol.gov
U.S. Veterans Administration	877-222-8387	va.gov



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