

THE ABCD OF MEDICARE – 2021

<u>Original/Traditional Medicare</u>			2 OPTIONS 3 PARTS	<u>Medicare Advantage (Part C)</u>		
<u>Part A:</u> Hospital	<u>Part B:</u> Medical	<u>Part D:</u> Medications		<u>Part A:</u> Hospital	<u>Part B:</u> Medical	<u>Part D:</u> Medications
<ol style="list-style-type: none"> 1. Fee-for-service 2. Providers (including specialist) of national network 3. No out-of-pocket limit 4. Part D plan is purchased 5. Part B has 20% coinsurance 6. Part B premium is paid 7. May combine with Medigap 			<i>7-POINT COMPARISON</i>	<ol style="list-style-type: none"> 1. Managed care (HMO, PPO, other) 2. Providers (referral for specialists) of limited network 3. Out-of-pocket limit 4. Part D is included (in most cases) 5. Part B has no 20% coinsurance (it has copayments) 6. Part B premium is paid; additional premium may apply 7. Cannot combine with Medigap 		
<ul style="list-style-type: none"> • Inpatient care (admit) • Skilled nursing facility care • Hospice • Home health care 	<ul style="list-style-type: none"> • Medical care • Outpatient care • Preventive services • Durable Medical Equipment 	<ul style="list-style-type: none"> • Prescription drugs • Purchased from insurers 	<i>PART-BY-PART COMPARISON coverage</i>	<ul style="list-style-type: none"> • Inpatient care (admit) • Skilled nursing facility care • Hospice (<i>Original</i>) • Home health care 	<ul style="list-style-type: none"> • Medical care • Outpatient care • Preventive services • Durable Medical Equipment 	<ul style="list-style-type: none"> • Prescription drugs • Included in plan (in most cases)
<ul style="list-style-type: none"> • No, with 40 credits • May be purchased (credits 30-39, \$252) (credits < 30, \$458) 	<ul style="list-style-type: none"> • Yes, \$148.50 (base) • Difference linked to SS COLA • Higher premiums linked to income (\$88k, 1/\$176, 2) 	<ul style="list-style-type: none"> • Yes, \$30 (base) • Higher premiums linked to income 	premium	<ul style="list-style-type: none"> • Same as Original 	<ul style="list-style-type: none"> • Same as Original (some plans have additional premium) • Some plans offer additional services 	<ul style="list-style-type: none"> • No premium • Amount for higher income is paid if applies
<ul style="list-style-type: none"> • Yes, \$1484 per benefit period 	<ul style="list-style-type: none"> • Yes, \$203 annually 	<ul style="list-style-type: none"> • Some do, some don't 	deductible	<ul style="list-style-type: none"> • No 	<ul style="list-style-type: none"> • Yes, see plan 	<ul style="list-style-type: none"> • Some do, some don't
<ul style="list-style-type: none"> • \$0, days 1-60 • \$371/day, days 61-90 • \$742/day, days of reserve (91-150) <i>Per Benefit Period</i> 	<ul style="list-style-type: none"> • No 	<ul style="list-style-type: none"> • Yes (varies by plan) 	copayment	<ul style="list-style-type: none"> • Yes (an amount per day, for a number of days, per episode) 	<ul style="list-style-type: none"> • Yes, see plan 	<ul style="list-style-type: none"> • Yes, see plan
<ul style="list-style-type: none"> • No 	<ul style="list-style-type: none"> • Yes, 20% • Assignment; up to 115% more if not 	<ul style="list-style-type: none"> • Yes, 25%/25%/5% 	coinsurance	<ul style="list-style-type: none"> • No, see plan 	<ul style="list-style-type: none"> • No, see plan 	<ul style="list-style-type: none"> • Yes, 25%/25%/5%

COMBINING MEDICARE AND OTHER INSURANCE COVERAGE

- Medigap – Supplemental Insurance (only in Original) – pays for deductibles, copayments and coinsurance for Parts A and B.
- Other insurance coverage (both in Original and Advantage) – retiree insurance, union health coverage, veteran's benefits, military retiree benefits (TRICARE), Federal Employee Health Benefits Program (FEHB), and long-term care insurance / Medicare functions as primary or secondary depending on the case.

FINANCIAL ASSISTANCE (2019 numbers):

MEDICARE SAVINGS PROGRAMS (MEDICAID PAYS) & EXTRA HELP (MEDICARE PAYS)

- Both apply to Original and Advantage, based on income.
- Medicare Savings Programs (3) – **QMB** (\$1,041 – individual; \$1,410 – couple), pays for Parts A & B premiums (if there is one for Part A), deductibles, copayments and coinsurance, and offers optional Medicare Special Needs Plans. / **SLMB** (\$1,042-\$1,249 per individual; \$1,411-\$1,691 per couple), pays for Part B premium. / **QI-1** (\$1,250-\$1,406 per individual; \$1,692-\$1,903 per couple), pays for Part B premium.
- Extra Help (Low Income Subsidy – LIS) – (\$1,561-1,581 income and \$12,890-\$14,390 resources per individual; \$2,114-\$2,134 income and \$25,720-\$28,720 resources per couple); assists with Part D costs (135%-150% of FPL).
- With any of the three saving programs, a beneficiary automatically qualifies for full Extra Help (no resources test), Part D premium is fully or partially paid for, will have minimum copays, penalty for Parts B and/or D (if there was one) would be paid for, and there is no doughnut hole.
- With partial Extra Help, beneficiaries pay a portion of the premium, have a 15% coinsurance, and are subject to the doughnut hole.

ELIGIBILITY & ENROLLMENT PERIODS (INITIAL, GENERAL, SPECIAL, AND OPEN)

- Eligibility – 65+ and 40 credits (spouses may be eligible); younger if disabled (after 2 yrs. of SSDI); any age with end-stage renal disease.
- Initial Enrollment – 7 months starting with the third month before the month of 65th birthday (25th month for disability). / Enrollment for Parts B & D is voluntary, but penalties may apply (money and enrollment time) for late enrollment; except when creditable coverage applies (keep the letters). / Upon losing job and/or coverage, remember the following deadlines: 8 months for enrolling in Parts A and B, 6 months for Medigap (guarantee issue to obtain Supplemental insurance), and 2 months for Advantage or Part D.
- General Enrollment – Jan. 1 to March 31; to enroll if initial enrollment was missed; must enroll in Part D by end of June; all coverage starts on July 1.
- Special Enrollment – for those with creditable coverage, when plan stops operating, when you move outside of network, and other.
- Open Enrollment – Oct. 15 to Dec. 7; may change Part D and Advantage plans, from Original to Advantage and vice versa, and other.
- **NEW STARTING IN 2019:** From Jan. 1 to March 31 beneficiaries are allowed to sign up for an Advantage plan, change from one Advantage plan to another one, switch back to Traditional Medicare (includes Parts A and B), and purchase Part D plans if switched to Traditional Medicare.
- Enrollment to 5-star Advantage & Part D plans is available once a year at any time.

RESOURCES

Social Security: www.socialsecurity.gov; 1-800-772-1213 / Medicare: www.medicare.gov; 1-800-MEDICARE (1-800-633-4227)
 State Health Insurance Assistance Program (SHIP): www.shiptalk.org; 1-800-677-1116 / Area Agency on Aging (call your region) /
 AARP: www.aarp.org/medicareQA; 1-888-OUR-AARP (888-687-2277)

Part D 2020 Drug Coverage

Stage 1
Initial
Coverage

\$0 - \$4,020

Includes:
Deductible
Copayment
Coinsurance
Plan's share

*Premium not
included*

Coinsurance
75% - Insurance
25% - You

Stage 2
No Coverage
"Doughnut Hole"



Closes in 2020

Coinsurance
75% - Insurance
25% - You

Stage 3
Catastrophic
Coverage

\$6,351+

Coinsurance
95% - Insurance
5% - You

THE ABCD OF MEDICARE

(educational chart 2020)



Community Education Program

AARP Arizona

(rev. 2020-0100)

