

Medicare 2022

AARP

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Eligibility

- **65 or older**
And
- **40 credits (equivalent to ten years employment)**
Or
- **SSDI (Disability) longer than two years**
- **End-stage renal disease**

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Medicare- Two Options

Original Medicare

Part A: Hospital Insurance
(Automatic)

Part B: Medical Insurance

- Optional
- Penalty

Part D: Prescription Drugs

- Optional
- Penalty

Medicare Advantage

Part A: Hospital Insurance
Included

Part B: Medical Insurance
Included

Part D: Prescription Drugs
Included

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Medicare- 7 Point Comparison

Original Medicare (A, B, D)

1. Fee for service
2. **Choice** of providers (who accept Medicare reimbursement)
3. **No** out-of-pocket Limit
4. Part B premium is purchased
5. Part B- 20% Coinsurance
6. Part D (Drugs) is purchased
7. **May** combine with Medigap (Supplemental Policy)

Medicare Advantage (Part C)

1. Managed Care (HMO, PPO)
2. **Network** doctors and hospitals (Specialist referral may be **required**)
3. Out-of-pocket **limit**
4. Part B premium is purchased
5. Part B- Copayments
6. Part D (Drugs) is included
7. **May not** combine with Medigap

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Original- Part A: Hospital	
Inpatient care (admitted) Skilled nursing facility care Hospice Home health care	Coverage
No- Covered if 40 credits (10 years) May be purchased (expensive)	Premium
\$1,484 per benefit period (up to 60 days after discharge)	Deductible
No- Days 1 – 60 \$0 Yes- Days 61 – 90 \$371/day Yes- (Reserve: Days 91 – 150) \$742/day Skilled Nursing facility- \$185.50/day (days 21 to 100)	Coinsurance

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Advantage- Hospital	
Coverage	Inpatient care (admitted) Skilled nursing facility care Hospice Home health care
Premium	Same as Original
Deductible	No
Copayment	Yes - \$/day for a set number of days per episode (read policy)
Coinsurance	No

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Original- Part B: Medical	
Medical Care (Doctors, Specialists) Outpatient Care Durable Medical Equipment Preventative Services	Coverage
Yes- \$170.10/month (Means Tested) May be purchased (expensive)	Monthly Premium
Yes - \$217/yr.	Deductible
No	Copayment
Yes (20%)	Coinsurance

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Advantage- Medical	
Coverage	Medical Care (Doctors/Specialists) Outpatient Care Durable Medical Equipment Preventative Services
Premium	Yes - \$170.10/ month (Means Tested)
Deductible	No
Copayment	Yes - Some services may have copays of up to 20%
Coinsurance	No - (read policy)

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Original- Part D: Medications	
Coverage for prescription drugs through private insurance companies	Coverage
Yes- Varies- (\$33/month typical) (means tested)	Monthly Premium
Some do- (\$445) more expensive do not	Deductible
Yes (Varies by policy and tier)	Copayment
Yes 25% up to \$7,050 5% after \$7,050 Total Cost (you plus plan)	Coinsurance

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Advantage- Medications	
Coverage	Included in most cases
Premium	No (but means tested)
Deductible	Some do, most don't - (Read policy)
Copayment	Yes - Depends on drug Tier
Coinsurance	Read policy
Total Cost (you plus plan)	25% up to \$7,050 5% after \$7,050

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What is Not Covered?

- Long Term Care
- Most Dental Care
- Dentures
- Eye Examinations related to *prescribing glasses*
- Cosmetic Surgery
- Acupuncture
- Hearing Aids and exams for fitting them
- *Routine* Foot Care

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Medicare and Other Insurance Coverage

Medigap (Supplemental Insurance)

Original Only

Can pay for deductibles, copayments, and coinsurance for Parts A and B (but not D)

- Six-month signup protection against **pre-existing** conditions
- Should include foreign travel **emergency** protection (some Advantage plans also provide foreign travel emergency protection)

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Original Medicare Supplemental Insurance

Summary of Medigap Plan Benefits

Benefits	Plans Available to all applicants								Medicare eligible before 2020 only	
	A	B	D	G	K	L	M	N	C	F
Note: An X means 100% of benefit paid										
Medicare Part A coinsurance and hospital coverage (up to an additional 365 days after Medicare benefits used up)	X	X	X	X	X	X	X	X	X	X
Medicare Part B coinsurance or copay	X	X	X	X	50%	75%	X	copays	X	X
Blood (first three pints)	X	X	X	X	50%	75%	X	X	X	X
Part A hospice care coinsurance or copay	X	X	X	X	50%	75%	X	X	X	X
Skilled Nursing Facility coinsurance			X	X	50%	75%	X	X	X	X
Medicare Part A deductible		X	X	X	50%	75%	50%	X	X	X
Medicare Part B deductible									X	X
Medicare Part B excess charges				X						X
Foreign travel emergency up to plan limit			80%	80%			80%	80%	80%	80%
Out of pocket limit in 2021					\$ 6,220	\$ 3,110				

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Other Insurance Coverage

Other Insurance: **Original and Advantage**

- Coordinates with other insurance coverage such as employer, union, veterans, military retirees (TRICARE), Federal and long-term care insurance
- Medicare functions as primary insurance in some cases and secondary in others

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Medicare Savings Programs & Extra Help

**Apply to both Original and Advantage
Based on Income (see handout)**

Medicare Savings Program (AHCCCS in Arizona)

Medicare Extra Help

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Medicare Enrollment 2022

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Enrollment Periods

Initial Enrollment - 7 months starting 3rd month **before** 65th birthday

Special Enrollment – Up to 8 months after **creditable** coverage ends

- Discuss with HR Department (COBRA generally does not qualify)

General Enrollment - Jan. 1 to March 31 if initial enrollment missed

- **Penalty** may apply (B - 10% / year, D - 1% / month)
- All coverage starts July 1

Open Enrollment - Advantage and Part D changes - Oct 15 to Dec 7

Change from Advantage to Original – Jan 1 to March 31

- **Pre-existing conditions may influence plan price**

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Be Proactive!

If you receive Social Security, you may be automatically enrolled in **Original Medicare Part A and B** but not D

Enroll online: ssa.gov/benefits/medicare

BUT

Do **Not** Procrastinate or **Avoid** a Decision!!

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Resources

State Health Insurance Assistance Program (SHIP):

www.shiptacenter.org

Enter: State – Arizona

Next Screen: Arizona Agencies on Aging – (800) 432-4040

- **Excellent source** for knowledgeable, unbiased information
- In-home and onsite counseling

Medicare: www.medicare.gov (1-800-633-4227)

AARP: www.aarp.org/medicareQA (1-888-687-2277)

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AARP Medicare

Questions?

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