### The ABCD of Medicare – 2020

#### Original/Traditional Medicare

<table>
<thead>
<tr>
<th>Part A</th>
<th>Part B</th>
<th>Part D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospital</td>
<td>Medical</td>
<td>Medications</td>
</tr>
</tbody>
</table>

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

- Inpatient care (admit)
- Skilled nursing facility care
- Hospice
- Home health care

<table>
<thead>
<tr>
<th>2 OPTIONS 3 PARTS</th>
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<tbody>
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<td><strong>7-POINT COMPARISON</strong></td>
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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

- Inpatient care (admit)
- Skilled nursing facility care
- Hospice (original)
- Home health care

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<th><strong>PART-BY-PART COMPARISON</strong></th>
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1. Same as Original
2. Same as Original
3. No premium
4. Amount for higher income is paid if applies

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<tr>
<th><strong>FINANCIAL ASSISTANCE (2019 numbers):</strong></th>
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<td>Medicare Savings Programs (Medicaid Pays) &amp; Extra Help (Medicare Pays)</td>
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- 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 savings 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.

#### Combining Medicare and Other Insurance Coverage

- Medicare – 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.

#### 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 are available once a year at any time.

### RESOURCES

Social Security: [www.socialsecurity.gov](http://www.socialsecurity.gov) / 1-800-772-1213 / Medicare: [www.medicare.gov](http://www.medicare.gov) / 1-800-MEDICARE (1-800-633-4227)

State Health Insurance Assistance Program (SHIP): [www.shiptalk.org](http://www.shiptalk.org) / 1-800-677-1116 / Area Agency on Aging (call your region) / AARP: [www.aarp.org/medicareQA](http://www.aarp.org/medicareQA) / 1-888-OUR-AARP (888-687-2277)
Part D  
2020 Drug Coverage

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<tr>
<th>Stage 1</th>
<th>Stage 2</th>
<th>Stage 3</th>
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<tbody>
<tr>
<td>Initial Coverage</td>
<td>No Coverage</td>
<td>Catastrophic Coverage</td>
</tr>
<tr>
<td>“Doughnut Hole”</td>
<td></td>
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- **Stage 1:** Initial Coverage
  - **Includes:** Deductible
  - Copayment
  - Coinsurance
  - Plan’s share
  - **Premium not included**

- **Stage 2:** No Coverage
  - **75% discount, brand**
  - **$0 - $4,020**
  - **$4,021 - $6,350**

- **Stage 3:** Catastrophic Coverage
  - **75% discount, generic**
  - **$6,351+**

**Closes in 2020**

- **Coinsurance:**
  - 75% - Insurance
  - 25% - You

**THE ABCD OF MEDICARE**

(educational chart 2020)

Community Education Program
AARP Arizona
(rev. 2020-0100)

AARP®
Real Possibilities