Volunteer Basic Training

SHIBA
OFFICE of the INSURANCE COMMISSIONER
WASHINGTON STATE

Updated March 2019

Basic Training table of contents

Medicare and You 2019 **is referenced throughout this presentation.**

Welcome to Basic Training

Welcome to Basic Training

- After you complete this training, you'll take an open book exam.
- Get more information about this from your Volunteer Coordinator or Regional Training Consultant (RTC).
- Once you pass this exam, we'll certify you as a SHIBA (Statewide Health Insurance Benefits Advisors) volunteer.
- This is not the end of your training, it's just the start of a rewarding journey!

SHIBA history

- First State Health Insurance Program (SHIP) began in our state in 1979
- All states have a SHIP program
- Funded by the federal government
- In Washington state, we are also funded by the state legislature

SHIBA history – how it works

- Funding comes from SHIBA through federal and state resources.
- SHIBA uses these funds to award grants to sponsors in our state to provide SHIBA services statewide.
- SHIBA provides volunteer training and education.
- Each sponsor site has a volunteer coordinator who manages the SHIBA program in his or her area.
- These programs are staffed by volunteers.

SHIBA mission statement

SHIBA provides free, unbiased information about health care coverage and access to help improve the lives of all Washington residents.
We cultivate community commitment through partnership, services, and volunteering.

Notes

Insurance terms and acronyms

Health coverage and medical terms

Glossary of Health Coverage and Medical Terms

- This glossary defines many commonly used terms, but isn't a full list. These glossary terms and definitions are intended to be educational and may be different from the terms and definitions in your plan or health insurance policy. Some of these terms also might not have exactly the same meaning when used in your policy or plan, and in any such case, the policy or plan governs. (See your Summary of Benefits and Coverage for information on how to get a copy of your policy or plan document.)
- Bold text indicates a term defined in this Glossary.
- See page 6 for an example showing how deductibles, coinsurance and out-of-pocket limits work together in a real life situation.

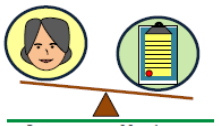
Allowed Amount
Maximum amount on which payment is based for covered health care services. This may be called "eligible expense," "payment allowance" or "negotiated rate." If your provider charges more than the allowed amount, you may have to pay the difference. (See Balance Billing.)

Appeal
A request that your health insurer or plan review a decision that denies a benefit or payment (either in whole or in part).

Balance Billing
When a provider bills you for the difference between the provider's charge and the allowed amount. For example, if the provider's charge is $100 and the allowed amount is $70, the provider may bill you for the remaining $30. A preferred provider may ***not*** balance bill you for covered services.

Claim
A request for a benefit (including reimbursement of a health care expense) made by you or your health care provider to your health insurer or plan for items or services you think are covered.

Coinsurance
Your share of the costs of a covered health care service, calculated as a percentage (for example, 20%) of the allowed amount for the service. You generally pay coinsurance ***plus*** any deductibles you owe. (For example, if the health insurance or plan's allowed amount for an office visit is $100 and you've met your deductible, your coinsurance payment of 20% would be $20. The health insurance or plan pays the rest of the allowed amount.)



(See page 6 for a detailed example.)

Complications of Pregnancy
Conditions due to pregnancy, labor and delivery that require medical care to prevent serious harm to the health of the mother or the fetus. Morning sickness and a non-emergency caesarean section generally aren't complications of pregnancy.

Copayment
A fixed amount (for example, $15) you pay for a covered health care service, usually when you receive the service. The amount can vary by the type of covered health care service.

Cost Sharing
The general term that refers to the share of costs for services covered by a plan or health insurance that you must pay out of your own pocket (sometimes called "out-of-pocket costs"). Some examples of types of cost sharing include copayments, deductibles, and coinsurance. Other costs, including your premiums, penalties you may have to pay or the cost of care not covered by a plan or policy are usually ***not*** considered cost sharing.

Cost-sharing Reductions
Discounts that lower cost sharing for certain services covered by individual health insurance purchased through the Marketplace. You can get these discounts if your income is below a certain level, and you choose a Silver level health plan. If you're a member of a federally recognized tribe, which includes being a shareholder in an Alaska Native Claims Settlement Act corporation, you can qualify for cost-sharing reductions on certain services covered by a Marketplace policy of any metal level and may qualify for additional cost-sharing reductions depending upon income.

Please reference handout (also posted on My SHIBA)

Medicare training acronyms

Here's a reference list of acronyms used in this presentation:

ALS	**Amyotrophic lateral sclerosis (Lou Gehrig's disease)**
COBRA	**Consolidated Omnibus Budget Reconciliation Act**
COLA	**Cost of Living Adjustment**
DME	**Durable Medical Equipment**
ESRD	**End Stage Renal Disease**
GEP	**General Enrollment Period**
HMO	**Health Maintenance Organization**
IEP	**Initial Enrollment Period**
LIS	**Low Income Subsidy (Extra Help)**
LPR	**Legal Permanent Resident**
MA	**Medicare Advantage (Part C)**
MAPD	**Medicare Advantage Plans with Prescription Drug Coverage**
MSA	**Medicare Medical Savings Account (Not used in WA)**
MSP	**Medicare Savings Program**
OEP	**Open Enrollment Period**
OM	**Original Medicare (Parts A & B)**
OTC	**Over-the-Counter**
PDP	**Prescription Drug Plan**
PFFS	**Private Fee-for-Service**
PPO	**Preferred Provider Organization**
RTC	**Regional Training Consultant**
SEP	**Special Enrollment Period**
SHIBA	**Statewide Health Insurance Benefits Advisors**
SHIP	**State Health Insurance Assistance Program**
SNP	**Special Needs Plans**
SS	**Social Security**
SSA	**Social Security Administration**
SSDI	**Social Security Disability Insurance**

Notes

Medicare introduction

Choose your coverage option!

Your Medicare options

When you first enroll in Medicare and during certain times of the year, you can choose how you get your Medicare coverage. There are 2 main ways to get Medicare:

Original Medicare

- Original Medicare includes Medicare Part A (Hospital Insurance) and Part B (Medical Insurance).
- If you want drug coverage, you can join a separate Part D plan.
- To help pay your out-of-pocket costs in Original Medicare (like your deductible and 20% coinsurance), you can also shop for and buy supplemental coverage.

☑ Part A

☑ Part B

You can add:

☐ Part D

You can also add:

☐ Supplemental coverage

(Some examples include coverage from a Medicare Supplement Insurance (Medigap) policy, or coverage from a former employer or union.)

Medicare Advantage (also known as Part C)

- Medicare Advantage is an "all in one" alternative to Original Medicare. These "bundled" plans include Part A, Part B, and usually Part D.
- Some plans may have lower out-of-pocket costs than Original Medicare.
- Some plans offer extra benefits that Original Medicare doesn't cover— like vision, hearing, or dental.

☑ Part A

☑ Part B

Most plans include:

☑ Part D

Some plans also include:

☐ Lower out-of-pocket costs

☐ Extra benefits

***Medicare and You*: Page 5**

The four parts of Medicare

Part A Hospital Insurance	Part B Medical Insurance	Part D Medicare Prescription Drug Coverage	OR	Part C Medicare Advantage Plans (Includes Parts A & B and sometimes Part D)

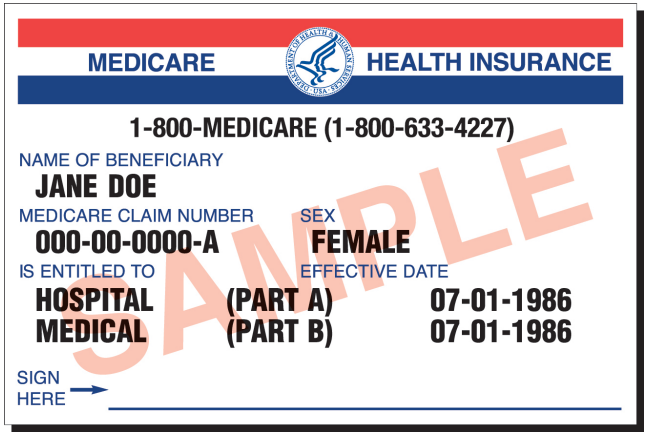
***Medicare and You*: Page 4-5**

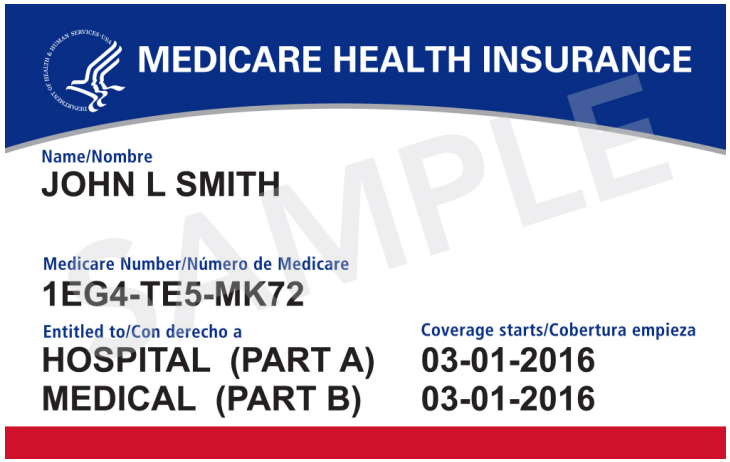
Who is eligible for Medicare?

- Age 65 and older
- Under age 65 and deemed disabled (Social Security Disability Insurance) by the Social Security Administration (SSA)
  - 24-month waiting period
  - No waiting period if diagnosed with ESRD or ALS
- Must be a US citizen or legal permanent resident (LPR)
  - If a client is a LPR, they must be for 5 continuous years

***Medicare and You*: Page 15-17**

Medicare card





Medicare mailed newly designed cards
April 2018 – April 2019

***Medicare and You*: Inside front cover**

Notes

Enrollment and enrollment periods

Some people are automatically enrolled

- Automatic enrollment for people who turn 65 and receive:
  - Social Security benefits
  - Railroad Retirement Board benefits
- Automatic enrollment also occurs for people:
  - Diagnosed with ALS: Starts the month their disability benefits start – aka Social Security Disability Insurance (SSDI)
  - Under age 65 and disabled, after getting disability benefits (aka SSDI) for 24 months
- Will receive an enrollment packet, including a Medicare card in the mail

***Medicare and You*: Page 15**

When enrollment is NOT automatic

- If client is **not** receiving Social Security Administration (SSA) retirement income
    - He/she will need to enroll with Social Security:
        - Online at www.ssa.gov
        - Call 1-800-772-1213
        - Visit local SSA office
- If a client has questions about enrollment, have them contact Social Security

***Medicare and You*: Page 16**

Three main Medicare enrollment periods

1. Initial Enrollment Period (IEP)
2. Special Enrollment Period (SEP)
3. General Enrollment Period (GEP)

There's also an Open Enrollment Period (OEP) we will cover in another section.

This is just the start. The client will have more decisions to make along their path!

***Medicare and You*: Pages 17-18**

Initial Enrollment Period

When the client is first eligible to sign up for Medicare – it's the 7-month window they have to sign up.

- Lasts 7 months
- Starts 3 months before client's 65th birthday
- Ends 3 months after client turns 65

Initial Enrollment Period

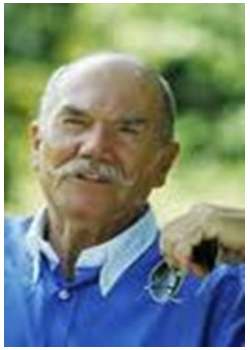
3 months before the month you turn age 65	2 months before the month you turn age 65	1 month before the month you turn age 65	Your birthday (BD) month	1 month after you turn age 65	2 months after you turn 65	3 months after you turn 65
↓	↓	↓	 ↓	↓	↓	↓
Medicare starts BD month	Medicare starts BD month	Medicare starts BD month	Medicare starts next month	Medicare starts in 2 months	Medicare starts in 3 months	Medicare starts in 3 months

The later you enroll, the later your coverage starts:

- Up to a 3-month wait

***Medicare and You*: Page 17**

Example of Initial Enrollment Period



George will turn 65 in May. He enrolled in Medicare in February and it will start on May 1.

Sally turned 65 in May as well, but she did not enroll in Medicare until August. Sally faces no penalty, but her Medicare will not start until November.

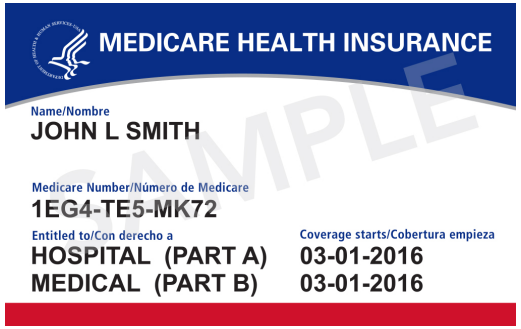
Special Enrollment Period

- Special Enrollment Period (lasts 8 months)
- Occurs after the Initial Enrollment Period (IEP) ends
- For people covered by a group health insurance plan based upon current employment
  - Their own, a spouse's or if disabled then a family member's
- Can enroll in Part A and/or B
  - Any time still covered by the group plan
  - During the 8-month period that starts the month after employment ends or the coverage ends, whichever happens first

***Medicare and You*: Pages 17-18**

Medicare card – Part B

- Follow instructions on back of card
- Client keeps card to accept Parts A and B



Medicare mailed newly designed cards April 2018 – April 2019

Example of Special Enrollment Period

Jonathan's been working for a large employer and is getting ready to retire this year. He is 68 years old and has not signed up to collect Social Security or Medicare.

However, Jonathan can sign up for Medicare at any time now, using his Special Enrollment Period (SEP). His SEP will end when he has been retired for 8 months.

General Enrollment Period

- General Enrollment Period (GEP)
  - If client missed Initial Enrollment Period
  - If client missed, or is not eligible for a Special Enrollment period (i.e. employer coverage)
- Can enroll during the GEP
  - January 1 – March 31 each year
  - Coverage won't start until July 1 of each year
  - Possible higher premiums for Part A and/or Part B for late enrollment

***Medicare and You*: Page 18**

Example of General Enrollment Period

Charlie is 68 years old. He stopped working over a year ago, and his employer doesn't offer any retiree health coverage. He is planning to sign up for Social Security when he turns 70 to get his maximum benefit. Since he is pretty healthy, he thought he would wait for then to enroll in Medicare. Now he needs knee surgery!

He is past his Initial Enrollment Period, and it's been more than 8 months since he was covered by active employer insurance, so he is past his Special Enrollment period.

Charlie will have to wait for the General Enrollment Period to enroll in Medicare.

***Medicare and You*: Page 18**

Original Medicare

Parts A and B are referred to as Original Medicare

Original Medicare

Part A – Hospital insurance:

- Inpatient hospital
- Skilled nursing facility (limited)
- Home health care
- Hospice care
- Blood

***Medicare and You*: Pages 25-28**

Medicare hospital insurance (Part A)

Washington State Office of the Insurance Commissioner • Statewide Health Insurance Benefits Advisors (SHIBA)

2019 Medicare hospital insurance (Part A) covered services

Services	Benefit	Medicare pays	You pay
Hospitalization Semi-private room and board, general nursing and other hospital services and supplies (Medicare payments based on benefit periods) *(See comments 1 & 2)*	First 60 days	All but $1,364	$1,364
	61st to 90th day	All but $341/day	$341/day
	91st to 150th day *(60 reserve days may be used only once)*	All but $682/day	$682/day
	Beyond 150 days	Nothing	All costs
Skilled Nursing Facility Care Semi-private room and board, skilled nursing and rehabilitative services and other services and supplies (Medicare payments based on benefit periods) *(See comments 1 & 2)*	First 20 days	100% of approved amount	Nothing
	Next 80 days	All but $170.50/day	up to $170.50/day
	Beyond 100 days	Nothing	All costs
Home Health Care Part-time or intermittent skilled care, home health aide services, durable medical equipment and supplies and other services	Unlimited as long as you meet Medicare requirements for home health care benefits	100% of approved amount 80% of approved amount for durable medical equipment	Nothing for services 20% of approved amount for durable medical equipment
Hospice Care Pain relief, symptom management and support services for the terminally ill	For as long as doctor certifies need	All but limited costs for outpatient drugs and inpatient respite care	Limited cost sharing for outpatient drugs and inpatient respite care
Blood♦ When furnished by a hospital or skilled nursing facility during a covered stay	Unlimited during a benefit period if medically necessary	All but first 3 pints per calendar year	For first 3 pints

1 - Neither Medicare nor Medigap insurance pay for most nursing home care (See *Medicare & You* booklet, page 28).

2 - A benefit period starts the first day you receive a Medicare-covered service in a qualified hospital. It ends when you've been out of a hospital (or other facility that provides skilled nursing or rehab services) for 60 days in a row. It also ends if you stay in a facility (other than a hospital) that provides skilled nursing or rehab services, but do not receive any skilled care there for 60 days in a row. If you enter a hospital again after 60 days, a new benefit period starts.

♦ If the hospital gets blood from a blood bank at no charge, you won't pay for replacing it. If the hospital buys blood for you, you must either pay the hospital costs for the first 3 units of blood you get in a calendar year or have the blood donated by you or someone else.

Premium for Part A: Most people don't pay a premium, because they (or their spouse) worked for over 40 quarters. If you have fewer than 30 quarters of coverage, you pay $437/mo. For 30-39 quarters of coverage, you pay $240/mo.

Medicare Part A (hospital insurance)

What does Part A cost in 2019?

- Most people get Part A premium-free
  - They or their spouse must have paid FICA taxes for at least 10 years (40 quarters)
- **IF** they paid into Medicare less than 10 years, they:
  - Can pay a premium to get Part A
    - ❖ $437 per month (if worked fewer than 30 quarters)
    - ❖ $240 per month (if worked 30 -39 quarters)

(See bottom of your blue Medicare Part A chart)

***Medicare and You*: Page 21**

Example of Medicare Part A

Evelyn is a widow and has contributed to Medicare for the last 20 years through her job. She's earned 40 working quarters throughout her active work. When Evelyn enrolls in part A, it'll be premium-free.

Vivian is single and has acquired only 35 quarters for Medicare, therefore she doesn't qualify for premium-free Part A. Vivian will have to pay a monthly premium of $240 (in 2019) to receive Part A. Vivian can also continue to earn more quarters.

Original Medicare

Part B – Medical insurance:

- Doctor visits
- Outpatient hospital services
- Tests, labs, x-rays, etc.
- Durable medical equipment (DME) and supplies
- Preventive services

***Medicare and You*: Pages 29-49**

Medicare medical insurance (Part B)

Washington State Office of the Insurance Commissioner • Statewide Health Insurance Benefits Advisors (SHIBA)

2019 Medicare medical insurance (Part B) covered services

Services	Benefit	Medicare pays	You pay
Medical Expenses Doctor services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment, most outpatient mental health services, and other services	Unlimited if medically necessary	80% of approved amount (after $185 deductible)	$185 deductible,* plus 20% of approved amount and limited charges above approved amount**
Clinical Laboratory Services Blood test, urinalysis, and more	Unlimited if medically necessary	Generally 100% of approved amount	Nothing for services
Home Health Care Part-time or intermittent skilled care, home health aide services, durable medical equipment and supplies and other services	Unlimited as long as you meet Medicare requirements	100% of approved amount; 80% of approved amount for durable medical equipment	Nothing for services; 20% of approved amount* for durable medical equipment
Outpatient Hospital Treatment Services for the diagnosis or treatment of an illness or injury	Unlimited if medically necessary	Medicare payment to hospital based on hospital costs	20% of billed amount*
Blood♦	Unlimited during a benefit period if medically necessary	80% of approved amount (after $185 deductible and starting with 4th pint)	First 3 pints plus 20% of approved amount for additional pints♦*

* After you pay the yearly deductible of $185, you typically pay 20% of the Medicare-approved amount for most doctor services, outpatient therapy and durable medical equipment for the rest of the year.

** Federal law limits charges for physician services.

♦ If the hospital gets blood from a blood bank at no charge, you won't pay for replacing it. If the hospital buys blood for you, you must either pay the hospital costs for the first 3 units of blood you get in a calendar year or have the blood donated by you or someone else.

Monthly Part B premium: The standard Part B premium amount in 2019 is $135.50 (or higher depending on your income). However, about 3.5% of people who get Social Security benefits will pay less due to the "hold harmless" provision. Social Security will tell you the exact amount you'll pay. For more information, go to: https://www.medicare.gov/your-medicare-costs/part-b-costs/part-b-costs.html.

We attempt to provide the most current information possible. Due to frequent changes, always check with Medicare at www.medicare.gov or at 1-800- MEDICARE (1-800-633-4227) for the latest premiums and deductibles. If you want personalized help, call SHIBA at 1-800-562-6900 and ask to speak with a SHIBA counselor in your area.

SHP520FR–SHIBA Part A&B-Rev. 10.12.18

Medicare Part B (medical insurance)

What does Part B cost?

- In 2019, most people will pay approximately $135.50 per month
  - People with higher incomes could pay more
- Social Security will notify clients if they have to pay more or less than the standard premium
  - The amount may change depending on the client's yearly income

***Medicare and You*: Page 22-24**

Examples of Medicare Part B

William enrolled in Medicare in 2013. His Part B premium in 2019 is $135.50.

Natasha's Medicare started in 2018. Her income is over $85,000 per year. Her Part B premium in 2019 is $189.60.

New Medicare premiums are announced each fall for the next calendar year. Social Security notifies individual enrollees of their premium. Factors affecting the amount include:

- Current income (higher or lower may pay more or less)
- If there's a cost-of-living adjustment to people's Social Security benefit in the new year

Does a client need Part B?

Yes, if they don't have coverage from active employment (either their own or their spouse's)

- Delaying Part B may mean:
  - Higher premiums (late enrollment penalty)
  - Waiting for GEP
  - Paying for their health care out-of-pocket

***Medicare and You*: Pages 18-19**

Does a client need Part B?

It depends. Potentially no, if:

- They have coverage through active employment
    - Their own job, their spouse's job, or if disabled and under 65, then another family member's job

Things to consider:

- Some of the decision is based upon rules about when Medicare would pay BEFORE the employer plan pays.
- People should check with their employer, in some cases, small employers will pay AFTER Medicare pays, even with active employment.

***Medicare and You*: Pages 20-21**

Examples of Part B coverage considerations

Maggie plans to keep working until she's 68. She's covered by her employer's insurance. Maggie will sign up for Part A, but defer Part B until she stops **actively** working.

Barbara retired at age 63 and has been paying for a private insurance plan. At age 65, she will start her Medicare Parts A and B.

Paying for Parts A and B

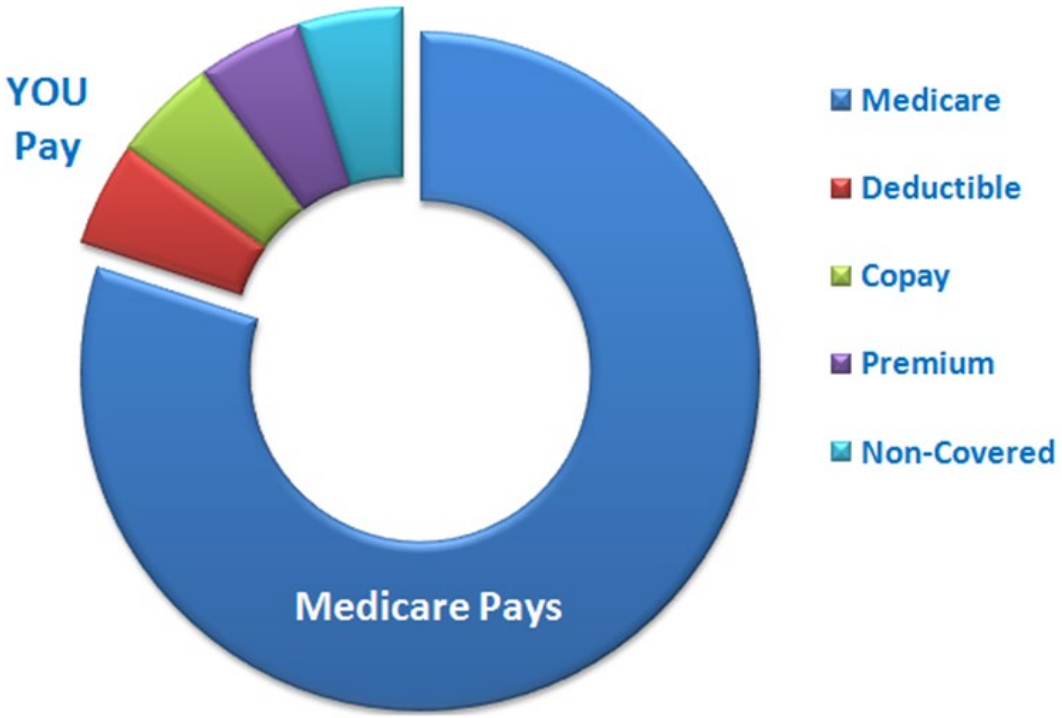
In addition to Part B premiums (& sometimes Part A), client pays:

- Part A hospital deductible
- Part B yearly deductible
- 20% coinsurance for most services
- May be other costs

***Medicare and You*: Pages 25-29**

Remember!

Medicare (generally) covers 80% of the cost for services that are “medically necessary”



Example: Coverage for “medically necessary”

Sarah is diagnosed with glaucoma. Medicare does not cover eye exams related to prescribing glasses.

However, it does consider covering regularly scheduled eye exams to monitor her eye health as “medically necessary” for her.

Help paying for Parts A and B

There is a program to help clients pay for Medicare Parts A and B:

- It's called the Medicare Savings Program (MSP)
- Available to clients with limited income and resources
- Find MSP at: www.washingtonconnection.org

***Medicare and You*: Pages 86-87**

Example of help paying for Medicare

Sam receives Social Security retirement of $1,000 per month, and has less than $7,000 in the bank. The Medicare Savings Program will pay his Part B premium – $135.50 per month x 12 months – saving him over $1,620 per year.

Notes

Medicare prescription drug coverage

Also called Part D

Medicare Part D

- Medicare prescription drug coverage (Part D) helps clients pay for both brand-name and generic drugs. Drug plans are offered by insurance companies and other private companies approved by Medicare.
- Available for all people with Medicare Parts A and/or B.
- Provided through:
  - Stand-alone Part D plans (PDP)
  - Medicare Advantage Plans (MAPD)

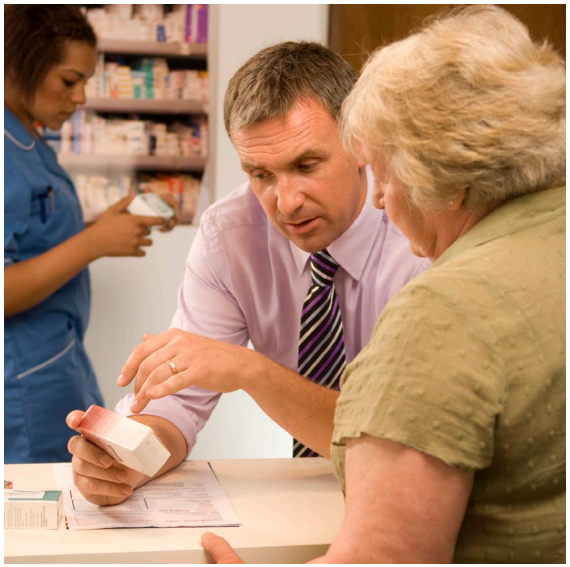
***Medicare and You*: Pages 73-75**

Who can enroll in Part D?

Clients must:

- Have Part A **or** Part B **or** both
- Live inside the U.S. and can't be incarcerated

Enrollment is not automatic for most.



***Medicare and You*: Pages 73-74**

Do all clients need Part D?

It depends…

- Do they already have creditable drug coverage from another source?
- Creditable means it's as good as Medicare Part D
  - For example, through an employer plan
- Without creditable coverage, client may have:
  - To wait to enroll
  - A penalty

***Medicare and You*: Pages 73-74 & 77-79**

What Part D covers

- Prescription brand-name and generic drugs only
- Each plan has its own formulary
- Plans must cover a range of drugs in each category
- Coverage and rules vary by plan

Note: Part D does not cover over-the-counter drugs.

***Medicare and You*: Pages 79-80**

Example of Part D plan coverage

Bob was told by his doctor to take a low-dose aspirin daily. Since this is an over-the-counter (OTC) medication, Part D plans do not cover it.

Samantha takes several brand-name and generic prescriptions. The Plan Finder will help her see if there's a plan that will cover these and if there are any coverage rules, such as:

- Quantity limits
- Prior authorization
- Step-therapy

***Medicare and You*: Page 79**

Medicare drug plan costs

What do clients pay?

- Cost varies by plan
- Most people pay:
  - A monthly premium
  - A yearly deductible
  - Copayments or coinsurance
  - Coverage gap (donut hole)

***Medicare and You*: Pages 75-78**

When can clients enroll in Part D?

- During 7-month Medicare Initial Enrollment Period (IEP)
- During Open Enrollment Period (OEP)
  - October 15 – December 7
  - Coverage starts January 1
- Can possibly join at other times
  - Special Enrollment Period (SEP)
    - ❖ Examples: Move to a new area, gain or lose employer or retiree coverage, are eligible for Extra Help/Low Income Subsidy (LIS)

***Medicare and You*: Page 74**

Help paying for Part D

- "Extra Help" or "Low-income-subsidy" (LIS) is a program available to clients with limited income and resources.
- Extra Help or LIS will pay for part or all of premiums, deductible and copay for eligible clients.
  - Part D penalties waived for LIS clients
  - LIS enrollees can change plans more than once per year
  - Find LIS applications at: www.ssa.gov

***Medicare and You*: Pages 83-85**

Example of help paying Part D premium

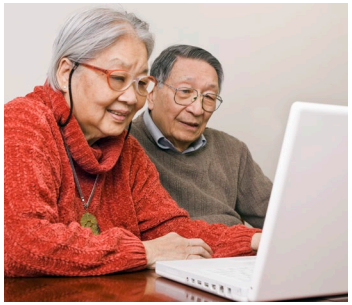
Samantha receives $1,400 per month in Social Security retirement. She has less than $10,000 in savings. Extra Help could save her a lot of money. The program:

- Could help pay some or all of her Part D premium
- Pay most or all of her deductible
- Make it so she has small drug co-pays
- Could allow her to change her drug plans more than once per year

How do clients choose a Part D plan?

Call SHIBA for help at 1-800-562-6900.

Research the online Plan Finder at: www.medicare.gov



Contact the plan to find out if their medications are on the plan formularies and ask about costs.

Additional training is offered to SHIBA volunteers in this area – it's the best way for clients to compare plans.

Notes

Medigaps

Also called Medicare Supplement plans

What is a Medigap plan?

- Medigaps (also called Medicare Supplement plans) are sold by private insurance companies.
- They help pay for "gaps" in Original Medicare.
- Gaps include:
  - Deductibles, coinsurance and copayments
- Medigaps are standardized and designated by letters A-N.

***Medicare and You*: Pages 69-72**

Example of Medigap plan

Fred has Original Medicare Parts A and B and a Medigap plan. As long as Fred's doctor accepts Medicare and Medicare Parts A and B cover the care he gets, his Medigap will pay its part after Medicare pays. Then, if there's anything left over, Fred will be billed for the remaining.

Medicare coordinates its payments with most Medigap plans, so the doctor or Fred most likely will not have to take any other action to get the Medigap to pay.

Who is eligible for a Medigap?

- Any Medicare client with both Parts A and B
- Medicare clients under age 65 have limited choices
  - There are no "guaranteed issue" protections for people under age 65 in Washington state

***Medicare and You*: Page 71**

Do clients need a Medigap?

If a client is NOT covered under an employer plan (active or retired) and does not have any other source to pay for the balances after Original Medicare has paid, he/she may want to consider a Medigap.

***Medicare and You*: Pages 69-72**

When to enroll in a Medigap

- Clients may enroll in a Medigap any time after he or she enrolls in Medicare Parts A & B if a company agrees to sell them one.
- Medigaps don't have an annual Open Enrollment Period (OEP).
- Each individual gets their own one-time six-month OEP (see next slide).

***Medicare and You*: Page 71**

When to enroll in a Medigap

- Clients are guaranteed to get a Medigap without a written health screening during the following:
  - The six-month period that starts first day of the month that you're 65 or older AND enrolled in Part B. Medicare calls this the "Medigap Open Enrollment Period."
  - Have a Medigap plan B through N can join any Medigap plan – except Plan A
  - Have Medigap Plan A can join any Medigap Plan A

The Office of the Insurance Commissioner's health compliance analysts can interpret and explain the laws about Medigaps and health screenings to SHIBA volunteers and clients.

***Medicare and You*: Pages 71-72**

Examples of Medigap OEP

Toby is 69 years old and just enrolled in Medicare Part B. Toby is retiring from his job, therefore he is going to use his Special Enrollment Period. His six-month Medigap Open Enrollment Period starts as soon as his Medicare Part B starts.

Samantha is 63 years old, disabled and on SSDI. She was automatically enrolled in Medicare Parts A and B because she has been on SSDI for 24 months. Her six-month Medigap Open Enrollment Period will not start until the month she turns 65.

Examples of Medigap enrollment rules

Bonnie bought a G plan with Pear Company. Bonnie now wants an F plan that Pear Company provides. She can call Pear Company and buy the F plan to replace her G plan.

Jack bought a G plan with Pear Company, but wants a G plan from Grape Company. He can call the Grape Company and enroll. Once his new plan activates, it is **his responsibility** to cancel with Pear Company.

Standardized Medigap plans

Washington State Office of the Insurance Commissioner • Statewide Health Insurance Benefits Advisors (SHIBA)

10 Standardized Medicare Supplement (Medigap) plans chart

Effective on or after Jan. 1, 2019

How to read the chart: ✓ = policy covers 100% of benefit; % = policy covers that percentage; Blank = policy doesn't cover that benefit

Note: The Medicare Supplement policy covers coinsurance only after you've paid the Medicare deductible (unless the policy also covers the deductible).

Basic benefits	**A**	**B**	**C**	**D**	**F***	**G**	**K**	**L**	**M**	**N**
Part A: Hospital coinsurance (plus costs up to an additional 365 days after Medicare benefits end)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Part A: Hospice care coinsurance or copay	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Part B: Coinsurance or copay	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓***
Medicare preventive care Part B coinsurance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Parts A & B: Blood (first 3 pints)	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Additional benefits	**A**	**B**	**C**	**D**	**F***	**G**	**K**	**L**	**M**	**N**
Skilled nursing facility care coinsurance			✓	✓	✓	✓	50%	75%	✓	✓
Part A deductible: $1,364		✓	✓	✓	✓	✓	50%	75%	50%	✓
Part B deductible: $185			✓		✓					
Part B excess charges					✓	✓				
Foreign travel emergency (lifetime limit of $50,000)			80%	80%	80%	80%			80%	80%
Out-of-pocket yearly limit**							$5,560	$2,780		

*Plan F offers a high-deductible plan. You pay for Medicare-covered costs up to the deductible amount ($2,300 in 2019) before your plan pays anything.
**After you meet your out-of-pocket yearly limit and Part B deductible, the plan pays 100% of covered services for the rest of the calendar year.
***Plan N pays 100% of the Part B coinsurance except up to $20 copays for some office visits and up to $50 copays for emergency room visits (if the hospital admits you, the plan waives your emergency room copays).

NOTE: Starting Jan. 1, 2020, Medigap plans sold to people new to Medicare will not cover the Part B deductible. Due to this change, Medigap Plans C and F will no longer be available to people new to Medicare starting on Jan. 1, 2020. If you already have either of these 2 plans (or the high-deductible version of Plan F) before Jan. 1, 2020, you can keep your plan. If you were eligible for Medicare before Jan. 1, 2020, but not yet enrolled, you may be able to buy one of these plans.

Need more help?

There is no yearly open enrollment period for Medicare Supplement (Medigap) plans. You may apply to buy or switch plans at any time.
However, insurers may require you to pass a health questionnaire. If you have questions about who needs to take the questionnaire, call our Insurance Consumer Hotline.
If you want individual help understanding all of your options, call our hotline and ask to speak with a SHIBA counselor in your area.

Insurance Consumer Hotline: 1-800-562-6900

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SHP521-SHIBA-Medigap-plans-Rev. 12-19-2018

Approved Medigap plans and rates

Washington State Office of the Insurance Commissioner • Statewide Health Insurance Benefits Advisors (SHIBA)

April 2019 Approved Medicare Supplement (Medigap) plans

By federal law, the high-deductible plan F has a $2,300 deductible for the year 2019

The best time to enroll in a Medigap plan is during the first six months you have both Medicare Parts A and B.

People enrolled in Original Medicare who have:

- A Medigap plan B through N can join any Medigap plan – except Plan A.
- Medigap Plan A can join any Medigap Plan A.
- More comprehensive health coverage than the Medigap plan they're buying, can join any comprehensive Medigap plan – except Plan A.

There's no yearly open enrollment period for Medicare Supplement (Medigap) plans. If you're already enrolled in a Medigap plan, you may apply to buy or switch plans at any time. However, if you're not currently enrolled in a Medigap but want to buy one, rules vary whether insurers may require you to pass a written health screening questionnaire. Not sure if you'll need to take a health screening? Call our Insurance Consumer Hotline at: 1-800-562-6900 and ask for a health compliance analyst.

Company	Pre-X[1]	Health screen[2]	Standardized benefit plans & monthly costs									
Aetna Health and Life[3] 1-855-523-3107			**A**	**B**	**C**	**D**	**F**	**G**	**K**	**L**	**M**	**N**
Age 65 and older	No	Yes	$137	$168			$203	$187				$142
AMERICAN NATIONAL 1-888-290-1085			**A**	**B**	**C**	**D**	**F**	**G**	**K**	**L**	**M**	**N**
Age 65 and older	No	Yes	$158				$221	$177				$153
With a high deductible	No	Yes					$63					
ASSURED LIFE ASSOCIATION 1-877-223-3666			**A**	**B**	**C**	**D**	**F**	**G**	**K**	**L**	**M**	**N**
Age 65 and older	No	Yes	$232	$251	$312	$257	$313	$260				$224
ASURIS NORTHWEST HEALTH 1-844-278-7472			**A**	**B**	**C**	**D**	**F**	**G**	**K**	**L**	**M**	**N**
Age 65 and older	No	Yes	$154		$218		$219	185	$117			$145
Notes about Asuris Northwest: These plans are offered in the following counties: Adams, Asotin, Benton, Chelan, Douglas, Ferry, Franklin, Garfield, Grant, Kittitas, Lincoln, Okanogan, Pend Oreille, Spokane, Stevens, and Whitman counties.												

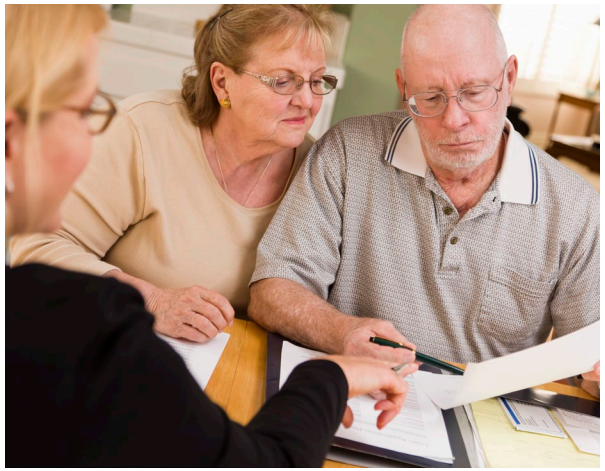
Note: Plans and premium costs listed are filed and approved by the Washington State Office of the Insurance Commissioner. Premiums listed are for monthly payments through automatic funds transfer, if available. The premium costs may differ for different modes/methods of payment, so be sure to check with the company.

Companies may change their rates at various times throughout the year, so always check with the company for the latest availability and premiums. Plans issued before June 1, 2010 have different rates due to changes in Medicare.

Questions? Call our Insurance Consumer Hotline at 1-800-562-6900

Things to consider about Medigaps

- Medigaps are good nationwide
- A client should make sure the providers they use will accept patients with Original Medicare
- Once a client buys a Medigap, it's theirs as long as they pay the premium
- There is portability in Medigaps



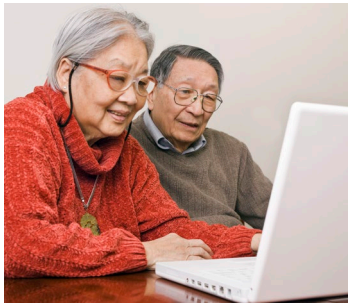
***Medicare and You*: Pages 69-72**

Things to consider about Medigaps

- Insurance companies can only sell the client a "standardized" plan (letters A – N)
- Medicare standardizes Medigaps:
  - Plans with the same letter designation all cover the same benefits
  - Different insurance companies may charge different premiums for the exact same plan
- Medigaps sold today DO NOT pay for prescription drugs
  - Most should consider buying a drug plan (Part D)

***Medicare and You*: Pages 69-72**

How to find the right Medigap plan



Call SHIBA for help at 1-800-562-6900.

Research what benefits each plan letter provides.

Compare the plan costs to what is affordable to the client.

Medicare Advantage (MA) plans

Also called Medicare Health Plans or Part C

Medicare Advantage (Part C)

Part C (Medicare Advantage) is another way to get Medicare coverage.

- Sold by private insurance companies
- Most plans require clients use a defined provider network
- Clients can check with a plan before they get a service to find out if it's covered and get an estimate of costs
- Choice of plans varies depending on what county the client lives in
    - Some counties don't offer plans

***Medicare and You*: Pages 55-68**

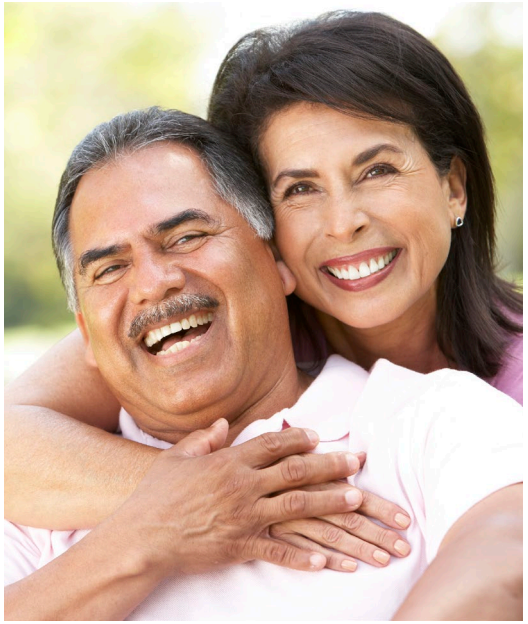
How Medicare Advantage plans work

- Provides all the same rights and protections as Original Medicare.
- Delivers Part A and B benefits, but rules can vary.
- Generally must use network providers for best coverage.
- Medicare pays a private plan to provide the services.
  - Client pays Part B premium and may also pay plan premium.
  - The annual maximum out-of-pocket limit can protect clients from catastrophic health costs.
- Most include Part D prescription drug coverage.
- May include extra benefits:
  - Vision, dental, hearing and health club memberships

***Medicare and You*: Pages 55-68**

Who is eligible?

- Anyone enrolled in Parts A and B Original Medicare (OM) who has not been diagnosed with End Stage Renal Disease (ESRD) and lives in the plan's service area.
    - The only health screening question plans will ask is if the client has ESRD.



***Medicare and You*: Pages 57-59**

When can clients enroll in an MA plan?

- During seven-month Medicare Initial Enrollment Period (IEP)
- During Open Enrollment Period (OEP)
  - October 15 – December 7
  - Coverage starts January 1
  - May be able to join at other times
  - Special Enrollment Period (SEP)
    - Examples: Move to a new area, gain or lose employer or retiree coverage, are eligible for Extra Help/Low Income Subsidy (LIS)
- Depending on what county the client lives in, MA plans may not be available

***Medicare and You*: Pages 65-66**

Examples of Medicare Advantage plan

Sally checked with her doctor's office about Medicare and they told her they only accept three Medicare Advantage (MA) plans. They gave her the list. They do not accept Original Medicare. Sally wants to continue to see her doctor when her Medicare starts, so she will choose one of these MA plans.

Bob checked with his doctor's office about Medicare and they told him that they only accept Original Medicare. They do not accept any MA plans. Bob wants to continue to see his doctor when his Medicare starts, so he will not enroll in an MA plan.

***Medicare and You*: Pages 55-68**

Example of Medicare Advantage plan

Morgan is 57 years old and is on Medicare because he's disabled. He has a lot of health problems and is not able to buy a Medigap plan. He does not have End Stage Renal Disease (ESRD). Choosing an MA plan can help protect him from catastrophic health care costs.

***Medicare and You*: Pages 55-68**

What are Medicare Advantage plan costs?

Medicare pays a fixed monthly payment to the private plan for the client's care. Clients pay:

- Part A premium (if any)
- Part B premium
- MA plan's monthly premium (if any)
- Copays
- Coinsurance
- Deductible
- Non-covered services – (not calculated in maximum out-of-pocket)
- Maximum out-of-pocket – (limits costs of covered care to enrollee)

***Medicare and You*: Page 60**

Four most common types of MA plans

1. Health Maintenance Organization (HMO) plans
2. Preferred Provider Organization (PPO) plans
3. Private Fee-for-Service (PFFS) plans (in 2019, there are no PFFs plans in WA state)
4. Special Needs Plans (SNPs)

***Medicare and You*: Pages 61-64**

Things to consider about MA plans

- Medicare Advantage (MA) plans offer comprehensive coverage (including Part D coverage)
- May require a referral to see a specialist
- Doesn't work with Medigap plans
- Not all providers are included in the MA's network
- MA plans require clients to pay some of the cost

***Medicare and You*: Pages 55-68**

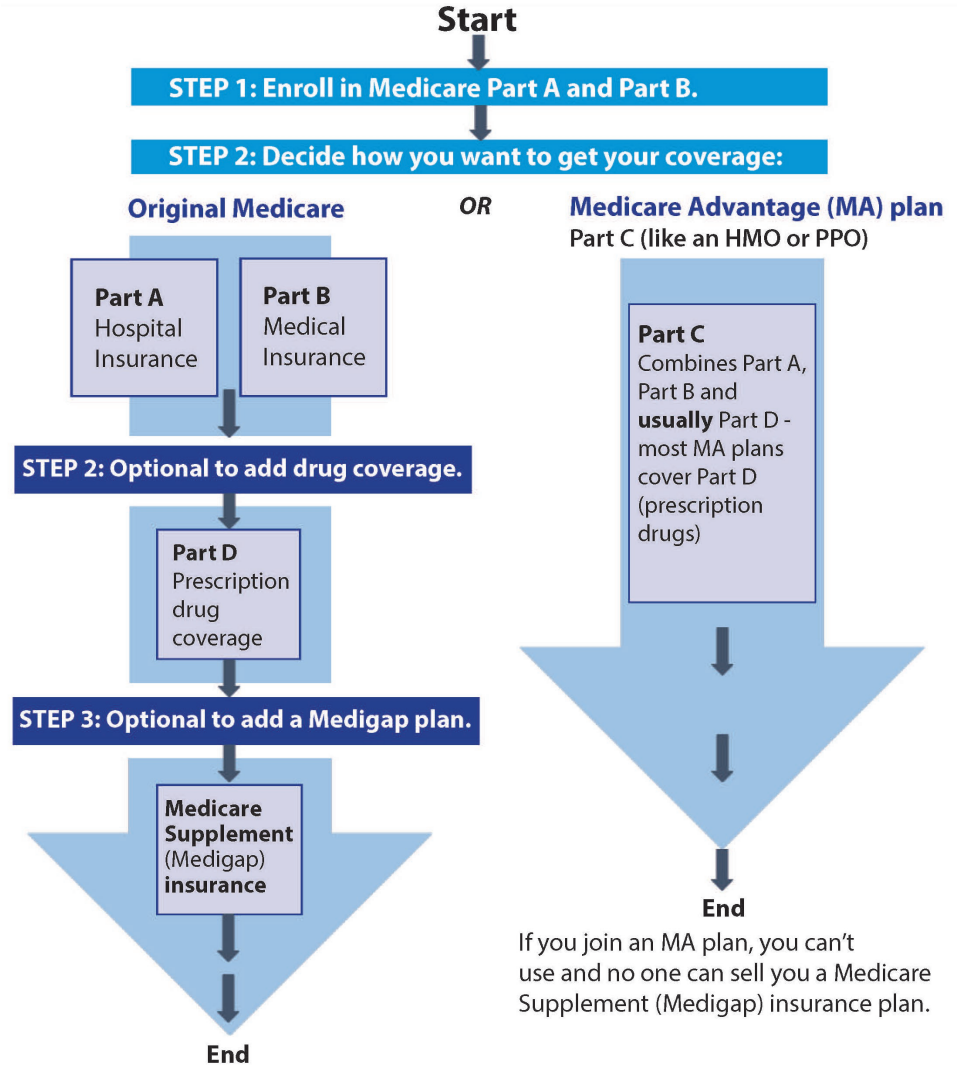
Shopping for MA plans

- Look at **BOTH** health benefits and drug benefits of each plan separately.
- Clients can do this on the medicare.gov website (SHIBA volunteers may assist with this).
- Look at MA plans' websites for summary of benefits and provider lists.
  - Always verify **provider participation** by contacting the provider

Where do clients enroll?

- Call SHIBA at 1-800-562-6900
- Online at www.medicare.gov
- 1-800-633-4227 (1-800-MEDICARE)
- Call the plan
- Contact a licensed agent

We can help clients choose their path!



Notes

Thank you!