

# MEDICARE



*Retired* Oregon  
School Employees

# What is Medicare?

Medicare is health insurance for people 65 or older.

You may be eligible to get Medicare earlier if you have a disability, End-Stage Renal Disease (ESRD), or ALS (also called Lou Gehrig's disease).



# DO YOU QUALIFY FOR MEDICARE?

- **Are you a US citizen or a permanent legal resident** who has lived in the US for at least 5 years and;
- You (or your spouse) has worked long enough to be eligible for Social Security or railroad retirement benefits (usually **40 credits or about 10 years of work**);
- You (or your spouse) is a government employee or retiree who has not paid into Social Security but **has paid Medicare payroll taxes while working.**
- **NOTE:** Earning 40 credits through payroll guarantees that you will not have to pay for Part A-you do not need any work credits to qualify for Part B or Part D.



You can also qualify for premium free Part A benefits on your spouses work record if they are at least 62 and you are at least 65.

You also may qualify on the work record of a divorced or deceased spouse.

Or in a same-sex marriage per Supreme Court decision in 2015




# ENROLL AT THE RIGHT TIME

The window for sign up is **3 months before the month of your 65<sup>th</sup> birthday through 3 months after that birthday.**

Use this time period to sign up for **Part A and Part B** at age 65 if you are retired or not working or you do not have health insurance. You may also sign up at this time if you are living outside the US and its territories and are not working.

**To avoid permanent late penalties** Sign up for Part B at 65 even if you have not worked long enough to get Part A without paying premiums-even if you have other coverage.



# Parts of Medicare

**Part A (Hospital Insurance) FREE**

**Part B (Medical Insurance)**

**Part D (Drug coverage)**

**Medicare Supplemental Insurance (Medigap)**

**Part C Medicare Advantage Plan**



## Part A (Hospital Insurance)

Helps cover inpatient care in hospitals, skilled nursing facility care, hospice care, and home health care.

**ZERO** cost for most people-You have paid Medicare taxes over your career.

You ***must*** sign up for this at age 65.

A lifetime penalty *will occur* if you do not sign up on time.

\$1600 deductible for each time you are admitted to hospital



## Part B (Medical Insurance)

Services from doctors and other health care provider

Outpatient care

Home health care

Durable medical equipment (wheelchairs, walkers, hospital beds, and other equipment)

Many preventive services (like screenings, shots or vaccines, and yearly “Wellness” visits)

- **\$164.90 premium each month (may be higher depending on income)**
- You can go to ANY Dr, hospital, or other provider *that accepts Medicare patients* anywhere in the country

- **penalty for late signup (10% lifetime) \*\***

- \$226 deductible one time each year 20% copay





## Part D (Drug coverage)

Helps cover the cost of prescription drugs (including many recommended shots or vaccines). You join a Medicare drug plan in addition to Original Medicare, or you get it by joining a Medicare Advantage Plan with drug coverage.

Plans that offer Medicare drug coverage are run by private insurance companies that follow rules set by Medicare.

Cost is dependent on which plan you choose, what prescriptions you take and your age.

All Part D plans cover the same things-you need to shop around for the best choice **FOR YOU.**



# HOW DO I CHOOSE A PART D PLAN?

If you need to add drug coverage to Traditional Medicare, you will be able to pick from dozens of plans. You can compare these plans on the Medicare website.

**The best way to choose a plan is to look for a plan that covers the prescriptions you are currently taking at a price that is agreeable.**

Look at the different co-pays for the same prescriptions and choose a plan that gives you the best deal.



# Part C Medicare Advantage Plans

Is a different way you can choose to receive your Medicare benefits.

It consists of a variety of private health plans, (Medicare Advantage Plans) that are mainly HMOs and PPOs that cover Parts A, B, and often D services in one package.

Check the coverage area and the drs you wish to see.

**Not available in all areas!**



# Medicare Supplemental Insurance (Medigap)

Extra insurance you can buy from a private company that helps pay your share of costs in Original Medicare.

**Policies are standardized, and in most states named by letters, A-N.** \*See handout

The benefits in each lettered plan are the same, no matter which insurance company sells it.

Medigap insurers cannot deny you coverage or require higher premiums because of current or past health problems if you sign up within the allowable timeframe.

Again, shop around for the best deal for you.



# How do I choose a Medicare Supplement Plan?

Do your own research

Make a list of all ailments/conditions you have as well as all medications you take.

Go to [mymedicare.gov](https://www.mymedicare.gov) and create an account with a login name and password

Investigate the different areas and info pages



Medicare covers most services deemed “medically necessary,” but it doesn’t cover everything. Except in limited circumstances, it does not cover routine vision and dental care; nursing home care; or medical services outside the United States. (Some Advantage plans do however.)



**Annual wellness checkups are free if performed by a Doctor that accepts Medicare.**

**Diagnostic lab tests  
and screenings:**

Mammogram  
Pap smears  
Bone density

**Screenings for :**  
Cardiovascular disease  
Prostrate cancer  
HIV  
Diabetes

**Vacines:**  
Covid, flu  
shingles (herpes zoster).  
pneumonia,  
hepatitis B

Although the tests themselves are free, in most cases you still have to pay the required co-pay to see the Dr who prescribes them.



# Where can you get help?

**Shiba:** [shiba.oregon.gov](https://shiba.oregon.gov)

## **Statewide Health Insurance Benefits Advisor**

The Senior Health Insurance Benefits Assistance program uses trained counselors to educate and advocate for Oregonians with Medicare.

You should be able to find a local office.

## **Local Insurance Agent**

They work on commission and are knowledgeable about what is available in your area. Your school may have an agent of record for the district





# Why is Medicare so Confusing?

The program has separate rules for people in different situations and a range of choices that require everyone to make personal and timely enrollment decisions. From time to time over Medicare's 50 year history, Congress has added more benefits and options, each with its own set of rules. Although every piece has an inner logic, Medicare now resembles a crazy quilt that bewilders many enrollees-BUT it still gives the comfort of guaranteed health coverage to more than 55 million Americans.





# GOING TO THE DOCTOR

- Most Doctors accept Medicare patients-but some do not!
- If a Dr has opted out of providing Medicare he will be unable to bill Medicare and YOU will be responsible for the entire cost.
- **So make sure to check that the Dr you wish to see accepts Medicare.**
- Also, make sure they accept Medicare “Assignment” which means that they have agreed to the Medicare approved amount as payment in full. Some can charge an extra 15%
- **\*\*If you are in the Medicare Advantage HMO you must generally go to the Drs within that network.**



# HELP PAYING FOR MEDICARE

- IF your income is low, you may qualify for Medicaid or a Medicare Savings Program, both run by the state. Depending on which program you are eligible for, the state pays your Part B premium and maybe some out of pocket expenses. Call the State Assistance Program
- Part D: Again if your income is under a certain level, you may qualify for the Extra Help program-a low cost drug program zero-or reduced premiums and deductibles.



# Donut Hole

Most Medicare drug plans have a coverage gap (also called the "donut hole"). This means there's a temporary limit on what the drug plan will cover for drugs.

Not everyone will enter the coverage gap. The coverage gap begins after you and your drug plan have spent a certain amount for covered drugs.

Once you and your plan have spent \$4,660 on covered drugs in 2023, you're in the coverage gap. This amount may change each year.

Also, people with Medicare who get [Extra Help](#) paying Part D costs won't enter the coverage gap



Once you reach the coverage gap, you'll pay no more than 25% of the cost for your plan's covered brand-name prescription drugs. You'll pay this discounted rate if you buy your prescriptions at a pharmacy or order them through the mail.


Some plans may offer you even lower costs in the coverage gap. The discount will come off of the price that your plan has set with the pharmacy for that specific drug.

Although you'll pay no more than 25% of the price for the brand-name drug, almost the full price of the drug will count as out-of-pocket costs to help you get out of the coverage gap.

What you pay and what the manufacturer pays (95% of the cost of the drug) will count toward your out-of-pocket spending



# The Medicare Donut Hole

1	2	3	4	5
Coverage Begins Jan 1st		<b>COVERAGE GAP</b>		Coverage Ends Dec 31st
Deductible	Initial Coverage by Your plan (You pay only co pays for meds)	Less Coverage (You pay a certain % based on the type of drug)	Catastrophic Coverage Begins (Covering 95% of drug costs)	Catastrophic Coverage Continues through the year end
CAN BE UP TO \$415	UNTIL TOTAL DRUG COSTS REACH \$4,660	UNTIL TOTAL DRUG COSTS REACH \$	THROUGH THE END OF THE YEAR	

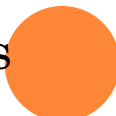


You will also pay a higher premium for Parts B and D if your Modified adjusted gross income on your latest tax return is above \$85,000 if you are single, or \$170,000 if you are married and filing joint returns.

**Deductibles:** You will pay annual deductibles for Part B and Part D before coverage kicks in. Part A has a deductible for hospital stays.

Some Part D and Medical Advantage plans reduce or waive deductibles.

**Co-Pays:** In traditional Medicare (A&B), you pay 20% of the Medicare approved amounts for most Part B services. In Part A, after meeting the deductible you pay nothing more for up to 60 days in the hospital in any one benefit period-but additional days may require daily co-pays.





If you **do not** qualify on your own or spouse's work record, providing you are a legal resident for at least 5 years, you can still get Medicare at 65 by paying for Part A premiums. These are based on a sliding scale.

You must pay for Part B at the regular rate.

You must pay for Part D at the rate charged for the plan you choose.

You can enroll in Part A without enrolling in Part B

Your Social Security Statement will tell you if you are eligible on your work records.







# Handouts

# Benefits offered by each Medigap plan

Compare the benefits of each lettered plan to help you find one that meets your needs now and in the future. You might not be able to switch Medigap policies later.

= Plan covers 100% = Plan doesn't cover% = Amount the plan covers

Benefits	Medigap plans									
	A	B	C	D	F	G	K	L	M	N
Part A coinsurance & hospital costs	Plan covers 100%	Plan covers 100%	Plan covers 100%	Plan covers 100%	Plan covers 100%	Plan covers 100%	Plan covers 100%	Plan covers 100%	Plan covers 100%	Plan covers 100%
Part B copays/coinsurance	Plan covers 100%	Plan covers 100%	Plan covers 100%	Plan covers 100%	Plan covers 100%	Plan covers 100%	50% Amount the plan covers	75% Amount the plan covers	Plan covers 100%	Plan covers 100%
Blood (first 3 pints)	Plan covers 100%	Plan covers 100%	Plan covers 100%	Plan covers 100%	Plan covers 100%	Plan covers 100%	50% Amount the plan covers	75% Amount the plan covers	Plan covers 100%	Plan covers 100%
Part A hospice	Plan covers 100%	Plan covers 100%	Plan covers 100%	Plan covers 100%	Plan covers 100%	Plan covers 100%	50% Amount the plan covers	75% Amount the plan covers	Plan covers 100%	Plan covers 100%

## Medigap plans

Benefits	A	B	C	D	F	G	K	L	M	N
Skilled nursing facility	Plan does n't cover	Plan does n't cover	Plan covers 100%	Plan covers 100%	Plan covers 100%	Plan covers 100%	50% Amount the plan covers	75% Amount the plan covers	Plan covers 100%	Plan covers 100%
Part A deductible	Plan does n't cover	Plan covers 100%	Plan covers 100%	Plan covers 100%	Plan covers 100%	Plan covers 100%	50% Amount the plan covers	75% Amount the plan covers	50% Amount the plan covers	Plan covers 100%
Part B deductible	Plan does n't cover	Plan does n't cover	Plan covers 100%	Plan doesn't cover	Plan covers 100%	Plan doesn't cover	Plan doesn't cover	Plan doesn't cover	Plan doesn't cover	Plan doesn't cover
Part B excess charges	Plan does n't cover	Plan does n't cover	Plan doesn't cover	Plan doesn't cover	Plan covers 100%	Plan covers 100%	Plan doesn't cover	Plan doesn't cover	Plan doesn't cover	Plan doesn't cover
Foreign travel emergency	Plan does n't cover	Plan does n't cover	80% Amount the plan covers	80% Amount the plan covers	80% Amount the plan covers	80% Amount the plan covers	Plan doesn't cover	Plan doesn't cover	80% Amount the plan covers	80% Amount the plan covers
							\$6,940	\$3,470		
							Out-of-pocket limit in 2023			



# Compare Original Medicare & Medicare Advantage

Consider these things when deciding between Original Medicare and a Medicare Advantage Plan for your health coverage:



## Doctor & hospital choice

Original Medicare:	Medicare Advantage:
You can go to <b>any doctor or hospital that takes Medicare, anywhere in the U.S.</b>	In most cases, you can <b>only use doctors and other providers who are in the plan's network and service area</b> (for non-emergency care).
In most cases you <b>don't need</b> a referral to see a specialist.	You <b>may need</b> to get a referral to see a specialist.



## Cost



Original Medicare:	Medicare Advantage:
<p>For Part B-covered services, <b>you usually pay 20% of the Medicare-approved amount</b> after you meet your deductible . This amount is called your coinsurance</p>	<p><b>Out-of-pocket costs vary</b> – plans may have lower or higher out-of-pocket costs for certain services.</p>
<p>You pay a <b>premium (monthly payment) for Part B</b> . If you choose to join a Medicare drug plan, you’ll pay a separate premium for your Medicare drug coverage (Part D)</p>	<p>You pay the monthly <b>Part B premium</b> and may also have to <b>pay the plan’s premium</b>. Some plans may have a \$0 premium and may help pay all or part of your Part B premium. Most plans include Medicare drug coverage (Part D).</p>
<p>There’s <b>no yearly limit</b> on what you pay out-of-pocket, unless you have supplemental coverage – like Medicare Supplement Insurance (Medigap) .</p>	<p>Plans have a <b>yearly limit</b> on what you pay out of pocket for services Medicare Part A and Part B cover. Once you reach your plan’s limit, you’ll pay nothing for services Part A and Part B covers for the rest of the year.</p>
<p>You <b>can get</b> Medigap to help pay your remaining out-of-pocket costs (like your 20% coinsurance). Or, you can use coverage from a former employer or union, or Medicaid.</p>	<p>You <b>can’t buy and don’t need</b> Medigap.</p>



## Coverage

Original Medicare:	Medicare Advantage:
<p>Original Medicare covers most medically necessary services and supplies in hospitals, doctors' offices, and other health care facilities. Original Medicare doesn't cover some benefits like eye exams, most dental care, and routine exams.</p>	<p>Plans must cover all medically necessary services that Original Medicare covers. Plans may also offer some <b>extra benefits that Original Medicare doesn't cover</b> - like vision, hearing, and dental services.</p>
<p>You can join a <b>separate Medicare drug plan</b> to get Medicare drug coverage (Part D).</p>	<p><b>Medicare drug coverage (Part D) is included in most plans.</b> In most types of Medicare Advantage Plans, you can't join a separate Medicare drug plan.</p>
<p>In most cases, you don't have to get a service or supply approved ahead of time for Original Medicare to cover it.</p>	<p>In many cases, you have to get a service or supply approved ahead of time for the plan to cover it.</p>



## Foreign travel

Original Medicare:	Medicare Advantage:
<p>Original Medicare generally <b>doesn't cover medical care outside the U.S.</b> You may be able to buy a Medicare Supplement Insurance (Medigap) policy that covers emergency care outside the U.S.</p>	<p>Plans generally <b>don't cover medical care outside the U.S.</b> Some plans may offer a supplemental benefit that covers emergency and urgently needed services when traveling outside the U.S.</p>

### Parts of Medicare

- Part A (Hospital Insurance) FREE
- Part B (Medical Insurance)
- Part D (Drug coverage)
- Medicare Supplemental Insurance (Medigap)
- Part C Medicare Advantage Plan