

# Get to Know Medicare

We're here to help you understand Medicare with  
Medicare Made Clear<sup>®</sup> by UnitedHealthcare<sup>®</sup>

United  
Healthcare

# Top 10 Medicare questions

**1** What is Medicare?

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**2** Who can get Medicare?

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**3** Do I need Medicare if I plan to work past 65?

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**4** What does Medicare cover?

---

**5** Where can I get more coverage?

**6** What does Medicare cost?

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**7** How do I choose Medicare coverage?

---

**8** When can I enroll?

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**9** When can I change my coverage?

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**10** How can I save money?





# What is Medicare?

# What is Medicare?



A federal health insurance program for eligible U.S. citizens and legal residents



Funded in part by taxes you pay while working



Individual health insurance

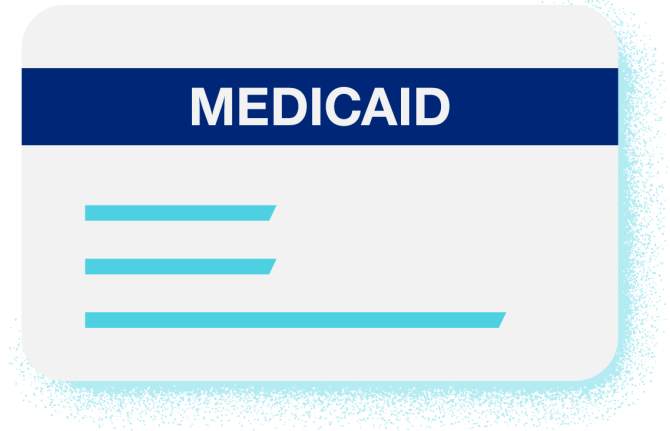
## Medicare is not...

- Free
- A family health plan
- Social Security
- Medicaid



# What is Medicaid?

- A state government program that helps pay health care costs for individuals, families and children with limited income and resources
- Programs vary from state-to-state but do follow federal guidelines for benefits
- Eligibility varies from state-to-state



**Medicaid and Medicare can work together! – “Dual Eligibility”**



# Who can get Medicare?

# Who can get Medicare?



U.S. citizens and legal residents



Legal residents must live in the U.S. for at least 5 years in a row, including the 5 years just before applying for Medicare

## You must also meet one of the following requirements:

- Age 65 or older
- Younger than 65 with a qualifying disability
- Any age with a diagnosis of end-stage renal disease or ALS





**Do I need Medicare if I  
plan to work past 65?**



# Your Medicare enrollment options when working past 65 may be different

**You may be able to delay, or you may have to enroll at age 65**

**Generally, you can delay Medicare past age 65 without penalty if:**

- The employer has 20 or more employees
- The employer health coverage is considered “creditable”

**You need to enroll at age 65 if:**

- Your employer has fewer than 20 employees
- Your coverage is not considered “creditable”



## **What if I’m covered by my spouse’s employer?**

You may be able to delay if your employer-based health coverage is through your spouse. You may have to enroll. It depends on the spouse’s employer and any rules the employer has around covered dependents.

# Getting Medicare while still working



**Medicare and your employer insurance can work together**

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**If you take any part of Medicare, you will no longer be able to contribute to an HSA (health savings account)**

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**Medicare will not cover anyone but you, so consider how any dependents will be covered**



# **What does Medicare cover?**



# Original Medicare: Parts A & B

## Original Medicare has two parts:



### Part A (hospital insurance)

Helps pay for hospital and inpatient care



### Part B (medical insurance)

Helps pay for doctor and outpatient care





# Part A: Hospital Insurance

**Medicare Part A covers hospital stays and inpatient care, including:**



Your hospital room and meals



Skilled nursing services



Care in special units, such as intensive care



Some blood transfusions



Prescription drugs and medical supplies used during an inpatient stay



Hospice care, including medications to manage symptoms and pain



Lab tests, X-rays and medical equipment as an inpatient



Part-time, skilled care for the homebound after a qualified inpatient stay



Operating room and recovery room services



Rehabilitation services after a qualified inpatient stay





# Part A: Hospital Insurance

## Fast facts



Premium-free if you or your spouse worked and paid taxes for 10 years or longer



Can't be denied coverage



Coverage is nationwide, including any qualified hospital in the U.S.



Coverage and costs are per "benefit period"



Must be admitted as an inpatient (not on "observation status")



Provides 60 "lifetime reserve" days





# Part B: Medical Insurance

## Medicare Part B covers doctor visits and outpatient care, including:



Doctor visits, including when you are in the hospital



An annual Wellness Visit and preventive services, like flu shots



Clinical laboratory services, like blood and urine tests



X-rays, MRIs, CT scans, EKGs and some other diagnostic tests



Some health programs, like smoking cessation and obesity counseling



Physical therapy, occupational therapy and speech-language pathology services



Diabetes screenings, education and certain supplies



Mental health care



Durable medical equipment for use at home, like wheelchairs and walkers



Ambulatory surgery center services, ambulance and emergency room services





# Part B: Medical Insurance

## Fast facts



Monthly premium, adjusted for income



Can't be denied coverage



Coverage is nationwide, including any provider who accepts Medicare



Premium penalty for late enrollment, unless you qualify for a Special Enrollment Period







# Medicare doesn't cover everything

## Original Medicare (Parts A & B) does not cover:



All of the cost of your care — you have out-of-pocket costs, with no limit



Prescription drugs



Routine dental, vision or hearing care



Eyeglasses, contacts or hearing aids



Long-term or custodial care (help bathing, eating, dressing)



Excess charges for services by doctors who don't accept Medicare assignment



Care received outside the U.S., except for certain circumstances



**Where can I get  
more coverage?**

# Options for more coverage

## Option 1

Add one or both of the following to Original Medicare:

OR

## Option 2

Choose a Medicare Advantage plan:

### Medicare Part D Plan

Offered by private insurance companies



Helps pay for prescription drugs

### Medicare Supplement Insurance (Medigap)

Offered by private insurance companies



Helps pay some or all of the out-of-pocket costs not paid by Original Medicare

### Medicare Advantage (Part C) Plan

Offered by private insurance companies



#### Part C

Combines Part A (hospital insurance) and Part B (medical insurance) in one plan



#### Part D

Usually includes prescription drug coverage



May offer additional benefits like vision and dental coverage





# Part C: Medicare Advantage



Another way to get your Medicare benefits



An alternative to Original Medicare (Parts A & B)



Plan members are still in the Medicare program



Benefits are administered by the plan



Plans are offered by private insurance companies



Most plans offer built-in prescription drug coverage



Plans may also offer additional health benefits such as dental, vision and fitness



# Part C: Medicare Advantage

## All Medicare Advantage plans cover:



All the benefits of Part A  
(except hospice care, which is still covered by Part A)



All the benefits of Part B

## Most Medicare Advantage plans cover:



Prescription drugs

## Medicare Advantage plans may also offer additional benefits and features, such as:



Dental exams, cleanings and X-rays



Eye exams, eyeglasses and contact lenses



Hearing tests and hearing aids



Fitness programs and memberships





# Part C: Medicare Advantage Plan Types

## Coordinated care plans

- Health Maintenance Organization plans (HMO)
- Preferred Provider Organization plans (PPO)
- Point of Service plans (POS)
- Special Needs Plans (SNP)
  - Dual Special Needs Plans (D-SNP)
  - Chronic Special Needs Plans (C-SNP)
  - Institutional Special Needs Plans (I-SNP)
  - Institutional-Equivalent Special Needs Plans (IE-SNP)

## Other plan types

- Private Fee-For-Service plans (PFFS)
- Medical Savings Account plans (MSA)





# Part C: Medicare Advantage

## Fast facts



Must be enrolled in both Medicare Part A and Part B and live in plan service area



Can't be denied coverage based on current financial or health status, including pre-existing conditions



May be required to use provider and pharmacy networks



Coverage and costs vary by plan and may change each year



Annual limit on out-of-pocket costs for covered services



May charge a monthly plan premium



Must continue to pay Part B premium to Medicare





# Part D: Prescription Drug Coverage

## Medicare Part D insurance provides coverage for prescription drugs and some vaccines

### Two ways to get coverage:



A stand-alone Part D plan



A Medicare Advantage plan that includes prescription drug coverage







# Part D: Prescription Drug Coverage

## Medicare Part D plans cover:



Types of drugs most commonly prescribed for Medicare beneficiaries as determined by federal standards



Specific brand name drugs and generic drugs included in the drug list (formulary)



Commercially available vaccines not covered by Part B



# Part D: Prescription Drug Coverage

## Formulary: a list of prescription drugs covered by a plan

### Tiered formulary

- Drugs are grouped into tiers based on cost
- In general, the lower the tier, the lower the cost
- Deductibles may be charged by tier

Formulary tiers	
Tier 1	\$
Tier 2	\$\$
Tier 3	\$\$\$
Tier 4	\$\$\$\$
Tier 5	\$\$\$\$\$





# Part D: Prescription Drug Coverage

**During the year, you may go through different drug coverage stages**



- Amount paid for prescriptions depends on stage
- Dollar limits can change each year
- Not all plans have a deductible
- Many people never reach the Coverage Gap (donut hole)
- The coverage stage cycle starts over at the beginning of each plan year, usually January 1





# Part D: Prescription Drug Coverage

## Fast facts



Must be enrolled in Medicare Part A, Part B or both



May be required to use a pharmacy network



Coverage and costs vary by plan, and may change each year



Part D premium penalty for late enrollment, unless you qualify for a Special Enrollment Period





# Medicare Supplement Insurance: Medigap

## Helps pay some of the out-of-pocket costs not paid by Medicare Parts A & B



Works with Original Medicare (Parts A & B) and Medicare Part D



Can't be used to pay for Medicare Advantage costs



10 plans standardized by federal and state law\*



Plans are labeled by letters, (i.e. Plan A, Plan G) and what costs and services are covered vary by plan\*



Plans with the same letter offer the same basic benefits nationwide. MA, MN and WI standardize plans differently.



Plans are offered by private insurance companies in your state



\*Plans C and F are only available to individuals who were eligible for Part A or turned 65 before 1/1/20.

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# Medicare Supplement Insurance: Medigap

## Plans may help pay:

- Part A hospital coinsurance
- Part A skilled nursing facility care coinsurance
- Part B coinsurance or copays
- Cost of blood transfusions (first 3 pints)
- Costs for 365 extra hospital days
- Hospice care coinsurance
- Part B deductible\*, Part A deductible
- Foreign travel emergency care up to plan limits
- Provider charges above Medicare's approved amount



## Plans do not help cover:

- Prescription drugs
- Routine dental, vision or hearing care\*\*
- Eyeglasses, contacts or hearing aids\*\*
- Custodial care (help bathing, eating, dressing)
- Long-term care










\*Not available for those newly eligible for Part A in 2020 or beyond.

\*\*Medigap insurers may make value-added services available either free or on a discounted basis.



# Standardized Medicare Supplement Plans

Only available to Medicare first eligible before 1/1/2020

Benefits covered by  chosen Medigap plan	Plan  A	Plan  B	Plan D	Plan  G**	Plan  K	Plan  L	Plan  M	Plan  N	Plan  C	Plan  F**
Part A hospital coinsurance and  365 extra hospital days	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Part A deductible		100%	100%	100%	50%	75%	50%	100%	100%	100%
Part B coinsurance or copays	100%	100%	100%	100%	50%	75%	100%	100%*	100%	100%
Part B annual deductible									100%	100%
Part B excess charges				100%						100%
Cost of blood transfusion  (first 3 pints)	100%	100%	100%	100%	50%	75%	100%	100%	100%	100%
Foreign travel emergency  (up to the plan limits)			80%	80%			80%	80%	80%	80%
Hospice care coinsurance costs	100%	100%	100%	100%	50%	75%	100%	100%	100%	100%
Part B preventive care coinsurance	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	50%	75%	100%	100%	100%	100%
Yearly out-of-pocket limit before benefits paid at 100%					\$6,620	\$3,310				

\*Except copays for office visits and ER

\*\*Plans F and G also have high deductible versions





# Medicare Supplement Insurance: Medigap

## Fast facts



Must be enrolled in both Medicare Part A and Part B and live in the state where plan is offered



Plan premiums may vary for same coverage



No medical underwriting up to 6 months after enrolling in Part B at age 65 or older



Plans with more coverage generally have higher premiums



Nationwide coverage and no provider network\*



Must continue to pay Part B premium to Medicare



Guaranteed renewable as long as you pay your premium



\*Medicare Select plans use hospital networks

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**How much does  
Medicare cost?**

# Medicare costs

## Premium

A fixed amount that you pay for coverage, usually monthly

## Deductible

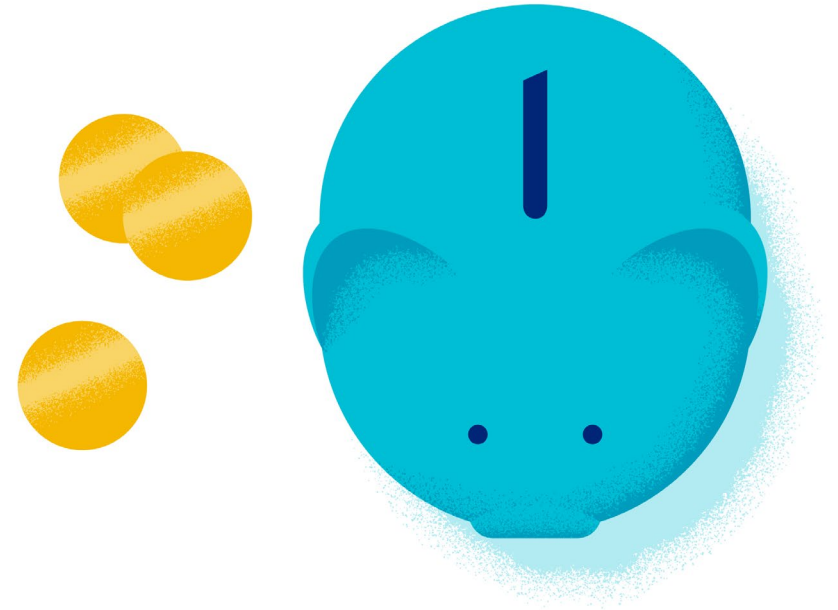
A set amount that you pay for covered services before your plan begins to pay

## Copay

A fixed amount you pay at the time you receive a covered service

## Coinsurance

An amount you pay when the plan splits the cost of a covered service with you by percentage, such as 80/20



# Part C, Part D and Medigap costs

Plans will vary in the costs they choose to include and how much

## Costs you could pay may include:

Medicare Advantage (Part C)	Part D prescription drug plans	Medicare supplement insurance (Medigap) plans
<ul style="list-style-type: none"><li>• Low to \$0 monthly premium</li><li>• Deductible</li><li>• Copay</li><li>• Coinsurance</li></ul>	<ul style="list-style-type: none"><li>• Monthly premium</li><li>• Deductible</li><li>• Copay</li><li>• Coinsurance</li></ul>	<ul style="list-style-type: none"><li>• Monthly premium</li><li>• Deductible</li><li>• Copays</li></ul>



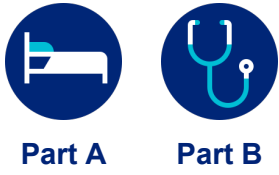
**Medicare Advantage plans have an annual out-of-pocket maximum for covered services.**



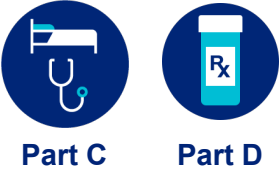
**How do I choose?**

# Medicare coverage combinations

## With Original Medicare (Parts A & B)



## With Medicare Advantage (Part C)



# Medicare coverage choices

**STEP 1**

**Enroll in Original Medicare**

**STEP 2**

**Decide if you need additional coverage. There are two ways to get it.**

## Original Medicare

Provided by the federal government



### Part A

Helps pay for hospital stays and inpatient care



### Part B

Helps pay for doctor visits and outpatient care



## Option 1 — OR — Option 2

Add one or both of the following to Original Medicare:

Choose a Medicare Advantage plan:

### Medicare Part D Plan

Offered by private insurers



Helps pay for prescription drugs

### Medicare Supplement Plan

Offered by private insurers



Helps pay some or all of the out-of-pocket costs not paid by Original Medicare

### Medicare Advantage Plan or Part C Plan

Offered by private insurers



### Part C

Combines Part A and Part B in one plan



### Part D

Usually includes prescription drug coverage



Provides additional benefits, services and programs not provided by Original Medicare



# Medigap or Medicare Advantage?

Considerations	Medigap	Medicare Advantage
<b>Coverage</b>	<ul style="list-style-type: none"><li>• Pays some costs not paid by Original Medicare</li><li>• Does not help with drug costs</li><li>• Nationwide coverage</li><li>• May offer additional value-added services</li></ul>	<ul style="list-style-type: none"><li>• Provides benefits of Original Medicare and beyond</li><li>• Often includes Part D drug coverage</li><li>• May have provider network</li><li>• May offer additional health benefits (i.e. dental, vision, hearing, etc.)</li></ul>
<b>Cost</b>	<ul style="list-style-type: none"><li>• Monthly plan premium</li><li>• Drug plan premium and other costs if you also add a stand-alone Part D plan</li><li>• Out-of-pocket costs depend on plan chosen</li></ul>	<ul style="list-style-type: none"><li>• May charge plan premium</li><li>• Often no additional premium for drug coverage</li><li>• Copays or coinsurance for most covered services</li><li>• Annual out-of-pocket maximum</li></ul>
<b>Convenience</b>	<ul style="list-style-type: none"><li>• Multiple plans (when added to Original Medicare along with a Part D plan)</li></ul>	<ul style="list-style-type: none"><li>• All-in-one plan</li></ul>

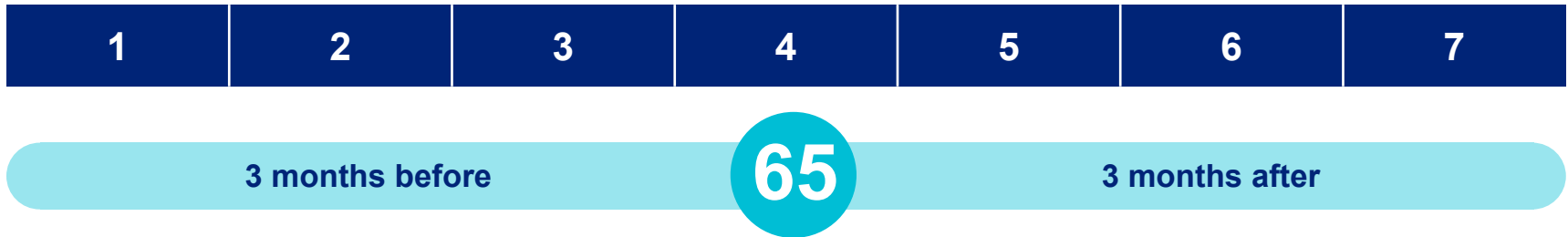




**When can I enroll?**



# Initial Enrollment Period



## Medicare Part A & Part B

- You'll be enrolled automatically if you're receiving Social Security or Railroad Retirement Board (RRB) benefits at age 65, or after receiving Social Security disability benefits for 24 months
- You must enroll yourself if not receiving benefits. Go to [ssa.gov/benefits/medicare/](https://ssa.gov/benefits/medicare/) to enroll online, or call or visit your local Social Security office

## Medicare Advantage (Part C) & Part D

- You need to enroll directly with the plan provider

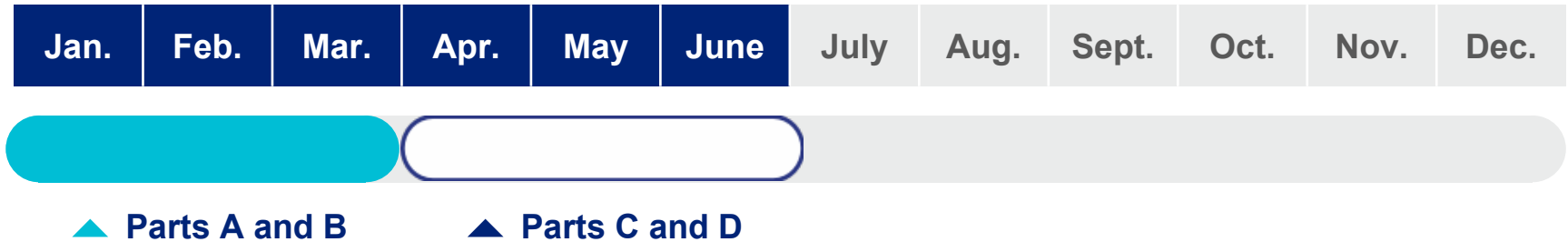


### Tips:

- Enroll early to avoid gaps in coverage and late enrollment penalties
- May refuse or delay enrollment in Part B with creditable employer coverage



# General Enrollment Period



## For those who miss their Initial Enrollment Period

- May enroll in Part A, Part B or both
- May choose to enroll in a Medicare Advantage plan (Part C) or a prescription drug plan (Part D)
- Late enrollment premium penalties may apply



## Medicare Supplement Open Enrollment Period

### ▼ Age 65 or older and enrolled in Medicare Parts A & B



- Lasts for 6 months, beginning with the month in which you are 65 or older **and** enrolled in both Medicare Part A and Part B
- No medical underwriting if you enroll during this time
- You may apply at other times, but you could be denied coverage or charged a higher premium based on your health history
- Some states may have additional Open Enrollment rights under state law

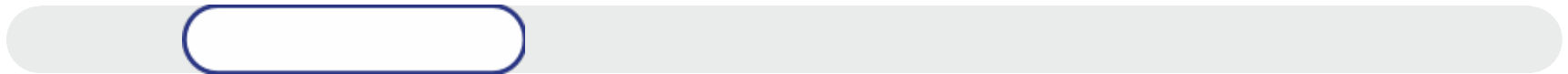


# Special Enrollment Period: Working past 65

▼ The last month of employment or employee health coverage



▲ Parts A and B



▲ Parts C and D

- For those who delayed enrollment with creditable employer health coverage
- You will have 8 months to enroll in Part A, Part B or both
- You will have only the first 2 months to enroll in a Medicare Advantage (Part C) or Part D prescription drug plan
- You have exactly 63 days to get a stand-alone Part D plan or Medicare Advantage plan with prescription drug coverage without penalty



# Late enrollment premium penalties



## Medicare Part A

- None if qualified for premium free
  - The penalty is 10% of the Part A premium
- 



## Medicare Part B

- None if qualified for a Special Enrollment Period
  - The penalty is 10% of the monthly Part B premium amount for each full 12-month period enrollment is delayed
- 



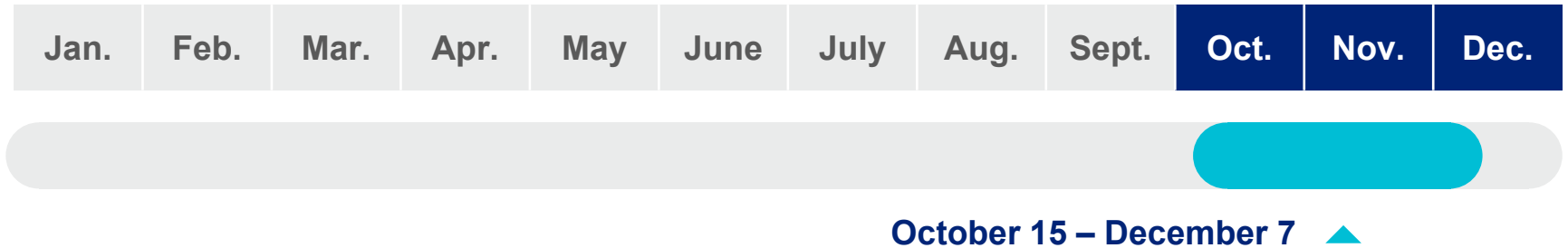
## Medicare Part D

- None if less than 63 days without creditable coverage
- The penalty is an additional 1% of the average Part D premium for each month you delayed enrollment



**When can I change  
my coverage?**

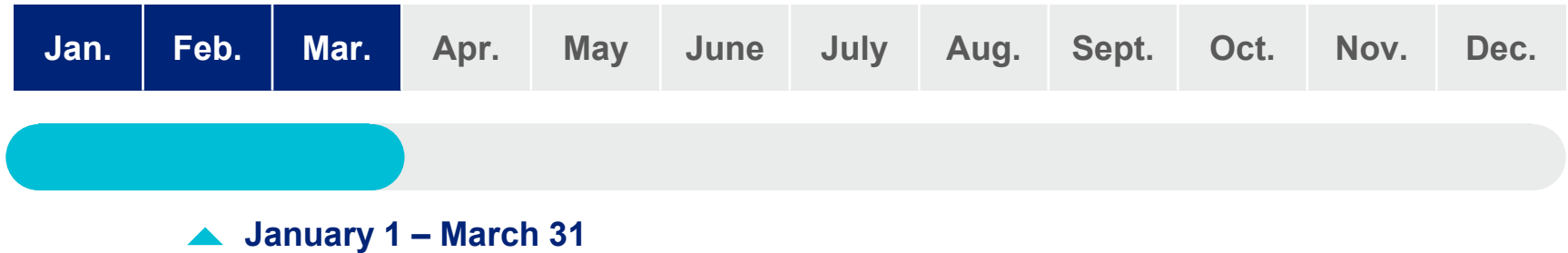
# Medicare Annual Enrollment Period



- Join, switch or drop a Medicare Advantage (Part C) or Medicare Part D prescription drug plan
- Switch from Original Medicare (Parts A & B) to a Medicare Advantage plan, or vice versa
- Switch from one Medicare Advantage plan to another



# Medicare Advantage Open Enrollment Period



- Available to Medicare Advantage plan members only
- Switch to a different Medicare Advantage plan or return to Original Medicare (Parts A & B)
- Enroll in a stand-alone Part D prescription drug plan if returning to Original Medicare
- Just one coverage change allowed





# Special Enrollment Period: Qualifying life events

The month you have a qualifying event



▲ Special Enrollment Period

In most cases, you have two full months after the month of a qualifying event to make plan changes. During this time, you may join, change or drop a Medicare Advantage or prescription drug plan outside of the Medicare Annual Enrollment Period without penalty.

## Common events that may qualify include:

- Moving
- Leaving retiree, union or COBRA coverage





**How can I save money?**

# Use benefits wisely



Use preventive services

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Use plan's preferred pharmacy network or mail-order pharmacy

---



Use your plan's provider network

---



Understand your status in the hospital



Ask about generic and low-tier prescription drugs

# Financial assistance programs

## Extra Help

- Helps with Medicare Part D costs

## Medicaid

- Provides health care coverage for people and families with limited incomes
- Programs vary by state

## Medicare Savings Programs

- Help pay Medicare Part A and Part B costs

## Program of All-Inclusive Care for the Elderly (PACE)

- Provides care services for frail elderly living in the community



### Call your state SHIP office?

Visit [ShipHelp.org](https://www.shiphelp.org) or call **1-800-MEDICARE (1-800-633-4227)**, TTY **1-877-486-2048**, 24 hours a day, 7 days a week to get the number.





**Where can I go for help?**

# Medicare Made Clear<sup>®</sup>



## Visit MedicareMadeClear.com

- More information and resources such as videos, downloadable guides and more
- 



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# More resources



Visit [Medicare.gov](https://www.Medicare.gov)

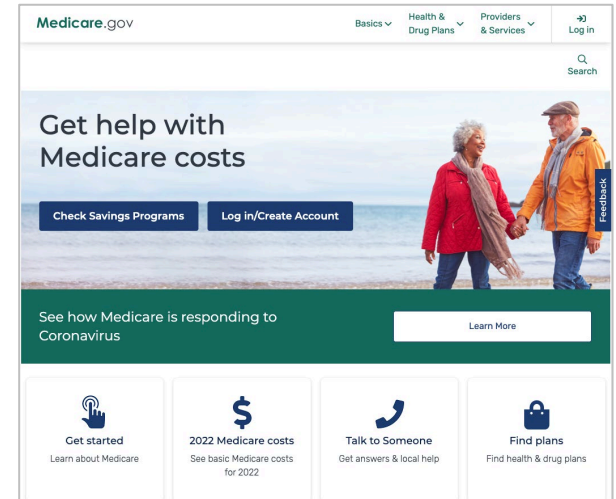


Call **1-800-MEDICARE**  
(1-800-633-4227), TTY **1-877-486-2048**,  
24 hours a day, 7 days a week

Call your State Health Insurance  
Assistance Program (SHIP); get the  
number at [ShipHelp.org](https://www.ShipHelp.org)



Contact your local Social Security  
or state Medicaid office



Get helpful Medicare checklists  
and worksheets from Medicare  
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# Thank You!



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