

Medicare Parts and Pieces

How Medicare Works



Presented by the Iowa SHIP Program

1-800-351-4664 SHIP.iowa.gov



SHIIP / SMP

Senior Health Insurance Information Program

Senior Medicare Patrol

Organized in 1990 under the Iowa Insurance
Division

With a mission to advocate, inform and educate
Medicare beneficiaries /

Protect- Detect- Report fraud and abuse

Assisting them to make informed decisions and
access resources to address their needs

SHIIP services are free, confidential and unbiased

Who gets Medicare?

- 65 years and older
- Disabled after 24 months
- End Stage Renal Disease (ESRD)
- US citizens or permanent resident for 5+ years

Medicare eligible in Iowa – It's growing

- 470,305 \geq 65 years (15.3% of population) in 2012
- 680,842 \geq 65 years (19.8%) projected in 2040

Transitions are opportunities for SHIP assistance

- Turning 65 and eligible for Medicare
- Month 25 of a disability
- Losing Medicaid/ Getting Medicaid
- Loss of employer or qualified plan coverage
- Moving to the area
- Enrollment periods (e.g. Open Enrollment, Special Enrollments)
- Applying for Medicare assistance programs
- Complaints, claim and billing problems



Initial Enrollment Period (IEP)

- A seven-month period when first eligible for Medicare
 - Beginning 3 months before 65th birthday month
 - Ending 3 months after birth month

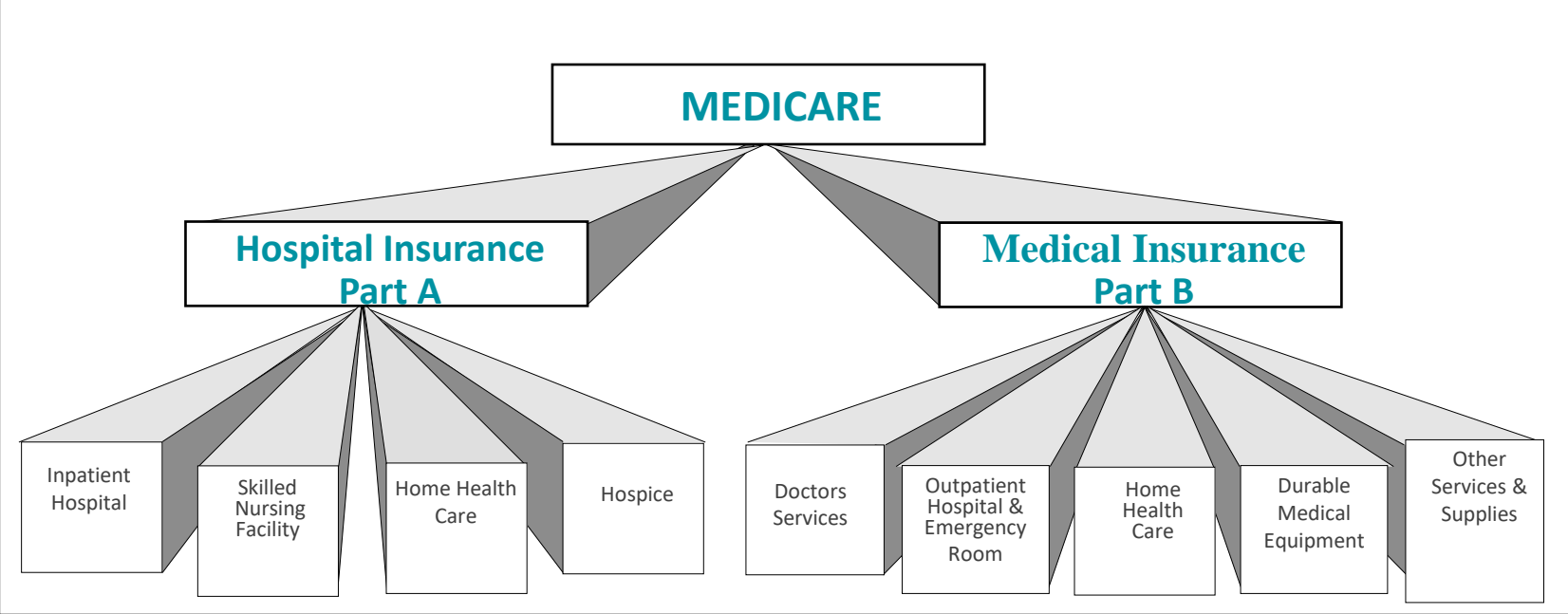
Special Enrollment Periods (SEP) include, but not limited to

- Losing employer coverage, change in residence
- Medicare Advantage special enroll/ disenroll considerations
- Medicaid or Medicare assistance enables Part D plan changes

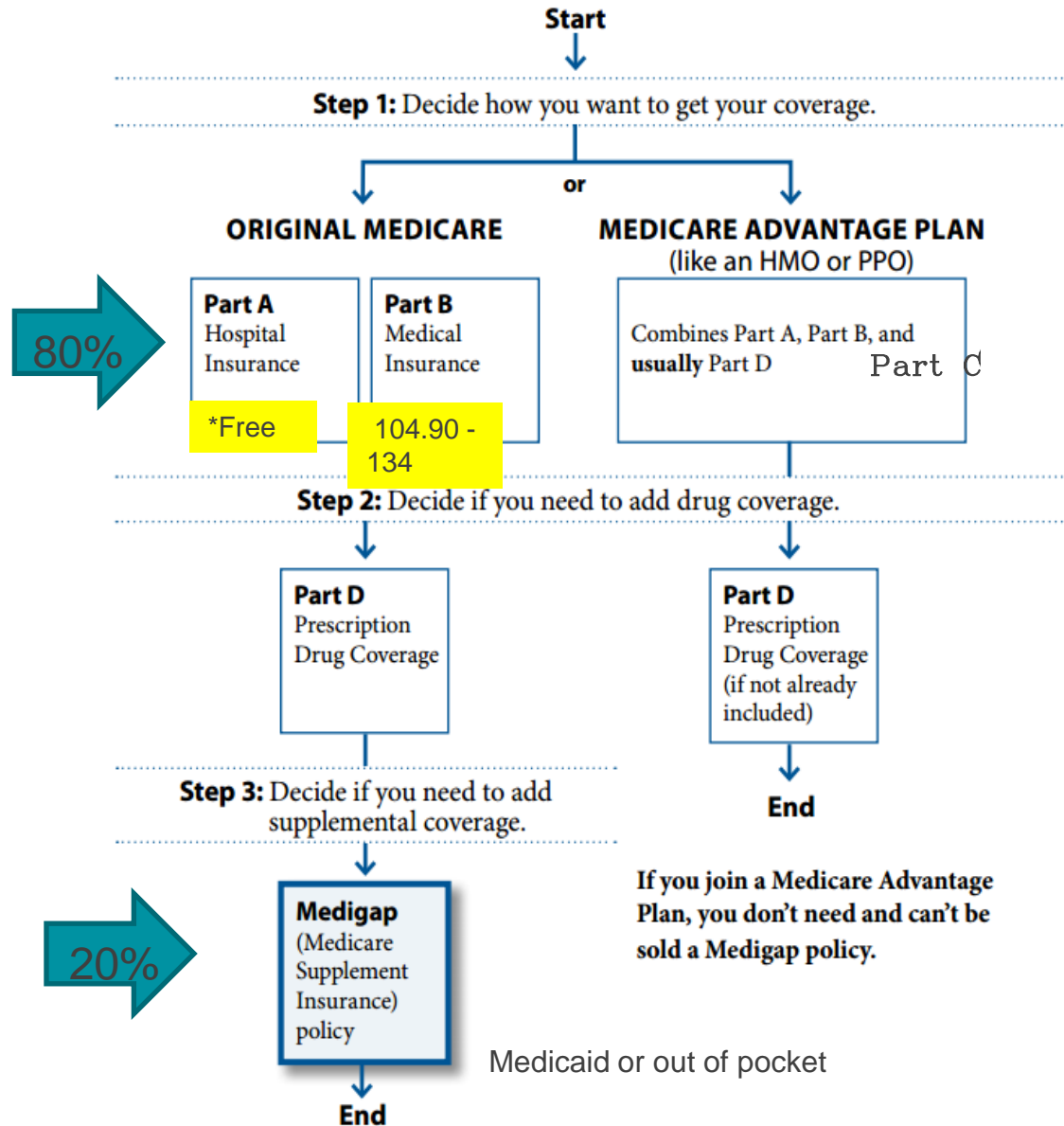
Open Enrollment Period (OEP) – Oct 15-Dec 7

- Annual review of Part D coverage is highly recommended

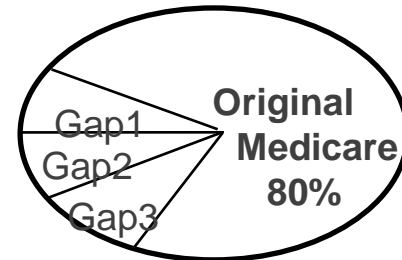
Part A and Part B ~ Original Medicare Covering approximately 80% of medical costs



1



2&3



Gaps In Medicare – 20%

Gap 1: Deductibles &
Coinsurance

Gap 2: Excess Charges

Gap 3: Non-covered items

THREE WAYS:

1. Medicare Supplement - Plans, A,B,C,D,F,G,K
Benefits are federally defined. A plan's benefits are the same regardless of the company selling the plan.

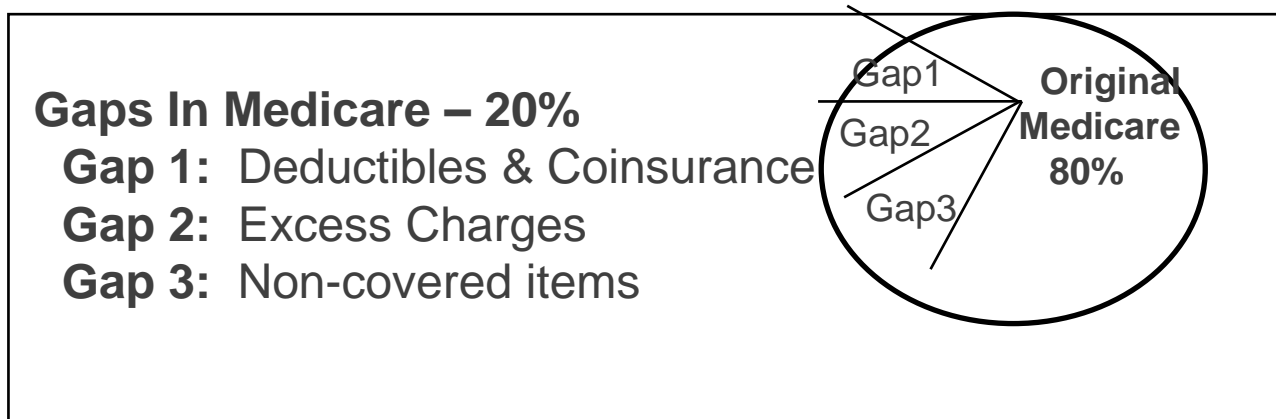
2. Medicaid
 1. Medicare Savings Program (SLMB, QMB)
 2. MEPD, Waivers, SSI

3. Out of pocket

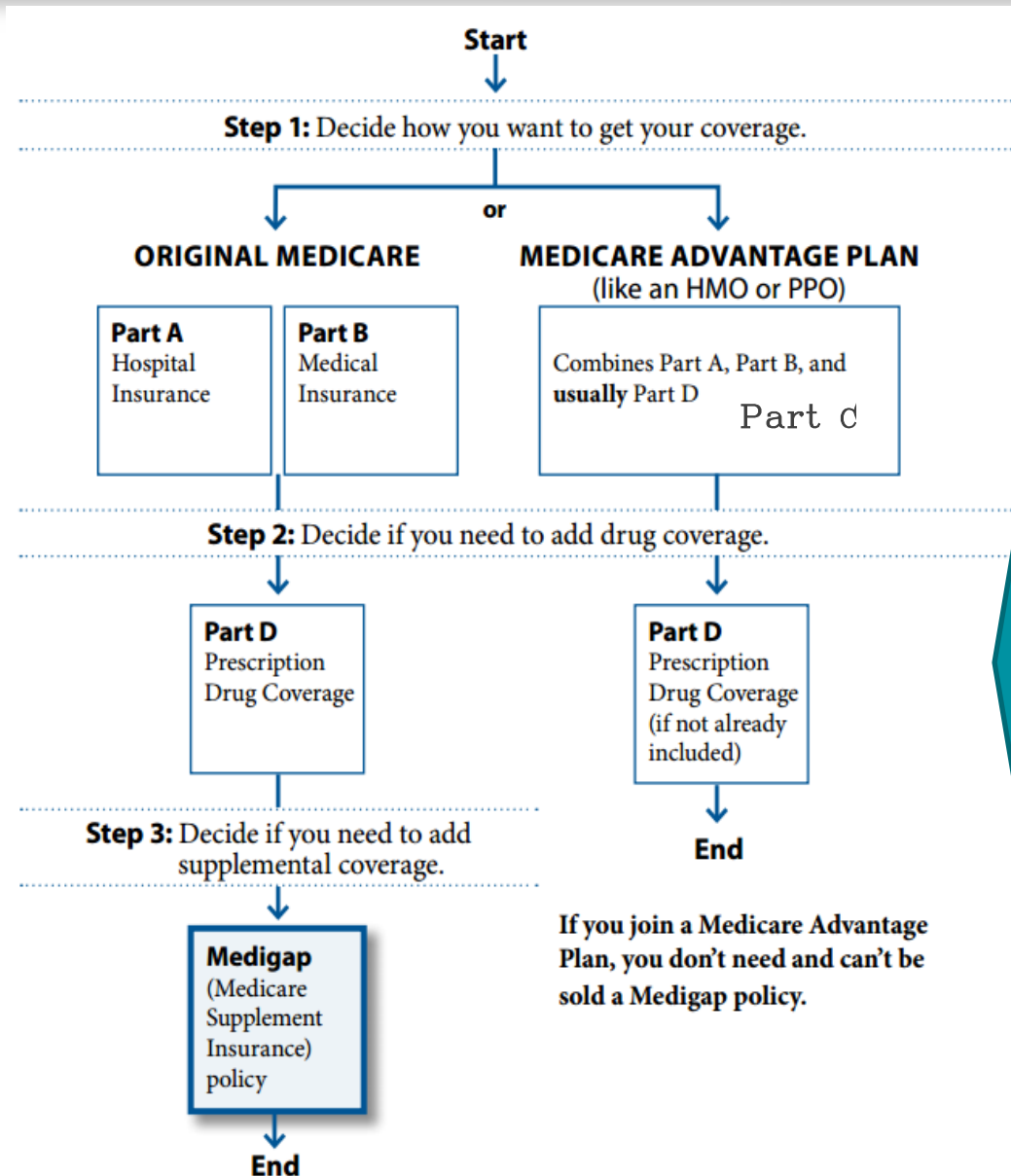
2&3

Medigap or Medicare Supplement (MedSup) is private insurance

- Designed to fill the gaps in Part A&B coverage
- Ten standard plan designs (A through N)
- SHIIP counselors sort through the options, benefits and cost
- Part D prescription drug coverage not included



1



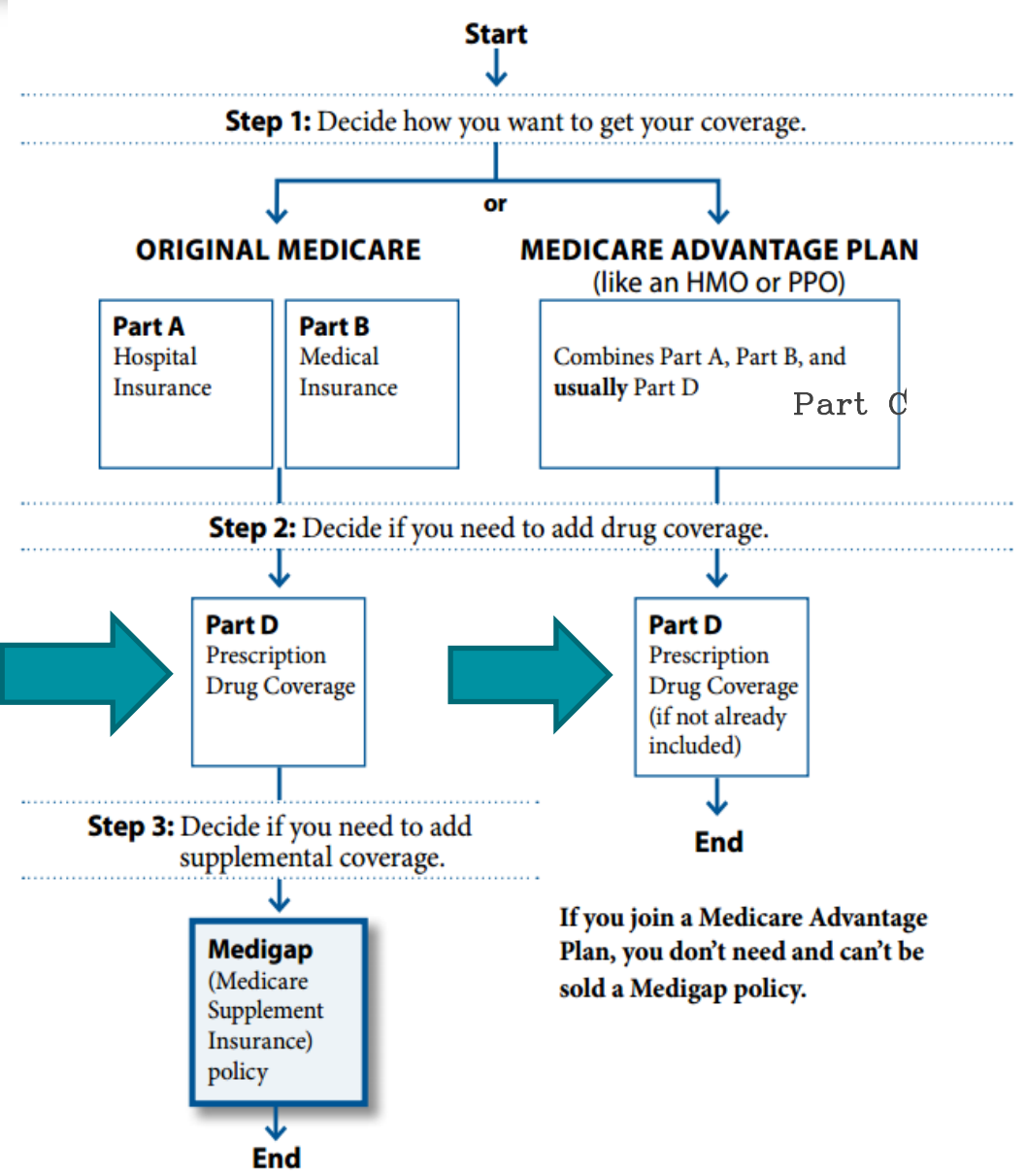
Created Part C (Medicare Choice) in 1997

~ Becoming Medicare Advantage in 2003

- A different way to get Part A and Part B
- Most plans include prescription drug coverage
- Continue to pay \$ (Part B) premium
- Beneficiary must live in service area (county)
- Most plans have a provider network

Models include: HMO * PFFS * POS-HMO * MSA * PPO * SNP

- More OOP (Out of Pocket) costs with deductibles, co-payments, coinsurance



Part D started in 2006

- Types of plans
 - Prescription Drug Plans (PDPs)
 - Medicare Advantage with prescription drug coverage
- Eligibility
 - Anyone on Medicare Part A and/or Part B is eligible
 - Delayed enrollment can result in a penalty without “creditable” coverage

SHIIP assists people with penalties going back to 2006 ...
Now \$35.20

4

Open Enrollment Period (OEP)

- October 15 – December 7th every year

Every year drug plans change

- Formularies fluctuate
- Premiums change
- Preferred pharmacies change – mail order incentives
- Increased co-payments and deductibles
- Increased restrictions
 - Quantity limits, prior approval and step therapy

Plans may merge and auto enroll can occur

- With assignment of “newly named” plan

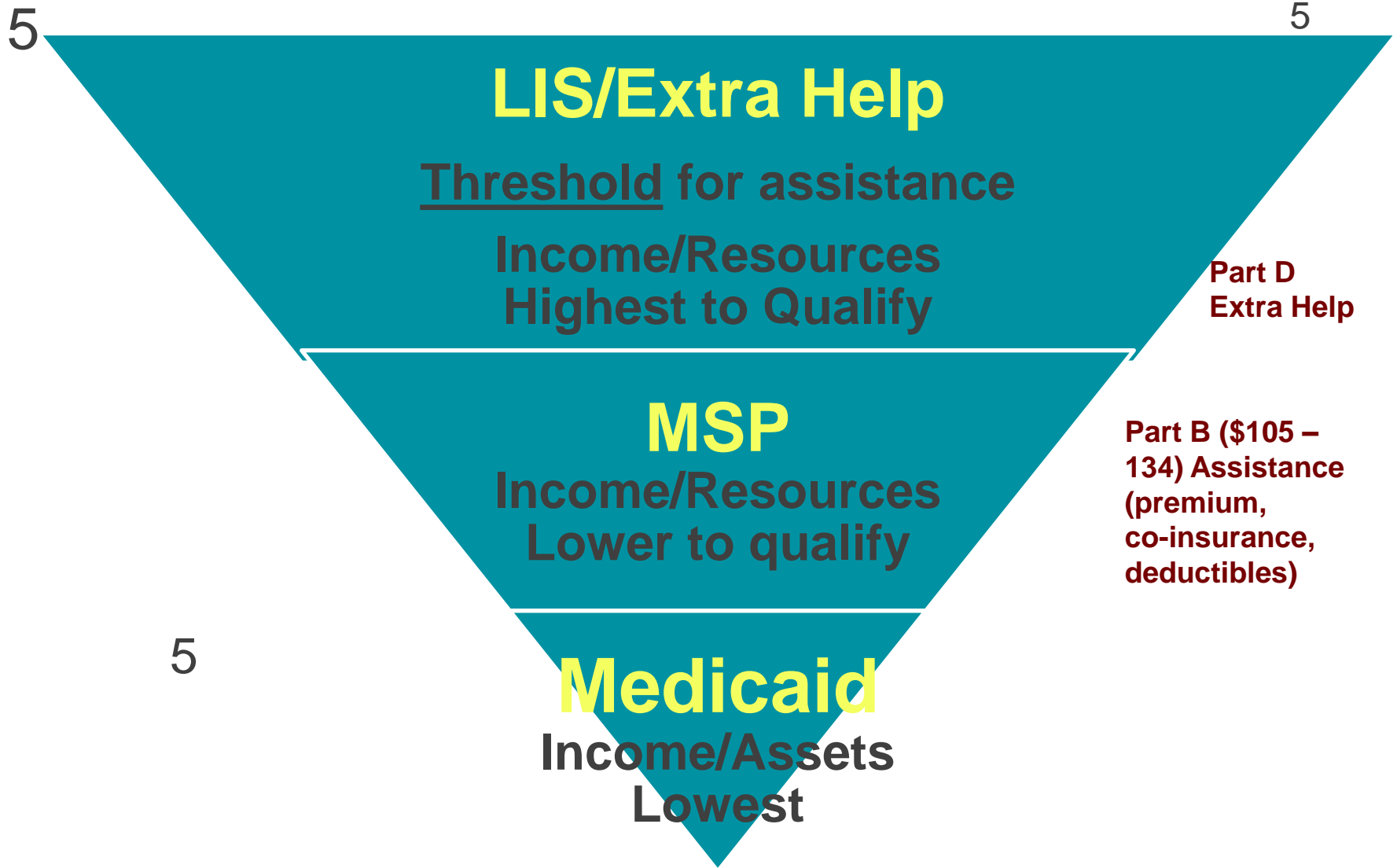
Random assignment to a plan

- When approved for Medicare assistance– may not be best option

- **Low Income Subsidy (LIS) or Extra Help**
 - Apply to Social Security Administration (SSA)
- **Medicare Savings program (MSP)**
 - Apply to Iowa Department of Human Services (IDHS)
 - Three programs:
 - QI Qualified Individual
 - SLMB Specified Low-Income Medicare Beneficiary
 - QMB Qualified Medicare Beneficiary

Estate Recovery Applies Below - Not Above

- **Medicaid**
 - Administered by State and Federal entities
 - Many programs, including the following:
 - MEPD Medicaid for the Employed and Partially Disabled
 - SSI Supplemental Security Income (Federal)
 - EW Elderly Waivers
 - NH Nursing Home



- Handout #6

7

LIS-- Get help with your Medicare drug costs
 if your income and resources are below:

	<u>INCOME</u>	<u>RESOURCES</u>
Single	\$1,581 /mo.	\$14,390
Couple	\$2,134 /mo.	\$28,720

MSP--Get help paying for your Medicare premiums, and possibly your
 co-payments and deductibles if your income and resources are below:

	<u>INCOME</u>		<u>RESOURCES</u>	
Single	\$1,426 /mo.	SLMB	\$7,730	SLMB
Couple	\$1,923/mo.	SLMB	\$11,600	(premiums)
Single	\$1,061/mo.	QMB	\$7,730	QMB
Couple	\$1,430/mo.	QMB	\$11,600	(co-payments)

REFER to HANDOUTs:

8. Medicaid programs – table

9. Medicaid & MSP & LIS Clients:

Benefits and things to consider.....

(connect the dots)

REFER to HANDOUTs:

- 10. Part D for people in Skilled or Nursing Homes
- 11. What do you pay in 2017 – the DoNut Hole
- 12. Medicare Plan Finder
 - A. List of options
 - B. Plan details
- 13. Case Example



Make The Right Call

SHIIP is a free and confidential service offered through the State of Iowa to help persons on Medicare or newly eligible for Medicare

You May Qualify for Help with Your Medicare Costs

1-800-351-4664

www.SHIIP.iowa.gov