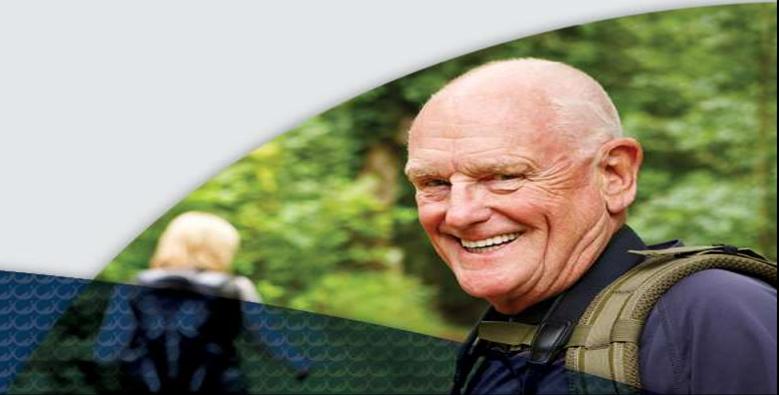


# Medicare 2020



## WHAT IS SHIBA?

SHIBA stands for “[Senior Health Insurance Benefits Advisors](#)”.

SHIBA is part of the [Consumer Services Bureau](#) of the [Idaho Department of Insurance \(DOI\)](#).

SHIBA is funded by the Department of Insurance and [Administration of Community Living \(ACL\)](#).



## A NATIONWIDE ORGANIZATION

SHIBA is part of a nationwide program known as **SHIP** - “State Health Insurance Assistance Program”.

There is a SHIP program in every State. In Idaho we are called **SHIBA**. In other states it may be known as SHINE, HICAP, SHIIP.

SHIPs are usually housed under various state agencies such as **Department of Insurance**, **Agencies on Aging**, and the **Governor’s** office.



## SHIBA OFFERS INFORMATION ON

- Getting started with Medicare –turning 65 or disabled
- Comparing Medigap, Medicare Advantage, and Medicare Prescription Drug Plan choices
- Getting help with Medicare costs
- Understanding your medical bills
- Filing appeals and grievances
- Evaluating long-term care insurance



## WHAT DOES SHIBA DO?

- Conducts Community Education about Medicare
- Provides one-on-one Medicare counseling
- Assists with complex Medicare issues
- Conducts Outreach and Advocacy
- Educates on Fraud and Abuse



## WHAT DOESN'T SHIBA DO?

- We do **not** sell insurance.
- We do **not** recommend companies or agents.
- We do **not** recommend insurance plans.
- We do **not** charge for service.



## Getting Started

This Training can help you make important Medicare decisions

- ❑ Choosing health and prescription drug coverage
- ❑ Timing your decisions
  - To avoid penalties
  - To ensure coverage



## What is Medicare?

Health Insurance for:

- ❑ People 65 and older
- ❑ People under 65 with certain disabilities
- ❑ Any age with End-Stage Renal Disease
- ❑ ALS (Amyotrophic lateral sclerosis) Often referred to as "Lou Gehrig's Disease"



## 2020 CMS for Medicare Pillars

Empowering Patients  
eMedicare  
New Medicare.gov platform



Rural Healthcare

Opioid Crisis  
Prevention  
Treatment  
Data across Pharmacies and Providers

Being Innovative  
Telehealth – Available now!  
Webchat feature on Medicare.gov



## What is Medicare?

- ❑ It is administered by
  - The Centers for Medicare and Medicaid Services (CMS)
- ❑ But enrollment is done by either
  - Social Security Administration (SSA)  
[For Most People](#)
  - Railroad Retirement Board (RRB)  
[For Railroad Retirees](#)



## Let's Talk About Original Medicare

patient symptom examination security managed  
 illness entitlement practices treatments  
 disability administration hospitalization course  
 benefits program  
 clinical structure  
 terms criteria  
 provided plans  
 enroll  
**medicare**  
 insurance health coverage health  
 prescription population lifetime clarification  
 hospital disorder services healthcare institution  
 surgical



## What is **not** covered by original Medicare?

### Most...

- Dental care
- Vision care
- Hearing care
- Foot care
- Long-term care
- Alternative medicine
- Care received outside of the U.S.
- Personal care or custodial care unless persons also need skilled care
- Non-emergency transportation



# Medicare Preventive Services

- Annual Health Screening
- Abdominal aortic aneurysm screening
- Bone mass measurement
- Cardiovascular disease screenings
- Colorectal cancer screenings
- Diabetes screenings
- Glaucoma tests
- Mammograms (screening)
- Pap test/pelvic exam/ clinical breast exam
- Prostate cancer screening
- Flu shots
- Pneumococcal shots
- Hepatitis B shots
- Smoking cessation



## How do you get want your Medicare coverage?

### 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 20% coinsurance), you can also shop for and buy supplemental coverage.
- Can use any doctor or hospital that takes Medicare, anywhere in the U.S.

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.
- Plans may have lower out-of-pocket costs than Original Medicare.
- In most cases, you'll need to use doctors who are in the plan's network.
- Most plans offer extra benefits that Original Medicare doesn't cover— like vision, hearing, dental, and more.

Part A



Part B



Most plans include:

Part D



Extra benefits

Some plans also include:

Lower out-of-pocket costs



## Original Medicare

### Includes Part A – Hospital Insurance

- Hospital
- Skilled Nursing Facility
- Home health care
- Hospice care

### Includes Part B – Medical Insurance

- Doctor's Visits
- Outpatient hospital services
- Clinical lab tests
- Durable Medical Equipment
- Preventive services
- Other services



## Paying for Part A

### What does Part A cost?

- Most people get Part A premium free – If you paid FICA taxes at least 10 years

### If you paid FICA < 10 years

- You may pay a premium to get Part A
- You may have a penalty if not bought when first eligible.



## Hospital Stay Costs

For each benefit period in 2020	You pay
Days 1 – 60	\$1,408 deductible
Days 61 – 90	\$352 per day
Days 91 – 150	\$704 per day (60 lifetime reserve days)
All days after 150	All Costs



## Skilled Nursing Facility Care

### Must meet all of the following conditions

- Require daily skilled services
  - Not long-term or custodial care
- After at least 3 consecutive nights of inpatient hospital care for a related illness or injury (*Currently waived due to the pandemic*)
  - Admitted to SNF (Skilled Nursing Facility) within 30 days of hospital discharge
- Must be a Medicare participating SNF –Skilled Nursing Facility



## Skilled Nursing Facility Costs

For each benefit period in 2020	You pay
Days 1 – 20	\$0
Days 21 - 100	\$176.00 per day
All days after 100	All Costs



## Monthly Part B Premium

Beneficiaries who file individual tax returns with income:	Beneficiaries who file joint tax returns with income:	Income-related monthly adjustment amount	Total monthly premium amount
Less than or equal to \$87,000	Less than or equal to \$174,000	\$0.00	\$144.60
Greater than \$87,000 and less than or equal to \$109,000	Greater than \$174,000 and less than or equal to \$218,000	57.80	202.40
Greater than \$109,000 and less than or equal to \$136,000	Greater than \$218,000 and less than or equal to \$272,000	144.60	289.20
Greater than \$136,000 and less than or equal to \$163,000	Greater than \$272,000 and less than or equal to \$326,000	231.40	376.00
Greater than \$163,000 and less than \$500,000	Greater than \$326,000 and less than \$750,000	318.10	462.70
Greater than or equal to \$500,000	Greater than or equal to \$750,000	347.00	491.60



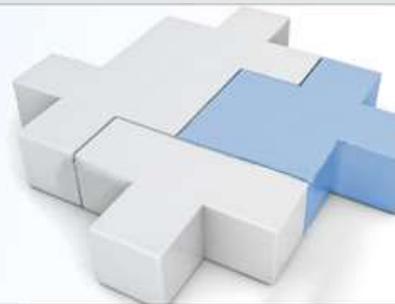
## Paying for Part B

- In Original Medicare you pay:
  - Yearly deductible - \$198.00 in 2020
  - 20% coinsurance for most services
- Programs are available to help pay these costs for people with limited income and resources



## Medigap's or Medicare Supplements

plans that fill  
in the gaps



## What is a Medigap Policy?

- ❑ Medicare Supplement Insurance sold by private companies
- ❑ Fills the “gaps” in Original Medicare (Parts A & B)
  - deductibles, coinsurance, copayments
- ❑ Standardize plans in all but 3 states (MA, MN, WI)
  - Plans A - N
- ❑ All plans with the same letter...
  - Have the same coverage
  - **Only the costs are different**
  - Plan Chart is found on DOI website at [www.doi.idaho.gov](http://www.doi.idaho.gov)



## Medigap Plans A - N

Benefits	Medicare Supplement Insurance Plans (Medigap)									
	A	B	C	D	F*	G	K	L	M	N
Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Part B coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%*
Blood (first 3 pints)	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Part A hospice care coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	100%	100%	50%	75%	100%	100%
Part A deductible	100%	100%	100%	100%	100%	100%	50%	75%	50%	100%
Part B deductible			100%		100%					
Part B excess charges					100%	100%				
Foreign travel emergency (up to plan limits)			80%	80%	80%	80%			80%	80%

Standardized Medigap policies aren't required to cover long-term care (like care in a nursing home), vision or dental care, hearing aids, eyeglasses, and private-duty nursing.

Out-of-pocket limit (2019)***	
	\$5,560
	\$2,780

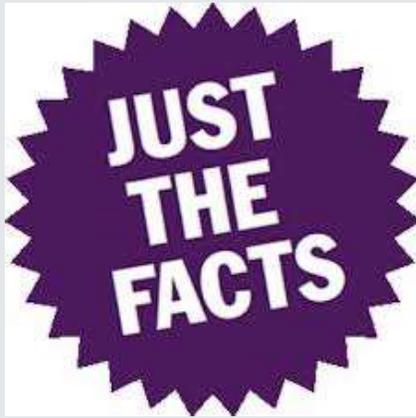
\* Plan F is also offered as a high-deductible plan by some issuers in some states. If you choose this option, this means you must pay for Medicare-covered costs (coinsurance, copayments, deductibles) up to the deductible amount of \$2,300 in 2019 before your policy pays anything.

\*\* Plan N pays 100% of the Part B coinsurance, except for a copayment of up to \$20 for some office visits and up to a \$50 copayment for emergency room visits that don't result in an inpatient admission.

\*\*\* For Plans K and L, after you meet your out-of-pocket yearly limits and your yearly Part B deductible (\$185 for 2019), the Medigap plan pays 100% of covered services for the rest of the calendar year.



# The Truth About Medigap Changes **2020**



## Just The Facts

- If you were eligible for Medicare prior to January 1, 2020.

**DID YOU KNOW?**



## Comparing Medigap Plans

Plans and premium rates listed in this chart were filed by the company and accepted by the Idaho Department of Insurance (DOI). The DOI cannot certify the accuracy of the information and recommends consumers contact the company for the exact rates and plans offered in their area. Due to frequent changes always check with the company for the latest availability and premiums. The appearance of a company on this list does not constitute an endorsement of a company or its policies by the DOI, SHIBA, or its volunteers. Please check company websites for contact information. There may be variance in rates based on purchase date. \*Plan offers Innovative Benefit-See Innovative tab. \*\*Company imposes a Pre-Existing Condition Look-Back Period.

Age 65 Non-Smoker	New Rate Effective Date	Withdrawal Date	Idaho Medicare Supplement Plans												
			Monthly Standard Premium Rates for Age 65 Non-Smoker												
Company Name			A	B	C	D	F	Fnd	G	GHD	K	L	M	N	
Aetna Health & Life Ins. Co.	2/1/2020		121	142			177	71	148					120	
Americo Financial Life & Annuity Ins. Co.	7/1/2020		151				181		153					121	
Blue Cross of Idaho *	1/1/2020		132				256*				113*		204*	205*	
Blue Cross of Idaho Care Plus, Inc. *	1/1/2020		144				211*		159		109*			163*	
Central States Health & Life Co. of Omaha	3/1/2020		125		153		155		130					100	
Cigna Health & Life Ins. Co. **	12/1/2019		137				165	50	139					116	
Colonial Penn Life Ins. Co.	1/1/2020		225	231		165	295	54	211	54	84	175	213	151	
Evereance Association Inc.	4/1/2020		147				186		179					132	
First Health Life & Health Ins. Co.	4/1/2020		125	146			172		159					125	
Garden State Life Insurance Co.	1/1/2020		124				219		140	47			120	116	
Globe Life & Accident Ins. Co. **	6/1/2020		114	171	194		196	56	177	56				152	
GPM Health & Life Ins. Co.	10/1/2019		122				163		129					109	
Great Southern Life Ins. Co.	12/10/2019		120				148	54	119					96	
Guarantee Trust Life Ins. Co.	1/1/2020		131				175		143					117	
Humana Dental Ins. Co.	1/1/2020		132				166	65	138	64	76			121	
Humana Ins. Co.	1/1/2020		147	160	202		207	62	194	58	85	124		137	
Mountain Health Co-op	1/27/2020		123				146		120					100	
National Health Ins. Co.	10/5/2019		123				161	52	134					111	
Omaha Ins. Co.	1/1/2020		145				179	48	127	46				106	
Oxford Life Ins. Co. ** (Plan G only)	7/15/2020		157				202		159					143	
Philadelphia American Life Ins. Co.**	3/1/2020		98				156	38	121	38				101	
Puritan Life Ins. Co. of America	4/1/2020		168				218		178					138	
Regence Blue Shield of Idaho *	3/1/2020		91		281		222**		166		153			144	
Reserve National Ins. Co. **	10/1/2019		208		322		265	57	166					180	
Sentinel Security Life Ins. Co.	10/1/2019		172	199	247	194	253							127	
State Farm Mutual Automobile Ins. Co.	2/1/2020		119		214	188	216		188					145	
State Mutual Ins. Co.	7/1/2020		235	253	313	279	308	121	284				251	216	
Thrivent Financial for Lutherans	2/1/2020		132	157	195	175	196	39	175			122	163	131	
Transamerica Life Ins. Co. **	2/1/2020		106	140	166	140	167		140		67	99	122	114	
Transamerica Premier Life Ins. Co.	3/1/2020		133				224		155					135	
Union Security Insurance Company	8/13/2019		128				153		127					96	
United American Ins. Co.	1/1/2020		139	216	268	253	274	47	242	45	127	179		206	
United Commercial Travelers of America	12/1/2019		196				304		239					211	
United Healthcare Ins. Co. **	1/1/2020		112	167	204		205		163	60	60	117		147	
United Insurance Company of America	5/18/2020		123				127		132	50				111	
United National Life Ins. Co. of America	3/6/2020		122				207		257		221			172	
USA Life Ins. Co.	8/1/2020		156				232		198					158	
WMI Mutual Ins. Co.	12/2/2019		188		263		286							188	

Contact Idaho SHIBA for answers to your Medicare questions: 1-800-247-4422, doi.idaho.gov/shiba

Current Update: 5/28/2020



## When is the best time to buy a Medigap?

Usually during your Medigap Open Enrollment Period

Consider:

- ❑ Your Medigap Open Enrollment Period begins when you're 65 or older **AND** enrolled in Part B
  - ▾ Lasts 6 months
  - You have Guaranteed Issue – Companies **MUST** sell you a plan
- ❑ You can buy a Medigap whenever a company agrees to sell you one
  - There will be medical underwriting
  - The plan can refuse to sell to you
  - Higher premiums may apply



## Part D – Medicare Prescription Drug Coverage

Available for all people with Medicare

- ❑ Medicare Prescription Drug Plans (PDPs)
- ❑ Medicare Advantage *Plans (MA-PDs)*
- ▾ ❑ *Other Medicare Plans*



## How Medicare Part D Works

- Optional, but if you don't choose Part D when first eligible you may have to pay a penalty later
- Plans have formularies
  - Lists of covered drugs
  - Must include range of drugs in each category
- You pay the monthly premium, deductibles, and copayments (maximum deductible \$435.00)
- There is Extra Help to pay Part D costs if you have limited income and resources



## How Do I Choose a Part D Plan?

### Annual Review

- October 15 – December 7<sup>th</sup> each year



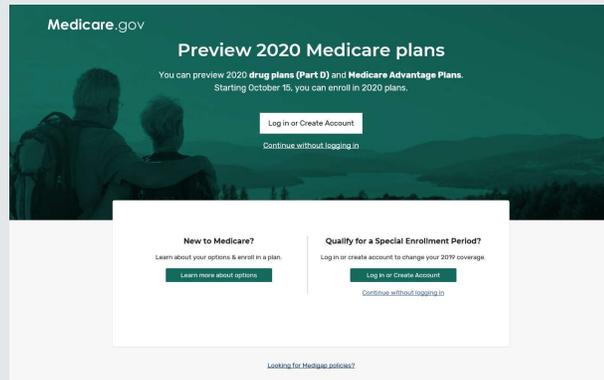
### Why Should I review my plan???

- Are your prescriptions on Formulary?
- Will the co-pay changed?
- Can I use my same pharmacy?
- Will my premium changes?



## How Do I Choose a Part D Plan?

- Enroll online at [www.medicare.gov](http://www.medicare.gov)
- Call a local agent
- Call the plan
- Enroll on the plan's website
- Call 1-800-MEDICARE (1-800-633-4227)
- Call SHIBA for help comparing plans



## Part D 2020 Changes

- Max Deductible for Part D \$435.00
  - Some prescriptions** not subject to the deductible
  - 28 stand alone Part D Plans in Idaho
    - \$13.20<sup>+</sup>- \$119.00 premium per month
    - Choose your plan based on the lowest annual costs with deductible, co-pays, & premium.



## Comparing Part D Plans

Cigna HealthSpring Rx Secure-Extra (PDP)	Express Scripts Medicare - Saver (PDP)	AARP MedicareRx Walgreens (PDP)
Star rating: ★★★★★	Star rating: ★★★☆☆	Star rating: ★★★★★
<b>\$56.30</b> Monthly premium	<b>\$21.20</b> Monthly premium	<b>\$33.50</b> Monthly premium
<b>\$100.00</b> Yearly drug deductible	<b>\$435.00</b> Yearly drug deductible	<b>\$435.00</b> Yearly drug deductible
Plan Details	Plan Details	Plan Details
Enroll	Enroll	Enroll
<b>Total</b> \$56.30	<b>Total</b> \$21.20	<b>Total</b> \$33.50
<b>Yearly drug deductible</b> \$100.00	<b>Yearly drug deductible</b> \$435.00	<b>Yearly drug deductible</b> \$435.00
<b>5 of 5</b> Prescription drugs covered Restrictions may apply <b>FRED MEYER PHARMACY</b> ✓ Preferred in-network \$539.99 <b>WALGREENS</b> ✓ Preferred in-network \$626.30 <b>WALMART PHARMACY 10-4395</b> ✓ Preferred in-network \$638.87	<b>4 of 5</b> Prescription drugs covered Restrictions may apply <b>FRED MEYER PHARMACY</b> ✓ Preferred in-network \$1,094.26 <b>WALGREENS</b> ✓ Standard in-network \$1,205.96 <b>WALMART PHARMACY 10-4395</b> ✓ Preferred in-network \$1,911.68	<b>4 of 5</b> Prescription drugs covered Restrictions may apply <b>FRED MEYER PHARMACY</b> ✓ Standard in-network \$1,394.00 <b>WALGREENS</b> ✓ Preferred in-network \$1,355.00 <b>WALMART PHARMACY 10-4395</b> ✗ Out-of-network \$3,728.96



## What is the coverage gap?

- ❑ In 2020 the Gap Closed-
  - ❑ 20% of ALL Medicare Beneficiaries fall into this.
  - ❑ 2020 Coverage Gap (Donut Hole) begins after you and the Plan have paid \$4,020 in drug costs.
  - ❑ At that point your coverage drops - you pay 25% for brand name drugs, and 25% for generic drugs until you reach a total of \$6,350 out of pocket. Then catastrophic coverage begins and the plan pays most costs. (you pay \$3.60-generic; \$8.95-brand)



# Medicare Advantage



# Medicare Advantage

- Health plan options approved by Medicare
  - Another way to get Medicare coverage
  - Still part of Medicare
  - Guaranteed same Medicare Rights and Protections
  - ↳ Sold by private insurance companies
- Usually will have to use network providers
  - Health Maintenance Organizations (HMO)
  - Preferred Provider Organizations (PPO)

## 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 20% coinsurance), you can also shop for and buy supplemental coverage.
- Can use any doctor or hospital that takes Medicare, anywhere in the U.S.

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.
- Plans may have lower out-of-pocket costs than Original Medicare.
- In most cases, you'll need to use doctors who are in the plan's network.
- Most plans offer extra benefits that Original Medicare doesn't cover—like vision, hearing, dental, and more.

Part A



Part B



Most plans include:

Part D



Extra benefits

Some plans also include:

Lower out-of-pocket costs



## Medicare Advantage

- Usually includes prescription drug coverage
- May include extra benefits
  - Vision / Dental / Hearing
  - Fitness Benefits
  - Over the counter benefits
- Benefits and cost-sharing may be different
  - Must Provide at least the same benefits as Original Medicare
  - Maximum Out-of Pocket
  - Lower deductible



## Out of Pocket Costs Medicare Advantage Plans

- Must still pay Part B premium
  - Medicare pays the plan an amount for each member's care
- May pay additional monthly premium
- Pay other out-of-pocket costs
  - Copayments or coinsurance based on benefit details
  - Costs vary for different types of service



## Who can join a Medicare Advantage Plan?

- Eligibility requirements
  - Live in plan service area,
    - Plan must be available in the county that you live in.
  - Have Medicare Part A
  - Have Medicare Part B
  - Not have ESRD at time of enrollment



## When can I enroll in a MA plan?

- During 7 month Initial Enrollment Period
- During Annual Enrollment Period
  - October 15 – December 7 each year
  - Coverage begins January 1 of following year
- May be able to join at other times – Special Enrollment period.
- Contact the plan to join
  - Call the Non-member number
  - Visit plan's website
  - Enroll online at [www.medicare.gov](http://www.medicare.gov)
  - Contact SHIBA
  - Contact a local agent



## Good To Know

- If you join a Medicare Advantage plan you can't be sold a Medicare Supplement (Medigap) policy.
  
- You must use the Part D offered by the Medicare Advantage plan.



## Medicare Advantage Plans Marketing Guidelines

- Medicare Advantage Plans may not
  - Solicit Medicare beneficiaries door-to-door
    - Unless invited
  - Send unsolicited email
  - Enroll people by phone
    - Unless the person calls them
  - Offer cash payment as an inducement to enroll
  - Misrepresent or use high pressure sales tactics
  - Meet with someone without a scope of appointment
  - Meet without the clear representation of insurance sales



## Other Supplemental Coverage

- Group health coverage
  - Employer
  - Union
  - Organization or association
  - TRICARE for Life
  - COBRA
- Understand your benefits and costs



## Who Pays First?

- If you keep employer coverage while working AND have Medicare
  - your employer plan pays 1<sup>st</sup> if there are over 20 employees



## Prevent Fraud

- Read your MSN or EOB from a Medicare Advantage Plans
- Verify you received services as billed
- Look at amount Medicare allowed and amount you can be charged
- Check if other insurance was billed
- Review notes if payment was denied
- Call provider or SHIBA if you have questions



## Fraud Continued...

- Be suspicious of doctors, health care providers, or suppliers that tell you:
  - The equipment or service is free, it won't cost you anything.
  - Medicare wants you to have the item or service
  - They know how to get Medicare to pay for the item or service



## Is there help if I have limited income?

- Extra Help
- Medicare Savings Programs
- Medicaid
- A&D Medicaid



## What is Extra Help?

- Help paying prescription drug costs
- Social Security or state makes determination
- Some people automatically qualify
    - People with Medicare AND Medicaid
    - People with Supplemental Security Income (SSI) only
    - People who qualify for the Medicare Savings Program
- You, or someone on your behalf, can apply



## What are Medicare Savings Programs?

- ❑ Help from state Medicaid paying Medicare costs
  - ❑ Pays Medicare premiums
  - ❑ May pay Medicare deductibles and coinsurance
- ❑ Generally, lower income than Extra Help
- ❑ Income amounts change each year

**No estate recovery with Medicare Savings Programs**



## What is Medicaid?

- ❑ Federal – state health insurance program
  - ❑ For people with limited income and resources
  - ❑ For certain people with disabilities
  - ❑ Covers most health care costs for people with Medicare and Medicaid (dually eligible)
- ❑ Eligibility determined by state
- ❑ One application for all benefits
- ❑ Agency names vary by state – Idaho: Department of Health & Welfare



## Key Points to Remember

- Medicare is health insurance
- Medicare doesn't cover all health care costs
- There are different ways to get Medicare
- There are programs for people with limited income and resources
- Important...
  - Make the right decisions for your needs
  - Make them at the right times
  - Get help if you need it



## For More Information

- [www.medicare.gov](http://www.medicare.gov)
- Medicare and You Handbook
- 1-800-MEDICARE
- Your SHIBA Counselor 1-800-247-4422



