

Medicare Annual Open Enrollment



Medicare Enrollment and Medicare Part A, Part B

Illinois Department on Aging
Senior Health Insurance Program (SHIP)
800-252-8966
Aging.SHIP@illinois.gov



LOCAL HELP FOR PEOPLE WITH MEDICARE

What Is Medicare?

- Health insurance for people
 - 65 and older
 - Under 65 with certain disabilities
 - Amyotrophic Lateral Sclerosis known as Lou Gehrig's disease (without waiting period)
 - Any age with End-Stage Renal Disease

What Is Medicare? Cont.

- Administered by
 - Centers for Medicare & Medicaid Services

NOTE: To get Medicare Part A and/or Part B, you must be a U.S. citizen or be lawfully present in the U.S.

The 4 Parts of Medicare



**Part A
Hospital
Insurance**



**Part B
Medical
Insurance**



**Part C
Medicare
Advantage
Plans (like
HMOs/PPOs)**
Includes Part A,
Part B and
sometimes Part
D coverage



**Part D
Medicare
Prescription
Drug
Coverage**

Automatic Enrollment Part A and Part B

- Automatic enrollment for those receiving
 - Social Security benefits
 - Railroad Retirement Board benefits
- Initial Enrollment Period Package
 - Mailed 3 months before
 - 65 or 25th month of disability benefits
 - Includes your Medicare card



Medicare Card

- Keep it and accept Medicare Part A and Part B
- Return it to refuse Part B
 - Follow instructions on back of card

Front

MEDICARE HEALTH INSURANCE

1-800-MEDICARE (1-800-633-4227)

NAME OF BENEFICIARY
JOHN DOE

MEDICARE ID NUMBER SEX
000 00 0000-A MALE

IS ENTITLED TO EFFECTIVE DATE
HOSPITAL (PART A)

SIGN
HERE _____

Back

1. Carry your card with you when you're away from home.
2. Let your hospital or doctor see your card when you need hospital, medical, or health services under **Medicare**.
3. Your card is good wherever you live in the United States.

WARNING: Issued only for use of the named beneficiary. Intentional misuse of this card is unlawful and may be punishable by fines, imprisonment, and other penalties. If found, drop in nearest U.S. Mail Box.



Centers for Medicare &
Medicaid Services
Baltimore, MD 21244-1850

Form CMS-1986 (04/2015)

Questions about Medicare:

- visit Medicare.gov
- call 1-800-MEDICARE
(1-800-633-4227);
(TTY: 1-877-486-2048)

New Medicare Cards 2018

The Medicare Access and CHIP Reauthorization Act (MACRA) of 2015

- CMS will remove SSNs from all Medicare cards by 2019
- Mailings of new Medicare cards with new Medicare Beneficiary Identifiers (MBIs) will begin after April 2018
- Warn beneficiaries that solicitations about new Medicare cards may be scams
- More info: <https://www.cms.gov/Medicare/SSNRI/Index.html>

When Enrolling Isn't Automatic

- If you're not automatically enrolled
 - You need to enroll with Social Security
 - Visit [socialsecurity.gov](https://www.socialsecurity.gov), or
 - Call 1-800-772-1213, or
 - Visit your local office

When Enrolling Isn't Automatic Cont.

- If retired from Railroad
 - Enroll with the Railroad Retirement Board (RRB)
 - Call your local RRB office or 1-877-772-5772
 - Apply 3 months before you turn 65
- Don't have to be retired to get Medicare

When to Enroll in Medicare

- You can first enroll during your Initial Enrollment Period (IEP), which lasts 7 months

3 months before the month you turn 65	2 months before the month you turn 65	1 month before the month you turn 65	The month you turn 65	1 month after you turn 65	2 months after you turn 65	3 months after you turn 65
Sign up early to avoid a delay in coverage. To get Part A and/or Part B the month you turn 65, you must sign up during the first 3 months before the month you turn 65.			If you wait until the last 4 months of your Initial Enrollment Period to sign up for Part A and/or Part B, your coverage will be delayed. See the			

- Can only enroll in Part B (and premium Part A) during IEP and other limited times
- May have a penalty if you don't enroll during IEP

General Enrollment Period (GEP)

- For people who didn't sign up for Part B during their Initial Enrollment Period
- January 1–March 31 annually
 - Coverage starts July 1

Part A and Part B Special Enrollment Period (SEP)

- Must have employer group health plan (EGHP) coverage based on active, current employment of you or your spouse
- Can enroll in Medicare
 - Anytime still covered by EGHP, or
 - Within 8 months of the loss of coverage or current employment, whichever happens first
 - Retiree and COBRA coverage aren't considered active employment


Order of Medicare Part A and Part B Enrollment Period

In the case where an individual qualifies for more than one enrollment period, the **order** for Medicare enrollment periods is:

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

Original Medicare

Part A—Hospital Insurance Coverage

- Part A— Hospital Insurance helps cover 
 - Inpatient hospital care
 - Inpatient skilled nursing facility (SNF) care
 - Certain inpatient non-religious, nonmedical health care in approved religious nonmedical institutions
 - Home health care
 - Hospice care

Paying for Medicare Part A

- Most people don't pay a premium for Part A
 - If you or your spouse paid Federal Insurance Contributions Act (FICA) taxes at least 10 years
- If you paid FICA less than 10 years you can pay a premium to get Part A

Inpatient Hospital Care

- Semi-private rooms
- Meals
- General nursing care
- Drugs that are part of your inpatient treatment
- Hospital services and supplies

Benefit Periods

- Begins the day you first receive inpatient care
 - In hospital or SNF
- Ends when not in hospital/SNF 60 days in a row
- Pay Part A deductible for each benefit period
- No limit to the number of benefit periods you can have

Paying for In Patient Hospital Stays – 2016

For Each Benefit Period in 2016	You Pay
Days 1-60	\$1,288 deductible
Days 61-90	\$322 per day
Days 91-150	\$644 per day (60 lifetime reserve days)
All days after 150	All Costs

Skilled Nursing Facility Covered Services

- Semi-private room, meals, skilled nursing care
- Physical, occupational, and speech-language therapy; Medical social services
- Medications, medical supplies/equipment,
- Ambulance transportation (limited),
- Dietary counseling

Skilled Nursing Facility (SNF) Care Required Conditions for Coverage

- Require daily skilled services
 - Not just long-term or custodial care
- Hospital inpatient 3 consecutive days (midnights) or longer
- Admitted to SNF within 30 days after hospital stay
- SNF care must be for a hospital-treated condition, or condition that arose while receiving care in the SNF for hospital-treated condition
- Must be a Medicare-participating SNF

Paying for Skilled Nursing Facility Care 2016

For Each Benefit Period in 2016	You Pay
Days 1-20	\$0
Days 21-100	\$161 per day
All days after 100	All Costs

5 Required Conditions for Home Health Care Coverage

1. Must be homebound
2. Must need skilled care on part-time or intermittent basis
3. Must be under the care of a doctor
 - Receiving services under a plan of care

5 Required Conditions for Home Health Care Coverage Cont.

4. Have face-to-face encounter with doctor
 - Prior to start of care or within 30 days
5. Home health agency must be Medicare-approved

Paying for Home Health Care

- In Original Medicare you pay
 - Nothing for covered home health care services
- Plan of care reviewed every 60 days
 - Called episode of care

Part A Hospice Care

- Interdisciplinary team for those with a life expectancy of 6 months or less
- Sign election statement choosing hospice care instead of routine Medicare-covered benefits to treat your terminal illness
- Focus is on comfort and pain relief, not cure
- Doctor must certify each “election period”
- Hospice provider must be Medicare-approved

Covered Hospice Services

- Physician and nursing services
- Physical, occupational, and speech therapy
- Medical equipment and supplies
- Drugs for symptom control and pain relief
- Short-term hospital inpatient care for pain and symptom management

Covered Hospice Services Cont.

- Respite care in a Medicare-certified facility
 - Up to 5 days each time, no limit to number of times
- Hospice aide and homemaker services
- Social worker services
- Grief, dietary, and other counseling

Paying for Hospice Care

- In Original Medicare you pay
 - Nothing for hospice care
 - Up to \$5 per Rx to manage pain and symptoms
 - While at home
 - 5% for inpatient respite care
- Room and board may be covered in certain cases
 - Short-term respite care, or for pain/symptom management that can't be managed at home

Medicare Part B—Medical Insurance Coverage

- Part B—Medical Insurance helps cover



- Doctors' services
- Outpatient medical and surgical services, supplies
- Clinical lab tests
- Durable medical equipment
- Diabetic testing supplies
- Preventive services

Medicare Part B Costs for Most People

Yearly Deductible	\$166.00 for 2016
Coinsurance for Part B Services	<ul style="list-style-type: none">▪ 20% coinsurance for most covered services, like doctor's services and some preventive services, if provider accepts assignment▪ \$0 for some preventive services▪ 20% coinsurance for outpatient mental health services, and copayments for hospital outpatient services

What You Pay – 2016 Standard Part B Premium

- The standard premium in 2016 is \$121.80 (or higher) include those in any of these 5 groups. Those who
 1. Enroll in Part B for the first time in 2016
 2. Don't get Social Security/Railroad Retirement benefits
 3. Are directly billed for their Part B premiums
 4. Have both Medicare and Medicaid, and Medicaid pays their premiums
 5. Have a modified adjusted gross income, as reported on their IRS tax return from 2 years ago, (see next page)

Held Harmless Medicare Beneficiaries

Pay \$104.90 for Medicare Part B premium.

Applies to beneficiaries enrolled in Medicare prior to 2016 if Medicare premiums are automatically deducted from their Social Security benefits.

If there is a Cost-of-Living-Adjustment (COLA) increase in 2017, premiums will be adjusted for all Medicare beneficiaries.

Monthly Part B Standard Premium—Income-Related Medicare Adjustment Amount for 2016

Chart is based on your yearly income *in 2014* (for what you pay in 2016)

File Individual Tax Return	File Joint Tax Return	File Married & Separate Tax Return	In 2016 You Pay
\$85,000 or less	\$170,000 or less	\$85,000 or less	\$121.80
\$85,000.01–\$107,000	\$170,000.01–\$214,000	Not applicable	\$170.50
\$107,000.01–\$160,000	\$214,000.01–\$320,000	Not applicable	\$243.60
\$160,000.01–\$214,000	\$320,000.01–\$428,000	Above \$85,00 and up to \$129,000	\$316.70
Above \$214,000	Above \$428,000	Above \$129,000	\$389.80

NOTE: You may pay more if you have a Part B late enrollment penalty.

Part B Late Enrollment Penalty

- Penalty for not signing up when first eligible
 - 10% more for each full 12-month period
 - May have a penalty as long as you have Part B
- Usually no penalty if you sign up within 8 months of employer coverage ending

Part B Late Enrollment Penalty Example

Mary's Initial Enrollment Period ended September 30, 2009. She waited to sign up for Part B until the General Enrollment Period in March 2012.

- Total time Mary delayed Part B: 30 months
- Mary's Late Enrollment Penalty: 20% (30 months includes 2 full 12-month periods)
- The penalty is added to the Part B monthly premium
- Mary will have the penalty for as long as she has Part B

When You Must Have Part B

- If you want to buy a Medigap policy
- If you want to join a Medicare Advantage Plan
- You're eligible for TRICARE for Life (TFL) or CHAMPVA
- Your employer coverage requires you have it when you become eligible for Medicare (less than 20 employees)
- Veterans Affairs (VA) benefits are separate from Medicare
 - You pay a penalty if you sign up late or if you don't sign up during your Medicare Initial Enrollment Period

Any Questions?

Senior Health Insurance Program (SHIP)

800-252-8966

Email: Aging.SHIP@illinois.gov

Website: www.illinois.gov/aging/ship

Medicare

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