

Significant Medicare Health Plan Changes Coming!



Special Guest Speaker:

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Agenda For Today



BACK TO THE BASICS OF MEDICARE

What is Medicare?

Who is Eligible?

Types of Medicare Options

When Can I enroll or Make Changes?

2019 Changes to Cost Plans

How to Stay Up to Date



What is Medicare?



Medicare is a federal government program that provides health insurance for individuals who are age 65 or older.

Also for some under age 65 with certain disabilities or any age with end-stage renal disease (permanent kidney failure) are eligible for Medicare.

Medicare is **NOT**:

- A family health plan
- Medicaid
- Free insurance health plan



Who Can Get Medicare?



If you live in U.S for at least 5 years and U.S citizen or legal resident and meet at least one of the requirements listed below, you would be eligible:

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

Original Medicare Part A

Part A(Original Medicare):

Hospital insurance covers inpatient hospital care, critical access care, short-term care in skilled nursing facilities, hospice and home health care. Medicare typically does not pay for assisted living facilities, nursing homes or long-term care at home. Hospital Insurance is free to most Medicare beneficiaries if the beneficiary or their spouse paid Medicare taxes while they were working. If an individual is not eligible to receive Hospital Insurance free-of-charge then the individual may be eligible to purchase Part A coverage.

- There is a \$1340.00 deductible for days 1-60.
- \$335.00 per day for days 61-90 per benefit period.
- \$670 “per lifetime reserve days” for a maximum of 60 days over lifetime period.



Original Medicare Part B



Part B (Original Medicare):

Medical Insurance covers visits to the doctor, outpatient care, some preventative services, as well as some occupational and physical therapy. It requires a monthly premium, which is often based on beneficiary income. It is important to remember that Medical Insurance does not cover 100 percent of services and beneficiaries will be responsible for the balance of expenses not paid for by Medicaid.

Part B Costs:

- \$134 Month Premium (Unless you made over \$85,000 individual or \$170,000—Based on Modified Adjusted Gross Income From 2 Years Back, In That Event You Will Pay A Higher Premium.
- \$183.00 Part B Annual Deductible.
- 20% Coinsurance

When Can I Enroll?



Initial Enrollment Period

7 Month window surrounding the month of your 65th B-day

You will be automatically enrolled in Part A and Part B if receiving Social Security or Railroad Retirement Board (RRB) benefits at age 65, or after receiving Social Security disability benefits for 24 months.

You may complete your Medicare enrollment online (go to SSA.gov or go to your local SS office) **I'm also happy to assist with your Medicare enrollment.** You can email me at Cnamvar@advisornet.com or call (Christy Namvar) direct (612)436-3703.

Re: Medicare Penalties



Medicare Part B Penalty:

If you sign up late for Medicare Part B, you will have to pay a [late penalty](#) every month for the rest of your life, your monthly Part B premium will go up 10% for each full 12-month period that you could have had Medicare Part B but did not take it. You will pay this higher premium as long as you have Medicare Part B.

- **Medicare Part D Penalty:**

If you do not enroll into a Medicare Part D plan within 90 days of your IEP you will be assessed a 1% penalty if and when you do enroll. This penalty is based on the National Average (The 2018 Average for a Part d Plan is 35.02)

What if I'm going to continue working or have coverage under my Spouse's employer?



If you have “Credible” Health Insurance through your or your spouses Current employer and have no plans of retiring at 65 you can delay your Part B with no penalties.

Key word being ACTIVE you must be enrolled in a group plan of which either yourself or your spouse are “actively” employed.

NOTE: Employer must have a minimum of 20 employees enrolled in the Group.

Medicare Doesn't Cover Everything



Part A & B does NOT Cover

- Long-term or custodial care (help bathing, eating, dressing)
- Prescriptions
- Excess charges for services by doctor who don't accept Medicare assignment
- Routine Dental, vision and hearing and foot care
- Care received outside of the U.S., except for certain circumstances
- Eyeglass, contacts or hearing aids
- Non Emergency transportation
- Medicare does not have a max out of pocket.

In addition to Medicare:



Part C (Advantage Plan)

Also known as Medicare Advantage Plans managed by private insurance companies and approved by Medicare. Part C is typically a combination of Part A , Part B and could also include Part D.

Part D (Prescription Drug Plan)

Covers prescription drug coverage and is available to everyone with Medicare. It is a separate plan provided by private Medicare-approved companies or your Part D may be included in your Advantage Plan(Part C).

Veterans often decline Part D (no Penalties apply to Veterans, VA is considered “Credible Coverage”)

Medigap Also known as a Medicare Supplement. Helps to pay some or all of your medical cost. They are also portable, offering out of state coverage. You can mix and match a Supplement with a stand alone Part D plan.

Types of Medicare Advantage Plans



- **Health Maintenance Organization (HMO)**

HMO plans require that beneficiaries see health-care providers, doctors, and hospitals within the plan's network except in urgent and emergency situations. In some plans, known as HMO Point-of-Service (HMO-POS) plans, beneficiaries may be able to go out-of-network for certain services, but may have to pay a higher cost.

- **HMO Point of Service**

A point of service plan, is a type of managed care health insurance plan in the United States. It combines characteristics of the health maintenance organization (HMO) and the preferred provider organization (PPO). The POS is based on a managed care foundation—lower medical costs in exchange for more limited choice.

- **Private Fee For Service**

A Medicare Advantage Private Fee-for-Service plan, or PFFS, may be more flexible than some Medicare Advantage plans, both for you and for the plan itself. The PFFS plan, not Medicare, decides its payment structure in terms of how much you pay for a doctor visit, and how much providers get paid (within government-regulated limits).

- **Preferred Provides Organization**

PPO plans do not require that beneficiaries use in-network providers and do not require a referral to see a specialist.

- **Special Needs Plans**

A Medicare Special Needs Plan (SNP) is a Medicare Advantage plan created for individuals with specific needs in order to provide coordinated care. These plans have certain qualifications, expand and specialize coverage, and differ from traditional Medicare Advantage plans.

Switching to a Medicare Advantage Plan



- Cost-conscious individuals with a Cost Plan may benefit by considering a [Medicare Advantage Plan](#), also known as Medicare Part C. It includes all the benefits of Original Medicare and can also include extra features such as dental, vision, eyewear, hearing, wellness programs and Medicare Part D. The main difference from a Medicare Cost Plan is that you must use in-network providers for your care.
- One benefit of Medicare Advantage plans is that they include out-of-pocket limits. Original Medicare does not include an out-of-pocket spending maximum. This means that your copays or coinsurance can continue to add up with no limit. A Medicare Advantage plan does include such a cap. Because private companies offer Medicare Advantage plans, CMS rules require an out-of-pocket limit for plans between \$3,000 and \$6,700. Out of network Max could be higher.

Switching to a Medicare Supplement Plan



- If you're an individual who chose a Medicare Cost Plan so that your coverage is easily portable when traveling to other states, your best choice may be to switch to one of the [Medicare Supplement plans](#), also known as Medigap plans, that can also fully protect you when you're out of your coverage area.
- Medigap plans are similar to Medicare Cost Plans in several aspects, but there are some distinct differences. These plans are sold by private insurance companies and help fill in the holes that are left behind by Original Medicare (Parts A and B).
- Be aware that if you switch to a Medigap plan, you may need to purchase separate Part D coverage for your prescriptions, since these plans don't cover drug costs on their own.

Medicare Terminology



Premium

The amount of money charged by an insurance company for coverage. Typically this payment is made each month over the course of the year

Deductible

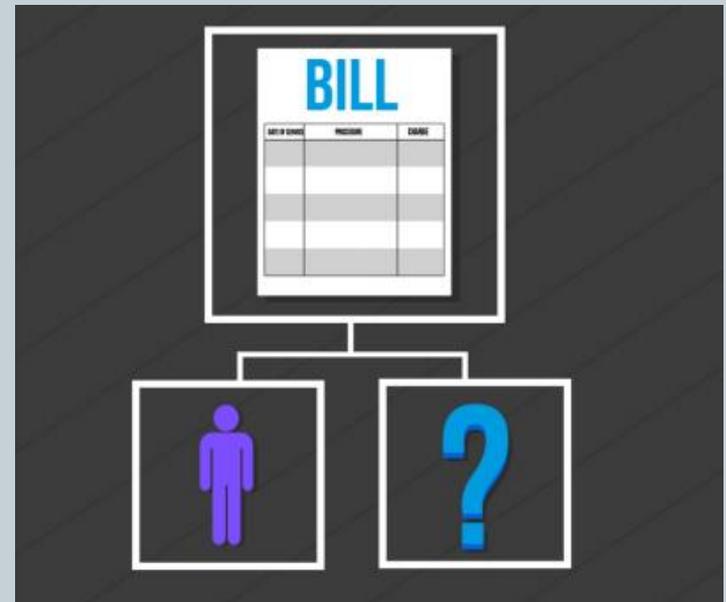
The amount you owe for health care services each year before your insurance company begins to pay

Copayments

The fixed amount that you pay for covered healthcare services. That amount can vary by type of covered care service. (for example, a doctors office or prescription drug)

Coinsurance

The percentage of medical bill that you pay for (for example 20 percent) and the percentage that the health plan pays (for example 80 percent) You pay co-insurance plus any deductible you owe for a covered health service



What Is A Cost Plan



- Medicare Cost Plans are similar to Medicare Advantage plans in some ways, but are different in other ways. Like a Medicare Advantage plan, a Medicare Cost Plan may provide benefits that Original Medicare doesn't, and like Original Medicare, it allows you access to out-of-network health care providers as long as you continue to have Medicare Part A and Part B.
- If you choose to go out of the plan's network, you may still be covered by Original Medicare. Your deductibles and coinsurance amounts may apply.

Are You Currently On A Cost Plan?



Current MN Based Cost Plans Include:

BCBS – Platinum Blue

Medica – Prime Solution

Health Partners - Freedom

Cost Plan Sunset



- As of 2019, 66 counties in Minnesota will no longer be offering Cost Plans.
- Based on current figures, insurance companies expect that Cost plans are going away in 66 counties across the state including those in the Twin Cities metro. They are expected to continue in 21 counties plus North Dakota, South Dakota and Wisconsin.

Counties Expected To Continue Cost Plans



Listed below are the counties that are expected to continue offering Cost Plan options. This has remained open due to a lack of other Medicare plan types. Those counties include:

Aitkin	Carlton	Cook
Itasca	Kanabec	Koochiching
Lake	Le Sueur	McLeod
Meeker	Mille Lacs	Pine
Pipestone	Rice	Rock
Sibley	Stevens	St. Louis
Goodhue	Traverse	Yellow Medicine

Can I Keep My Cost Plan in 2019?



If your county is not listed on the previous slide and you're enrolled in a Cost Plan, one of two situations will apply to you:

Effective January 1, 2019

Your current carrier may automatically enroll you in a Medicare plan similar to your current Cost Plan. You will also have a **guaranteed enrollment** opportunity this fall to choose a different plan for 2019 if you wish to do so

OR

If a similar Medicare plan is not available from your carrier, you will have **guaranteed enrollment** opportunities this fall to select another Medicare plan for 2019.

When Can I Change coverage?



Medicare will allow you to switch during the “**Open Enrollment**” period. This enrollment period typically occurs October 15th through December 7th

Every year

Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.

October 15 – December 7

Switch from Original Medicare (Parts A & B) to a Medicare

Advantage plan (Part C), or vice versa

Switch from one Medicare Advantage plan to another

Join, switch or drop a Medicare prescription drug plan (Part D)

New in 2019: Medicare Advantage Open Enrollment Period (OEP)



- Beginning January 1st 2019 OEP will take place annually from January 1st through March 31st annually. May Disenroll from an MA or MA-PD plan and return to original Medicare, change MA plans.

This eliminates the existing MA Disenrollment Period that currently takes place January 1st - February 14th.

How Can I Stay Up to Date About Changes That Effect Me?



There are no fee's for our services, you'll pay the same whether you enroll yourself or utilize our services.

Details about 2019 Medicare plans will become available on October 1, 2018 and the Annual Election Period (AEP) begins on October 15, 2018 ends December 7, 2018.

Why spend hours and hours researching all the different plans when you have a trusted resource to educate and advise you through all of the confusion.

If you're already working with an agent, call them right away to schedule an appointment. if not, feel free to call our office or email me directly at:

Email: cnamvar@advisornet.com

Phone: 612.436.3703

Important Resources:



AdvisorNet Insurance:

701 4th Avenue South Suite 1500

Minneapolis MN 55415

Phone: 800.643.5822

Email: Cnamvar@advisornet.com

<https://www.medicare.gov> Medicare

<https://www.ssa.gov> Social Security

Notes:

