



Welcome!

UNDERSTANDING MEDICARE
AND YOUR CHOICES

UNDERSTANDING MEDICARE AND YOUR RIGHTS AND OPTIONS

PRESENTATION

MEDICARE HEALTH INSURANCE

Name/Nombre
JOHN L SMITH

Medicare Number/Número de Medicare
1EG4-TE5-MK72

Entitled to/Con derecho a
HOSPITAL (PART A) **01-01-2020**
MEDICAL (PART B) **01-01-2020**

COVERAGE STARTS/COBERTURA EMPIEZA

Choosing a Medigap Policy:
A Guide to Health Insurance for People with Medicare

This official government guide has important information about:

- Medicare Supplement Insurance (Medigap) policies
- What Medigap policies cover
- Your rights to buy a Medigap policy
- How to buy a Medigap policy

Developed jointly by the Centers for Medicare & Medicaid Services (CMS) and the National Association of Insurance Commissioners (NAIC)

MEDICARE & YOU

THE OFFICIAL U.S. GOVERNMENT MEDICARE HANDBOOK



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UNDERSTANDING MEDICARE AND YOUR CHOICES

You will learn

- The Basics of Medicare and How it Works
- Your Entitlements according to Federal Law
- Your Rights, Options, and Choices
- Overview of Other Products That Can Help

Our team will help you navigate the confusing maze and unravel the mysteries of Medicare.



WHAT IS MEDICARE?

- A federal health insurance program enacted by Congress in July 1965 (under the Social Security Act) for those 65 and older
- Also for people under 65 with certain disabilities
- For people of any age with End-Stage Renal Disease (ESRD) or permanent kidney failure requiring dialysis or kidney transplant

MEDICAL EXPENSES IN RETIREMENT

What is the Reality?

- Medical expenses can be very costly for Seniors.
- For example, according to a 2022 survey, a 65-year-old couple with Medicare coverage retiring in 2022 may need an average of \$315,000 to cover medical expenses in retirement.

Source: Fidelity Benefits Consulting, Fidelity Viewpoints, August, 2022
<https://www.fidelity.com/viewpoints/personal-finance/plan-for-rising-health-care-costs>

THE 4 PARTS OF MEDICARE – MEDICARE ABC's



PART A

Hospital
Insurance

Federal



PART B

Medical
Insurance

Federal



PART C

Medicare
Advantage
Plan

Insurance
Company



PART D

Prescription
Drug
Coverage

Insurance
Company

PART A AND PART B (CALLED ORIGINAL MEDICARE)

Original Medicare only covers a portion of your hospital and medical expenses, but NOT ALL. Having Medicare alone may leave you exposed to paying hundreds if not thousands of dollars for your health coverage.

A Medicare Supplement insurance policy (known as Medicare Supplement or Med Supp policy) can help cover Medicare approved deductibles, coinsurance, copayments, and even the excess doctor charges that Medicare does not cover. Medicare Supplement insurance helps provide you with the freedom to choose any doctor or hospital that accepts Medicare.

We will review the Medicare Supplement insurance policies that may be available to you.

MEDICARE PART A

HOSPITAL COVERAGE

Part A is Hospital Insurance and covers costs associated with confinement in a hospital or skilled nursing facility.

*A benefit period begins on the first day you receive service as an inpatient and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

WHEN YOU ARE HOSPITALIZED* FOR:	MEDICARE COVERS	YOU PAY
1-60 DAYS	Most confinement costs <u>after</u> the required Medicare deductible	\$1,600 DEDUCTIBLE
61-90 DAYS	All eligible expenses <u>after</u> patient pays a per-day coinsurance	\$400 A DAY COINSURANCE as much as: \$12,000
91-150 DAYS	All eligible expenses <u>after</u> patient pays a per-day coinsurance (These are Lifetime Reserve Days that may never be used again)	\$800 A DAY COINSURANCE as much as: \$48,000
151 DAYS OR MORE	NOTHING	YOU PAY ALL COSTS
*SKILLED NURSING CONFINEMENT: Following an inpatient hospital stay of at least 3 days and enter a Medicare-approved skilled nursing facility within 30 days after hospital discharge and receive skilled nursing care	All eligible expenses for the first 20 days; then all eligible expenses for days 21-100 <u>after</u> patient pays a per-day coinsurance	After 20 days \$200 A DAY COINSURANCE as much as: \$16,000
HOSPICE CARE: Must meet Medicare's requirements, including a doctor's certification of terminal illness	All but very limited copayment for outpatient drugs and inpatient respite care	Medicare CO-PAYMENT
BLOOD	100% of approved amount <u>after</u> first 3 pints of blood.	First 3 pints

MEDICARE PART B

MEDICAL EXPENSES

Part B is Medical Insurance and covers physician services, outpatient care, tests, and supplies.

For 2023, Part B has a typical premium of \$164.90/month for most new enrollees that can be automatically deducted from your Social Security check. This premium is based on income and may be higher for some seniors.

ON EXPENSES INCURRED FOR:	MEDICARE COVERS	YOU PAY
ANNUAL DEDUCTIBLE	Incurred Expenses after the required Medicare deductible	\$226 ANNUAL DEDUCTIBLE
MEDICAL EXPENSES Physicians' services for inpatient and outpatient medical/surgical services; physical/speech therapy; and diagnostic tests	80% of approved amount	20% of approved amount*
EXCESS DOCTOR CHARGES** <i>(Above Medicare Approved Amounts)</i>	0% above approved amount	ALL COSTS
CLINICAL LABORATORY SERVICES	Generally 100% of approved amount	Nothing for services
HOME HEALTHCARE	100% of approved amount; 80% of approved amount for durable medical equipment	Nothing for services; 20% of approved amount* for durable medical equipment
OUTPATIENT HOSPITAL TREATMENT	Medicare payment to hospital, based on outpatient procedure payment rates	Coinsurance based on outpatient payment rates
BLOOD	80% of approved amount after first 3 pints of blood.	First 3 pints plus 20% of approved amount for additional pints

*On all Medicare-covered expenses, a doctor or other healthcare provider may agree to accept Medicare assignment. This means the patient will not be required to pay any expense in excess of Medicare's approved charge. The patient pays only 20% of the approved charge.

**Physicians who do not accept assignment of a Medicare claim are limited as to the amount they can charge for a covered service. In 2023, the most a nonparticipating physician can charge for a service covered by Medicare is 115% of the approved amount (may vary by state). *Note: In New York, the most a nonparticipating physician can charge for services covered by Medicare is 105% of the approved amount. For routine office visits covered by Medicare, a nonparticipating New York physician can charge up to 115% of the fee schedule amount.*

MEDICARE ADVANTAGE PLANS

PART C

- Medicare Advantage (MA) plans are one year contracts with the Federal Government and are administered by private insurance companies to provide coverage to Medicare beneficiaries.
- The MA out-of-pocket limit is \$8,300 (in-network cost sharing) and \$12,450 (in-network and out-of-network cost sharing combined) in 2023*.
- The Part B premium will still need to be paid.
- Some MA plans can include the Part D (Rx plan) and they are called MAPD plans.

MEDICARE ADVANTAGE PLANS

PART C

(Continued)

- MA plans **MUST** cover all of the services that Original Medicare covers. They may also have additional benefits beyond Original Medicare for those who qualify.
- Each MA plan can charge different out-of-pocket costs and have different rules for obtaining services, such as required referrals for specialists, or utilizing only doctors and hospitals in the Plan network.
- Providers can join or leave a plan anytime during the year, and your plan can change network providers anytime.

MEDICARE ADVANTAGE PLANS

PART C

(Continued)

- Plans may change and benefits can change annually.
- You do have the 'Right and Option' each year during the Annual Election Period (AEP) or Medicare Advantage Open Enrollment Period (OEP) to keep your plan, choose a different plan, or switch back to Original Medicare and apply for a Medicare Supplement policy.
- Types of MA plans include:
PPOs (*Preferred Provider Organizations*),
HMOs (*Health Maintenance Organizations*),
PFFS (*Private Fee-for-Services*), and
SNPs (*Special Needs Plans*), to name a few.

MEDICARE ADVANTAGE vs. MEDICARE SUPPLEMENT

PAID BY SENIOR



COINSURANCE



DEDUCTIBLES



**OTHER OUT-OF-POCKET
EXPENSES**

- Additional Benefits for those who qualify
- Most plans pay In-Network ONLY
- NOT Guaranteed Renewable
- Doctor may leave network
- Hospital may leave network
- Carrier may pull out
- Senior may lose coverage

**MEDICARE SUPPLEMENT
INSURANCE POLICY**



PRESCRIPTION DRUG PLANS

PART D



**SIGN UP BY GOING TO
WWW.MEDICARE.GOV**

IMPORTANT QUESTIONS TO ASK YOURSELF IN CHOOSING YOUR MEDICARE OPTIONS:

- How is my health and what will it be like in the future?
- Do I want freedom and flexibility in my plan?
- Can I choose any doctor or hospital in the USA?*
- What is the experience and rating of the company?
- What is the carrier's rate stability if I choose a Medicare Supplement insurance policy?
- What is my monthly or annual budget for coverage?
- What is the level of customer service I will receive?



*That accepts Medicare

WHY CHOOSE A MEDICARE SUPPLEMENT INSURANCE POLICY?

**GUARANTEED
RENEWABLE FOR
LIFE***



**NO
NETWORKS**

* As long as premiums are paid on time and there is no material misrepresentation on the application

FREEDOM TO CHOOSE



Any doctor

Any hospital

Any specialist

that accepts Medicare

No approval process to see a specialist

WHY CHOOSE A MEDICARE SUPPLEMENT INSURANCE POLICY?

NATIONWIDE COVERAGE



PROCARE[®] MEDICARE SUPPLEMENT INSURANCE PLANS

Basic Benefits	Plan A	Plan B	Plan D	Plan G	Plan HDG	Plan K	Plan L	Plan N	Plan C	Plan F	Plan HDF
Hospitalization (Part A Coinsurance)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Medical Expenses (Part B Coinsurance)	100%	100%	100%	100%	100%	50%	75%	Copay	100%	100%	100%
Blood	✓	✓	✓	✓	✓	50%	75%	✓	✓	✓	✓
Hospice	✓	✓	✓	✓	✓	50%	75%	✓	✓	✓	✓
Skilled Nursing Facility Coinsurance			✓	✓	✓	50%	75%	✓	✓	✓	✓
Part A Deductible – \$1,600		✓	✓	✓	✓	50%	75%	✓	✓	✓	✓
Part B Deductible – \$226									✓	✓	✓
Excess Doctor Charges				100%	100%					100%	100%
Foreign Travel Emergency			80%	80%	80%			80%	80%	80%	80%
Calendar-Year Deductible, or Out-of-pocket Annual Limit				\$226	\$2,700	\$6,940	\$3,310				\$2,700

*Premium varies based on Medicare Supplement Plan selected

Only available to applicants eligible for Medicare prior to January 1, 2020

PROCARE[®] MEDICARE SUPPLEMENT INSURANCE PLAN G

Basic Benefits	Plan G
Hospitalization (Part A Coinsurance)	✓
Medical Expenses (Part B Coinsurance)	100%
Blood	✓
Hospice	✓
Skilled Nursing Facility Coinsurance	✓
Part A Deductible – \$1,600	✓
Part B Deductible – \$226	
Excess Doctor Charges	100%
Foreign Travel Emergency	80%
Calendar-Year Deductible, or Out-of-Pocket Annual Limit	\$226

Excess Doctor Charges

*Pays 100% of Medicare-eligible
excess charges*

Foreign Travel Emergency*

Pays 80% after \$250 deductible

* For care initiated within first 60 days of trip.

PROCARE[®] MEDICARE SUPPLEMENT INSURANCE PLAN HIGH DEDUCTIBLE PLAN G (HDG)

Basic Benefits	Plan HDG
Hospitalization (Part A Coinsurance)	✓
Medical Expenses (Part B Coinsurance)	100%
Blood	✓
Hospice	✓
Skilled Nursing Facility Coinsurance	✓
Part A Deductible – \$1,600	✓
Part B Deductible – \$226	
Excess Doctor Charges	100%
Foreign Travel Emergency	80%
Calendar-Year Deductible, or Out-of-Pocket Annual Limit	\$2,700

Benefits begin after out-of-pocket expenses exceed calendar-year deductible

PROCARE[®] MEDICARE SUPPLEMENT INSURANCE PLAN F*

Basic Benefits	Plan F*
Hospitalization (Part A Coinsurance)	✓
Medical Expenses (Part B Coinsurance)	100%
Blood	✓
Hospice	✓
Skilled Nursing Facility Coinsurance	✓
Part A Deductible – \$1,600	✓
Part B Deductible – \$226	✓
Excess Doctor Charges	100%
Foreign Travel Emergency	80%
Calendar-Year Deductible, or Out-of-Pocket Annual Limit	

Excess Doctor Charges

*Pays 100% of Medicare-eligible
excess charges*

Foreign Travel Emergency**

Pays 80% after \$250 deductible

***Only available to applicants eligible for Medicare prior to January 1, 2020**

** For care initiated within first 60 days of trip.

PROCARE[®] MEDICARE SUPPLEMENT INSURANCE PLAN HIGH DEDUCTIBLE PLAN F (HDF)*

Basic Benefits	Plan HDF*
Hospitalization (Part A Coinsurance)	✓
Medical Expenses (Part B Coinsurance)	100%
Blood	✓
Hospice	✓
Skilled Nursing Facility Coinsurance	✓
Part A Deductible – \$1,600	✓
Part B Deductible – \$226	✓
Excess Doctor Charges	100%
Foreign Travel Emergency	80%
Calendar-Year Deductible, or Out-of-Pocket Annual Limit	\$2,700

Benefits begin after out-of-pocket expenses exceed calendar-year deductible

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PLAN HDG CLAIM EXAMPLE

(FOR ILLUSTRATIVE PURPOSES ONLY)

What happens when a Senior with a HDG policy has a Part B claim, after paying the annual Part B deductible?

Total approved Part B Doctor Claim

\$100

Medicare's 80% of Approved Charge

\$80

Customer's 20% of Approved Charge

\$20

After deductible is met, Senior owes

\$0*

* Policyholder must pay their HDG premiums and meet HDG calendar-year deductible of \$2,700 in 2023 before benefits begin.

WHY THE HDG PLAN MAKES SENSE

Do you have a \$0 deductible on your

Auto Insurance Policy?

Homeowner Policy?

Major Medical Plan?

(prior to turning age 65)

Why pay extra money for a \$0 deductible on a Medicare Supplement Insurance Policy?



PREMIUM SAVINGS EXAMPLE ON OUR ECONOMICAL PLAN

How HDG may be appropriate coverage for Seniors willing to have a high annual deductible for lower premium

Our Plan G monthly premium*

Our Plan HDG monthly premium*

Monthly Premium Savings

12 Months

Annual Premium Savings*

Combined Annual Premium Savings*

HUSBAND

\$209

- \$37

\$172

× 12

\$2,064

WIFE

\$187

- \$33

\$154

× 12

\$1,848

\$3,912

* 2021 ProCare® Medicare Supplement Insurance Policy, National Average based on Plan G and HDG experience, Age 65, Nonsmoker; Example assumes no rate increases on either plan; Policyholder must meet HDG calendar-year deductible \$2,700 in 2023 before benefits begin.

**Would you pay
\$2,064 or more per year
to cover a possible loss of \$2,700*?**

**Ask yourself, how many times did you see your
doctor last year?**

* HDG Calendar-year deductible \$2,700 in 2023

PROCARE[®] MEDICARE SUPPLEMENT INSURANCE PLANS

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Hospice	✓	✓	✓	✓	✓	50%	75%	✓	✓	✓	✓
Skilled Nursing Facility Coinsurance			✓	✓	✓	50%	75%	✓	✓	✓	✓
Part A Deductible – \$1,600		✓	✓	✓	✓	50%	75%	✓	✓	✓	✓
Part B Deductible – \$226									✓	✓	✓
Excess Doctor Charges				100%	100%					100%	100%
Foreign Travel Emergency			80%	80%	80%			80%	80%	80%	80%
Calendar-Year Deductible, or Out-of-pocket Annual Limit				\$226	\$2,700	\$6,940	\$3,470				\$2,700

*Premium varies based on Medicare Supplement Plan selected

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Contact us

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Get a **FREE** version of the **Medicare & You 2023 Handbook**

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