



**Mary Washington**  
Medicare Advantage

# Medicare Education Series:

## How to Be a Savvy Medicare Shopper

# A Note About This Presentation

- Mary Washington Medicare Advantage is an HMO plan with a Medicare contract. Enrollment in Mary Washington Medicare Advantage depends on contract renewal.
- Mary Washington Medicare Advantage complies with all applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex.
- ATENCIÓN: Si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 844.529.3760 (TTY: 711).주의: 한국어를 사용하시는 경우, 언어 지원 서비스를 무료로 이용하실 수 있습니다. 844.529.3760 번 (TTY: 711번)으로 전화하십시오.
- Every year, Medicare evaluates plans based on a 5-star rating system.\*

\*Please note that Star ratings do not apply until year three of plan operation. Therefore, Mary Washington Medicare Advantage currently has no Star ratings information.



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# Agenda

- Getting Started
- Medicare Basics
- Common Medicare Options
- Comparing Your Options
- How to Make the Right Choice
- What to Look for in a Company
- Encouragement



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# Medicare Enrollment Periods

## Annual Enrollment Period (AEP)

- October 15-December 7
- Anyone can make a change during this time

## Open Enrollment Period (OEP)

- January 1-March 31
- Limited to Medicare Advantage enrollees
- Can make a one-time election to leave current plan and switch to another Medicare Advantage plan or Original Medicare
- Can add or drop Part D coverage

## Initial Enrollment Period (IEP)

- For people turning 65 or who are otherwise first eligible for Medicare benefits
- Seven-month window begins three months before your birth/eligibility month and ends three months after

## Special Enrollment Period (SEP)

- In certain special cases, as defined by CMS, people may enroll in a plan outside of regular enrollment periods. Examples include things like if you move out of your plan's service area, leave your job, lose employer or union coverage, or you enter, live at, or leave a long-term care facility.

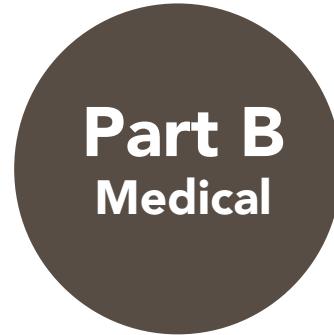


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# The Basics: Your Medicare Options

- Medicare consists of four different parts, which include:



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# Original Medicare—Part A (Hospital)

- Helps pay for medically necessary care that requires a stay in the hospital or stays at skilled nursing facilities, hospice care for the terminally ill, and some skilled home healthcare.
- Part A coverage is free if you or your spouse have made payroll contributions to Social Security for at least 40 quarters (10 years).
- Your Part A coverage comes with a deductible per hospital stay for each benefit period: \$1,408.
- A benefit period starts when you are admitted to the hospital and ends when you have been out of the hospital for 60 days in a row.
- If you are in the hospital longer than 60 days, you will then pay a copay per day of \$352. After 90 days, you will pay \$704 per each lifetime reserve day for each benefit period (up to 60 days over your lifetime). Beyond your lifetime reserve days, you are required to pay all of your hospital-related costs.
- There is **no annual limit** for what you pay out of your own pocket.



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# Original Medicare—Part B (Medical)

- Helps pay for medical care, including doctor office visits, lab tests and screenings, some skilled nursing care at home, as well as the doctor services you receive when you are in the hospital.
- When you enroll in Part B, you are required to pay a monthly premium of \$144.60.
  - Premiums are adjusted based on your income—with higher-income beneficiaries being required to pay higher premiums.
- Once your Part B deductible (\$198) is met, Medicare will typically cover about **80 percent of your medical care costs**.
- You will still be responsible for the majority of your prescription drug costs, as well as other costs such as dental and vision.
- There is **no annual limit** for what you pay out of your own pocket.

The numbers listed on slides 6 and 7 can be found on [medicare.gov](https://www.medicare.gov) and [cms.gov](https://www.cms.gov).



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# Medicare Supplements (Medigap)

- To make up for the costs that Medicare Parts A and B don't cover, many people seek out other options. One of those options is to purchase a Medicare supplement from a private insurance company. These can also be referred to as Medigap policies.
- There are several different types of supplements to choose from. Cost sharing and premiums vary depending on the type of plan you choose. As a general rule, the more generous the coverage, the higher the premium.
- You will be required to pay monthly premiums for this coverage in addition to your Part B premium.
  - Premiums can be higher based on your age when you enroll, any pre-existing medical conditions you might have, or tobacco use.
  - Premiums can increase over time.
- You will still be responsible for the majority of your prescription drug costs and other healthcare costs such as dental and vision.



# Part D Drug Plans

- Part D prescription drug plans (PDPs) are offered by private insurance companies and require you to pay a monthly premium in addition to your Part B and your supplemental insurance premiums.
- You might have to pay additional premiums if your income is over a certain amount, and some plans may also include a deductible.
- Premiums are subject to change each year.
- You can also be subject to a **late enrollment penalty** if, at any time after your initial enrollment period is over, there's a period of 63 or more days in a row when you don't have Part D or other creditable prescription drug coverage.



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# Medicare Advantage Plans—Part C

- Medicare Advantage plans are a popular option among Medicare recipients who want a simpler way to get the comprehensive coverage they need and also want to lower their out-of-pocket costs.
- They are offered by private companies paid by the government to administer your Medicare benefits.
- Medicare Advantage plans can simplify the process of getting the coverage you need by including all the parts of Medicare in a single plan:



## **Plus potential extras that Original Medicare doesn't offer:**

- Dental
- Vision
- Hearing
- Fitness Club Membership

- Medicare Advantage plans also include maximum out-of-pocket protection, which limits the total amount you pay out of pocket for medical care during the year—important protection not offered by Original Medicare.



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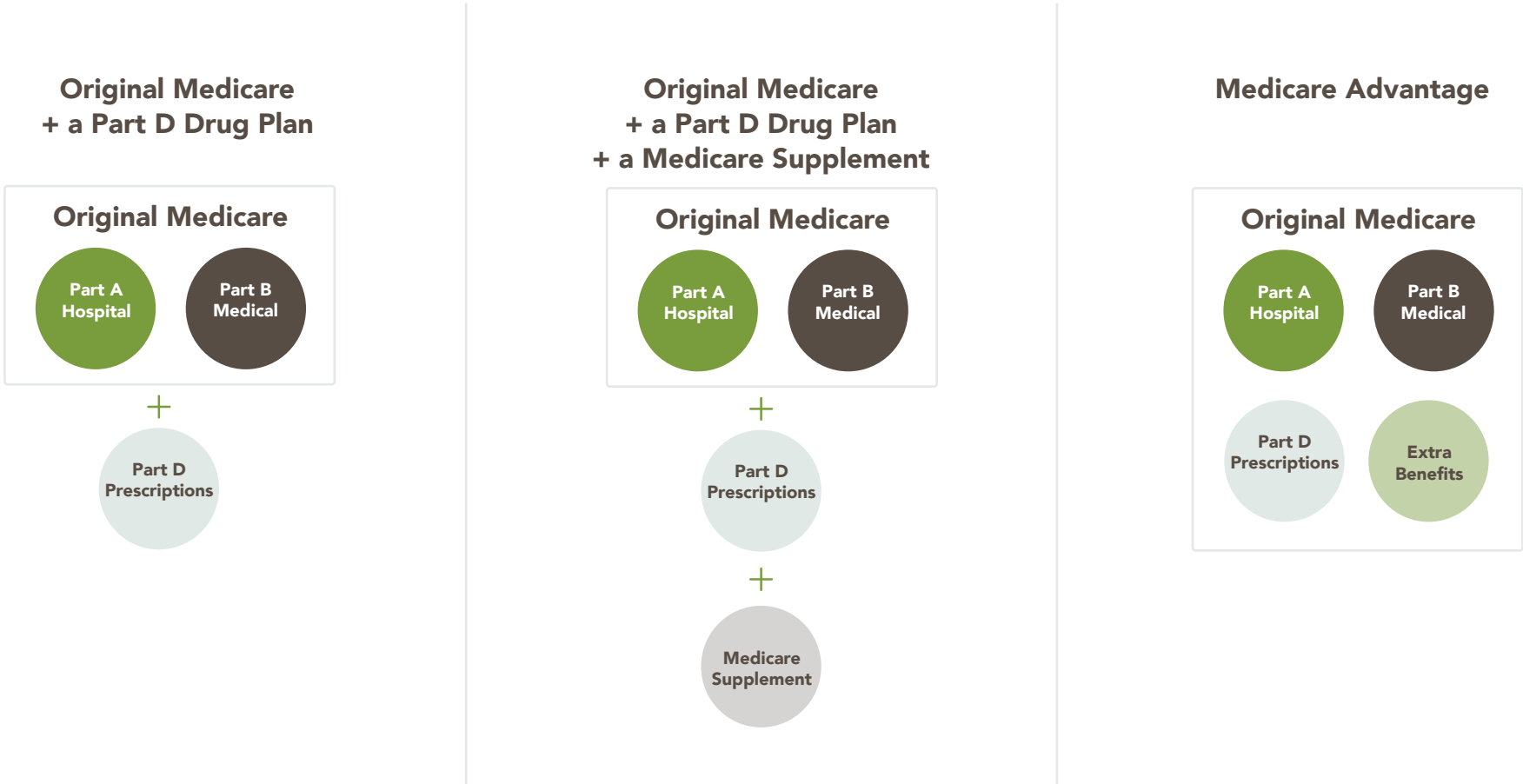
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# Understanding the Common Medicare Options

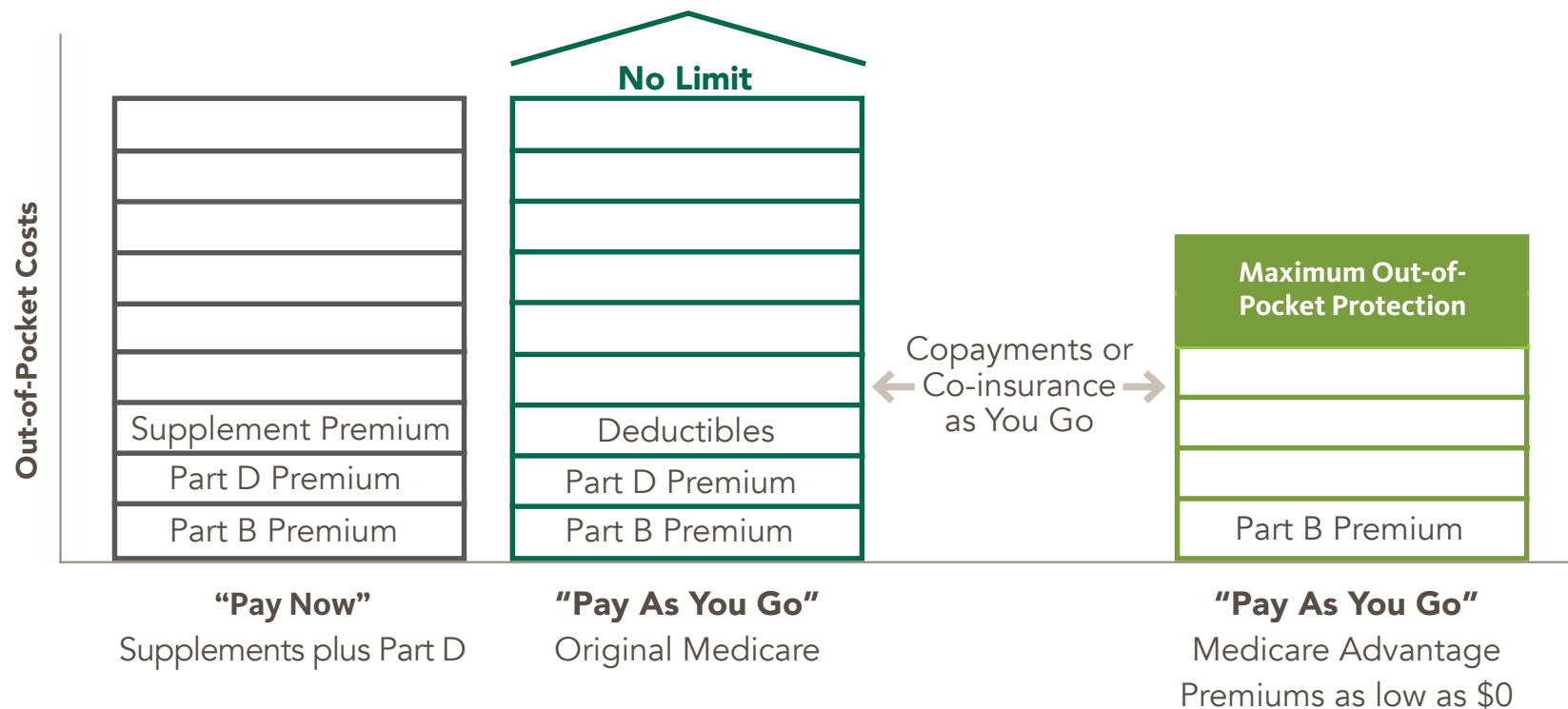
# Medicare Advantage Plans—Part C

Because Original Medicare only covers 80 percent of your medical costs and does not include prescription drug coverage, most people choose additional coverage through these options.



# What you pay and when you pay depends on which option you choose.

- Your total out-of-pocket costs and when you incur them is quite different between Original Medicare, Medicare supplements, and Medicare Advantage plans.
- Most people use a **"Pay Now"** vs. **"Pay as You Go"** analogy to compare them.



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# How to Compare Your Medicare Options

# Pros & Cons—Original Medicare + Part D

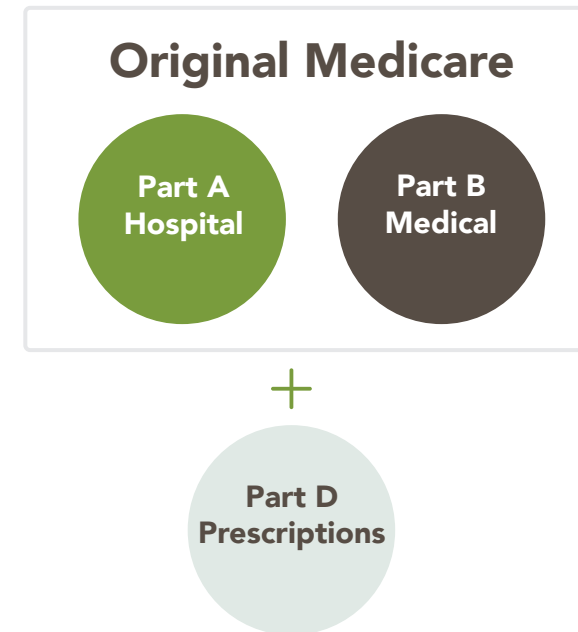
## Pros

- You can see any doctor who accepts Medicare.
- You don't need a referral or prior authorization.

## Cons

- You will pay an additional premium for Part D drug coverage on top of your Part B premium.
- You are at risk of paying the 20 percent of your medical costs that Original Medicare doesn't cover.
- No cap on out-of-pocket costs.
- Not covered for dental, vision, or other extra benefits.

## Original Medicare + a Part D Drug Plan



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# Pros & Cons—Original Medicare + Part D + Supplement

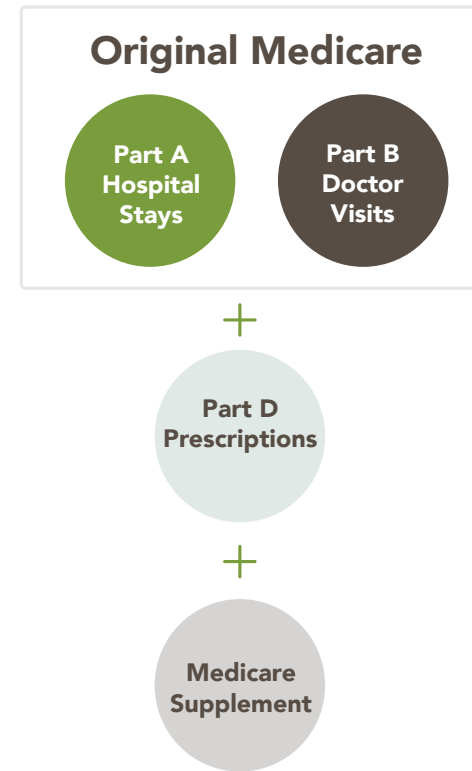
## Pros

- You can see any doctor who accepts Medicare.
- You don't need a referral or prior authorization.
- You are covered for the 20 percent that Original Medicare doesn't cover.

## Cons

- You must pay a premium for your Part D coverage.
- You must pay a premium for your supplement coverage in addition to your Part B premium.
- You are dealing with multiple companies.
- You are paying for healthcare you may never use.
- Not covered for dental, vision, or other extra benefits.

**Original Medicare  
+ a Part D Drug Plan  
+ a Medicare Supplement**



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# Pros & Cons—Medicare Advantage

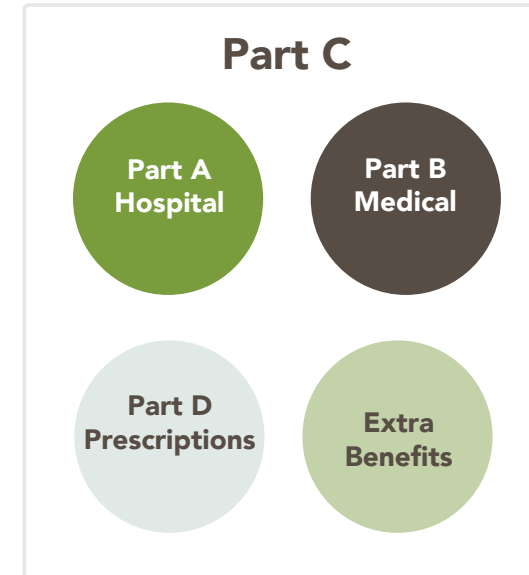
## Pros

- You can get all your coverage, including Part D drug coverage, with one plan from one company.
- These plans cover the 20 percent that Original Medicare doesn't.
- Some plans offer coverage for as low as a \$0 premium.
- Many include extra benefits that Original Medicare or supplements don't, such as dental and vision coverage.
- They provide financial protection by capping what you have to pay out of your own pocket in a given year.
- With \$0 or low-premium plans, you only pay for what you use via copays or co-insurance.

## Cons

- For routine care, you typically must see doctors within the plan's network (urgent or emergency care is the exception).
- Most plans require referrals and prior authorizations.

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# How to Make the Right Choice

# The option you choose depends on what's important to you.

## **Original Medicare + Part D Plan**

### **Value of Physician Choice**

- You have the freedom to go to any doctor who accepts Medicare, but you have to pay for that freedom with a 20 percent co-insurance.
- An unexpected illness or injury could put a dent in your savings/retirement since your out-of-pocket costs are not capped.

## **Original Medicare + Part D Plan + Supplement**

### **Value of Physician Choice and Reduced Risk**

- Supplements provide the freedom to go to any doctor who accepts Medicare. These plans limit your exposure to risk, but the coverage can be costly.



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# The option you choose depends on what's important to you.

## Medicare Advantage

### Value of Expanded Benefits and Lower Costs

- With Medicare Advantage, you are covered for the 20 percent of costs that Original Medicare doesn't cover. Plus, Medicare Advantage plans often include Part D drug coverage and extra benefits like dental and vision.
- These plans protect your savings by capping what you have to pay out of pocket each year.
- Many have a low or \$0 premium; you pay copays or co-insurance for the services you use.



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# What to Look for When Shopping

# What to Look for When Shopping

Compare your current health plan with other options by reviewing the following:

## **If you have Original Medicare + a Part D plan:**

- Check your current plan and consider looking at alternative Part D plans that may be less expensive, **OR**
- Consider Medicare Advantage plans that have \$0 premiums and include Part D drug coverage.



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# What to Look for When Shopping

## **If you have a supplement:**

- Check and add up the premium you paid for your supplement, your Part D plan, and your Part B coverage.
- Look at the healthcare you received over the year and determine if you feel you got what you paid for.
- If not, you may want to consider Medicare Advantage plans that have \$0 premiums and include Part D drug coverage.



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# What to Look for When Shopping

## If you have a Medicare Advantage plan:

- Check your Annual Notice of Change (ANOC) to see if your benefits have changed. You should receive this in late September.
- Compare premiums, doctor and hospital copays, and MOOPs (maximum out-of-pocket limits) to other Medicare Advantage plans available in the area. The **Plan Finder** tool on [medicare.gov](https://www.medicare.gov) is a useful resource to compare different plans.
- Check to make sure that your doctors are in network with any plans you might be considering.



# A Little Encouragement ...

- The great thing about Medicare is that you have choices. The confusing thing about Medicare is that you have ... choices.
- Don't let it overwhelm you, and don't feel bad if you don't understand every detail. Everyone is in the same boat.
- By using the information we shared with you today, you are way ahead of the game.
- However, when armed with just a little bit of knowledge and by taking just a little bit of time to do some basic research, you could find a Medicare plan that could:
  - Save you thousands of dollars a year on medical costs and prescription drugs
  - Better protect your savings and retirement
  - Get you access to better healthcare



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Thank You!