

So, You have Medicare, Now What?

Medicare and You

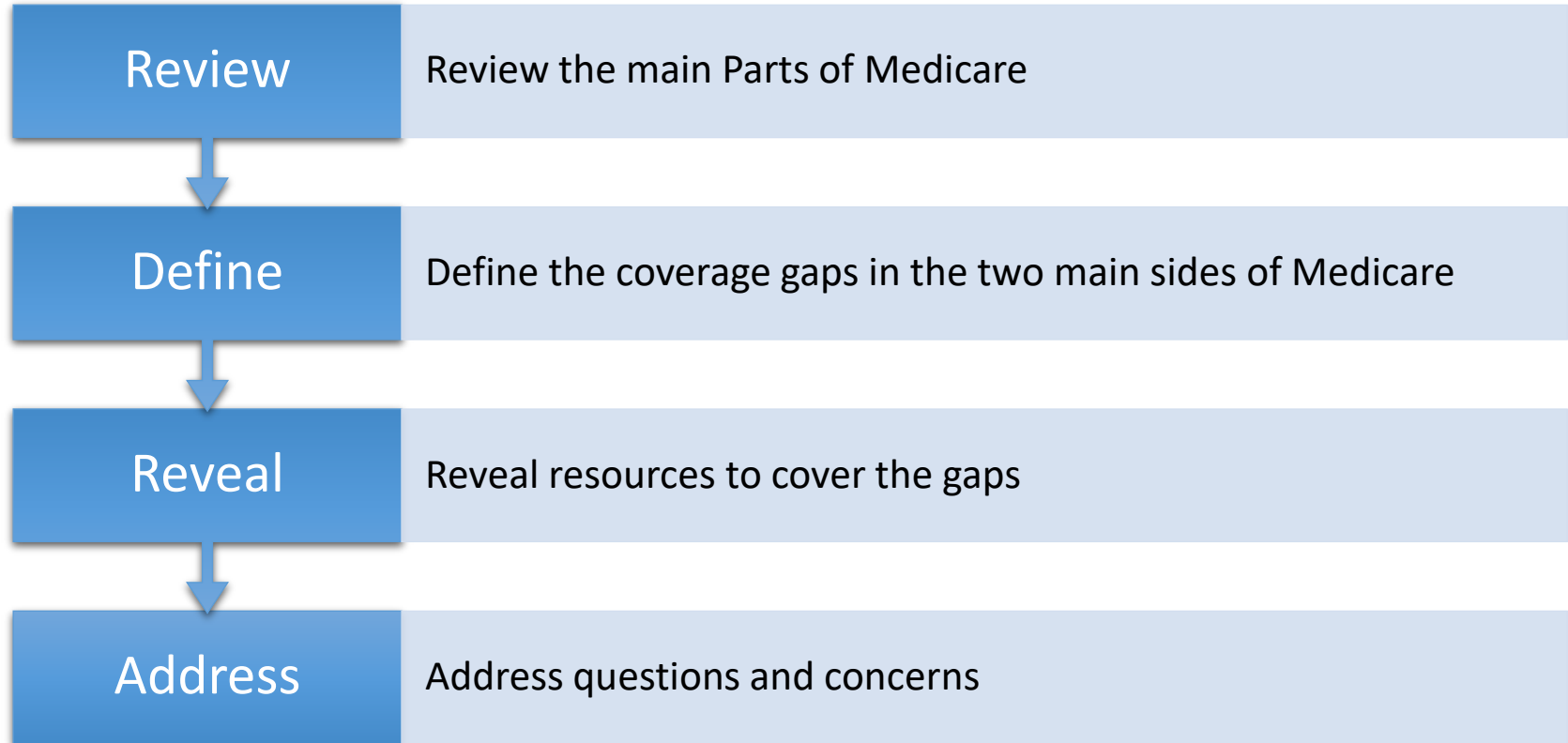
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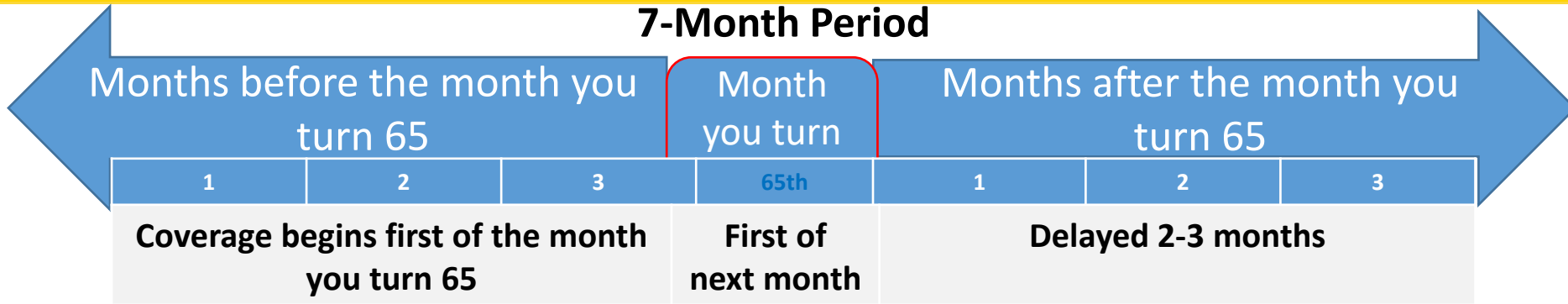
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*This presentation is for educational purposes only
Guidelines and plans may vary from State to State*

The Goals of this Presentation; Today, we will...



Medicare Initial Enrollment Period (IEP)



During your IEP you can enroll/join

- ✓ Part A
- ✓ Part B
- ✓ Part C (if you have Part A and Part B)
- ✓ Part D (if you have Part A and/or Part B)
- ✓ Medigap policy (if you have Part A and Part B)

**No late
enrollment
penalties**

We are now in OEP (January 1-March 31)

Let's Review; What are the 4 Parts of Medicare?

Throughout this training, these icons are used to identify the part of Medicare being discussed.

Original Medicare



Part A
Hospital Insurance



Part B
Medical Insurance

Medicare Advantage Part C



Part A



Part B



Part D
(Usually)

Medicare Prescription Drug Coverage



Part D
Medicare
prescription drug
coverage

Medicare Drug Plan Costs—What You Pay In 2021



Part D
Medicare
prescription
drug coverage

- **Yearly deductible** (if applicable)
- **Copayments or coinsurance**
 - Varies by plan, pharmacy, which drugs you are prescribed
 - Pay regular copayment or coinsurance until you and your drug plan have spent a certain amount of money for covered drugs (4,130) and you reach the **Coverage Gap**
 - You pay 25% for covered brand-name drugs in the coverage gap
 - You pay 25% for covered generic drugs in the coverage gap
 - Very little after spending \$6,550 out-of-pocket (out of the Coverage Gap)
- **Monthly plan premium**
 - The Income Adjustment Monthly Amount (IRMAA) applies (see next slide)

Part D Cost Considerations



Part D
Medicare
prescription
drug coverage

- Plans have formularies (lists of covered drugs)
 - Must include range of drugs in each category
 - Include generic and brand-name drugs
- You can choose a plan and join
 - May pay a lifetime penalty if you join later and didn't have creditable coverage (no more than a 63-day gap)
- Costs vary by plan
- There's Extra Help to pay Part D costs if you have limited income and resources

“Did you know that every drug in America has to have a drug discount program- the trick is finding it!”

NAHU National Association of Health Underwriters - National Conference 2020

RX Resources

www.Blinkhealth.com

www.honeybeehealth.com

www.rxoutreach.org

www.rxcut.com

www.goodrx.com

www.needymeds.com

- * try 90day meds from Canada
- Try conducting a Google search with the name of your drug and the keywords “generic, coupons, discounts, trials, Canada, international”
- Check with my friend Marty Portnoy at www.yousaveonmeds.com or 888-949-0076 for assistance with Rx pricing for expensive or specialty drugs

For Diabetics www.northcoastmed.com

Let's look at the gap of original medicare with a supplement

Original Medicare



Part A

Hospital Insurance



Part B

Medical Insurance

Medicare Advantage Part C



Part A



Part B



Part D
(Usually)

Medicare Prescription Drug Coverage



Part D
Medicare
prescription drug
coverage

Original Medicare: What does Part B Cover?



Part B
Medical Insurance

Part B—Medical Insurance helps cover medically necessary

- ✓ Doctors' services
- ✓ Outpatient medical and surgical services and supplies
- ✓ Clinical lab tests
- ✓ Durable medical equipment (may need to use certain suppliers)
- ✓ Diabetic testing supplies
- ✓ Preventive services (like flu shots and a yearly wellness visit)
- ✓ Home health care

Rehab/Skilled Nursing Facility (SNF)



Part A

Hospital Insurance



Part B

Medical Insurance

- If you have Medicare Advantage Plan it offers short term rehabilitation in a skilled nursing facility.
- If you have Original Medicare with a Supplement or Medicare Advantage CUSTODIAL CARE IS NOT COVERED.
- If you have Original Medicare with a supplement, pay attention...
 1. When you are hospitalized as **inpatient**, you are covered under Part A.
 2. When you are hospitalized as **observation**, you are covered under Part B.
 3. The **observation** designation can be expensive for those with a Medicare Supplement when transitioned to a Rehab/Skilled Nursing Facility avg. \$26,000 upfront- Dan Rather CBS News 2016

Your 2 Main Medicare Coverage Choices

Option 1: Original Medicare

This includes Part A and/or Part B.



Part A

Hospital Insurance



Part B

Medical Insurance

You can add:



Part D

Medicare prescription drug coverage

You can also add:



Medigap

Medicare Supplement Insurance\

(Does not include any extras)

Option 2: Medicare Advantage (Part C)

These plans are like HMOs or PPOs and typically include Part D.



Part A

Hospital Insurance



Part B

Medical Insurance



Part D

Medicare prescription drug coverage

(Includes Extras)

What are the Extras?

Option 1: Original Medicare plus supplements

Extras are NOT included

- Dental
- Vision
- Hearing
- Over the Counter
- Gym Membership
- Meal Delivery
- Transportation

Option 2: Medicare Advantage (Part C)

Extras ARE included depending on your Plan Choice

- Dental
- Vision
- Hearing
- Over the Counter
- Gym Membership
- Meal Delivery
- Transportation

Dental, Vision and Hearing Savings

“ Almost 2/3 of Medicare beneficiaries, that’s (65%), or nearly 37 million people do not have dental coverage...
Almost 1 in 5 Medicare beneficiaries who use dental services spent more the \$1000 out of pocket on dental care.”

KFF Kaiser Family Foundation 2016

- Did you know that you can have more than one plan for Dental, Vision and Hearing Insurance ?
- Yes, you can have a combination of plans for Dental, Vision and Hearing
- There are differences between a “ up to policy “ and an “indemnity” policy.

What are the most expensive areas not fully covered by Medicare?

- Homecare (Recovery at Home)
- Long Term Care
- Cancer

Home Health Care Coverage

CMS defines Home Health
Care Coverage as:



Part A
Hospital Insurance

- Home Health Care is required part time or intermittent skilled services.
- Certain rules apply – purely custodial care is NOT covered.
- Hospice Care is available for terminally ill patients – focus is on comfort and pain relief.

What this really means is...

- Since 2013, Medicare has been cut by \$716 Billion to fund the Affordable Care Act.
- In 2013, \$76 Billion and counting has been cut from the Medicare home health care budget
- 2020 cuts have resulted in a loss of Medicare Homecare Providers due to the restricted reimbursement from Medicare
- Typically, Medicare at home is a 21 day episode with a RN initial visit, unless you need wound care or an infusion, and twice a week visits for 28 minutes each with a physical therapist; you must be homebound and you must show improvement
- “70% of all Nursing Homes don’t believe they have the funds to make it another year” Senior Marketing Service 1/6/2021

One could deduce...**The amount of money earmarked for Home Healthcare from Medicare will continue to decline and the need for funding Home Healthcare will increase...Thus, a huge gap!**

How is Ancillary/Additional Insurance filling this gap?

- Short Term Home Health Care policies that pay “up to” or indemnity (these plans pay you directly)
- Plans can pay day 1 without any elimination period and up to 360 days with restoration of benefits
- ” Relaxed Underwriting” (The health questions are not as stringent as Long- term care and Life insurance)
- Some of these plans can pay for services in addition to what is already covered by Medicare
- Some of the plans will give you a reimbursement for RX receipts every year up to \$600 a plan
- You can have more than one plan and many over age 65 do this (However plans can begin as early as age 40)
- Depending on age, state and medications, you could attain \$0 net cost plans with restoration up to \$278,000 in benefits for a combination of skilled care and custodial care

Medicare Does NOT Cover Custodial Care –Short Term Home Health Care Plans Do

Long Term Care

Long Term is defined as needing to have care for more than 90 days. (If it's less than that, it is considered short term care)

“Average stay in a nursing home is between 3.7 and 4.3 years...when it's a couple, one will need Long Term Care.” AARP

- Long term care can cover extended in home care, adult day care, assisted living and nursing home care
- Long Term care funding sources; VA, Medicaid, Your Pocket, or Private Plan defined as traditional Long-Term Insurance, Life insurance, and Annuities
- Traditional long term care insurance has a typical 90 – 100 day elimination period (the wait before the policy starts to pay)
- For the past two decades, the #1 reason people plan for Long Term Care is... They do NOT want to be a burden on their spouse or children

How does Medicare handle the big C?

****Medicare Advantage Plans have a 20% copay up to their plans Maximum out of Pocket****

- The latest and greatest Cancer drugs are typically not covered under part D or are listed in the highest expense category
- Medicare provides biopsies for DNA (genome sequencing) at Stages 3 and 4 yet only test 400 genomes
- Medicare does not pay for travel, all providers are limited to your plan, Concierge is not covered, alternative medicine is not covered, custodial care is NOT covered
- Hospice is available when their Hospitalist and your Dr agree you could expire within 6 months (you must show a decline)

How is Ancillary/Additional Insurance filling this gap?

“In 2020 an estimated 1.8 million new cases of cancer will be diagnosed in the United States” – National Cancer Institute

“1 in 2 people will develop cancer in their lifetime.” The Medical News Today

- Those that have been cancer free for five years can apply for cancer policies
- Most Cancer plans now pay in a lump sum and are indemnity
- Older Cancer plans pay benefits as “up to” or per diagnosis/description limit
- Most Cancer plans can cover re-occurrence can cover heart attack and stroke and benefits typically range from \$5000 - \$100,000
- You can have more than one plan
- You can choose to get a plan that would test 19,000 genomes at Stage 1 where coordinated counseling is also included

Summarizing Coverage Gaps Discussed Today

- Prescription Drugs with Medicare and Private Pay
- Rehab/SNF gap for those on Original Medicare with a supplement when hospitalized as observation
- Extra Benefits
- Dental, Vision and Hearing
- Homecare (Short term recovery at home)
- Long Term Care
- Cancer/ Heart Attack Stroke

Additional Information

Government Contact Information:

- 1-800-MEDICARE (1-800-633-4227), TTY: 1-877-486-2048
- www.Medicare.gov

Missouri State Government Contact Information:

- 573-751-4126
- www.insurance.mo.gov

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Would you like to continue this conversation?

Text YES to 314-302-5743