

MEDICARE
BY SAVOY



MEDICARE 101

M E D I C A R E 1 0 1

What is Medicare?

Medicare is a federal system of health insurance for people age 65 or older and for certain younger people with disabilities.

It pays for part of an individual's health care expenses. It is paid for through people's payroll taxes while they are working.



Who is eligible and when?



People age 65 or older who have paid taxes into the program for 40 calendar quarters in their lives



People under age 65 with certain disabilities



Individuals with End-Stage Renal Disease (permanent kidney failure requiring dialysis or a transplant)

Initial Enrollment Period



What does Medicare cover?

Part A

Medicare Part A is hospital insurance. Even when Medicare Part A covers your care:

- You may have to pay a deductible amount and/or coinsurance or copayment.
- There may be some services you get in a hospital or other setting that Medicare doesn't cover.

Part B

Medicare Part B is medical insurance. It may cover a wide range of items and services.

- Part B deductible and/or coinsurance or copayments may apply.


| What Medicare Parts A & B Cover

Part A	Part B
Hospital and skilled nursing insurance helps cover:	Doctor's office visit and outpatient service insurance helps cover:
Inpatient hospital care	Outpatient hospital services (minor surgeries)
Inpatient mental health care	Physician services
Skilled nursing facility care	Some preventive care (i.e., flu and pneumonia shots)
Home health care	Laboratory services
Some blood for transfusions during inpatient care	Blood
	Home health care
	Outpatient physical, occupational and speech-language therapy
	Durable medical equipment (wheelchairs, oxygen, etc.)
	Outpatient mental health
	Ambulance


Medicare Choices

STEP 1

Original Medicare



Part **A**



Part **B**

Covers Hospital Stays Covers Doctors and Outpatient Visits


Government-Provided

Enroll in Original Medicare when you become eligible

STEP 2

Option 1

Medicare Supplement Insurance



Med Supp

Covers Some or All the Costs Not Covered by Parts A & B

Offered by Private Companies

Medicare Part D




Part **D**

Covers Prescription Drugs

Offered by Private Companies


Option 2

Medicare Advantage Part C




Part **C**

Combines Parts A & B



Additional Benefits



Part **D**

Most Plans Cover Prescription Drugs

Offered by Private Companies

Does Original Medicare cost anything?

Part A

There is typically no monthly premium for Medicare Part A if an individual or their spouse have paid for it through payroll taxes while working.

Part B

- Most people pay a monthly premium for Part B, which is based on your household income.
- Medicare Supplement Plans, Medicare Advantage Plans and Part D drug plans may cost extra.

Medicare Costs – Part B Premium

FILE INDIVIDUAL TAX RETURN	FILE JOINT TAX RETURN	FILE MARRIED & SEPARATE TAX RETURN	YOU PAY EACH MONTH (IN 2023)
\$97,000 or less	\$194,000 or less	\$97,000 or less	\$164.90
\$97,001 to \$123,000	\$194,001 to \$246,000	Not Applicable	\$230.80
\$123,001 to \$153,000	\$246,001 to \$306,000	Not Applicable	\$329.70
\$153,001 to \$183,000	\$306,001 to \$366,000	Not Applicable	\$428.60
\$183,001 to \$500,000	\$366,001 to \$750,000	\$97,001 to \$403,000	\$527.50
\$500,000+	\$750,000+	\$403,000+	\$560.50

Samples of Medicare Costs – Care under Part A

Hospital and Skilled Nursing Insurance

SERVICE	MEDICARE PAYS	YOUR COST SHARE
Hospitalization	Days 1–60 — All but \$1,600	\$1,600
	Days 61–90 All but \$400 per day	\$400 per day
	Days 91–150 (Lifetime Reserve Days) All but \$800 per day	\$800 per day
	Nothing beyond 150 days (After using Lifetime Reserve Days)	All costs for the remainder of the hospital stay
	First 3 pints of blood – \$0	100%
Skilled Nursing Facility Care	Days 1–20 100% of approved amount	Nothing
	Days 21–100 All but \$200 per day	\$200 per day
	Days 100+ — No benefit	All costs for the remainder of your stay

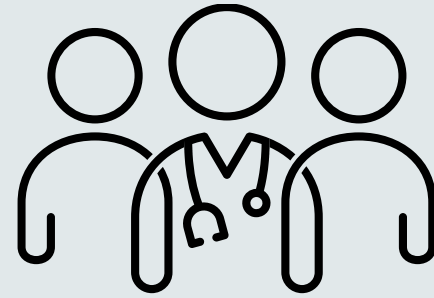
Samples of Medicare Costs – Care under Part B

Doctor’s Office Visit and Outpatient Service Insurance

SERVICE	MEDICARE PAYS	YOUR COST SHARE
Medical Expenses Outpatient, Doctor Visits, Specialist	80% of the approved amount	<ul style="list-style-type: none"> • 20% of the approved amount • \$226 deductible per calendar year



These costs are in addition to the monthly Medicare Part B premium, which you will need to pay. **A Medicare supplement plan may help cover some or all of these costs.**



Medicare Supplement VS Medicare Advantage



Medicare Supplement



You're eligible if you are :

01

Enrolled in Medicare Parts A and B at the time your coverage begins

02

A resident of the state in which you are applying for coverage

03

Age 65 or older (or under age 65 with certain disabilities in some states)



If you are eligible for Medicare due to End-Stage Renal Disease (ESRD), please review the Choosing a Medigap Policy: [A Guide to Health Insurance for People with Medicare](#) for eligibility information.

M E D I C A R E 1 0 1

Medicare Supplement Plans

- Private health insurance plans for people on Medicare Parts A and B who want help paying some of the health care costs not covered – like coinsurance, copayments and deductibles.
- Plans are named with letters of the alphabet (A, B, C, D, F, G, K, L, M and N), and benefit levels vary by plan.
- Typically, the more comprehensive the coverage, the higher the monthly premium for the Medicare Supplement Plan.



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Medicare Supplement Insurance (MEDIGAP) Plans

BENEFITS	A	B	C	D	F	G	K	L	M	N
Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Medicare Part B coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Blood (first 3 pints)	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Part A hospice care or coinsurance copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	100%	100%	50%	75%	100%	100%
Part A deductible		100%	100%	100%	100%	100%	50%	75%	50%	100%
Part B deductible			100%		100%					
Part B excess charges					100%	100%				
Foreign travel emergency (up to plan limits)			80%	80%	80%	80%			80%	80%

Out-of-pocket limit in 2023
 \$6,620 \$3,310

Enrollment Eligibility

Medicare Supplement Plan

Open Enrollment

- Enrollment within 6 months of your Medicare Part B coverage

Guaranteed Issue

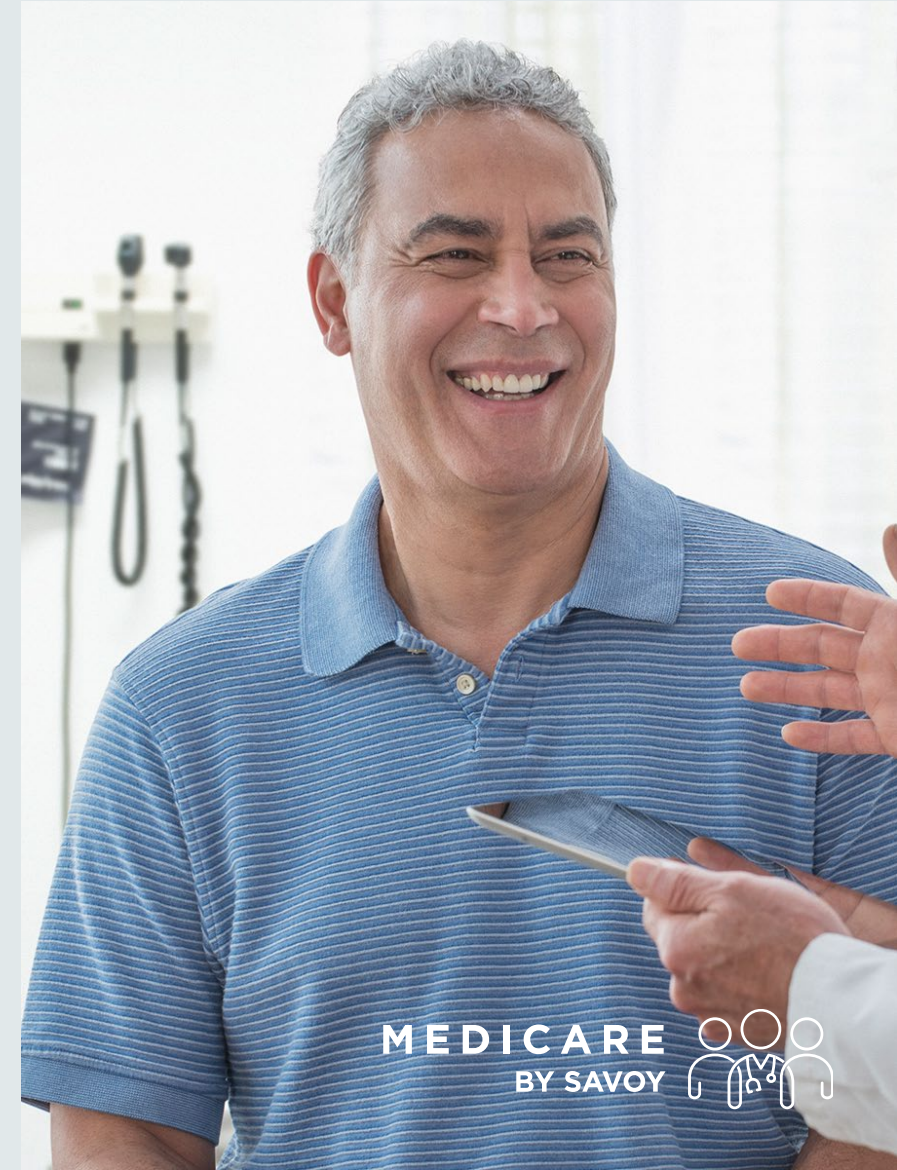
- Enrollment within 60 days of loss of other health coverage

Medical Underwriting

- Moving from one Supplemental plan to another
- Would apply if no other health insurance coverage exists within prior 60 days
- Applies if Part B is beyond 6 months and no other health insurance

Medicare Advantage (Part C)

- All-inclusive private insurance plan
- Replaces Original Medicare (Parts A and B)
- Not losing Parts A and B
- Must continue to pay Part B premium
- Benefits and services equal to or better than Original Medicare
- Often includes Rx, Dental, Vision and other value-added benefits
- Monthly premium
(\$0 premium plans often available)
- Deductibles, copayments and/or coinsurance vary by plan



MEDICARE 101

What is Medicare Part D?

It's Medicare Prescription Drug coverage you get in one of two ways.

01

Combined into a Medicare Advantage Prescription Drug (MAPD) plan

02

A stand-alone Prescription Drug Plan (PDP), often combined with a Medicare Supplement plan

Part D

Prescription Coverage

2023 Who Pays What?

MEMBER PAYS:

\$505*
*Varies by plan

- Member pays all
- Plan pays nothing

Step 1
Annual Deductible

TOTAL COST OF DRUGS
many plans have \$0 deductible

<\$4,660*
*Based on retail costs

- Member pays part
- Plan pays part

Step 2
Initial Coverage

COPAYS or COINSURANCE

<\$7,400*
*Based on Tro-oP

- Member pays MOST
- Plan pays a little

Step 3
Coverage Gap

~ 12% of people

25% of the Drug Cost

>\$7,400*
*Based on Tro-oP

- Member pays a little
- Plan pays most

Step 4
Catastrophic Coverage

~ 4% of people

the greater of 5% or
\$10.35 (Brand-Name)
\$4.15 (Generic)

Your Part D Premium Goes Up With Income

FILE INDIVIDUAL TAX RETURN	FILE JOINT TAX RETURN	FILE MARRIED & SEPARATE TAX RETURN	YOU PAY EACH MONTH (IN 2023)
\$97,000 or less	\$194,000 or less	\$97,000 or less	plan premium
\$97,001 to \$123,000	\$194,001 to \$246,000	Not Applicable	\$12.20 + plan premium
\$123,001 to \$153,000	\$246,001 to \$306,000	Not Applicable	\$31.50 + plan premium
\$153,001 to \$183,000	\$306,001 to \$366,000	Not Applicable	\$50.70 + plan premium
\$183,001 to \$500,000	\$366,001 to \$750,000	\$97,001 to \$403,000	\$70.00 + plan premium
\$500,000+	\$750,000+	\$403,000+	\$76.40 + plan premium

| What should I be doing and when?

Employer coverage and turning 65

- **If you will not automatically be enrolled, you should sign up for Part A when you're first eligible even if you have existing coverage through an employer—this is because Medicare Part A is free for most people.**
- If a beneficiary has an HSA account, they should not sign up for A or B. If they want to sign up for A or B, they must stop contributing to their HSA 6 months prior to obtaining A or B.
- Most people who are still working and are covered under their employer plan do not need additional coverage.

Employer coverage and over 65

- If the employer has fewer than 20 employees, you should sign up for Part A and Part B when you're first eligible.
- If the employer has 20 or more employees, you may be able to delay Part A and Part B.

COBRA VS MEDICARE RULES

Supreme Court Ruling Geissal vs Moore of 1994

says persons eligible or enrolled in Medicare on the day of the qualifying event must be offered COBRA. Conversely, COBRA coverage will end when a person becomes eligible or enrolled in Medicare while being covered under COBRA.

Generally, Medicare is primary once the member elects COBRA

The exception to this is when the individual is eligible for Medicare due to End Stage Renal Disease (ESRD). In these situations, the group plan is primary for the first 30 months of the disability whether the person is on the group health plan as an employee, a dependent or on COBRA continuation.

Please note, an actively working employee

who voluntarily terminates off the group plan to fully go onto Medicare is not a COBRA qualifying event for the spouse and/or dependent(s) as the event of Medicare entitlement does not cause a loss of coverage.

NOTE: You may be able to keep COBRA coverage for services that Medicare does not cover such as COBRA dental, vision, etc. The insurance company that provides your COBRA coverage may allow you to drop your medical coverage but keep paying a premium for the additional coverage for as long as you are entitled to COBRA. Contact your plan for more information.

There are penalties for getting it wrong

Late Enrollment Fees

Part B is 10% for every 12 months you didn't sign up

Part D is 1% of the average Prescription Drug Plan Part D premium per month you didn't sign up



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What about my dependents that are on my company's coverage?

- If you have dependents on your company's plan, you can remain on that plan.
- If you obtain a Medicare plan, your dependents would have to obtain individual coverage.



FAQs on Coverage



Are my drugs covered?

- Refer to each plan's formulary for a complete list covered drugs.



Can I see my own doctors?

- If you choose a Medicare Advantage plan, you may have network restrictions that limit your health care provider choices.
- Certain plans may also require you to choose a primary care physician (PCP) to coordinate your care.
- Check to make sure your current doctors will accept the new plan you are considering enrolling in.



Medicare By Savoy can research this for you

When Can I Sign Up or Switch Coverage?

	Initial Enrollment Period (IEP)	General Enrollment Period (GEP)	Special Enrollment Period (SEP)	Annual Enrollment Period (AEP)	Open Enrollment Period (OEP)
Who Needs	Turning 65	Missed Initial Enrollment Period	Previous Employer-based Coverage	Medicare Plan Enrollees	Medicare Advantage (MA) Enrollees
Purpose	Enroll in Original Medicare	Enroll in Medicare Part A or Part B	Enroll in Medicare Part A or Part B	Reevaluate coverage & Make Changes	One-time change to MA Plan
When	3 months before 65 th birthday through 3 months after	January 1 – March 31	8 months from termination of employer coverage	October 15 – December 7	January 1 – March 31

How can a broker help me with this transition?



As an independent broker, Medicare By Savoy works with multiple health insurance carriers, making it easy for us to match you with the plan that lines up best with what you're looking for – from benefits to budget! All at no additional cost to you.



Provide complimentary step-by-step guidance



Compare plans from different companies for you



Understand the cost



Avoid mistakes and penalties



Help you enroll and have coverage when you need it



Offer better privacy than online sales sites

When should I engage with a broker?



If turning 65, you should start talking about your options 6 months before your 65th birthday.



If you will be losing coverage through your employer and are already 65 or older, you should contact a broker immediately for guidance.



If considering Medicare but you have dependents on your current plan, a qualified broker can help everyone involved through the transition.

Q & A

M E D I C A R E 1 0 1

Speak to a licensed Medicare Expert.

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Mon – Fri: 9AM – 5PM



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THANK YOU