

Aging Wisely®

Comprehensive Care Management and Consultation

2015 Medicare Fact Sheet

Part A: “Hospital Insurance”, covers inpatient hospital, certain skilled nursing and skilled home health services. It does not cover long term or custodial care.

Part B: “Outpatient Services”, covers Medicare eligible physician’s services, outpatient hospital services, certain home health services or therapies, and durable medical equipment.

Part D: “Prescription Drug Coverage”, offered through stand alone plans via private insurers or as part of a Medicare Advantage Plan.

Medicare Advantage Plan (AKA Part C): Health Plans such as PPOs and HMOs that are approved by Medicare and run by private companies. Beneficiaries opting for Medicare Advantage chose to receive the various Medicare benefits through the insurer rather than the traditional Medicare program.

Medigap Plan (AKA Supplemental Policy): These policies help pay some of the costs not covered by regular Medicare (such as co-pays and deductibles).

2015 Medicare Costs:

Medicare A Premium:	\$0 if you or spouse has 40+ quarters of Medicare-covered employment If you do not have enough eligible quarters of employment, you’ll pay up to \$407
Medicare B Premium:	Current beneficiaries with income of \$85,000 (\$170,000 joint) or less: \$104.90 Income higher than \$85,000 (\$170,000 joint): income-adjusted, up to \$335.70
Medicare B Deductible:	\$147/year
Medicare D premiums:	Varies by plan (higher income individuals will pay additional adjustment)
Medicare A Hospital Coinsurance:	\$1260 deductible/\$0 coinsurance for days 1-60 \$315/day for days 61-90 \$630/day for up to 60 additional “lifetime reserve” days after 90 days All costs beyond lifetime reserve days
Medicare A Skilled Nursing Care:	Pays 100% up to 20 days \$157.50/day co-pay for patient for days 21-100

*This information provided by Aging Wisely, a comprehensive care management company offering patient advocacy and care management services. We offer a personalized Medicare Analysis Package to help you through the Medicare maze, as well as assistance with benefits, resources, assessments and recommendations for your eldercare & disability needs. **Contact us at 727-447-5845 or www.agingwisely.com.***

See back for more detailed information regarding the Medicare program.

Initial eligibility: When you first become eligible for Medicare (age 65 or typically, 24 months after receiving Social Security Disability) your initial open enrollment for Parts B and D is a 7 month window (including the 3 months before and after month of eligibility). If you receive SS benefits, you will automatically receive a Medicare card and be signed up for Part B (follow instructions on your card if you wish to reject Part B). Part D requires you to sign up. If you are covered by an employer or other plan, your benefits coordinator can provide information on how it works with Medicare. If you will be covered by another entity, you should confirm the plan is “creditable” (the same or better than what Medicare offers) and save the letter of creditable coverage. If later, this coverage ends through no fault of the individual, you can enroll without penalty. During the first 6 months of Medicare eligibility you are also guaranteed issue for a Medigap/Supplemental policy.

Penalties: The penalty for not enrolling in a Part D plan is 1% of the national base premium multiplied by the number of months you did not enroll and were eligible (and went without creditable coverage for 63 continuous days or more), rounded to the nearest 10 cents. This amount is added to your monthly premium every month as long as you are enrolled. In most cases the only chance to enroll or switch plans after initial eligibility for Part D is the yearly open enrollment, although there are some special election periods for certain circumstances. Late enrollment for Part B carries a 10% per year penalty, if you did not have other “creditable coverage”.

Open enrollment periods: October 15th-December 7th: Medicare Advantage and Medicare Part D (switch to Medicare Advantage, from Medicare Advantage, switch drug or Advantage plans)
January 1st-February 14th: Medicare Advantage Disenrollment period (can leave and switch back to original Medicare and pick a Part D plan)

Part D changes: When the Part D plan was structured, it had a “donut hole” or coverage gap, meaning that once you received a certain amount of coverage each year, you paid all out of pocket costs until you reached “catastrophic coverage”. Changes were made to incrementally close the donut hole and offer discounts when consumers are in the coverage gap. Additionally, different plans offer different discounts/coverage.

Medicaid/Financial Assistance: There are several different types of Medicaid programs available with varying levels of benefits, as well as additional help through Social Security for those with limited income and assets.

Analyzing Plans: Medicare offers a plan compare tool online, which can show you the total estimated cost of the plan for the year based on current personal factors. To effectively use the tool, have all of your information available including your list of medications and dosages. Starting in 2011, higher income individuals pay an income-adjusted amount on top of the Part D plan’s standard premium. We offer a personalized Medicare Analysis Package, for individuals who prefer to have an expert walk them through the analysis, explain options and assist in making smart decisions about healthcare coverage. Contact us today at 727-447-5845 to learn more about how we can save you money and provide independent guidance.

Medicare Advantage: The Medicare Advantage Plans (AKA Part C) are privately run plans approved by Medicare, and generally combine a number of the different benefits into one plan. These include HMOs, PPOs, and Fee for Service plans. They are often able to include extra benefits such as health club memberships or vision/dental coverage. These plans may be appropriate for certain individuals, especially those looking for extra benefits at lower cost. Clients should review all options carefully and weigh the pros and cons of each plan. If clients find themselves in a plan they do not like, there may be options for disenrolling and returning to regular Medicare coverage.

It is also wise to reevaluate your Medicare plan choices each year during open enrollment, as the plans make modifications, more options become available, and your health status changes. Many Medicare recipients are not in the best plan for their current needs. Review your Medicare & You handbook (www.medicare.gov) for rules & information.

Medicare generally does not cover: long term care, routine dental care, dentures, cosmetic surgery, hearing aids (some Medicare Advantage plans add extra benefits such as dental or vision).