



2024 Medicare Overview

Drexel University | July 24, 2024



Agenda

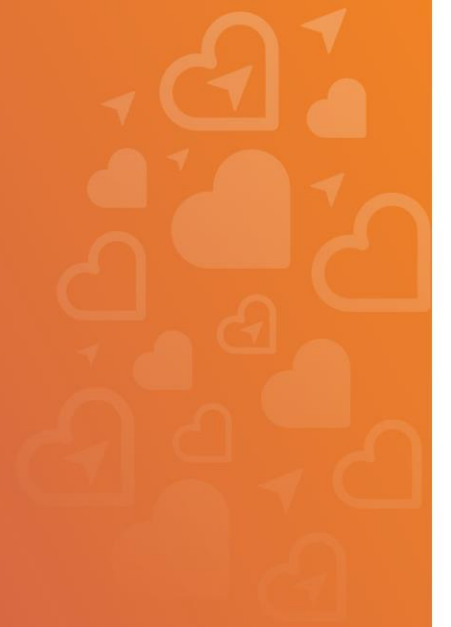
Drexel University

July 31, 2024



- Health Advocate overview
- Medicare eligibility
- The A, B, C, D of Medicare
- Medicare costs and enrollment
- Medicare Advantage, Medigap, and Part D drug plans
- Affordable Care Act and Medicare
- Your role as a healthcare consumer under Medicare

Health Advocate Overview





Expert help, delivered with heart

Your Health Advocate service provides:

- **Hands-on support** for a variety of health and well-being issues
- **Confidential compassionate help** available 24/7, in any language
- **Unlimited access** for you, your spouse/partner, dependents, parents and parents-in-law
- **Interactive website and mobile app**
- **Provided by your employer** at no cost to you!

Contact us with any health or well-being issue and we'll get you the help you need!



A whole-person solution that helps every person, every time

Expert compassionate staff



- Benefits experts
- Claims specialists
- Medical Directors
- Registered Nurses
- Research associates

Help for the whole family



- Employees
- Spouses/partners
- Dependents
- Parents
- Parents-in-law
- Plus, special help for seniors

Member website & mobile app



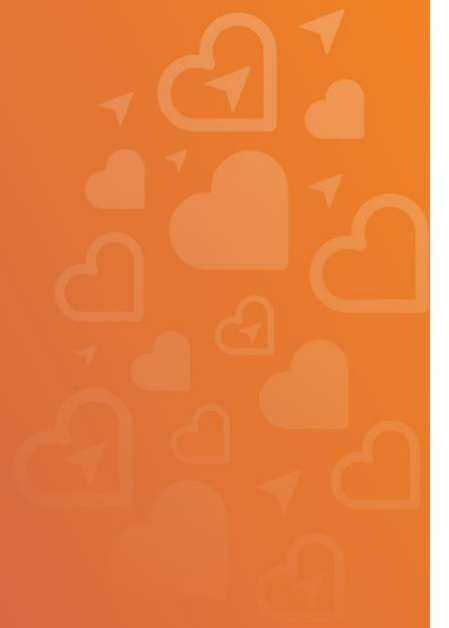
- Open a Health Advocate case
- Message our experts directly
- View personalized health alerts
- Upload and sign forms

Special help for parents, parents-in-law, retirees and pre-Medicare retirees

- **Assist retirees** transitioning to private coverage or Medicare
- **Clarify** all parts of Medicare, including Parts A, B, C and D
- **Educate about Medicare Advantage** and supplemental plans
- **Locate plans**, explain the differences between them, and help weigh options
- **Locate eldercare services** and community resources that fall outside traditional coverage
- **Research private coverage** and public exchanges
- **Facilitate care management** interventions



Medicare overview





Reaching age 65 is an important milestone... you're now eligible to enroll in Medicare!

Navigating Medicare can be confusing, but Health Advocate is available to help you understand your options and make decisions about this transition that you'll feel confident about.

What is Medicare?

- A federal health insurance program
- Administered by the Centers for Medicare and Medicaid Services (CMS)
- Eligibility and Enrollment handled by:
- Social Security Administration (SSA)
- Railroad Retirement Board (RRB)

Who is eligible for Medicare?

Citizenship:

- United States citizen or
- Living in the U.S. legally for at least 5 years consecutive

And

Age:

- 65 years or older and eligible for Social Security

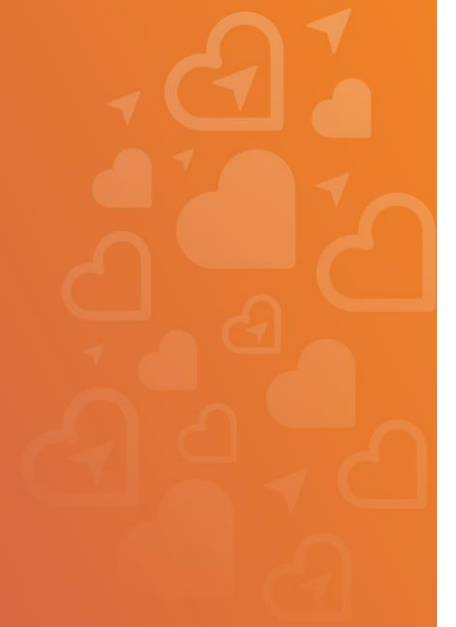
Or

Disability:

- People under 65 with certain disabilities
- All people with End-Stage Renal Disease (ESRD)



How to enroll



Do you have to apply for Medicare, or do you get it automatically?

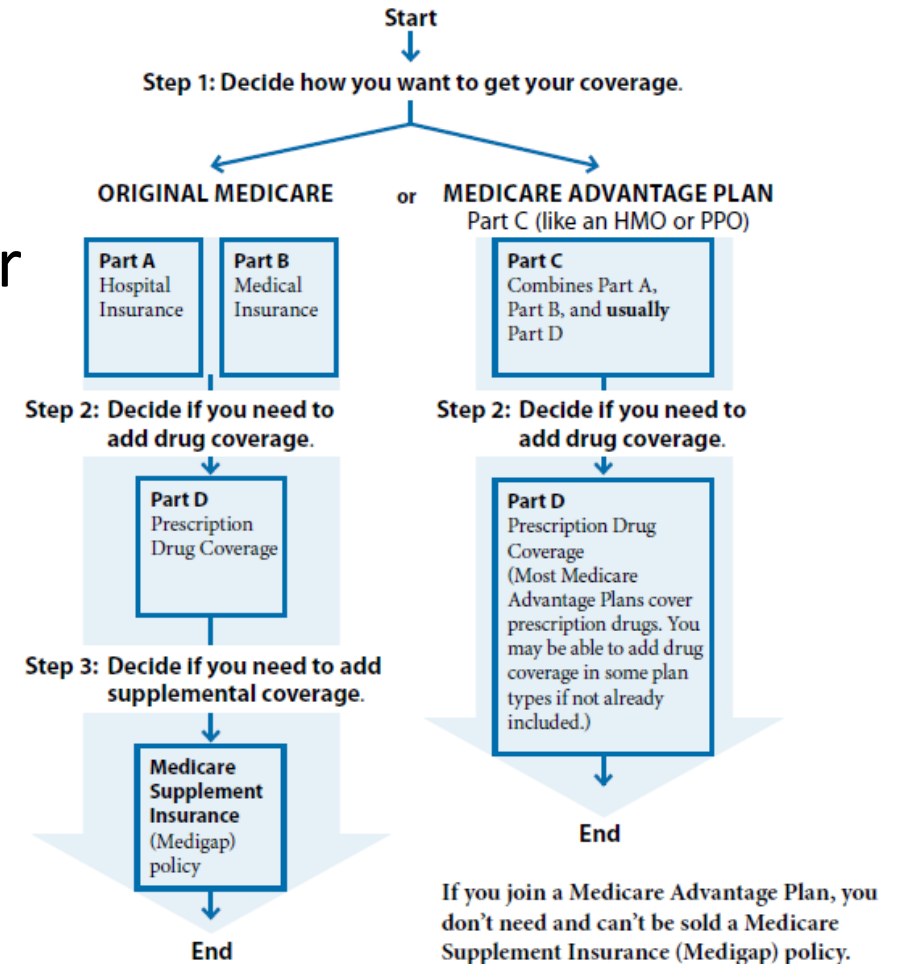
- Enrollment is **automatic** if you are receiving:
 - Social Security benefits
 - Railroad Retirement Board benefits
- **Initial Enrollment Package:**
 - Sent 3 months before
 - 65th birthday or
 - 25th month of disability benefits

Do you have to apply for Medicare, or do you get it automatically?

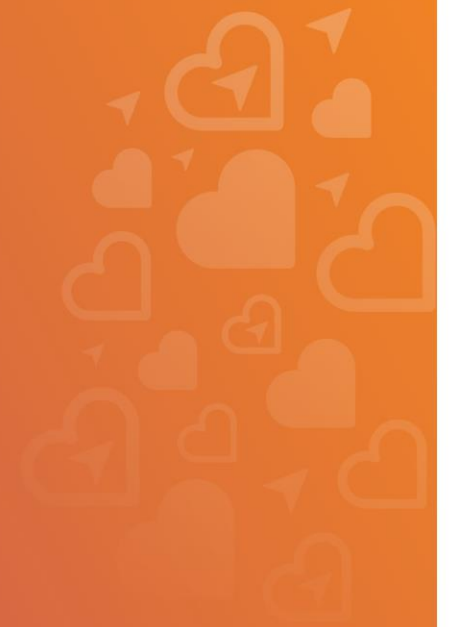
- **Applying** for Part A and Part B is required if you are:
 - Turning 65 and not currently receiving Social Security or Railroad Retirement Board benefits
 - Qualifying for Medicare because you have End-Stage Renal Disease
 - Living in Puerto Rico and want Part B coverage
- **Sign up:**
 - Online: [SSA.gov](https://ssa.gov)
 - Call: 1-800-772-1213
 - In person: At any Social Security office

Your Medicare coverage choices at a glance

- There are two main ways to get your Medicare coverage:
- Original Medicare
- Medicare Advantage Plan
- These steps help you decide which way to get your coverage



Medicare Part A



Part A

Part A Hospital Insurance provides coverage for:

- Inpatient hospital care
- Inpatient skilled nursing facility (SNF) care - Up to 100 days
- Blood (inpatient)
- Hospice care
- Home health care
- 190-day limit for inpatient mental healthcare in a lifetime

Part A

Monthly Premium 2024:

- You will receive your Part A premium free if you were working at least 10 years and contributing to Medicare taxes
 - Married couples may receive benefits under a spouse's work record
- If you worked less than 10 years of Medicare-covered employment, you pay a prorated premium amount
- If you have no work credits, you will pay the full premium
 - Up to \$505 each month in 2024
- Higher-income consumers may pay more

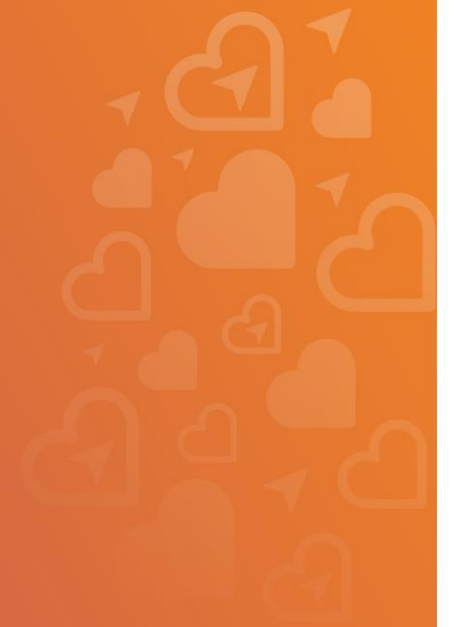
Part A

Paying for Inpatient Hospital Stays

- Covers semi-private room, meals, general nursing and other hospital services and supplies

For each benefit period in 2024	You Pay
Days 1-60	\$1,632 deductible
Days 61-90	\$408 per day
Days 91-150	\$816 per day (60 lifetime reserve days)
All days after 150	All costs

Medicare Part B



Part B

Part B Medical Insurance provides coverage for:

- Physician services (including an annual wellness exam)
- Outpatient medical and surgical services
- Diagnostic tests (X-rays, MRIs, CT scans, EKGs, and other tests)
- Outpatient therapy
- Outpatient mental health services
- Outpatient hospital services
- Durable medical equipment
- Clinical laboratory test
- Home health services
- Ambulance service

Part B

Monthly Premium 2024

- Standard premium: \$174.70 (or higher depending on your income)
- Taken out of your monthly payment
 - Social Security
 - Railroad Retirement

What is IRMAA?

Income-related monthly adjustment amount (IRMAA) is an additional amount of premium that you will pay for Medicare Part B coverage if you have income above the threshold. The amount of your IRMAA is based on your modified adjusted gross income.

If your yearly income in 2022 was:			
File individual tax return	File joint tax return	File married & separate tax return	You pay (in 2024):
\$103,000 or less	\$206,000 or less	\$103,000 or less	\$174.70
above \$103,000 up to \$129,000	above \$206,000 up to \$258,000	not applicable	\$244.60
above \$129,000 up to \$161,000	above \$258,000 up to \$322,000	not applicable	\$349.40
above \$161,000 up to \$193,000	above \$322,000 up to \$386,000	not applicable	\$454.20
above \$193,000 and less than \$500,000	above \$386,000 and less than \$750,000	above \$103,000 and less than \$397,000	\$559.00
\$500,000 or above	\$750,000 or above	\$397,000 or above	\$594.00

Part B

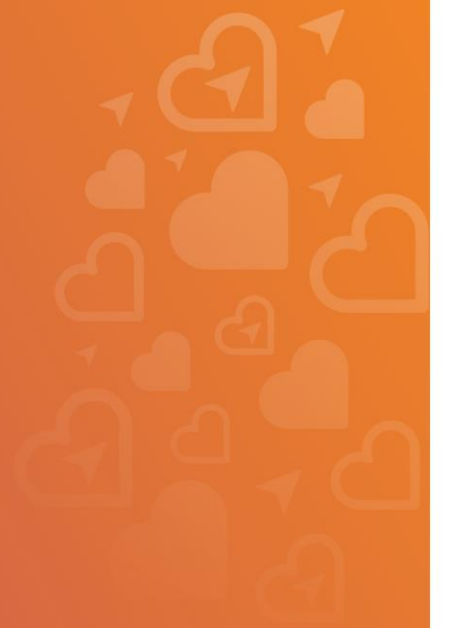
Paying for Medical Care

Yearly Deductible	\$240
Coinsurance for Part B Services	• 20% coinsurance for most covered services • \$0 for some preventive services • 20% coinsurance for outpatient mental health services, and copayments for hospital outpatient services

Items and services NOT covered by Part A or B

- Long-term care
- Custodial care
- Routine vision care and eyeglasses
- Routine dental care and dentures
- Routine foot care
- Acupuncture
- Outpatient prescription drugs
- Hearing aids and exams for fitting them
- Cosmetic surgery
- Alternative care, such as naturopathy

Enrollment Timeframes

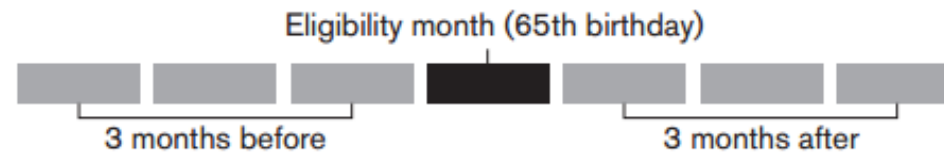


When can I enroll in Medicare Part A and Part B?

Initial Enrollment Period (IEP) is the first time you are eligible for Medicare

Turning 65:

- 7-month period surrounding the months of your 65th birthday
- 3-1-3 rule



Under 65 and disabled:

- 3 months before the 25th month of disability

Enrollment options:

- Join Medicare Part A and/or Part B and Part D

I am 65, Medicare eligible and actively working...

Do I need to enroll in Part A and Part B?

- As long as you maintain medical coverage through your or your spouse's employer, you might not need to enroll in Part A and Part B.
- Once you are planning to retire and will not have coverage through your or your spouse's employer, contact Social Security at least 2 months before you plan to retire.

Can I delay enrollment into Medicare without getting a penalty for Part B or Part D?

- Yes, you can delay enrollment as long as you have coverage through your or your spouse's employer and you will not be subject to a penalty.

COBRA (stands for Consolidated Omnibus Budget Reconciliation Act) and retiree health coverage don't count as current employer coverage.

My employer has a high-deductible health plan with an HSA – should I be enrolled in Part A and Part B?

Declining Medicare Part A and Part B

- As long as you are not receiving Social Security benefits, you can choose to decline Part A until you retire
- You can delay Part B enrollment until you lose your active coverage
- If you are married and not enrolled in Medicare, but your spouse is enrolled in Medicare, you can still contribute to the HSA
- You need to stop your payroll contributions at least six months before you collect Social Security

Enrolling in Medicare Part A and Part B

- If you are enrolled in Medicare, you cannot open or contribute to an HSA
- You will continue to have access to any contributions made prior to Medicare enrollment

When can I enroll in Medicare Part A and Part B if I am still actively working?

- **Special Enrollment Period (SEP)** may delay enrollment in Part B if covered by a group health plan based on current employment that is primary
- **Part B**
 - You are currently covered under active employee/spousal coverage
 - Can enroll at any time
 - You lose active employee/spousal coverage
 - **8-month period** (Parts A and/or B) beginning the month after employment ends or group coverage terminates, whichever is first
- **Enrollment Options**
 - Join Medicare Parts A and/or B, also enroll in Part D

When can I enroll in Medicare Part A and Part B?

General Election Period (GEP) allows anyone who did not enroll in Medicare Parts A and/or B when first eligible and who are not eligible for a Special Enrollment Period

- Enroll during January 1 – March 31 of each year
- Part B coverage begins the first of the month following your enrollment
- Late enrollment penalties may apply

I'm about to turn 65...

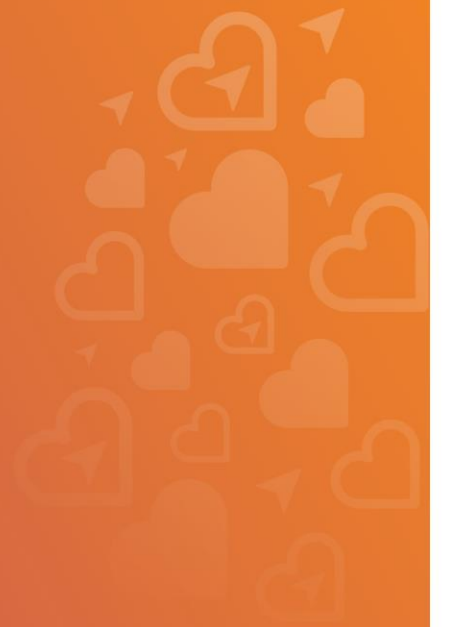
What happens if I don't sign up for Part B during my Initial Enrollment Period or Special Enrollment Period?

- For each 12-month period you delay enrollment in Part B, you will have to pay a 10% premium penalty, unless you have insurance from your or your spouse's current job
- You will pay the premium penalty as long as you have Medicare
- Example: If you turned 65 in 2024, and you delayed signing up for Part B for 5 years until 2029 (and you did not have employer insurance that allows you to delay enrollment), your monthly premium would usually be 50% higher for as long as you have Medicare

What are the late enrollment penalties for Part A and Part B?

- **Part A:** If you don't sign up for Medicare Part A during your Initial Enrollment Period, your monthly premium may go up 10% when you do enroll. You'll have to pay the higher premium for twice the number of years you are past age 65.
- **Part B:** If you don't sign up for Medicare Part B during your Initial Enrollment Period, you may pay a late enrollment penalty for the entire time of your Part B coverage when you do sign up. Your monthly Part B premium may go up 10% for each 12-month period that you didn't sign up.

Coordination of Benefits



Coordination of benefits: Medicare and employer plans for 65+

When an employee is still actively working

- **Medicare is primary** and employer plan is secondary
 - If the company has less than 20 employees
 - Employee will need to enroll in Part A and Part B
- **Medicare is secondary and employer plan is primary**
 - If the company has 20 or more employees

Coordination of benefits: Medicare and employer plans for people with disabilities under 65

When an employee is still actively working

- **Medicare is primary** and employer plan is secondary
 - If the company has less than 100 employees
 - Employee will need to enroll in Part A and Part B
- **Medicare is secondary and employer plan is primary**
 - If the company has 100 or more employees

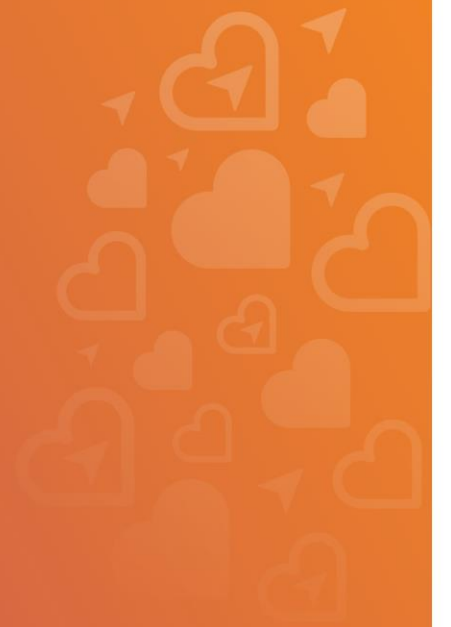
Coordination of benefits: Medicare and end-stage renal disease

- **Medicare is secondary** and employer plan is primary
 - During 30-month coordination period
 - Period begins the first month you are eligible for Medicare due to ESRD
 - Even if you have not signed up
- **Medicare is primary and employer plan is secondary**
 - After the 30-month coordination period

Coordination of benefits: COBRA and Medicare

- Medicare is always primary to COBRA coverage
 - COBRA may act like a Medigap policy
- You should enroll in Part B if eligible
 - A Special Enrollment Period **DOES NOT** apply for loss of COBRA coverage
- You will have to pay a Part B late enrollment penalty if you decide to delay enrolling in Medicare because you had COBRA

Medicare Supplement Insurance



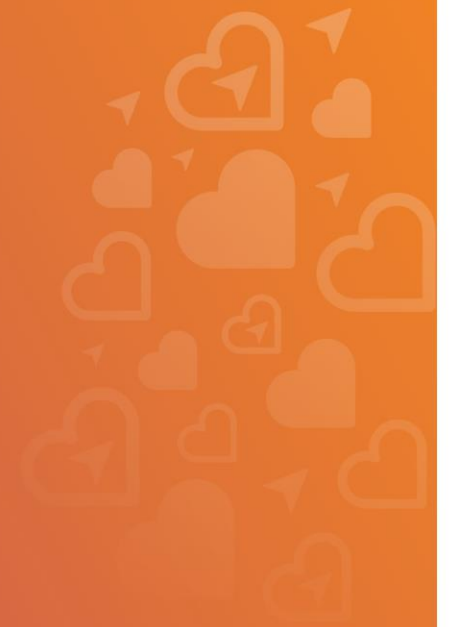
Medicare Supplement Insurance

- **Often called Medigap:** Offered by private health insurance companies
- **Supplements Original Medicare:** Helps pay some of the costs that Original Medicare doesn't cover
- Does **NOT** cover your share of Part D drug plan costs or services that Original Medicare does not cover
- **Only applicable if you choose Original Medicare** – can't have Medigap if enrolled in a Medicare Advantage Plan

Medicare Supplement Insurance

- Individual must have both Medicare Part A and Part B to enroll
- Medigap is totally voluntary
 - Individual pays the entire cost of the Medigap policy
 - Continue to pay Medicare Part B premium
- Each spouse must have their own Medigap policy
- Each person can only have one Medigap policy at a time
- If you apply during your 6-month Medigap open enrollment period, you cannot be denied or charged more for health reasons and the policy is guaranteed renewable. Open enrollment starts on the first day of the month you are over 65 and enroll **in both Part A and Part B and** runs for 6 months.

Medicare Part C



Part C = “Medicare Advantage”

- **Health plan options approved by Medicare**
 - Still part of the Medicare program
 - Run by private companies
- Plans provide all the benefits covered under Parts A and B
- May include prescription drug coverage (Part D)
- Plans often add additional benefits and features to attract members (wellness and disease management programs, vision, preventive dental, hearing, podiatry, chiropractic, gym memberships, and telemedicine)
- Preventive benefits are covered at 100% as long as the provider (physician, lab) is in-network

Part C = “Medicare Advantage”

To enroll in a Medicare Advantage Plan individual must:

- Have Medicare Part A and Part B
- Live in the plan’s service area
- Not have ESRD at the time of enrollment

Medicare Advantage enrollees pay the monthly Part B premium:

- May pay an additional premium directly to their plan
- Individuals pay deductible, coinsurance, and copayments

When can I apply for a Medicare Advantage Plan (Part C)?

When you first become eligible for Medicare or when you turn 65, during your 7-month Initial Enrollment Period (IEP).

- During Medicare's Open Enrollment Period: October 15 – December 7
 - Coverage becomes effective January 1
- During the General Enrollment Period (GEP): January 1 – March 31
 - You can sign up for Medicare A and B
 - You can choose a Medicare Advantage Plan the same month you enroll in Part A and B
 - Your coverage will go into effect the first of the following month

Note: You must have Medicare A and B to enroll in a Medicare Advantage Plan

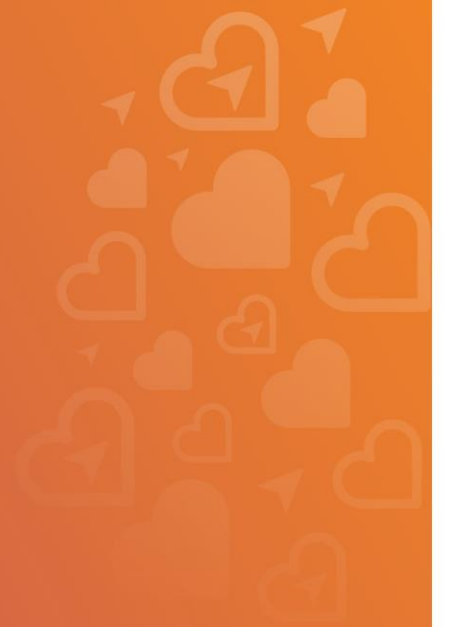
When can I apply for a Medicare Advantage Plan (Part C)?

Under certain circumstances you may qualify for a Special Enrollment Period (SEP), such as:

- You move out of the service area
- You're eligible for Medicaid
- You qualify for Extra Help with Medicare prescription drug costs
- You're getting care in an institution, like a skilled nursing facility

Note: You must have Medicare A and B to enroll in a Medicare Advantage Plan

Medicare Part D



Part D

- Individuals are eligible for prescription drug coverage under a Part D plan if they are entitled to benefits under Part A and/or enrolled in Part B.
 - Must live in the plan's service area
 - Cannot live outside of the U.S.
 - Must actively enroll to join
 - No automatic enrollment
- Benefits provided by private companies
 - Approved contracts with Medicare
- There are two ways to get coverage:
 - Standalone prescription drug plans ("PDP")
 - Medicare Advantage Plans ("MA-PD")

Part D

- Plans must offer at least the Medicare standard level of coverage
- Plans vary in cost and drugs covered
 - Different tier, copayment and coinsurance levels
- Benefits and cost may change each year
- Some Medicare members receive drug coverage through an employer-sponsored retiree plan, spouse's coverage, or the VA
 - Enrollment in Part D may not be needed

Part D Covered Drugs

- Prescription brand name and generic drugs
 - Approved by the FDA
 - Used for medically accepted reasons
 - Used and sold in the United States
- Includes drugs, biological products and insulin
 - Supplies associated with injection of insulin
- Plans must cover a range of drugs
- Coverage and rules can vary by plan

When can I apply for Medicare Part D?

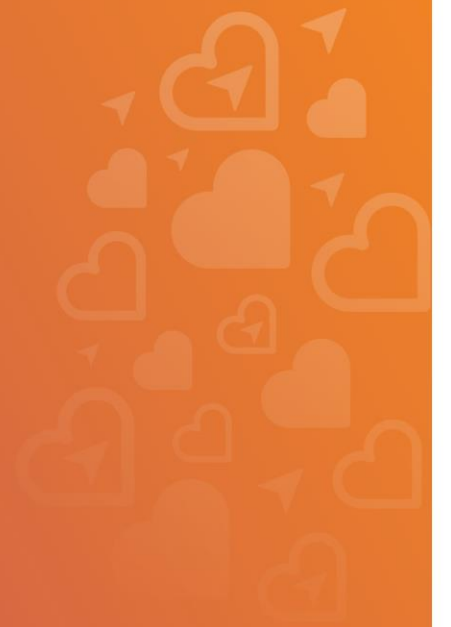
You can apply for Part D:

- If you are enrolled in Medicare Part A and/or Part B and live in your plan's service area, you can enroll in the Medicare drug benefit (Part D) **during your 7-month Initial Enrollment Period (IEP)**
- During your Special Enrollment Period (many situations, but most common are moving to new service area or gaining or losing employer coverage)
- If you do not join a Medicare private drug plan during your Initial Enrollment Period, you may not be able to enroll until the next **Open Enrollment (10/15-12/7)**
- Remember, if you want Medicare Part D for drug coverage, you must actively enroll yourself

What happens if I don't sign up for Part D during my IEP or SEP and I don't have other “creditable coverage” at least as good as Part D?

A premium penalty of 1% of “national premium” for every month you delay enrollment is added to your plan's monthly premium — for as long as you have Part D.

Medicare and the Marketplace



What People with Medicare Need to Know about Health Insurance Marketplaces (Exchanges)

- If you already have Medicare, your coverage will NOT change as a result of the health insurance exchanges. Someone who knows you have Medicare cannot sell you a health plan through the Marketplace.
- Medicare Advantage Plans, Medigap plans, Part D drug plans and standard Medicare plans are NOT sold through the Marketplaces/Exchanges



Medicare offers you the power to customize your healthcare coverage.

As an informed consumer, you can actively shape your healthcare journey by choosing plans and treatments that best suit your needs.

Timing is key in Medicare decisions.

Being aware of deadlines helps you maximize benefits and avoid penalties.



Health Advocate is here to guide you through your Medicare transition. We can help you:

- Understand different Medicare plans
- Compare options
- Navigate deadlines
- Answer your questions
- Ensure a smooth transition

With Health Advocate's support, you can confidently make informed decisions about your Medicare coverage, optimizing your healthcare experience.

Your go-to resource for all of your health and well-being needs

Register today!

1. Visit **HealthAdvocate.com/members** or download the mobile app **by scanning the QR code**
2. Enter the **name of your organization** and select it from the drop-down
3. Click “**Register Now**”
4. Enter the required information, **confirm your registration**, and then **log in**



Thank You!

866.695.8622
HealthAdvocate.com/drexel
answers@HealthAdvocate.com

Copyright © 2024, Health Advocate. All Rights Reserved. All content of this presentation is the property and copyright of Health Advocate and may not be reproduced in any format without prior express permission. This presentation is intended for general information purposes only. It does not constitute insurance advice or legal advice. The reader should consult with knowledgeable professionals to determine how applicable laws and regulations apply to specific facts and situations. This presentation is based on current information and is for demonstration purposes only. It is possible that the laws, rules or compensation rates or other circumstances may change and therefore all information and examples contained herein are for illustration purposes only.

NOTE: Medicare information included in this presentation is subject to change