
Indiana State Health Insurance
Assistance Program

*A Division of the Department of Insurance

MEDICARE 2022-23

BEN HUDSON, SHIP TRAINING DIRECTOR

Medicare – What is it?

- Health insurance for people:
 - Age 65 and older
 - Under age 65 with certain disabilities
 - After 24-months on SS disability
 - Any age with End-Stage Renal Disease (ESRD)

A-B-C-D

Medicare has four parts

- **Part A** – Hospital Insurance
- **Part B** – Medical Insurance
- **Part C** – Medicare Advantage Plans
- **Part D** – Prescription Drug Coverage

**Minimum Coverage
Once Eligible***

Must have:

Original Medicare -Part A
-Part B
&
-Part D or other creditable
drug insurance.

*Medicare enrollment can be delayed if covered under you (or your spouse's) employer group health from a company larger than 20 employees (100 employees if on Medicare due to disability).

Option 1

Original Medicare

-Part A
-Part B
&
-Part D

Optional:

Medicare Supplement
(Medigap) or other type of
secondary insurance
coverage

Option 2

Medicare Advantage Plan (MA)

Must be enrolled into Medicare
Part A and B (benefits provided
by Advantage plan)

Most plans will include a Part D
plan built-in.

*If you choose a plan without Part D, you will need to have creditable drug insurance from outside of Medicare.

Coordination of Benefits- Employer Insurance

If covered by a Large GHP at 65 years old (or older), you can:

- Delay Medicare enrollment completely
- Keep employer insurance and Sign Up for Medicare Part A only.
- Keep employer insurance and sign Up for Medicare Part A and B
- Disenroll from employer plan and sign up for Medicare A & B
- **NOTE:** Can enroll into Medicare anytime while covered by a Large GHP or up to 8-months after retirement.

Original Medicare-Costs

- Go to any provider that accepts Medicare in USA

COSTS:

- **Part A** - free for most people
- **Part B** premium in 2022-**\$170.10/mo (possibly higher dependent on income)**
 - **NEW: 2023 premium \$164.90**
- **Part D** average of \$33.37; As low as \$6.80/mo
- Medicare Supplement Plan (G)
 - **\$100-\$165, avg of \$125** at age 65 in **Guaranteed Issue Period**

Medicare Advantage vs. Medigap

- **Medigap Plans:**

- **Usual candidate:**

- Someone coming into Medicare with preexisting conditions and high medical costs
- Someone not wanting to take the risk of high medical costs due to future diagnosis
- Spend part of the year in a different part of the country and want the ability to see any Doctor that accepts Medicare.
- Willing to pay higher monthly costs, in return have lower bills

Tammy's Law Overview and Update

Starting July 1st, 2020 all Medigap companies selling supplements to beneficiaries over 65 MUST also **“Make Available”** plan A to individuals under 65.

Plans and prices can be found at [in.gov/idoi/Medigap](https://www.in.gov/idoi/Medigap)

Also at: 1-800-Medicare, online at [Medicare.gov](https://www.Medicare.gov)

Prices are currently ranging from **~\$200-700/mo** for most zip codes

Tammy's Law: Reminders

- Companies only must make the plan A “available”. No requirement for company to sell the plan
- Under 65 beneficiaries have no Guaranteed Issue for enrollment
- Will be provided with a 6-month guaranteed enrollment period (Medigap OEP) once they turn 65
- Prices vary greatly and phone calls to the insurance companies will be best for exact pricing
- “You don’t get what you don’t ask for”

Advantage Plan-Costs

COSTS:

- Still pay Medicare Part B premium, **\$170.10**
- Most enroll into plans less than **\$35/mo extra**
- **\$0/mo extra** plans available
- Out-of-pocket maximum up to **\$7550, Avg. \$5100**
- Additional Copays and Co-insurance
 - Use in-network providers to receive best pricing
 - **Most plans will include additional benefits: Part D coverage, dental, vision, hearing, Silver Sneakers, transportation, OTC stipend,**

Medicare Advantage vs. Medigap

- **Advantage Plans:**
 - **Usual candidate**
 - **Someone who comes onto Medicare healthy and does not go to the doctor or hospital often.**
 - **Assume they will continue to be healthy in the future**
 - **Financially cannot afford to pay high monthly premiums associated with Orig. Medicare and a Supplement.**
 - **Willing to stay in a smaller network of Doctors and Hospitals**

Part D “Periods/Phases”

1) Deductible Period

You pay 100% of drug costs until your deductible is met, which could be anywhere from \$0 to \$480

2) Initial Coverage Period

You pay the copays or coinsurance for your covered drugs as determined by the benefits of your Part D plan, until your Total Drug Costs = \$4,430. Your Total Drug Costs=your copays/coinsurance + your Part D Plan’s portion of the drug cost.

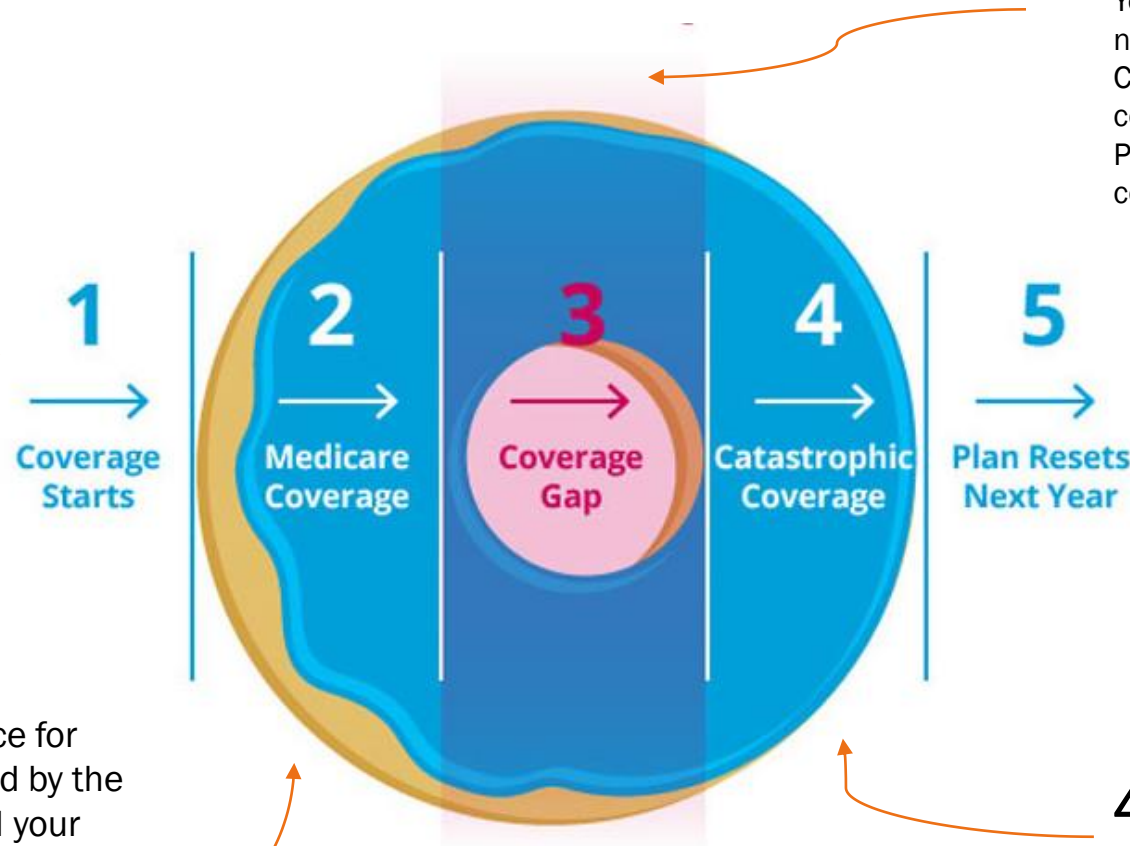
3) Coverage Gap

You pay 25% of the cost of generic and brand name drugs, until your Total Out-of-Pocket(TrOOP) Costs reaches \$7,050. Your TrOOP=deductibles + copays/coinsurance. Important: The amount your Part D plan pays for your generic drugs does not count towards your TrOOP.

4) Catastrophic Coverage Period

You will pay \$3.95 (or 5%) for generic drugs and \$9.85 (or 5%) for brand name drugs, You remain in this period until January 1st of the next year.

5) Part D periods reset January 1st and everyone starts back in the deductible phase or the initial coverage period (if no deductible on their plan).



Medicare Open Enrollment

- Fall Open Enrollment
 - *October 15th-December 7th*
- Can make changes to your Medicare Plans, such as:
 - Switch from an Advantage Plan back to Original Medicare
 - Switch from Orig. Medicare to an Advantage Plan
 - Pick a new Part D plan
 - Enroll for a Part D plan for the first time

Medicare Advantage Open Enrollment Period

- Special Enrollment Period for individuals that have an Advantage Plan on Jan. 1st
- **January 1st-March 31st**, beneficiary can:
 - Drop their Advantage Plan and go to Original Medicare
 - Pick up a Part D plan during this period but no “guaranteed issue” for a Medigap
 - Drop their current Advantage Plan and join a new Advantage Plan.
- One only change can be made during this period and your new plan will begin the first day of the next month after enrollment.

FOR MORE INFORMATION

- I-800-MEDICARE (I-800-633-4227)
 - TTY users should call I-877-486-2048
- *Medicare & You 2023* handbook
- www.medicare.gov
- www.cms.hhs.gov
- Indiana SHIP telephone: I-800-452-4800

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