

CareFirst MedPlus  

Medicare Made
Simple

Important:

- The information provided in this document is for informational purposes only and is not intended to be legal advice. You should not rely on any statements provided herein as legal advice.
- This presentation will provide a brief overview of Original Medicare (Parts A & B) and Medicare Supplemental (also known as Medigap) coverage. CMS regulations prevent us from discussing Medicare Advantage (Part C) or Prescription Drug coverage (Part D) within this forum. For more information about the benefits that may be available to you, please visit www.medicare.gov.
- CareFirst does not issue Medicare coverage. It does provide coverage that is supplemental to Medicare, which will be described later in this presentation.
- Please refer to the Medicare Made Simple Guide that you received in your tote bag upon arrival to supplement the information in this presentation. On each page of today's presentation, we have listed the page in the Guide that you should reference for additional information.
- Please silence your cell phones & hold all questions until the end of the presentation!



Key Terminology

- Admitted
- Benefit Period
- Inpatient
- Outpatient

Understanding Key Terms for Part 1

- **Admitted:** when an individual is placed under the supervision of the hospital for at least one night and is too sick to stay at home, requires 24-hour nursing care, and/or is receiving medications and undergoing tests/surgery that can only be performed in the hospital setting
- **Benefit Period:** a specific period of time that begins the day you are formally admitted as an inpatient in a hospital or skilled nursing facility, and ends when you have not received any type of inpatient care for 60 days in a row
- **Inpatient:** a patient who has been formally admitted to the hospital under a doctor's orders
- **Outpatient:** a patient who is not hospitalized overnight but who visits a hospital, clinic or associated facility for diagnosis or treatment and is discharged on the same day

Part 1: Original Medicare Basics

- What is Medicare?
- What is Medicare Part A?
- What is Medicare Part B?
- What benefits are not covered by Medicare Parts A & B?

What is Medicare?

- Medicare is a health insurance program for people:
 - Age 65 or older
 - Under age 65 with certain disabilities
 - With end-stage renal disease (permanent kidney failure requiring dialysis or kidney transplant)
- Original Medicare is made up of **Part A** (Hospital Insurance) and **Part B** (Medical Insurance)
 - They are administered by the federal government

What is Medicare Part A?

- Covers your **inpatient** care during hospital stays, hospice care and home health care
- Some people receive **Part A** automatically on the first day of the month they turn age 65*
- Usually, you do not have to pay a premium to receive Medicare **Part A** coverage if you or your spouse paid Medicare taxes while working

What does Medicare Part A cover?

- ✓ Inpatient care in hospitals
- ✓ Skilled Nursing Facility
- ✓ Hospice Care
- ✓ Home Health Care
- ✓ Inpatient care received in Religious, Non-Medical health care institutions

* If you are not automatically enrolled and want Part A (or Part B), you can sign up during your **Initial Enrollment Period** (7-month period that begins 3 months before the month you turn 65, includes the month you turn 65, and ends 3 months after the month you turn 65), the **General Enrollment Period** (January 1–March 31 each year), or during a **Special Enrollment Period** (visit [medicare.gov](https://www.medicare.gov) for details)

A closer look at Medicare Part A

- Medicare **Part A** covers the majority of inpatient costs; however, you are still responsible for paying deductibles, copayments and coinsurance during each **benefit period**

Length of Inpatient Hospital Stay	What You Pay
Days 1—60 in Benefit Period	\$1,316 member deductible
Days 61—90 in Benefit Period	\$329 per day
Days 91—150 in Benefit Period (“Lifetime Reserve Days”*)	\$658 per day

Length of Skilled Nursing Facility** Stay	What You Pay
Days 1—20 in Benefit Period	\$0
Days 21—100 in Benefit Period	\$164.50 per day
Each Day After Day 100 in Benefit Period	All costs for stay

*In Original Medicare, “Lifetime Reserve Days” are additional days that Medicare will pay for when you’re in a hospital for more than 90 days. You have a total of 60 reserve days that can be used during your lifetime. For each lifetime reserve day, Medicare pays all covered costs except for a daily coinsurance. Once lifetime reserve days are exhausted, you are responsible for all costs.

**To qualify for care in a skilled nursing facility, your doctor must certify that you need daily skilled care like intravenous injections or physical therapy.

***Dollar amounts shown are the 2017 deductibles, copayment and coinsurance. These amounts may change annually on January 1st of each year.

What is Medicare Part B?

- Medicare **Part B** covers your medically necessary doctor services
- To receive Medicare **Part B** coverage, you must:
 - Be enrolled in Medicare **Part A**
 - Pay the current **Part B** premium of \$134* per month (or higher depending on your income)

What does Medicare Part B cover?

- ✓ Inpatient & Outpatient Doctor Visits
- ✓ Inpatient & Outpatient Medical Services
- ✓ Inpatient & Outpatient Surgical Services and Supplies
- ✓ Physical and Speech Therapies
- ✓ Diagnostic Tests
- ✓ Durable Medical Equipment
- ✓ Outpatient Wellness Exams and Preventive Care
- ✓ Approved Home Health and Clinical Lab Services

* If you are already receiving Social Security benefits, you may pay less for the Part B Premium (on average, \$109 for 2017).

A closer look at Medicare Part B

- Just like **Part A**, when you have **Part B**, you are still responsible for deductibles, copayments and coinsurance

Annual Costs Not Covered by Part B	
Yearly Calendar Deductible	\$183
Medical Expenses for Inpatient and Outpatient Physician Services	20% of Medicare-Approved Amount
Outpatient Mental Health Services	20% of Cost for Service

Original Medicare doesn't cover it all

- There are many services that Medicare **Part A** and **Part B** do not cover:
 - Medical and Surgical Charges above Medicare-Approved Amounts
 - Outpatient Prescription Drugs
 - Acupuncture
 - Cosmetic Surgery
 - Dental Care and Dentures
 - Custodial Care (Long-Term Care)
 - Hearing Aids
 - Routine Eye Care and most Eyeglasses
 - Routine Foot Care

Let's talk about Mary...

- Mary was admitted to the hospital as an inpatient
 - Days 0—60, Mary pays the member deductible (**\$1,316**)
 - Days 61—90, Mary pays a coinsurance (**\$329/day**) for each day she is in the hospital
 - Days 91—150, Mary pays a coinsurance (**\$658/day**) for each day she is in the hospital



*The total out-of-pocket costs were calculated based on an individual staying a full 150 consecutive days as an inpatient in the hospital, within the same benefit period. The out-of-pocket costs an individual will pay can vary, depending on where they are within a benefit period. To determine out-of-pocket costs, an individual should pay close attention to the benefit period cycle.



Key Terminology

- Assignment
- Balanced Billing
- Deductible
- Copayment (Copay)
- Coinsurance

Understanding Key Terms for Part 2

- **Assignment:** when your doctor or provider agrees to accept the Medicare-approved amount as full payment for covered services
- **Balanced Billing:** when a doctor or provider does not accept Assignment; doctors who do not may charge up to 15% over the Medicare-approved amount (called the limiting charge) at the time of service (certain Medigap plans protect against this)
- **Deductible:** the amount you must pay before the insurance company or Medicare begins to pay its portion of the claims
- **Copayment (Copay):** a fixed dollar amount you pay when you visit a doctor or other provider of service
- **Coinsurance:** the percentage of the allowed benefit that you pay after you meet your deductible



Part 2: Getting Comprehensive Coverage

- What is Medigap?
- Enrolling in Medigap
- Choosing Your Medigap Policy
- Medigap Plans Offered by CareFirst MedPlus

What is Medigap?

- Medigap plans supplement Original Medicare by paying for health care costs (or “gaps”) that Original Medicare does not pay; these policies only cover one person, so spouses must buy individual policies
- There are 11 total “standardized” Medigap plans that have been designed by the federal government
 - Each plan offers the same basic benefits, regardless of the insurance company selling the plan
- Insurance companies may charge different premiums for their plans, and many offer advantages like special discounts and online tools to better serve their members

What is Medigap?

- To enroll in a Medigap policy, you must have Medicare **Part A & Part B** and pay a monthly premium for your Medigap plan
- You can go to any doctor, specialist or hospital that accepts Medicare; it is important to know whether or not your doctor accepts **Assignment**



Choosing Your Medigap Policy



- Before you apply for a plan, consider the following:

- **Your Monthly Premium Budget**

How much can you afford to spend on supplemental coverage?

- **Deductible and Yearly Out-of-Pocket Costs**

How much are you comfortable paying out-of-pocket before your supplemental coverage begins?

- **Balanced Billing Protection**

- **Coverage for Foreign Travel Emergency Care**

What You Pay with Original Medicare vs. What You Pay with CareFirst MedPlus Medigap Plans

	With Original Medicare alone, You Pay:	Choose <i>Medigap</i> Plan A and You Pay:	Choose <i>Medigap</i> Plan B and You Pay:	Choose <i>Medigap</i> Plan F and You Pay:	Choose <i>Medigap</i> High Deductible Plan F* and You Pay:	Choose <i>Medigap</i> Plan G and You Pay:	Choose <i>Medigap</i> Plan L** and You Pay:	Choose <i>Medigap</i> Plan M and You Pay:	Choose <i>Medigap</i> Plan N and You Pay:
Hospital Services (Part A)									
Inpatient hospital deductible	\$1,316	\$1,316	\$0	\$0	\$0 after plan deductible	\$0	\$329	\$658	\$0
Hospital days 61-90	\$329/day	\$0	\$0	\$0	\$0 after plan deductible	\$0	\$0	\$0	\$0
Hospital days 91-150 (lifetime reserve)	\$658/day	\$0	\$0	\$0	\$0 after plan deductible	\$0	\$0	\$0	\$0
365 days after hospital benefits stop	All Costs	\$0	\$0	\$0	\$0 after plan deductible	\$0	\$0	\$0	\$0
Skilled nursing facility days 21-100	\$164.50/day	\$164.50/day	\$164.50/day	\$0	\$0 after plan deductible	\$0	Up to \$41.13/day	\$0	\$0
Medical Expenses (Part B)									
Medical expense deductible	\$183	\$183	\$183	\$0	\$0 after plan deductible	\$183	\$183	\$183	\$183
Medical expenses after deductible	20%	0%	0%	0%	0% after plan deductible	0%	5%	0%	Office Visit: Up to \$20; ER visit: Up to \$50
Excess charges above Medicare approved amounts	100%	100%	100%	\$0	0% after plan deductible	\$0	100%	100%	100%
Other Expenses									
Foreign country emergency care (beginning during the first 60 days of each trip outside the USA)	100%	100%	100%	\$250 deductible, then 20% ***	\$250 deductible after plan deductible then 20% ***	\$250 deductible, then 20% ***	100%	\$250 deductible, then 20% ***	\$250 deductible, then 20% ***

Dollar amounts shown are the 2017 deductibles, copayment and coinsurance. These amounts may change on January 1, 2018.

*With **High-Deductible Plan F**, there is an annual plan deductible of \$2,200; after you meet the \$2,200 annual plan deductible, you pay \$0.

With **Plan L, there is an out-of-pocket limit of \$2,560; After you meet \$2,560 in out-of-pocket expenses, you pay \$0.

*** And amounts over a \$50,000 lifetime max.

Federal Resources

Medicare

- Phone: 800-MEDICARE (633-4227)
- Hours: 24 hours/day, 7 days/week
- Web address: www.medicare.gov

Medicare.gov

- Medicare & You 2017
Web address: www.medicare.gov/medicare-and-you

Social Security Administration

- Phone: 800-772-1213
- Hours: 7 a.m.-7 p.m., Mon.– Fri. & the automated service is available 24 hours/day, 7 days/week
- Web address: www.ssa.gov

Questions?



Reminder: The information provided in this presentation is for informational purposes only and is not legal advice. You should not rely on any statements provided herein as legal advice.

The purpose of this event is the solicitation of insurance; contact will be made by an insurance agent (or the insurance company). In some states, Medicare Supplement (Medigap) plans are available to disabled individuals under age 65 that are eligible for Medicare. Neither CareFirst MedPlus nor its agents represent, work for or are compensated by the Federal or State government or Medicare. First Care, Inc. is a health insurance company incorporated under the laws of the State of Maryland.

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