

# Welcome to Medicare 2020



## Module 2: Medicare Coverage

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April 16, 2020

This project was supported in part by grant 905AP00023-03-00 from the U.S. Admin. for Community Living, Dept. of Health and Human Services, Wash. DC 20203. Grantees undertaking projects under government sponsorship are encouraged to express freely their findings and conclusions. Points of view or opinions do not necessarily represent official Admin. for Community Living policy.



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# What is HICAP?

**H**ealth **I**nsurance **C**ounseling and **A**dvocacy **P**rogram

- All things Medicare
  - Education, Counseling & Advocacy
- Primarily a Volunteer Organization
  - Initial and Ongoing Training
  - Registered with California Department of Aging
- Funded by California and Federal Gov't
- No affiliation with Insurance Companies
  - No Policies Sold or Endorsed
- Free to you!

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# After This Module You Will Know

- ✓ The two paths you can choose for your Medicare coverage
- ✓ Medicare Part A coverage and costs
- ✓ Medicare Part B coverage and costs
- ✓ What Medicare doesn't cover

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# Decide How to Get Medicare Coverage

## Original Medicare (Fee for Service)

**Part A**  
Hospital  
*Centers for Medicare Services*



**Part B**  
Medical  
*Centers for Medicare Services*



Optional Add

**Medigap**  
*Private Insurance Companies*



*Helps pay cost-sharing in A & B*

Optional Add

**Part D**  
**Drugs**  
*Private Insurance Companies*



## Medicare Advantage Plan (Managed Care)

**Part C = A + B + D**  
Hospital Medical



*Benefits Assigned to Private Plan*

Drugs

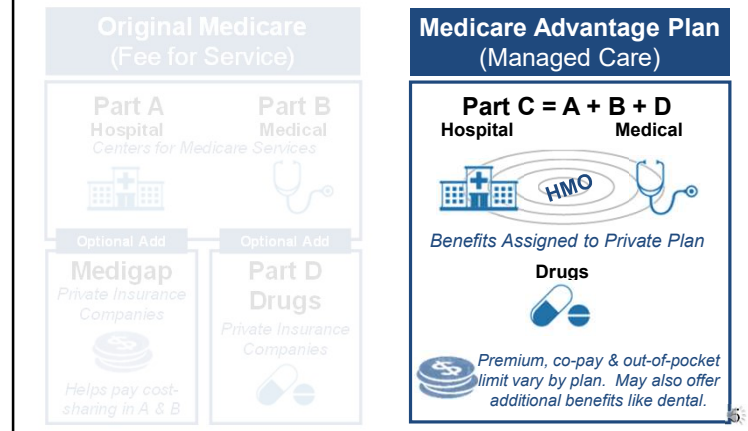


*Premium, co-pay & out-of-pocket limits vary by plan. May also offer additional benefits like dental.*

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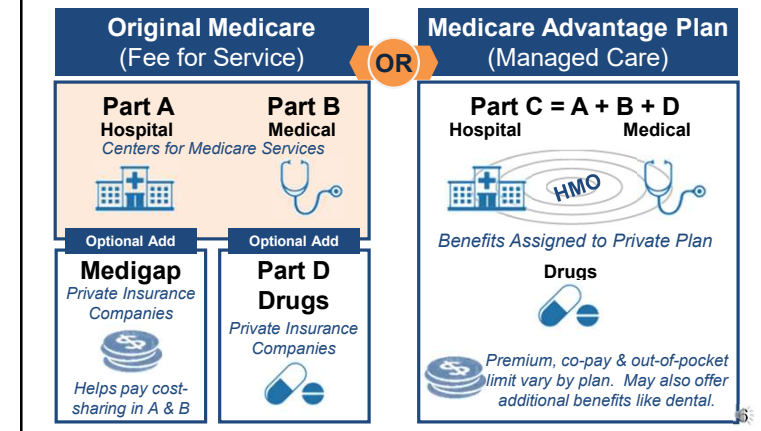
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## Decide How to Get Medicare Coverage



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## Decide How to Get Medicare Coverage



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## Medicare Part A



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## Part A Covers

- Hospital (Inpatient)
- Skilled Nursing after Hospital
  - Rehabilitation, not Long Term Care
  - Strict criteria for coverage
- Home Health Care (limited)
- Hospice
- Blood (Inpatient)



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## What Does Part A Cost?

- Premium is “free” for those who have 40 quarters of work on their own or spouse’s work record
- Can buy coverage for those with insufficient work history
  - Program to help pay for those with low income and assets
- Most enroll in Part A when turning 65
  - BUT, tax issues if you have an employer HSA (Health Savings Account)
  - Can get free Part A anytime with no penalty after age 65; can be retroactive up to six months

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## Part A – Cost Sharing

Original Medicare Cost Sharing	Your Share
<b>PART A – HOSPITALIZATION</b>	
2020 Costs	
Hospital Deductible: Day 1 of any Benefit Period*	\$1,408
Hospital Coinsurance: Days 1-60	\$0/Day
Hospital Coinsurance: Days 61-90	\$352/Day
Hospital Coinsurance: Days 91-150 (Lifetime Res.)	\$704/Day
Hospital Coinsurance: Days > 151	All costs
<b>PART A – OTHER COVERAGE</b>	
Skilled Nursing Coinsurance: Days 1-20	\$0/Day
Skilled Nursing Coinsurance: Days 21-100	\$176/Day
Home Health Care Costs:	\$0

\*Benefit period starts on admission and ends after home for 60 continuous days

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## Medicare Part B



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## Part B Covers

### Medical Visits

- Physician Visits
- Emerg. Care
- Lab Tests
- MRI, CT Scans
- Surgery
- Dialysis
- X-Ray
- Ltd. Chiropractic



And more...

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## Part B Covers



### Supplies

- Blood
- Diabetic
- Dialysis
- Walkers
- Wheelchair
- Prosthetics



And more...

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## Part B Covers



### Other

- Ambulance
- Transplants
- Clinical Trials
- Most Infused Drugs
- Many Chemo Drugs

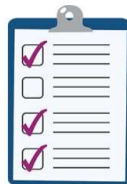
And more...

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## Part B Preventive Covers

- Services focused on
  - early detection
  - disease prevention
- Screenings, Tests, vaccinations, and Annual Wellness Visit
- Many items have no co-pay or deductible
- See [medicare.gov](http://medicare.gov) for more information



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## Part B Doesn't Cover




- Most dental care & dentures
- Eye exams for prescribing glasses
- Cosmetic surgery
- Hearing aids and exams for fitting
- Long term care
- Foreign travel
- Massage therapy
- Most acupuncture



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## Part B – Providers

Participating Providers	Non-Participating Providers	Opt-Out Providers
		
Accept ' <b>assignment</b> ' of the Medicare rates as Payment in Full (cannot charge more)	Can charge 15% more than the Medicare rates (more payment from you)	Do not accept Medicare at all

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## What Does Part B Cost?

### Premium

- In 2020, most people will pay a monthly premium of \$144.<sup>60</sup> per person
- Persons with high incomes will pay more and there are programs for low income /assets

### Cost Sharing

- Annual deductible = \$198 in 2020
- Coinsurance = 20% for most services
- Lab Tests & Home Health Care – no cost share
- No maximum out-of-pocket (e.g. Chemo)

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## Part B – Premium Adjustment

Your Annual Income		2020 Monthly Premium
Individual Tax Return	Joint Tax Return	
\$87,000 or less	\$174,000 or less	\$144. <sup>60</sup>
\$87,001 - \$109,000	\$174,001 - \$218,000	\$202. <sup>40</sup>
\$109,001 - \$136,000	\$218,001 - \$272,000	\$289. <sup>20</sup>
\$136,001 - \$163,000	\$272,001 - \$326,000	\$376. <sup>00</sup>
\$163,001 - \$499,999	\$326,001 - \$749,999	\$462. <sup>70</sup>
\$500,000 or above	\$750,000 or above	\$491. <sup>60</sup>

- Premium Adjustment is paid directly to Medicare via SSA
- **2020 adjustment is based on 2018 Modified Adjusted Gross Income**
- You can request a new determination of Part B premium from Social Security for life changes (SSA-44)

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## Helpful References

Resource	Website	Telephone
<b>HICAP</b>	cchicap.org	(925) 602-4163 or (800) 510-2020
Medicare	Medicare.gov (use GOV!)	800-Medicare [(800) 633-4227]
California Health Advocates	cahealthadvocates.org	
Medicare Rights Center	medicareinteractive.org	
Social Security	ssa.gov	(800) 772-1213
Calif. Dept. Insurance	insurance.ca.gov	
Veteran's Benefits		(800) 827-1000
Medi-Cal		(800) 709-8348
"Medicare & You"	Printed publication	

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# Next Up...

View Module 3:

## Supplementing Original Medicare

Welcome to Medicare 2020



Module 3: Supplementing Original  
Medicare – Medigaps and Part D  
Presented by Contra Costa HCAP

March 27, 2020



- ✓ Medicare Supplement Policies (Medigaps)
- ✓ Part D Prescription Drug Coverage