

# Medicare 101

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The basics of Medicare in Minnesota





# HELPING Older Adults and their Caregivers

The Senior LinkAge Line is a free service - offered by the state of Minnesota - helping older adults and their families to find community services or plan for their future.



## WE CAN HELP WITH

- Medicare
- Prescription drug expenses
- Housing resources
- Community supports
- Health care fraud and abuse
- Caregiver supports
- Applications and forms
- Employment resources
- Volunteer opportunities

**m1** MINNESOTA  
SENIOR LINKAGE LINE

800-333-2433

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# Welcome to Medicare

Medicare can be complicated. Not knowing the basics and when to enroll can lead to higher costs and missed opportunities. This booklet will introduce you to Medicare and your coverage options. Medicare has four parts:

Part A	Part B	Part C	Part D
<b>Hospital insurance</b>	<b>Medical insurance</b>	<b>Medicare Advantage Plans*</b>	<b>Prescription drug coverage</b>
Inpatient hospital care, including psychiatric hospitals, critical access and long-term care hospitals	Doctors' services and outpatient care when medically necessary	Medicare health plans that include Medicare Part A, Part B and in most cases Part D	Available as a stand-alone plan or as part of Medicare Advantage

For more information on Medicare, visit *Health Care Choices for Minnesotans on Medicare* at [mnhealthcarechoices.com](http://mnhealthcarechoices.com). This annual publication will help you prepare for Medicare enrollment and understand your options during the Medicare Open Enrollment Period each year.



If you need help, call the Senior LinkAge Line at 800-333-2433. The Senior LinkAge Line is a free service of the Minnesota Board on Aging and Minnesota's area agencies on aging, providing comprehensive and objective assistance to people in Minnesota.

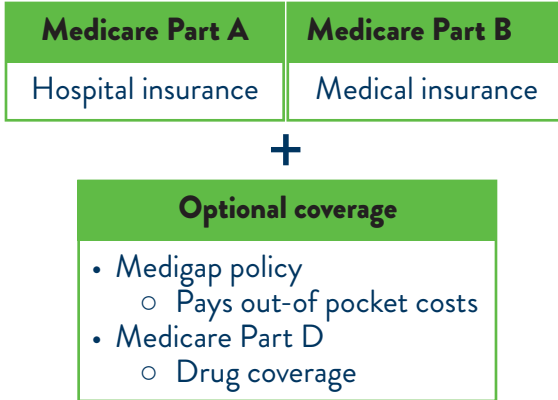
\*Depending upon where you live, you may be able to enroll in a Medicare Cost Plan. This is a different type of Medicare health plan. See page 18-19 for more information.

# Medicare options at a glance

When you become eligible for Medicare, you must decide whether to get your health care benefits through Original Medicare or a Medicare health plan.

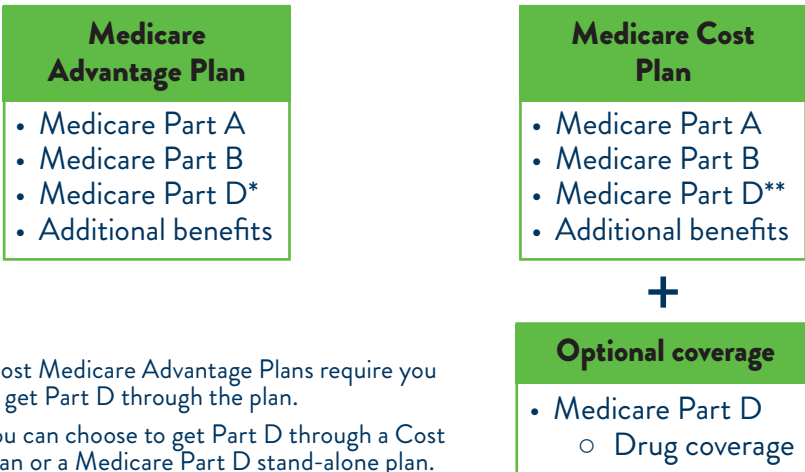
You may have to pay a premium penalty if you don't enroll in Medicare (A, B and D) when you are first eligible.

## Option 1: Original Medicare



There are two types of Medicare health plans, Medicare Advantage and Medicare Cost Plans. Cost Plans are only available in select counties.

## Option 2: Medicare Health Plans



\* Most Medicare Advantage Plans require you to get Part D through the plan.

\*\* You can choose to get Part D through a Cost Plan or a Medicare Part D stand-alone plan.

# Should I enroll in Medicare?

Do you have health insurance through current employment (self or spouse) that will continue once you turn 65?

**Yes**

Do you work for a small or large employer?\*

## Small Employer

Generally, Medicare pays first and the small employer group plan pays second. Enroll in Medicare during your Initial Enrollment Period.

See **C-F** and **H**

## Large Employer

Most people will enroll in Medicare Part A but not Part B, even if they continue to work.

See **B-I**

**No, or it will end when I turn 65**

See **A**

Do you receive Social Security or Railroad Retirement Benefits?

**Yes**

You will automatically be enrolled in Original Medicare – Social Security will mail you your Medicare card.

See **A, C, E** and **H**

**No**

Your Medicare enrollment will not be automatic; enroll during your Initial Enrollment Period.

See **C, E, F** and **H**

Do you or your employer contribute to a health savings account (HSA)?

**Yes**

You can no longer contribute to an HSA if you enroll in Medicare.

See **B** and **G-I**

**No**

See **G-I**

\*If you are uncertain of how your group health plan is classified, contact your employer.

- A. In general, if you have coverage through MNsure or Medical Assistance, you must enroll when you are first eligible.**
- B. You can delay enrollment in Part B without penalty when:**
- You have a large employer group health plan *and*
  - Your coverage is through current employment (self or spouse) and not retiree coverage.
- C. You can delay enrollment in Part D without penalty if:**
- You have other creditable prescription drug coverage.
    - You have 63 days to enroll in a Part D plan once your employer plan coverage ends.
- D. If you receive Social Security or Railroad Retirement Benefits, you will automatically be enrolled in Original Medicare.**
- Social Security will mail you a packet that includes your Medicare card.
  - Contact your employer to see how your Medicare benefits work with your employer-based coverage.
- E. Your Medicare Initial Enrollment Period (IEP) lasts for seven months.**
- Three months before the month you turn 65, the month of your 65<sup>th</sup> birthday and three months after
- F. You can enroll in Medicare by:**
- Visiting [ssa.gov/benefits/medicare](https://ssa.gov/benefits/medicare)
  - Calling Social Security at 800-772-1213
- G. Enrolling in Part B after your IEP:**
- You have an eight-month special enrollment period to enroll in Part B without penalty when active employment or employer group health plan coverage ends (whichever is first).
  - Contact Social Security three months before you want Medicare to start.
- H. You can call the Senior LinkAge Line at 800-333-2433 to review your current health insurance and discuss your options.** If you are turning 65, you can also view Medicare's decision fact sheet at <https://go.cms.gov/3o54VV0>.
- I. Enroll in Part A unless you and/or your employer make contributions to an HSA.**
- There are tax penalties for continuing to contribute to an HSA if you enroll in Medicare.

# Enrolling in Medicare

## Turning 65

- If you are already getting Social Security benefits, you will automatically be enrolled in Part A and Part B the first day of the month you turn 65.
  - You will receive a *Welcome to Medicare* packet in the mail three months before your birthday.
- If you do not get Social Security benefits and want Medicare, you must enroll.

## Under 65 and disabled

- If you are disabled and you have been receiving Social Security benefits for 24 months, you will automatically be enrolled in Part A and Part B at the beginning of your 25<sup>th</sup> month.
  - You will receive a *Welcome to Medicare* packet in the mail three months before your 25<sup>th</sup> month of receiving Social Security benefits.

## How to enroll

Online	Call	Visit
 <p data-bbox="110 1019 298 1089">Social Security <a href="https://ssa.gov">ssa.gov</a></p>	 <p data-bbox="437 1019 625 1089">Social Security 800-772-1213</p>	 <p data-bbox="724 1019 990 1089">Social Security office <a href="https://ssa.gov/locator">ssa.gov/locator</a></p>

## Paying Medicare premiums

- If you get Social Security benefits, your Part B premium will be deducted from your check, beginning one month before Medicare starts.
- If you do not get a Social Security check, your premium can be paid through:
  - A bank account
  - Medicare Easy Pay
  - Check or money order
  - Credit card or debit card



# VOLUNTEER

with the

## Senior LinkAge Line



Help older adults and caregivers in your community  
by volunteering with the Senior LinkAge Line.

800-333-2433



## VOLUNTEER OPPORTUNITIES

- Volunteer locally
- Community outreach
- Office assistance
- Forms and application assistance
- Health insurance counseling
- And so many more ways to help older adults and caregivers

## VOLUNTEERING PROVIDES

- Training and learning new skills
- Physical, social and mental activity
- A greater sense of purpose
- Opportunity to meet new people
- Creative ways to use your talents
- Giving back to your community

## HOW DO I GET INVOLVED?

Call the Senior LinkAge Line at  
800-333-2433.

**mn** MINNESOTA  
SENIOR LINKAGE LINE

# Medicare decisions

## Step 1:

### Enroll in Medicare

- Your Initial Enrollment Period (IEP) includes the three months before you turn 65, the month of your 65<sup>th</sup> birthday and the three months after.
- You are automatically enrolled in Medicare if you receive Social Security.
  - If you are not already receiving benefits at 65, you must contact Social Security to enroll.
- In most cases, if you or your spouse are still working and getting employer group health insurance, you do not need to enroll in Part B.

## Step 2:

### Choose how to get your Medicare benefits

- Cost - what can you afford?
- Convenience - can you be flexible?
- Coverage - how much health care do you need?
- Location - what is available where you live?

## Step 3: *Original Medicare only*

### Choose Medigap insurance

- Optional (Original Medicare only)
- Provided through a private insurance company, employer plan or retiree plan
- Enroll during your Medigap Open Enrollment Period for guaranteed eligibility (six months – starts the month Part B begins).

## Step 4:

### Choose prescription drug coverage

- Coverage is optional.
- Penalties could apply for delayed enrollment without creditable coverage.
- If you have other creditable coverage, you do not need to enroll in Part D.

## Step 5:

### Review Medicare plan options annually

- Use the Medicare Plan Finder tool at [Medicare.gov](https://www.medicare.gov)
- Call 800-Medicare (800-633-4227).
- Call the Senior LinkAge Line at 800-333-2433.

## 1 Enroll in Medicare

### Part A Hospital insurance

- No premium if you or your spouse worked ten years (40 Social Security credits)

### Part B Medical insurance

- Must pay monthly premiums
- Higher premiums for those with higher incomes

### Option 1 Original Medicare

Part A and Part B coverage through the federal government.

### Medigap coverage

Optional health insurance that helps to pay Part A and Part B out-of-pocket costs, but does not cover prescription drugs.

### Stand-alone Part D Plan

The plans available and your costs can change annually.

### Re-evaluate your Medicare prescription drug plan

Annual Open Enrollment Period is October 15 - December 7.

2

### Option 2 Medicare Health Plan

Medicare Advantage Plans and Cost Plans combine Part A, Part B and may include Part D.

3

### No Medigap coverage

- Not available if you enroll in a Medicare health plan.
- Medicare plans will have out-of-pocket costs.

4

### Medicare Advantage or Medicare Cost Plan & prescription drug plan

Contact the plan to see if drug coverage is included or if you can add a Part D plan.

5

### Re-evaluate your Medicare health plan & Part D Plan

- Annual open enrollment is October 15 - December 7.
- Medicare Advantage OEP is January 1 - March 31.

# Original Medicare

Original Medicare is health insurance offered through the federal government.

If you have Original Medicare, you can go to any hospital, doctor or other provider that accepts Medicare. If you don't enroll in Medicare at the right time, your premiums may be higher.

## Eligibility

- U.S. citizens or lawful permanent residents
  - age 65 and older
  - under age 65 with disabilities

## Medicare Part A premium

- Most people eligible for Medicare do not pay a premium for Part A.
- You will pay a premium if you or your spouse do not have 40 Social Security credits.
- If you're not eligible for premium-free Part A and don't enroll at the right time, you may have to pay a penalty.

## Medicare Part B premium

- The monthly premium changes every year.
  - People with higher incomes pay an additional premium amount called an Income-Related Monthly Adjustment Amount (IRMAA).
- Your premium is deducted automatically from Social Security or Railroad Retirement Board benefit.
  - If you are not receiving a benefit, Medicare will bill you.
- If you don't enroll in Part B at the right time, you will have to pay a 10% premium penalty for each 12-month period you delay enrollment.
  - In most cases, the penalty is permanent.
  - This penalty does not apply to people who have health insurance from their own or their spouse's current active employment.

## WHAT'S COVERED?

### Part A *hospital insurance*

- Inpatient hospital care
- Skilled nursing facility care (limited coverage)
- Home health care
- Hospice
- Blood transfusions

### Part B *medical insurance*

- Physician services
- Home health care
- Outpatient hospital treatment and surgery
- Physical, occupational and speech therapy
- Mental health services
- Limited prescriptions
- Durable medical equipment, prosthetics, orthotics and supplies
- Preventive services
- and more

## Out-of-pocket costs

- You will have to pay deductibles, coinsurance and copayments.
  - You can purchase a Medigap policy to help pay these costs.
- You must pay for services not covered by Medicare, such as long-term care and routine dental, vision, and hearing services.

## ENROLLMENT PERIODS

### **Initial Enrollment Period : Turning 65**

The seven-month period includes the three months before you turn 65, the month of your 65<sup>th</sup> birthday and the three months after.

Apply early if you want coverage to begin on the first day of your birthday month.

### **Initial Enrollment Period: Disabled Under 65**

The seven-month period starts 21 months after you get Social Security disability benefits and lasts through the 27<sup>th</sup> month.

### **General Enrollment Period**

January 1 - March 31, coverage begins the first day of the month after you enroll. Late enrollment premium penalty may apply.

### **Special Enrollment Period**

Up to eight months after employment or employer group health plan coverage ends, whichever is first.

Employer group health plan coverage must be based on your, or a spouse's, current employment (COBRA or retiree coverage does not qualify).

Additional Special Enrollment Periods are available depending on your circumstances. To see if you are eligible for a SEP, contact the Senior LinkAge Line at 800-333-2433.

# Medigap

Medicare Supplement Insurance, more commonly known as Medigap, is sold by private companies and helps pay some of the out-of-pocket costs that Original Medicare does not cover.

- If you buy a policy, you will pay a premium to the insurance company (in addition to the Part B premium).
- Policy options are standardized and must offer the same benefits regardless of which insurance company sells the policy.
- Policies are guaranteed renewable, even if you have health problems in the future. If you pay your premiums, the policy cannot be canceled, even if you move out of state.
- In general, policyholders can see any medical provider that accepts Medicare.

## Policy types

- Basic
- Basic with riders
- Medicare SELECT
- Extended Basic
- Additional Medigap plans with limited coverage (see page 15)

## Eligibility/enrollment period

- You must have Original Medicare Part A and B to buy a policy.
- It's best to enroll in your initial six-month Medigap Open Enrollment Period. If you enroll during this period, the insurance company is required by law to sell or offer a policy to you without health screening.
  - If you apply for a policy outside this period, you will be asked health-related questions and could be denied coverage.

## WHAT'S COVERED?

### Medigap

- Helps pay deductibles, copayments and coinsurance for Medicare-covered services
- Coinsurance for Part B drugs
- May cover annual physical
- May cover medical care while traveling outside the U.S.
- Coverage varies depending on the type of policy you purchase.
- State-mandated benefits, such as diabetic equipment and supplies, routine cancer screening, reconstructive surgery and immunizations

# Supplements Original Medicare

- In some cases, you may also have guaranteed issue rights, meaning, a company is required by law to sell you certain policies without health screening outside your initial Medigap Open Enrollment Period.

Examples include:

- If your Medicare health plan or Medigap policy is no longer offered.
- If you move away from your plan's service area.

## ENROLLMENT PERIODS

<b>Initial Enrollment Period:</b> <b>Turning 65</b>	The six-month period starts the month you enroll in Part B.
<b>Initial Enrollment Period:</b> <b>Disabled Under 65</b>	The six-month period starts the month you enroll in Part B.  You have a second IEP when you turn age 65.
<b>General Enrollment Period</b>	If you have Part A and Part B, you can apply for a Medigap policy at any time.  You can be denied coverage outside of your IEP.
<b>Special Enrollment Period</b>	SEPs are available, depending upon individual circumstances.

# Medigap Policies in Minnesota

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## Basic Medicare Supplement:

### What's covered:

- Part A coinsurance and 100% of all Part A eligible expenses not covered by Original Medicare
- Part B coinsurance
- Blood: first three pints of blood each year
- Part A hospice and respite care cost sharing
- Parts A and B home health services and supplies cost sharing
- Medicare-covered preventive care
- 80% foreign travel emergency care

### Additional riders:

Additional coverage that can be added for an extra cost

- Part A deductible
  - Pays inpatient hospital deductible
- Part B excess charges
  - Providers who don't agree to accept Medicare's allowable rates (Medicare Assignment) can charge up to 15% more (excess charge)
  - Excess charges are limited for Minnesota residents
- Non-Medicare preventive care
  - Pays up to \$120 annually for certain preventive medical services not covered by Medicare (i.e., annual physical exam)

## Extended Basic:

### What's covered:

The same benefits of a Basic Medicare Supplement plus:

- Part A in-patient hospital deductible
- Part A skilled nursing facility (SNF) coinsurance
  - provides up to 120 days of SNF care
- 80% usual and customary fees\*
- 80% coverage while in a foreign country\*
- State-mandated benefits (diabetic equipment and supplies, routine cancer screening, reconstructive surgery, and immunizations)

\* The plan pays 100% for most services after you pay \$1,000 in out-of-pocket costs for a calendar year.



# Supplements Original Medicare

## Additional Medigap plans with limited coverage:

These are Medigap plans with limited coverage available through certain private insurance companies.

<b>50% Coverage</b>	<ul style="list-style-type: none"><li>• Similar to Plan K</li><li>• Pays 100% of your coinsurance after you reach the out-of-pocket maximum</li><li>• Covers 50% of the Part A deductible, Part B coinsurance and skilled nursing facility coinsurance</li></ul>
<b>75% Coverage</b>	<ul style="list-style-type: none"><li>• Similar to Plan L</li><li>• Pays 100% of your coinsurance after you reach the plan's out-of-pocket maximum</li><li>• Covers 75% of the Part A deductible, Part B coinsurance and skilled nursing facility coinsurance</li></ul>
<b>50% Part A Deductible</b>	<ul style="list-style-type: none"><li>• Similar to Plan M</li><li>• Covers 50% of the Part A deductible and all other services covered under a Basic Medicare Supplement policy</li></ul>
<b>Part B \$20 &amp; \$50 Copay</b>	<ul style="list-style-type: none"><li>• Similar to Plan N</li><li>• Covers the same benefits as a Basic Medicare Supplement policy with cost sharing</li><li>• Must pay \$20 for office visits and \$50 for emergency room visits</li></ul>
<b>High-deductible Coverage</b>	<ul style="list-style-type: none"><li>• Similar to Plan F (high-deductible plan)</li><li>• Must pay for all Medicare-covered services up to the plan's annual deductible</li><li>• Has similar benefits to Basic Medicare Supplement plans</li></ul>

## Medicare SELECT plans:

Coverage under a SELECT plan may be Basic or Extended Basic. To be eligible for full insurance benefits under a Medicare SELECT plan, you must use health care providers within the plan's network (except in an emergency).

## Retiree supplement coverage

Some people may be eligible for employer retiree health insurance that supplements Medicare. The coverage varies, depending on the plan. Benefits can change and coverage can be canceled. In most cases, if you do not enroll in retiree coverage when you are first eligible, you will not be allowed to enroll later.

# Medicare Advantage Plans: Part C

You can choose to get your Part A and Part B benefits through a Medicare Advantage Plan.

- Plans are managed by private insurance companies and approved by Medicare.
- Services must be paid by the Advantage Plan, not Original Medicare.
- Plans must cover the same benefits as Original Medicare.
- Plans may require you to use certain health care providers (provider network).
  - Seeing providers outside the plan network can increase your costs.
- It's important to re-evaluate your coverage annually during Medicare Open Enrollment. During this time, plans can make changes to their rules, benefits, costs and provider networks for the upcoming year.
- There are different types of Medicare Advantage Plans and each plan type has different rules. For more information, visit [mnhealthcarechoices.com](http://mnhealthcarechoices.com).

## Eligibility/enrollment

- You must have Part A and B to enroll in a plan.
- You can enroll when you are first eligible for Medicare, during a Special Enrollment Period and at certain times of the year.
- Plans are sold in certain areas of Minnesota identified by the company.

## Premium/out-of-pocket costs

- Most plans charge a monthly premium in addition to your Part B premium.
- You will pay other out-of-pocket costs, such as deductibles, copayments and coinsurance.
- Plans are required to have an annual limit on out-of-pocket costs for Part A and Part B-covered services (not including Part D drug costs).

## WHAT'S COVERED?

### Medicare Advantage Plans *hospital and medical insurance*

- Part A and Part B benefits
- Part D benefits included in most plans
  - If your plan does not include Part D, you may not be allowed to enroll in a separate Part D plan. Call your plan to verify.
- Additional benefits may be offered, such as:
  - Annual physical
  - Dental
  - Vision
  - Hearing
  - Wellness
  - Long-term care services

## ENROLLMENT PERIODS

**Initial Enrollment Period: Turning 65** Begins three months before you are enrolled in both Parts A and B and ends the last day of your Part B IEP.

**Initial Enrollment Period: Disabled Under 65** Begins three months before you are enrolled in both Parts A and B and ends the last day of your Part B IEP.

**General Enrollment Period** If you enroll in Medicare during the General Enrollment Period (January 1 - March 31), you can enroll in a Medicare Advantage Plan (with or without Part D) starting three months before your Part B coverage begins.

People must have both Part A and Part B to enroll and must enroll by the last day of the month before their Part B effective date. Premium penalties may apply.

**Open Enrollment Period** October 15 - December 7, coverage begins January 1.

**Special Enrollment Period** Available depending upon individual circumstances.

**Medicare Advantage Open Enrollment Period** **New to Medicare**  
If you enroll in a plan during your IEP, you can change to a different Advantage Plan or return to Original Medicare one-time only during the first three months of enrolling in Part A and B.

### Annually

January 1 - March 31. If you are enrolled in an Advantage Plan, you have a one-time opportunity to switch to a different Advantage Plan or return to Original Medicare.

### Part D benefits

During this time, you can:

- Switch to another Advantage Plan (with or without drug coverage)
- Disenroll from your Advantage Plan and return to Original Medicare
  - Join a Medicare Prescription Drug Plan

# Medicare Cost Plans

Depending on where you live, you may be able to get your Part A and Part B benefits through a Medicare Cost Plan.

Cost Plans are managed by private insurance companies and must cover the same benefits as Original Medicare.

- Plans may require you to see certain health care providers (provider network).
- Medicare-approved services outside the plan's network will be billed to Original Medicare.
  - You will be responsible for paying the cost sharing for services that are billed to Original Medicare.

## Eligibility/enrollment

- You must have Part B or both Part A and B to enroll.
- You can switch from Original Medicare to a Medicare Cost Plan at any time, as long as the plan is accepting new members and you live in the plan's service area.
- You can disenroll from the plan and return to Original Medicare at any time.
  - If your plan has Part D, contact the plan to find out how this will affect your drug coverage.

## Premium/out-of-pocket costs

- Most plans charge a monthly premium in addition to your Part B premium.
- You will also pay other out-of-pocket costs, such as deductibles, copayments and coinsurance.
- Plans are required to have an annual limit on your out-of-pocket costs for Part A and Part B-covered services (not including Part D drug costs).

## WHAT'S COVERED?

### Medicare Cost Plans *hospital and medical insurance*

- Part A benefits
  - Only if you are enrolled in Part A
- Part B benefits
- Part D benefits can be through the plan or a stand-alone Part D plan
- May include additional benefits, such as:
  - Annual physical
  - Vision
  - Dental
  - Hearing
  - Wellness

## ENROLLMENT PERIODS

**Initial Enrollment  
Period:  
Turning 65**

Available when you are first eligible for Medicare and you live in a county where the plan is sold.

You must be enrolled in Part A and Part B or just Part B alone.

**Initial Enrollment  
Period:  
Disabled Under 65**

Available when you are first eligible for Medicare and you live in a county where the plan is sold.

You must be enrolled in Part A and B or just Part B alone.

**General Enrollment  
Period**

You can enroll at any time the plan is taking new members and you live in the plan service area.

Coverage will start the first day of the following month after you enroll in the plan.

**Open Enrollment  
Period**

October 15 - December 7, coverage begins January 1.

**Special Enrollment  
Period**

You can enroll at any time the plan is taking new members and you live in the plan service area.

Coverage starts the first day of the following month you enroll in the plan.

# Prescription drug coverage

Medicare Part D is outpatient prescription drug coverage offered by private insurance companies.

- Generally, Part B covers prescription drugs that are not self-administered.

There are two ways to get Part D:

- Stand-alone plan
  - For people with Original Medicare or a Cost Plan (without Part D)
- Medicare health plan with Part D
  - Most Advantage Plans require you get drug coverage through the plan.
  - You do not have to get Part D coverage through a Cost Plan. You can choose to get coverage through the plan or a Part D stand-alone plan.

## WHAT'S COVERED?

### Part D Prescription Drug Coverage

- Brand-name and generic drugs
  - FDA-approved
  - Included in the plan's formulary
- Insulin and injection supplies
- Some vaccines (i.e., shingles vaccine)

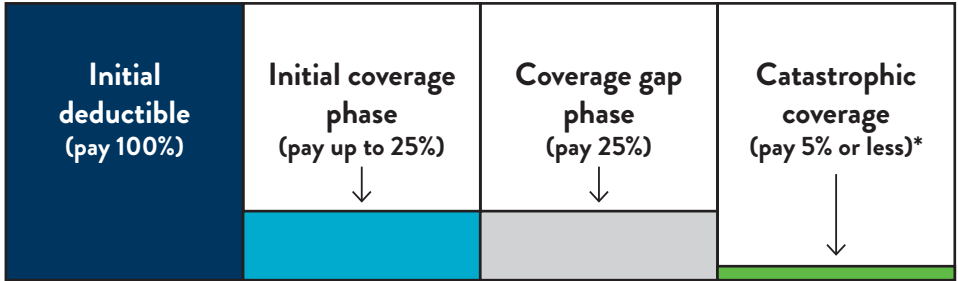
### Eligibility/enrollment

- You must be enrolled in Part A and/or Part B.
- You can enroll when you're first eligible for Medicare, if you are eligible for a Special Enrollment Period or at certain times of the year.
- If you don't enroll when you're first eligible and don't have other creditable drug coverage, you may have to pay a premium penalty if you enroll later.
  - Creditable drug coverage is considered to be as good as Part D.

### Premium/out-of-pocket costs

- Most plans charge a monthly premium.
  - People with higher incomes pay an additional premium amount.
  - Premiums may also be higher if you have a late enrollment penalty.
- If you have limited income and assets, you may be eligible for help to pay these costs (see pages 28-29).
- There are four Part D coverage phases. Cost sharing will vary depending on your medications and the plan you choose.

## Medicare Part D Cost Sharing



\*In 2024, once you reach the catastrophic coverage phase you will have no cost-sharing.

## ENROLLMENT PERIODS

<b>Initial Enrollment Period: Turning 65</b>	<p>The seven-month period includes the three months before you turn 65, the month of your 65<sup>th</sup> birthday and the three months after.</p>
<b>Initial Enrollment Period: Disabled Under 65</b>	<p>The seven-month period starts 21 months after you get Social Security disability benefits and lasts through the 27<sup>th</sup> month.</p>
<b>General Enrollment Period</b>	<p>People enrolling during the General Enrollment Period (January 1 - March 31) who are not eligible for premium free Part A have a Special Enrollment Period to enroll in a Part D plan.</p> <p>The Special Enrollment Period is April 1 - June 30, with coverage starting July 1. People who receive premium-free Part A cannot use this Special Enrollment Period.</p>
<b>Open Enrollment Period</b>	<p>October 15 - December 7, coverage begins January 1.</p>
<b>Special Enrollment Period</b>	<p>Available depending on individual circumstances.</p>
<b>Medicare Advantage Open Enrollment Period</b>	<p>See details on page 17.</p>

# Cost, convenience and coverage

Deciding how to get your Medicare benefits can be overwhelming. Consider:

## **COST**

How much can you afford to pay in premiums and other out-of-pocket costs?

## **CONVENIENCE**

Are you able to be flexible? Medicare health plans can have different rules for how you access services.

## **COVERAGE**

How much coverage do you need? When choosing a plan, it's important to consider your current and future health care needs.

### **Option 1**

#### **Original Medicare + Medigap**

##### **Higher premium with lower out-of-pocket costs**

- May have little to no out-of-pocket costs for Medicare-covered services
- May be less expensive overall if you have significant health issues

##### **Covered benefits**

- Covers Part A and B benefits
- Usually, only Medicare-covered services allowed

##### **Providers**

- Can see any provider that accepts Medicare
- Most services do not need to be pre-approved and you don't need a referral to see a specialist.

##### **Drug coverage**

- Can buy a separate Part D plan
- Part B-covered medications will typically be less expensive

##### **Health screening**

- Can be denied Medigap coverage after your six-month open enrollment period (see page 12)

### **Option 2**

#### **Medicare Health Plan**

##### **Lower premium with higher out-of-pocket costs**

- May be a lower cost option for healthy people who see their doctor infrequently
- Cost and coverage vary greatly by plan and where you live

##### **Covered benefits**

- Covers Part A, B and usually Part D benefits
- Covers additional benefits and services, i.e., dental and vision

##### **Providers**

- Seeing out-of-network providers will increase out-of-pocket costs
- May require some services to be pre-approved and a referral to see a specialist

##### **Drug coverage**

- Generally, can't buy a separate Part D plan with an Advantage plan
- Part B-covered medications will typically be more expensive

##### **Health screening**

- No health screening for Medicare Advantage Plans



# Researching your Medicare options

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When you enroll in Medicare, you must decide how to get your Medicare benefits. Follow these suggestions to make the decision that best meets your insurance needs.

Call the Senior LinkAge Line at 800-333-2433 to find a *Welcome to Medicare* class or to get additional help.

## **Begin your research at least six months before you turn age 65**

- Decide whether you should enroll in Medicare.
  - Pages 4-5 will help you determine if enrolling in Medicare is right for you.
  - If appropriate, enroll (see page 6 on how to enroll).
- Choose how to get your Medicare benefits.
  - Pages 10-21 will help you to decide what is the best option for you.
  - Research your options using the Medicare website at [medicare.gov](https://www.medicare.gov).

### **Option 1: Original Medicare**

- Decide if you want to buy a Medigap policy
  - View plans available in Minnesota by going to [mnhealthcarechoices.com](https://www.mnhealthcarechoices.com)
  - Pages 12-13 will help you understand Medigap coverage by plan type.
  - You must purchase a Medigap policy through a licensed agent.
- Decide if you need to enroll in a Part D plan
  - You do not need to enroll in a Part D plan if you have creditable drug coverage.
  - If you need drug coverage, use the Medicare website at [medicare.gov](https://www.medicare.gov) to find and enroll in a Part D plan that covers your medication, works at your pharmacy and is the most cost-effective.

### **Option 2: Medicare Health Plan**

- If you decide to get your Medicare benefits from a Medicare Advantage or Cost Plan:
  - Use the Medicare website at [medicare.gov](https://www.medicare.gov) to find and enroll in a plan that is available where you live.
  - You can also visit *Health Care Choices for Minnesotans on Medicare* at [mnhealthcarechoices.com](https://www.mnhealthcarechoices.com). This annual publication lists all Medicare health plans available in Minnesota.

# Preventing fraud

Fraud and financial scams happen to millions of people every year, resulting in billions of dollars lost. Medicare fraud results in higher taxes and health care costs for everyone.

Scams are a type of fraud. Advances in technology have increased both the types and occurrences of scams. Scams can be perpetrated through the mail, email, in-person and over the phone. It is important to know how to recognize fraud and financial scams and how to protect yourself.

Call the Senior LinkAge Line at 800-333-2433 and ask for help.

## Medicare fraud & abuse

### Examples

- Billing for services and supplies you did not receive or need
- Offering or accepting kickbacks and bribes
- Allowing someone else to use your Medicare number
- Double billing or overcharging for services and supplies
- Misusing billing codes on a claim

### How to fight fraud and abuse

- Protect your Medicare, Medical Assistance and Social Security numbers.
- Medicare and Social Security won't call or visit to sell you anything.
- Document doctor visits, tests and procedures.
- Save Medicare Summary Notices and Explanation of Benefits statements.
- When disposing of documents, shred anything with personal information.
- Be wary of incoming calls and email offers.

### What to do if you suspect fraud, errors or abuse

- If you're confused about a charge, call the provider.
  - This may help you better understand the charge, or they may realize a billing error was made.
- If Medicare is billed for an item or supply you didn't receive, or you don't know the supplier on the claim, call 1-800-Medicare (800-633-4227).



## Consumer scams

### Examples

- Identity theft
- Fake cashier's check or money order as payment
- Phony emails, texts or corrupt websites
- Impersonations
  - Someone you know is in distress and needs money
  - A government agency, including IRS, FBI, and law enforcement
- Soliciting donations for fake charities
- Fraudulent investment options
- Fake prize winnings and lotteries

### How to protect yourself from becoming a victim of a scam

- Be wary when things sound too good to be true.
- Don't allow someone to rush you into making a decision.
- Research the product, company or person.
  - Do an online search.
  - Check with the Better Business Bureau.
- Before acting, get the opinion of someone you trust.
- Don't click on links in e-mails (even from people you know).
  - Check with the person sending the e-mail to make sure it is really from them.
- Hang up on incoming calls that sound suspicious.

### What to do if you suspect a scam

- File a report with local law enforcement.
- Call the FBI at 763-569-8000.
- Contact the Office of Minnesota Attorney General at 800-657-3787.
- Report Identity Theft.
  - Visit the Federal Trade Commission's website, [IdentifyTheft.gov](https://www.identifytheft.gov), or call 877-382-4357.
  - Call one of the three credit reporting agencies
    - Equifax 877-322-8228
    - Experian 888-397-3742
    - TransUnion 877-322-8228
  - Record the dates and times you make calls or send letters.
  - Keep copies of your reports and letters on file.

# Medicare appeal rights

You can file an appeal when you disagree about a coverage or payment decision. You can also file an appeal if Original Medicare or your plan stops providing payment for services, supplies or prescriptions that you feel are still needed.

## Filing an appeal

If you disagree and want to appeal, follow the instructions on the notice you received.

The appeal process has five levels and varies depending on whether you are appealing a coverage or payment decision made by Original Medicare, a Medicare health plan or a Part D Plan.

Be aware; each appeal level has different rules and strict deadlines. Some levels have a minimum dollar amount that must be in dispute to file the appeal.

## Quality of care concerns

You can file a complaint or grievance if you have a concern about the quality of care you received from a Medicare provider. This must be done verbally or in writing within 60 days of the event.

- If the complaint is with your Medicare health plan or Part D plan, contact your plan directly.
- If the complaint is with a medical provider, contact your plan directly or the Beneficiary and Family Centered Care-Quality Improvement Organization (BFCC-QIO). In Minnesota, this is Livanta at 888-524-9900.

## Need help?

Call the Senior LinkAge Line at 800-333-2433 for help filing an appeal or for more information about Minnesota's BFCC-QIO.



# Medicare and observation status

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## Hospital admission status under Medicare

You can be admitted to a hospital as either an inpatient or outpatient in observation status.

- Inpatient hospital stays are covered under Part A.
- Outpatient hospital (observation) stays are covered under Part B.

## Observation status

- When your condition and the services you need do not meet the Medicare inpatient guidelines, you can be admitted under observation status.
- Hospitals must provide you with written and verbal notification.
- Time spent in observation status does not count toward meeting the three-midnight inpatient hospital stay required before Original Medicare will pay for care in a skilled nursing facility.

## Medicare payment for observation stays

- If you have Original Medicare, you will pay at least 20% of the Medicare-approved amount for each individual service.
- If you have a Medicare health plan, costs can vary. Contact your plan for details.

## Medications

Part B will not cover outpatient drugs during an observation status.

- Part D plans have a process to reimburse people who received medications under these circumstances.
  - You must pay for the medications and then submit a claim form to your plan. Typically, drug copayments will be higher.

## Disagreement with hospital admission status

- If you are in the hospital and disagree with your admission status:
  - Talk to your doctor to see if your status can be changed to inpatient.
  - Ask your primary doctor to contact the treating provider and try to get the status changed.
- If you are no longer in the hospital and you disagree with your admission status:
  - When you receive the Medicare Summary Notice or Explanation of Benefits for the hospital stay, follow the instructions to appeal.
  - Request your hospital and nursing home records and ask for letters of support from your physicians.

# Health Savings Accounts and Medicare

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A Health Savings Account (HSA) is an account that someone with a high deductible health plan can contribute to on a tax-free basis. If you are contributing to an HSA, it is important to understand how enrolling in Medicare may affect you.

## **Medicare enrollment and HSAs**

People with Medicare are not allowed to put money into an HSA or receive employer contributions. However, once you enroll in Medicare, you may withdraw money to pay for medical expenses, such as:

- Deductibles
- Copayments
- Coinsurances
- Premiums (Medigap premiums excluded)

## **Delaying enrollment in Medicare (policyholder)**

People 65 and older covered by a large group health plan\* (20 or more employees) through current employment can delay:

- Part A enrollment (unless you are receiving Social Security benefits).
- Part B enrollment.

People age 65 or older covered by a small group health plan\* through current employment must:

- Enroll in both Part A and Part B and stop contributions to an HSA.
- Medicare is the primary payer and your employer group health plan pays second.

## **Delaying enrollment in Medicare (spouse of the policyholder)**

The policyholder's covered spouse can either enroll in Medicare or delay enrollment.

- HSA contributions are made in the policyholder's name, not the spouse's.
- An employee's HSA can reimburse qualified medical expenses of the spouse and other tax dependents, even if they are enrolled in Medicare.

## **Important information about delaying Part A enrollment**

- When you apply for Social Security, Part A will be retroactive for up to six months (if you were eligible for Medicare during those six months).
  - You may have a tax penalty if you do not stop HSA contributions six months before you enroll.
  - You may also have to pay back all the Social Security benefits that have been paid to you.

\* The rules related to small and large group health plans are different for people eligible for Medicare under age 65, due to a disability.

# Medicare-covered preventive services

Medicare Part B pays for many services that can help prevent illness and detect health problems early. Many of these preventive services are covered at 100%.

## Welcome to Medicare Preventive Visit

Medicare does not pay for an annual physical. You are eligible to receive a one-time *Welcome to Medicare* Preventive Visit within the first 12 months of enrolling in Part B. It includes:

- Reviewing medical and family history, current health conditions and medications
- Reviewing preventive screenings and services
- Checking blood pressure, vision, weight and height to get a baseline for your care

## Medicare Annual Wellness Visit

You are eligible to receive a Medicare Annual Wellness Visit after you've been enrolled in Part B for 12 months. It includes:

- Reviewing medical history, medical records, medications and immunization records
- Checking blood pressure, weight and height
- Screening for cognitive impairment
- Personalized health advice
- Developing a screening schedule

## Need help?

Contact your health care provider or visit [MyMedicare.gov](https://www.medicare.gov).

## WHAT'S COVERED?

### Preventive Services covered by Medicare

- Bone mass measurement
- Cardiovascular screening
- Cardiovascular disease risk reduction
- Cancer screening
- Depression screening
- Diabetes screening
- Diabetes self-management training
- Glaucoma tests
- Shots (i.e., COVID, flu, hepatitis B, pneumococcal)

Full list available at [www.medicare.gov/coverage/preventive-screening-services](https://www.medicare.gov/coverage/preventive-screening-services)

# Getting help with Medicare costs

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You may be eligible to get help paying your Medicare premiums and other out-of-pocket costs. There are state and federal programs with income and asset eligibility guidelines. Visit [mnhealthcarechoices.com](https://mnhealthcarechoices.com) for current guidelines.

## **Extra Help Program**

A program through Social Security that helps pay Part D premiums and other out-of-pocket costs.

- To apply, visit <https://secure.ssa.gov/i1020/start> to apply online.

## **Medicare Savings Programs (MSP):**

- Qualified Individual (QI)
- Service Limited Medicare Beneficiary (SLMB)
- Qualified Medicare Beneficiary (QMB)

MSP benefits include:

- Payment for Part B premium
- Extra Help for Part D
- Part A premium and Medicare cost-sharing for QMB only

## **Medical Assistance (MA):**

MA (Minnesota's Medicaid program) is health insurance for people with lower incomes. Programs pay:

- Dental care
- Eyeglasses
- Hearing aids
- Doctor and clinic visits
- Emergency room
- Urgent care
- Hospital services
- Nursing home care
- Home care
- Hospice care
- Mental health care
- Medical transportation
- Outpatient surgery
- and more

People on Medicare also receive Extra Help for Part D.

## **Applying for an MSP or MA**

Complete a Minnesota Health Care Programs Application for Certain Populations.

- Contact your local county social services office and ask for DHS-3876 or
- Download an application at [edocs.dhs.state.mn.us/lfserver/Public/DHS-3876-ENG](https://edocs.dhs.state.mn.us/lfserver/Public/DHS-3876-ENG)



# Notes

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# Top 10 Medicare list

1. You **must contact Social Security** when you turn age 65 to enroll.
2. Know when your **Initial Enrollment Periods** for Medicare Part A, B and D are.
3. **Review** your current Medicare plan options annually from October 15–December 7.
4. Know when your **Medigap** six-month open enrollment period begins and ends.
5. Medicare does not cover **long-term care services**.
6. When you are in the hospital, ask if your stay is **outpatient (observation)** or **inpatient**.
7. Be aware of Medicare Part B and Part D late-enrollment period **penalties**.
8. **Got gap coverage?** Medicare does not cover annual physicals, hearing exams, hearing aids, dental care or eyeglasses.
9. If you have Medicare, **you do not need MNsure**.
10. Call the **Senior LinkAge Line** at 800-333-2433 or visit **[MinnesotaHelp.info](https://www.mn.gov/MinnesotaHelp/info)** for live chat.

*This project was supported in part by grant number 90SAPG0092-03-00 from the U.S. Administration for Community Living, Department of Human Services, Washington, DC, 20201. Grantees undertaking projects under government sponsorship are encouraged to express freely their findings and conclusions. Points of view or opinions do not therefore necessarily represent official Administration for Community Living policy.*

MBA-3101



**SHIP**

State Health Insurance  
Assistance Program

Navigating Medicare



**SMP**

Senior Medicare Patrol

Preventing Medicare Fraud