

# Social Security and Medicare Action Timeline

NCRO INSURANCE COMMITTEE

Sept 9th, 2015

# Affordable Care Act and Medicare

What is the impact of the ACA (Obamacare) on your Medicare?

- Not much!!
- Small reduction in the part D drug gap.
- Some reduced subsidies to Advantage plans.
- Added some free annual check ups and immunizations.

So it is basically almost all good!

# Social Security Milestones & Actions

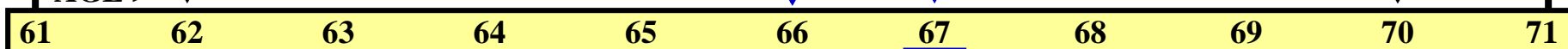
## Milestones

No increase  
 In benefits After 70

At 62 Earliest you Can start SS  
 Payments **at a Reduced level**

**Before Full Retirement Age (FRA)**  
 Income > \$15,480 will be penalized  
 FRA is determined by Year of Birth

AGE >



4 Months Before 62  
 Make appointment at  
 local SSA office

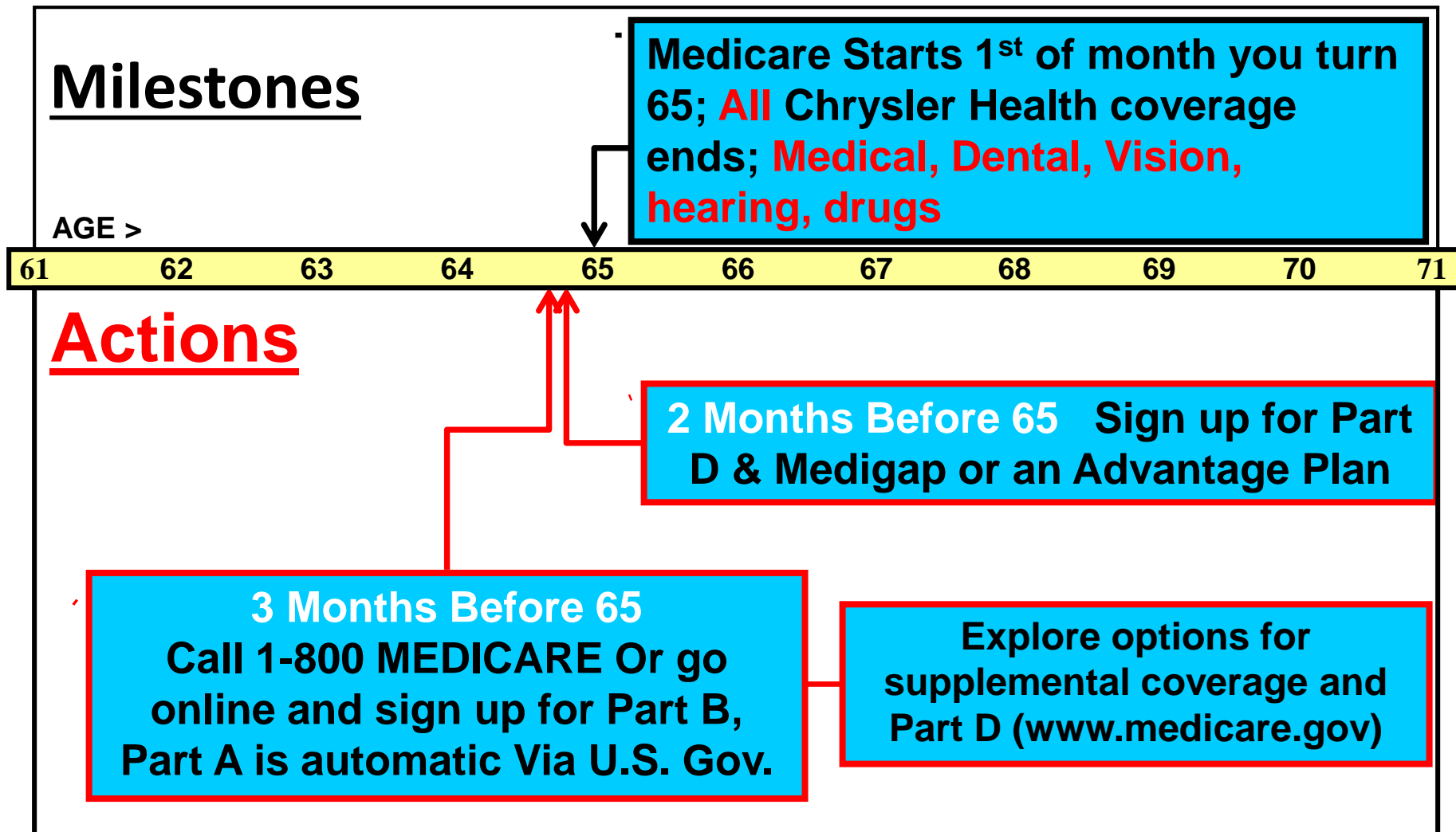
1943  
 1954

1960

## Actions

# Medicare Milestones And Actions

(Not Receiving Social Security)



# Medicare Milestones And Actions

## (Already Receiving Social Security)

### Milestones

At 65 Medicare Starts; **All** Chrysler Health coverage ends; **Medical, Dental, Vision, hearing, drugs**

AGE >

61 62 63 64 65 66 67 68 69 70 71

### Actions

4 Months Before 65  
Receive Medicare card for parts A & B in the Mail. **Accept both No action required**

2 Months Before 65 Sign up for Part D & Medigap or An Advantage Plan

3 Months Before 65 If You don't get the Medicare card in the mail, **Call 1-800-MEDICARE**

Explore options for supplemental coverage and Part D ([www.medicare.gov](http://www.medicare.gov))

# How is Medicare Structured

- Medicare

- Part A - Hospital Insurance
  - Part B - Medical Insurance
  - Part C - Medicare Advantage
  - Part D - Prescription Drug Coverage
  - Medigap - Medicare Supplement Insurance
  - **Medicare does not include; dental, vision or hearing coverage.**
- From federal government
- Private companies

# Medigap?

Medigap = Medicare Supplement Insurance

- Covers most or all of Part A and Part B co-pays, co-insurance and deductibles.
- There are multiple Medigap plans from various insurance companies.
- Medigap plans are defined by letters (A,B,C,D,E,F etc.)
- All insurance companies must provide the same benefits for a given letter plan.

# Part D ?

## Part D = Prescription Drug Coverage

- Helps cover cost of prescription drugs
- Run by Medicare-approved private insurance companies
- Review every year because things change



# Advantage Plans ?

## Part C = Medicare Advantage Plan

- Offer health plan options run by Medicare-approved private insurance companies.
- Medicare Advantage Plans are a way to get benefits and services covered under Part A, B, and usually D.
- Some Medicare Advantage Plans include extra benefits for an extra cost.
- If drugs are not included you can get a separate Part D plan.

# You have two Choices!

## Original Medicare

- Part A (Hospital)
- Part B (Doctors)
- Plus a Medigap policy
- Any doctor or hospital that accepts Medicare
- Plus a Part D policy

*For this option get a Medigap policy and a part D policy.*

## Medicare Advantage Plan

- Operated by private insurance companies
- Combined Part A, B & D
- Doctors and hospitals in the network. (PPO or HMO)

*If your advantage plan does not include drugs Part D is available*

# Common Elements

- You must have both Part A and Part B for either option.
- Part A is automatic and no cost to you.
- Part B is currently \$104.90/ month (2015)
- \$146.80 If you make more than \$170,000/year (filing joint).
- You will also pay \$12.30 more for your part D coverage if you make more than \$170,000.

# Differences

## Original

### Medicare+Medigap

- Go to any doctor or hospital that accepts Medicare.
- **+Medigap, +Part D**
- Usually no co-pays for hospital or doctor services.
- Monthly premiums are more than advantage plans.

### Medicare Advantage Plan

- Go to provider network doctors and hospitals for full coverage.
- Co-pays for doctor visits
- Almost always lower monthly premium
- Includes drug coverage.
- Some extra benefits.

# Medigap Policies

Medigap policies are standardized

Every Medigap policy must follow federal and state laws designed to protect you, and it must be clearly identified as "Medicare Supplement Insurance."

Insurance companies can sell you only a "standardized" policy identified in most states by letters.

All policies offer the same basic **benefits**.

# Typical Medigap Premiums

Turn 65 in Sept of 2015 Coverage starts Oct 1<sup>st</sup> 2015  
 Premiums range from \$133 to \$467/month (Plan F)

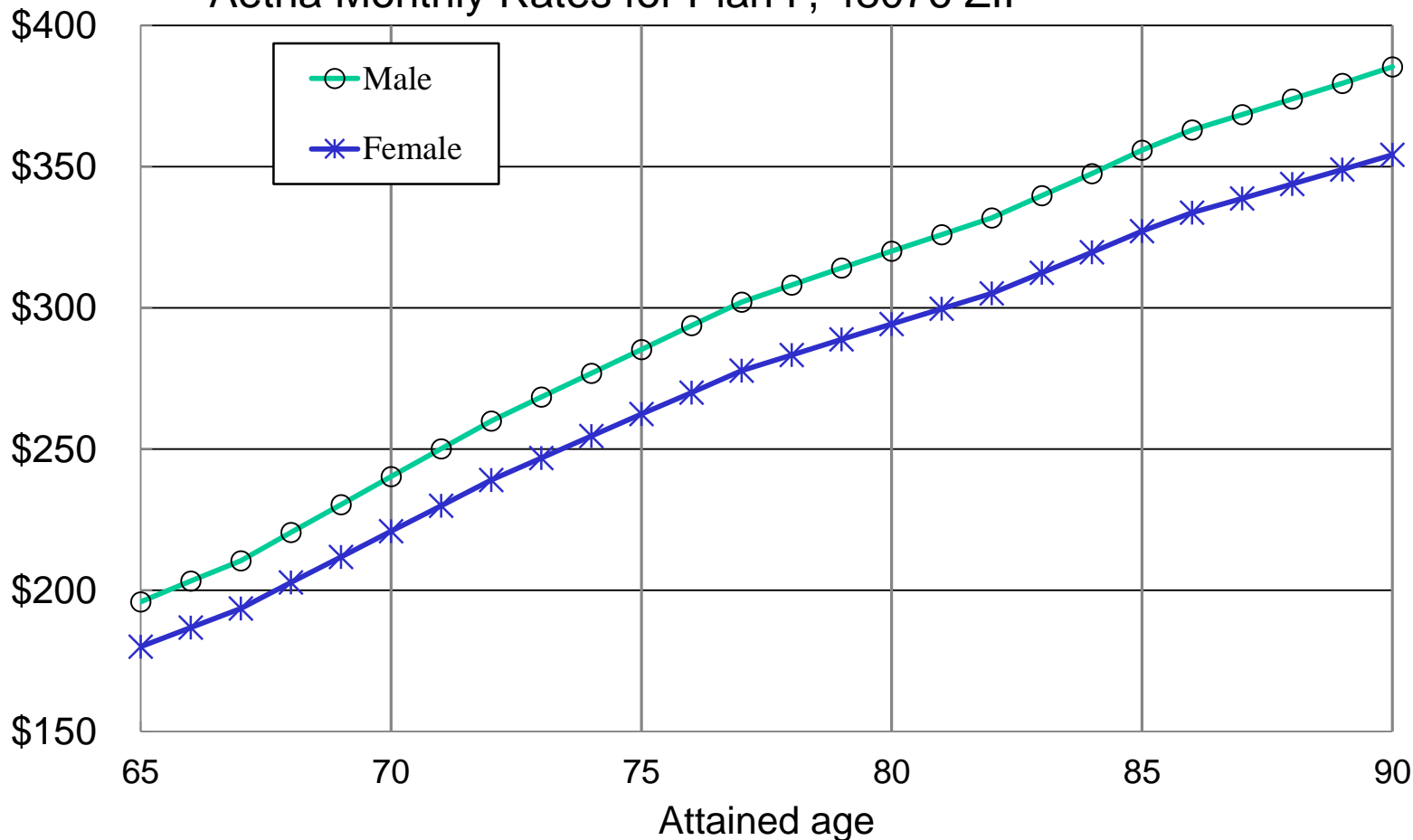
Company and Premium method	Monthly Premium @ 65	Monthly Premium @ 70
BCBS MyBlue Medigap Attained age rated	\$187 M \$178 F	\$227 M \$207 F
Aetna Attained age rated	\$196 M \$180 F	\$240 M \$221 F
AARP United Healthcare Community Rated	\$143.15	\$ 173.82

Note: All premiums will probably go up each year.  
 The % change will probably be different with different premium methods.

# Medigap Premiums

Changes with Age, Aetna used as example only

Aetna Monthly Rates for Plan F, 48076 ZIP



CENTERS FOR MEDICARE & MEDICAID SERVICES

# 2015

## Choosing a Medigap Policy:

A Guide to Health Insurance for People with Medicare



**This official government guide has important information about:**

- Medicare Supplement Insurance (Medigap) policies
- What Medigap policies cover
- Your rights to buy a Medigap policy
- How to buy a Medigap policy

*This guide can help if you're thinking about buying a Medigap policy or already have one.*



Developed jointly by the Centers for Medicare & Medicaid Services (CMS)  
and the National Association of Insurance Commissioners (NAIC)

[www.medicare.gov/pubs/pdf/02110.pdf](http://www.medicare.gov/pubs/pdf/02110.pdf)



# Medicare Gottcha's

- Make sure to sign up at least 2 months before the month you turn 65. This is the government and they need the full 2 months to get you set up.
- Depending on your individual auto policy, if you live in Michigan, your insurance premium may go up when you go on Medicare because your auto policy will become primary coverage for any auto accident related medical expenses.
- Delay in signing up for Parts B, D and/or Advantage plan with Rx coverage will cause an increase in monthly premiums.
- Monthly premium cost penalties are forever!
- Medicare does not provide any coverage when you are out of the U.S.

# Other Medicare Info

- If you sign up for a Medigap or an advantage plan when you first become eligible the plan must accept you.
- Chrysler gives you and your over 65 spouse an HRA (2015; \$1975 for you, \$1750 for spouse) to help pay for out of pocket medical expenses.
- If your spouse is under 65 they can stay on Chrysler PPO plan, which includes dental, vision and drugs.

# Only Time You don't want Medicare Part "B" Is :

1. You are on Medicaid

OR

2. Your spouse has creditable Health and Drug insurance that covers you when you attain the age of 65. Must check with the spouse's H. R. department to determine how it is administered.

# Important Numbers and Addresses

- Medicare 1-800-medicare or 1-800-633-4227
- MAPP 1-800-803-7174 Michigan Medicare Medicaid Assistance Program (also called SHIP in other states)
- SHIP go to [www.medicare.gov](http://www.medicare.gov) search for SHIP (State Health Insurance Program same as MMAP in Michigan)
- Benefit Express and “Your Spending Account” 1-888-409-3300
- Social Security 1-800-772-1213

## Internet

- [www.medicare.gov](http://www.medicare.gov)
- [www.medicare.gov/publications](http://www.medicare.gov/publications)
- [www.mmapinc.org](http://www.mmapinc.org)
- [www.cms.gov](http://www.cms.gov)
- [www.chryslerretirees.com](http://www.chryslerretirees.com)
- [www.resources.hewitt.com/chrysler/](http://www.resources.hewitt.com/chrysler/)

Questions ?

