

NEBRASKA SHIP

Local help for Nebraskans
with Medicare



(Take two to three minutes to introduce yourself and establish trust. Suggestions include)

- Name
- Current profession or prior profession, if retired
- Years representing/volunteering with Nebraska SHIP
- Why you've decided to help Nebraskans with Medicare

- **(CHANGE SLIDE)**

Nebraska SHIP

- Federally funded member of the SHIP National Network
- Administrator of Nebraska's SMP (Senior Medicare Patrol)
- Division of the Nebraska Department of Insurance
- Seven locations statewide
 - Network of over 250 Certified Counselors
 - Area Agency on Aging (AAA)
 - Volunteers Assisting Seniors (VAS)
- Provides Medicare Education & Counseling
 - Free
 - Confidential
 - Unbiased
- 1-800-234-7119
- www.doi.nebraska.gov/SHIP



SHIP stands for State Health Insurance Assistance Program. We are a federally funded program, through the ACL (Administration for Community Living), that provides unbiased Medicare education and counseling. The federal funding means there is a SHIP program office in all 50 states and U.S. territories. Each program is typically managed by a state agency.

Here in Nebraska, we are a division of the Nebraska Department of Insurance and we have seven locations to serve you, in partnership with Area Agency on Aging offices and Volunteers Assisting Seniors. Our main office is located in Lincoln with our other locations in Omaha, Grand Island, Kearney, North Platte, Scottsbluff and Norfolk. Those seven locations serve as home base to over 300 volunteer counselors.

When you call our hotline you will be able to select the office closest to you.

Finally, our website provides basic information about Medicare, but remember Medicare is individual insurance, so a visit with one of our counselors may be beneficial in your planning.

(Change Slide)

Topics

- Medicare Part A and Part B
- Medicare Supplements
- Medicare Part D
- Medicare Advantage Plans a.k.a. Part C
- Medicare Fraud and Abuse



Today's presentation will address the average individual. The topics we'll cover will be:

- Medicare Part A and Part B;
- Medicare Supplements, a.k.a. Medigap;
- Medicare Part D, drug coverage;
- Medicare Advantage Plans, a.k.a. Part C;
- What's the Difference, providing a comparison of your options;
- And finally we'll touch briefly on Medicare Fraud and Abuse

But before we discuss these topics, we are going to review a few terms that are important to know.

(CHANGE SLIDE)

Terms You Should Know

- **Premium** – The monthly payment you owe a health insurance plan for health or prescription drug coverage.
- **Deductible** – The amount you must pay for health care or prescriptions before your insurance begins to pay.
- **Copayment (Copay)** – An amount you may be required to pay as your share of the cost for services. A copayment is usually a set dollar amount.
- **Coinsurance** – An amount you may be required to pay as your share of the cost for services. Coinsurance is usually a percentage.
- **Out-of-Pocket Maximum** – The maximum you could pay during a policy period (usually a year) before your health insurance covers 100% of the allowed amount.

(Read terms on slide.)

(Change Slide)

What is Medicare?



What is Medicare?

Many of you may agree. Medicare is confusing. Fortunately, you have a partner in Nebraska SHIP to help make it easier.

(CHANGE SLIDE)

What is Medicare?

- Federal Health Insurance created in 1965
- Must meet one to qualify:
 - 65 or over
 - Qualifying Disability
 - End-Stage Renal Disease (ESRD)



So what is Medicare? To put it simply, Medicare is your Federal Health insurance, created in 1965. (Signed into law by President Lyndon B. Johnson)

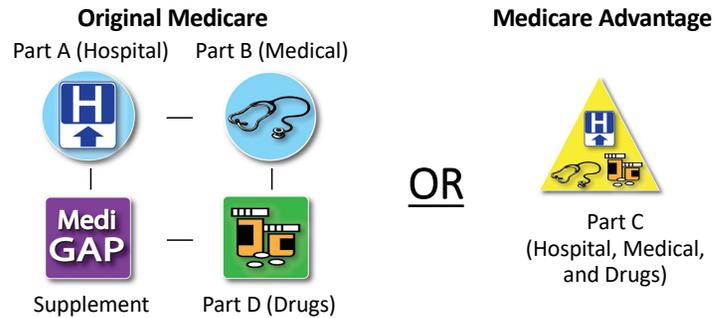
Initially Medicare was only available to people age 65 and older.

It wasn't until 1972 that Medicare was expanded to include individuals with a qualifying disability or those with End-Stage Renal Disease. (Signed by President Richard M. Nixon)

You need only fit into one of these three categories to qualify for Medicare.

(CHANGE SLIDE)

What is Medicare?



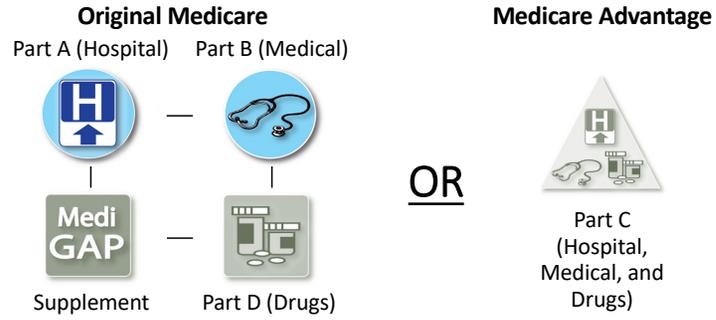
When you become Medicare eligible, you will need to decide how you want to receive your Medicare benefits. You will have two options, Original Medicare or Medicare Advantage. Both offer equal coverage, but have different rules and cost structures, so you will need to decide which option will best fit your needs.

Also, remember that Medicare is individual insurance. What works well for your friends and neighbors may not work well for you. You truly should do an individual comparison of your options.

Today we're going to break these two options down.

(CHANGE SLIDE)

What is Medicare?



Starting with Medicare Part A and Part B.

(CHANGE SLIDE)

Part A – Hospital Insurance

- Pays for:
 - Inpatient Hospital Care
 - Skilled Nursing Facility Care
 - Home Healthcare
 - Hospice
- Premium free for most



Medicare Part A will be your Hospital Insurance. It will only cover these four services shown on the slide:

- Inpatient Hospital care;
- Skilled Nursing care;
- Home Healthcare, and;
- Hospice

Part A is typically premium free for the majority of people, since you've already paid for it through 10 years of employment, either your own or your spouses, paying the Social Security tax.

When you do use your Medicare Part A you will be responsible for deductibles and copays.

(CHANGE SLIDE)

Part A – Hospital Insurance

- Inpatient Hospital Stay
 - \$1,600. deductible per inpatient hospitalization
 - Pays for first 60 days
 - Daily copay for days:
 - 61 – 90 - \$400./day
 - 91 – 150 - \$800./day
- Skilled Nursing Facility Stay
 - Medicare Part A covers first 20 days at 100%
 - Daily copay of \$200. for days 21 - 100



In the event of an inpatient hospitalization, you will be responsible for the \$1,556 deductible, which pays for the first 60 days in the hospital.

Medicare will cover all other costs during this 60 day period, including prescriptions administered during this stay.

Should you require hospitalization beyond 60 days, Medicare does cover up to 150 day. However, you will be responsible for a daily copay for days 61 through 150. Hospitalization costs after 150 days will be 100% your responsibility, unless you have a Medicare Supplement.

In the event you need skilled nursing care, Medicare Part A pays for the first 20 day at 100%. If you require care beyond 20 days you will have a daily copay for days 21 – 100.

Also, please do not confuse skilled nursing care with the move into a nursing home. Medicare, like most insurance, does not cover long-term costs. Instead, think of skilled care as a rehab stay in a facility like a Madonna or Tabitha **(You may use local SNF example if these two are not in your area.)**

One other thing to note, please do not assume that an overnight stay in the hospital mean that you are an inpatient. This is a very common mistake. If you are kept overnight in a hospital, it is a good idea to find out what your status is. Inpatient or Outpatient. The distinction makes a difference on your out-of-pocket costs. More often than not, an overnight stay could be classified as outpatient status, in for observation, meaning that your Medicare Part B will be billed for that stay.

(CHANGE SLIDE)

Part B – Medical Insurance

- Pays for outpatient services that are medically necessary
 - Medical Expenses
 - Primary Doctor and Specialist Visits
 - Mental Health Services
 - Medical Supplies
 - Preventive Benefits
 - Lab and Diagnostic Testing
 - Outpatient Hospital Treatment
 - Durable Medical Equipment



Medicare Part B is your Medical Insurance. This will be the part of your Medicare that you will use the most. It pays for outpatient services that are medically necessary. This includes a doctor or specialist visit, outpatient care, mental health care, home health services, and preventive services like the flu shot, pneumococcal shot, or cancer screenings.

Part B also pays for durable medical equipment like a walker, wheel chair or CPAP machine.

For a list of common Medicare covered tests, services or items you can refer to your *Medicare & You* handbook, which you will receive with your Medicare card and each year in the fall, once enrolled.

(CHANGE SLIDE)

Part B – Medical Insurance

- \$164.90 monthly standard premium
 - Higher wage earners pay more
 - IRMAA
 - Imposed on income greater than:
 - \$97,000/individual
 - \$194,000/couple
- \$226 annual deductible
- Coinsurance 20% - no out-of-pocket maximum



Medicare Part B has a monthly premium. This year the standard premium is \$170.10 per month.

Those individuals with higher incomes may pay an IRMAA, if their income is more than \$91,000 as an individual or \$182,000 as a married couple, filing a joint tax return. IRMAA is determined on your tax return from two years prior and you will be notified by letter. The letter will detail your income from two years ago and communicate what your Part B premium will be for the calendar year. There will also be instructions in the letter that will tell you how you may appeal an IRMAA determination, if you feel that your income two years prior is not a correct reflection of your current income.

Part B also has an annual deductible, which is \$233 this year.

Once the deductible has been met you will share your cost with Medicare at an 80/20 split, Medicare covering the 80%, you the other 20%. There is no cap on your 20% share. If you have a Medicare Supplement, your 20% share could be paid for fully or partially, depending on the type of supplement you choose.

(CHANGE SLIDE)

When and where do I sign up?

- Most individuals getting Social Security or Railroad Retirement Board benefits are:
 - Automatically enrolled into Part A and Part B
 - Receive their Medicare card 2 – 3 months prior to Medicare beginning
- Individuals not getting Social Security or Railroad Retirement Board benefits will need to sign up themselves



So, what about enrollment?

Medicare enrollment is automatic for those people who have chosen to receive their Social Security or Railroad Retirement Board benefits, before the age of 65. If you are auto enrolled, you should receive your Medicare card 2 – 3 months before your birth month.

If you are not receiving your Social Security or Railroad Retirement benefits, you will need to enroll into Medicare yourself.

(CHANGE SLIDE)

When and where do I sign up?

- Initial Enrollment Period (IEP)
 - Enroll in the three months before the 65th birthday month:
 - Coverage begins the first of the birthday month
 - Enroll in the month of 65th birthday or within the three months after:
 - Coverage begins the first of the following month
- Three ways to sign up:
 - Local Social Security Administration Office
 - 1-800-772-1213
 - www.ssa.gov

So what about enrollment?

Typically a person will enroll at age 65 if they are self-employed or already retired.

Enrollment at 65 is known as your Initial Enrollment Period. During this time you may enroll into your Medicare anytime during a seven month window beginning three months before your birth month and ending three months after.

If you enroll in the three months before your birth month, Medicare will begin on the first of your birth month. Enrollment during your birth month or after will result in delayed coverage.

You may enroll one of three ways:

- Visit your local Social Security office;
- Call Social Security, or;
- Enroll online, which is the easiest and fastest way.

Once enrolled you'll receive your Medicare card in a few weeks.

(CHANGE SLIDE)

I'm still working. Do I need to enroll?

- If you or your spouse are currently working, and you receive your healthcare coverage from active employment:
 - You are not required to enroll into Medicare at age 65
 - Specific to "Large Employers" with 20 or more employees (Employer coverage pays first)
 - If insurance is from a "Small Employer," with less than 20 employees, enrollment in Part A and Part B should be considered based on who pays first (Typically Medicare pays first)
 - Many choose to enroll into Part A
 - Generally premium free
 - Pays secondary to employer coverage
 - Note: Health Savings Accounts (HSAs) may affect your decisions

If you plan to continue working after 65 and you have insurance coverage from that active employment, you are not required to enroll into Medicare. The same is true if you are covered under your spouses insurance from active employment.

Most people do enroll into Part A, because it is premium free. You may defer enrollment into Part B until retirement, and you will not incur a late enrollment penalty fee as long as you are covered by insurance from active employment.

If you have a HSA (Health Savings Account) you may not want to enroll in Medicare, because doing so will require you to stop making contributions to the HSA. If you do have a HSA, please talk to us after the presentation or contact your local Nebraska SHIP office for more information.

(CHANGE SLIDE)

I'm still working. Do I need to enroll?

- Special Enrollment Period (SEP)
 - Anytime while still covered by a group health plan
 - Up to eight months after loss of group health plan
 - Coverage begins the first of the next month
- General Enrollment Period
 - January 1 – March 31 each year
 - Coverage begins the first of the next month
 - Late enrollment penalties may apply

Those who work beyond 65 and have insurance from that employment will be able to enroll into Medicare during a Special Enrollment Period at retirement. Enrollment can be done anytime while still covered by the group health plan or up to eight months after the loss of that insurance.

You should coordinate your enrollment into Medicare with the loss of your employer's insurance to avoid gaps in your health care coverage.

People who do not enroll during their Initial Enrollment Period or during a Special Enrollment Period will be restricted to enrollment into Medicare during the General Enrollment Period. Enrollment during this time is restricted to the first quarter of the year and coverage does not begin until July 1 of that year and late enrollment penalties could apply.

(CHANGE SLIDE)

Initial Enrollment Period							Special Enrollment Period (SEP)*		
3 Months Before	2 Months Before	1 Month Before	65 th Birthday Month	1 Month After	2 Months After	3 Months After	4 Months After	5 Months After	6 Months After
April	May	June	July	August	September	October	November	December	January
Enroll in any of these months (IEP)			Enroll (IEP)	Enroll (IEP)	Enroll (IEP)	Enroll (IEP)	Enroll (SEP)*	Enroll (SEP)*	Enroll (SEP)*
Coverage Starts			Coverage Starts	Coverage Starts	Coverage Starts	Coverage Starts	Coverage Can Start	Coverage Can Start	Coverage Can Start
If you are receiving Social Security Benefits, you will be automatically enrolled during the three months prior to your birthday. Your coverage will start on the first day of the month of your birthday unless you delay it.									
OUT18322	6/20								

*SEP is only available if you had coverage from a current employer. – SEP Enrollment lasts for eight months after employment ends but cannot start until the full seven month IEP has been completed. The earliest the SEP can begin is the fourth month after the 65th birthday.

(Explain Example provide in slide)

(Change Slide)

Part B – Medicare Savings Program

- Lower income earners can receive assistance paying for Part B **premiums**
 - Single
 - Income < \$1,529/monthly
 - Assets* < \$8,400
 - Married
 - Income < \$2,060/monthly
 - Assets* < \$12,600
- Apply at ACCESS Nebraska
 - 1-855-632-7633
 - www.ACCESSNebraska.ne.gov

*Assets do not include car or home

We touched on what can happen to premiums if a person has a higher income. On the flip side, those individuals with low income and resources can potentially receive help from the Medicare Savings Program with will pay for the Part B premium. This slide communicates the income and asset levels one would need to meet in order to qualify for this assistance. Note that the asset limit does not include the individual's home or vehicle.

If you know someone who could use this information, you can refer them to ACCESS Nebraska, a division of DHHS (Department of Health & Human Services). This is the program office that manages the Medicare Savings Program and other state Economic Assistance Programs.

(CHANGE SLIDE)

Part A and Part B



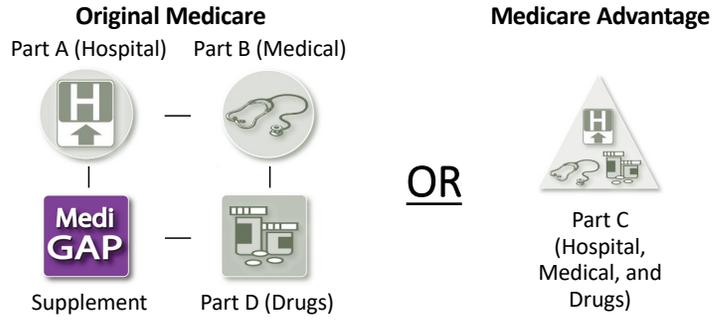
That is the basic information about the cost, coverage and enrollment of Medicare Part A and Part B.

Let's answer a few questions before we move on to our next topic?

(Answer Questions, if none move on)

(CHANGE SLIDE)

What is Medicare?



Our next topic, is Medicare Supplements, a.k.a. Medigap policies.

(CHANGE SLIDE)

Medicare Supplements

- Optional extra insurance
 - Purchased from private insurance company
 - Standardized plans
 - Guaranteed renewable
- Works with Original Medicare & pays for some or all:
 - Deductible
 - Copays
 - Coinsurance



Medicare supplements are optional extra insurance that pay for some, or all your out-of-pocket costs associated with your use of your Medicare Part A and Part B.

Companies must follow federal and state laws, designed to protect you. Plans must be clearly identified as “Medicare Supplement Insurance.” The standardization of these plans is one protection that you should be aware of. The standardization of these policies ensures that a company cannot modify the coverage that is provided. A plan G, for example, from company X will offer the same exact coverage as a plan G from another company, even if there is a difference in premiums.

The second protection that you should be aware of is , all Medicare Supplements are guaranteed renewable; meaning the company cannot cancel the policy as long as you pay your plan premiums.

Each insurance company decides which Medigap policies to offer and do not have to offer every plan.

(CHANGE SLIDE)

2023 Medicare Supplement Options											
BENEFITS	PLAN A	PLAN B	PLAN D	PLAN G ¹	PLAN K	PLAN L	PLAN M	PLAN N	PLAN C	PLAN F ²	
Part A Hospital Coinsurance, days 61-90 (\$400 per day)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Hospital Lifetime Reserve, days 91-150 (\$800 per day)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
365 More Hospital Days-100%	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Parts A and B Blood	✓	✓	✓	✓	50%	75%	✓	✓	✓	✓	
Part B Medical Coinsurance (20%)	✓	✓	✓	✓	50%	75%	✓ ¹	✓	✓	✓	
Part A Hospice Coinsurance	✓	✓	✓	✓	50%	75%	✓	✓	✓	✓	
Skilled Nursing Facility Coinsurance, days 21-100 (\$200 each day)			✓	✓	50%	75%	✓	✓	✓	✓	
Part A Hospital Deductible (\$1,600)		✓	✓	✓	50%	75%	50%	✓	✓	✓	
Part B Medical Deductible (\$226)									✓	✓	
Part B Excess Charges (15%)				✓					✓	✓	
Foreign Travel Emergency			✓	✓			✓	✓	✓	✓	
Out-of-Pocket Limit					\$6,940	\$3,470					

Plan C and Plan F are only available to individuals who turned 65 prior to 1/1/2020.

(Elaborate on coverage)

***High Deductible Policy** —High deductible policies offers the same coverage as a Plan F or Plan G policy once an annual deductible has been met (\$2,490 deductible in 2022). Prior to meeting the deductible, you are responsible for the costs listed on the left of the above chart. These costs will go towards the annual deductible.

¹ Plan N pays 100% Part B coinsurance except up to \$20 copayment for office visits and up to \$50 copayment for

ER visits.

(Change Slide)

Medicare Supplements

- Premiums
 - \$30 - \$560 per month
- Supplement plan with fewer benefits cost less
 - Company X - \$89 for Plan A (fewest benefits)
 - Company X - \$140 for Plan G (most benefits)
- 65-year-old premiums for same supplement vary
 - Company Y - \$103 for Plan G
 - Company Z - \$228 for Plan G



Premiums in Nebraska can range between \$30 and \$560 starting out. The premium is determined by the company, but approval must be provided by the Nebraska Department of Insurance.

All companies selling Medicare supplements are required to sell Plan A, since it covers the basic required benefits. Beyond that companies are allowed to choose which supplements they want to offer. The cost associated with the other plan will be determined by the level of coverage being offered as well as by other factors. Typically, we can expect a plan to cost more if it offers more benefits.

This example showing cost of a Plan G from Company Y versus Company Z is just another reminder that these plans are 100% standardized. A plan at \$103 per month is offering the same exact coverage as the plan at \$228 per month. You get nothing more or nothing less based on the premium you pay.

(CHANGE SLIDE)

When and where do I sign up?

- One time “guarantee issue”
 - Six-month window
 - At age 65 or over
 - When Part B begins for the first time
- After “guarantee issue” underwriting will determine
 - Offer or refusal of policy
 - Premium

If you are considering a Medicare supplement, remember this one major fact, you have a one-time guaranteed issue to purchase your Medigap plan.

This guaranteed issue is a six-month period that begins when Medicare Part B is started for the first time. During this time, you will be able to purchase any Medicare supplement from any insurance company selling it and you cannot be denied.

Anytime after the six-month guaranteed issue, you can still purchase a Medicare supplement, you will just need to complete an underwriting process. Underwriting is the process an insurance company uses to evaluate the risk of insuring an individual and the potential profit from insuring that individual.

If you are shopping for a supplement outside of your six-month guaranteed issue period; underwriting will determine if the insurance company will offer you a policy and if they do, the underwriting will determine your premium.

Due to the underwriting process, it is very important to take advantage of your six-month guaranteed issue; if you are considering a Medicare Supplement.

(CHANGE SLIDE)

How can I determine my options?

- Contact Nebraska SHIP for premium quotes from all companies selling Medicare supplements in Nebraska
- Provide your counselor with the following information:
 - Zip Code
 - Age
 - Gender
 - Tobacco Status
 - Which plan you are interested in



When it comes time to choose a Medicare supplement, you should contact Nebraska SHIP. We will provide you a full list of all of the insurance companies selling supplements in your area.

This information is available for free; upon your request. The only information we require is your zip code, age, gender, tobacco status and desired plan.

We will also provide you a full list of phone numbers and websites for these companies, allowing you to evaluate and make your purchase without the pressure.

(CHANGE SLIDE)

Medicare Supplements

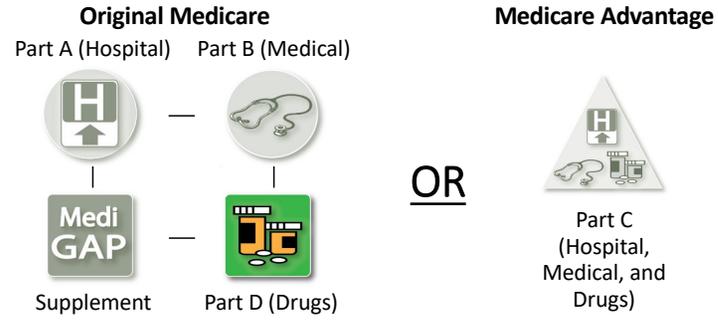


That's the basics about Medicare supplements. Let pause here to take a few questions.

(Answer Questions, if none move on)

(CHANGE SLIDE)

What is Medicare?



Our next topic is Medicare Part D.

(CHANGE SLIDE)

Part D – Drug Insurance

- Brand name & generic prescriptions
- Monthly Premium
 - \$4.70 - \$113.60
 - IRMAA on higher wage earners
- Deductible
 - \$0 - \$505.
- Copay/Coinsurance
 - \$0 - 50%



Part D plans are purchased from private insurance companies and are approved by Medicare. Part D pays for brand name and generic prescription drugs. It does not cover over the counter drugs.

There are 22 plans available in Nebraska this year with monthly premiums ranging between \$6.80 and \$116.10. Those with higher incomes may see an IRMAA.

The plan premiums and other costs are set and do not change during the calendar year.

Deductibles can range between \$0 and \$480.

Copays will range between \$0 and 50% of the cost of the drug.

(CHANGE SLIDE)

How can I determine my options?

- Your actual drug plan costs will vary depending on:
 - The drugs you use
 - The plan you choose
 - Whether your drugs are on your plan's formulary
 - Which tier your drug is assigned to
 - The pharmacy you choose
 - Preferred
 - In-Network
 - Out-of-Network



Your actual drug costs will vary depending on your drugs, the plan you choose and your pharmacies status within your plan.

Each plan has its own formulary or drug list of covered drugs. Drugs are assigned a tier level which will help determine the drugs price. Higher tiers generally have a higher cost versus those drugs on lower tiers. No plan will cover all drugs. Instead, drug plans are required to cover at least two drugs from each class of drug category or the most commonly prescribed drugs.

(CHANGE SLIDE)

When and where do I sign up?

- When you first become eligible for Medicare, you can join during your Initial Enrollment Period
- During a Special Enrollment Period
 - Retirement
 - Change in Residence
 - Involuntary Loss of Creditable Coverage
- To sign up:
 - [Medicare.gov](https://www.medicare.gov)
 - Nebraska SHIP

So when and where do you sign up for Medicare Part D?

If you are enrolling into your Medicare Part A and B, and have decided you want a Medicare supplement, you may want to enroll into Part D to start on the same date as your Part A and B.

Much like Part A and Part B, you have the option of enrollment during your Initial Enrollment Period or during a Special Enrollment Period, typically at retirement.

Enrollment can be done on [Medicare.gov](https://www.medicare.gov), the official U.S. site for Medicare, or through the Nebraska SHIP.

(CHANGE SLIDE)

Part D – Extra Help

- LIS (Low Income Subsidy) helps pay Part D cost
 - Single
 - Income < \$1,719/month
 - Assets* < \$15,510
 - Married
 - Income < \$2,309/month
 - Assets* < \$30,950
- Apply at www.ssa.gov or at Nebraska SHIP

*Assets do not include car or home

For those individuals who may have a low income and resources, help is available to pay for Part D costs, known as Extra Help or a LIS (Low Income Subsidy).

Individuals or married couples will need to meet these income and asset levels in order to qualify for Extra Help.

Note that the asset limitation does not include your car or home, but all other assets will be considered.

Applying for Extra Help may be done online using the Social Security website or by contacting Nebraska SHIP.

(CHANGE SLIDE)

Original Medicare Premium Cost

Part A (Hospital)	Part B (Medical)		
			
—	—		
			
Supplement	Part D (Drugs)		
		Medicare Part A Premium	\$0.00
		Medicare Part B Premium	\$164.90
		Medicare Supplement* Premium	\$135.00
		Medicare Part D* Premium	\$47.78
		Total Monthly Premiums	\$347.68

*Values are examples of cost per individual

To recap, the average overall cost of premiums within Original Medicare could be around \$300 to \$350 per month.

Medicare Part A is premium free for the majority. Medicare Part B will cost \$170.10 per month, unless you owe an IRMAA or have late enrollment penalty fees.

On average, a person could start around \$135 per month for their Medicare supplement, depending on where they are within the state and the other factors of age, gender, and tobacco status.

The average premium for Medicare Part D in Nebraska is about \$48.

Again, this is just an average. Your individual situation can see costs be different, depending on your options and decisions.

(CHANGE SLIDE)

Original Medicare

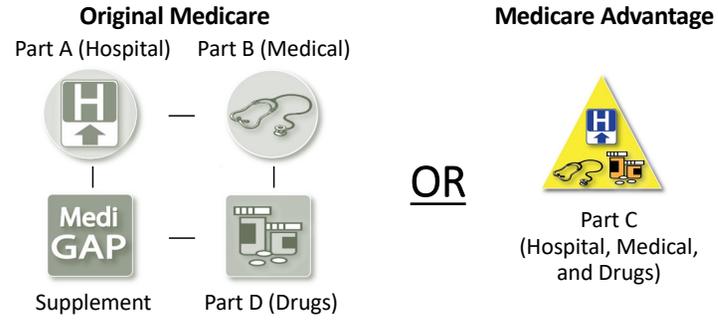


That's the basics about Medicare supplements. Let pause here to take a few questions.

(Answer Questions, if none move on)

(CHANGE SLIDE)

What is Medicare?



Great, let's move on to the second option you have, Medicare Advantage, a.k.a. Medicare Part C.

(CHANGE SLIDE)

Medicare Advantage

- Alternative to Original Medicare
 - Purchased from private insurance companies
 - Must be enrolled in both Part A & B
- Blends Part A, Part B and usually Part D
 - Must offer equal/better coverage than Original Medicare
 - May offer extra benefits
 - Dental
 - Vision
 - Hearing
- Availability varies by county
 - 1 county in Nebraska without this option
 - Cherry



Advantage plans are the alternative to Original Medicare and are purchased from a private insurance company. You are required to be enrolled in both Part A and Part B in order to elect a Part C plan. Because this option is purchased from a private insurance company, the insurance company is the manager of your Medicare benefits. If the plan chooses not to cover an item or service, Original Medicare does not step in to pay.

Medicare Part C works by combining your Hospital, Medical and usually your Drug coverage into one package.

These plans must offer equal or better coverage than Original Medicare. The better coverage typically comes in the form of dental, vision and hearing benefits, not offered by Original Medicare. Each plan determines what extras to offer and what limitations to impose. Depending on the plan dental coverage could be basic or comprehensive and usually there will be a dollar allowance. In 2022 Medicare Advantage plans in Nebraska are offering a dollar allowance for dental between \$200 and \$2000.

Sometimes these extras, or other services, require prior authorization, so it's important to understand the plan's rules.

This option is growing in our State, but there are some areas that do not have this option. **(Counties without this option are listed below)**

(CHANGE SLIDE)

NOTE: Information is for you the presenter, in the event of a question specific to the 5 counties without Part C.

Counties without Part C: Brown, Cherry, Kimball, Richardson, Sioux

Medicare Advantage

- Premiums
 - \$0 - \$130 per month
 - Continue to pay Part B premium
- Deductibles
 - Up to \$1,000 for health
 - Up to \$505 for prescriptions
- Copay/Coinsurance
- Out-of-pocket maximum
 - HMOs/PFFSs/Cost \$3,600 - \$6,700
 - PPOs \$3,700 - \$11,900



Cost of Medicare Part C will include the continued payment of the Part B premium. Some Advantage plans may or may not charge an additional premium. In Nebraska, one plan does charge \$125 per month on top of the \$170.10 Part B premium.

Other cost can apply. There is one plan with a health deductible at \$1000. Regarding drug coverage, Advantage Plans are required to follow the same rules as Part D, thus the same deductible of \$480 for prescriptions.

Copays or coinsurance will apply, depending on the service.

Depending on the plan, you may need to get prior authorization before receiving some services, such as:

- diagnostic procedures
- lab work
- Imaging
- mental health;
- or skilled care

Other restrictions are determined by the plan's setup. Many Advantage plans in

Nebraska are HMOs (Health Maintenance Organizations). These plans only cover care received In-Network. Any services received outside of the HMOs network will not be covered by the plan.

Other plans in Nebraska include PPOs (Preferred Provider Organizations). These types of plans have a network, but also allow for some out-of-network coverage; typically you would pay 50% of the cost, or less, when going out-of-network.

HMO and PPO plans are the more prominent option.

In the western part of Nebraska, Medicare Advantage Plans can be a PFFS (Private-Fee-for-Service). This type of Advantage Plan typically does not have a provider network so it potentially offers nationwide coverage. PFFS plans set their own payment rates and the doctor or provider gets to decide if they will accept the set payment rate. Because of this structure a doctor or provide can accept the insurance at one visit and decide not to at a later visit.

Cost Plans are new to Nebraska in 2019. This option is a hybrid following network rules of an Advantage Plan, but will offer out-of-network coverage provided by Original Medicare Part A or B.

Nebraska SHIP can help you determine your plan options and what restrictions are in place, so you can make an informed decision if you are considering a Medicare Advantage Plan.

Finally, you should be aware that Advantage Plans offer an out-of-pocket maximum on your cost. This is provided because you do not get the option of a Medicare Supplement if you choose Medicare Advantage.

Depending on the type of plan chosen the out-of-pocket can be between \$3,000 and \$11,300 within the calendar year.

The plan will determine what cost apply to this maximum. Some plans count all costs toward the maximum while others may only count Medicare approved services. Some plans will only count inpatient hospital stays. The cost of prescription drugs will never count toward the out-of-pocket limit. Dollars spend on extras, also will not count toward a plans limit.

(CHANGE SLIDE)

Which providers can I use?

- Provider Access: Medicare Advantage has a more restrictive network of providers
 - PPO and Cost Plans – You get the best prices by using in-network providers
 - In-network providers offer lower copay/coinsurance and out-of-pocket maximums
 - Out-of-network providers charge higher copay/coinsurance and out-of-pocket maximums
 - HMO – Must use providers in-network
 - In-network providers offer lower copay/coinsurance and out-of-pocket maximums
 - Out-of-network providers charge you 100% of the cost of the service
- In any MA Plan, Prior Authorization Requirements may exist for:
 - Specialist Visit
 - Diagnostic Tests & Procedures
 - Durable Medical Equipment
 - Inpatient Hospital Coverage

What about provider access?

Many Advantage plans in Nebraska are HMOs (Health Maintenance Organizations). These plans only cover care received In-Network. Any services received outside of the HMOs network will not be covered by the plan.

Other plans in Nebraska include PPOs (Preferred Provider Organizations). These types of plans have a network, but also allow for some out-of-network coverage; typically you would pay 50% of the cost, or less, when going out-of-network.

HMO and PPO plans are the more prominent option.

In the western part of Nebraska, Medicare Advantage Plans can be a PFFS (Private-Fee-for-Service). This type of Advantage Plan typically does not have a provider network so it potentially offers nationwide coverage. PFFS plans set their own payment rates and the doctor or provider gets to decide if they will accept the set payment rate. Because of this structure a doctor or provide can accept the insurance at one visit and decide not to at a later visit.

Cost Plans are new to Nebraska, beginning in 2019. This option is a hybrid following network rules of an Advantage Plan, but will offer out-of-network coverage provided by Original Medicare Part A or B.

Nebraska SHIP can help you determine your plan options and what restrictions are in place, so you can make an informed decision if you are considering a Medicare Advantage Plan.

(CHANGE SLIDE)

When and where do I sign up?

- When you first become eligible for Medicare, you can join during your Initial Enrollment Period
- During a Special Enrollment Period
 - Retirement
 - Change in Residence
 - Involuntary Loss of Creditable Coverage
- To sign up:
 - [Medicare.gov](https://www.medicare.gov)
 - Nebraska SHIP

So when and where do you sign up for Medicare Part C?

Like Original Medicare, you may want to enroll into Part C to start on the same date as your Part A and B. And, like Original Medicare, you have the option of enrollment during your Initial Enrollment Period or during a Special Enrollment Period, typically at retirement.

Enrollment can be done on [Medicare.gov](https://www.medicare.gov), the official U.S. site for Medicare, or through the Nebraska SHIP.

(CHANGE SLIDE)

Medicare Advantage Premium Cost



Part C
Medicare Advantage

Medicare Part A Premium	\$0.00
Medicare Part B Premium	\$164.90
Medicare Part C* Premium	\$31.00
Total Monthly Premium	\$195.90

*Values are average of cost per individual

To recap, Part C Advantage Plan costs can vary.

You will need to be enrolled in both Part A and Part B and continue to pay the Part B premium. Depending on your chosen plan you could have an additional monthly premium.

When deciding between your two options, you may want to weigh the pro and cons.

Pros of Medicare Advantage plans include:

- low premiums
- potentially extra benefits, like dental or vision
- and an out-of-pocket maximum

Cons may include:

- plan rules, such as staying in-network
- getting referrals to see a specialist
- getting prior authorization to receive coverage of some services or medical equipment

If cost is the driving factor of your decision, you should remember:

Individuals with a high usage of their insurance may find Original Medicare to be the less expensive option.

Individuals with a low usage of their insurance may find a Medicare Advantage plan to be more cost effective.

(CHANGE SLIDE)

Medicare Advantage



That's the basics about Medicare supplements. Let pause here to take a few questions.

(Answer Questions, if none move on)

(CHANGE SLIDE)

Medicare Fraud & Abuse

- Costs Medicare \$60 billion annually
 - Providers billing for services not received
 - Providers ordering unnecessary tests/procedures
 - Compromised Medicare information
- Potential results include:
 - Tax dollars lost
 - Medicare fund at risk
 - Less money for benefits
 - Higher Medicare premiums/costs
- What about errors?
 - Human error exists
 - Most medical/health professionals are honest
 - Only review and investigation will determine truth

The final topic of this introduction is Medicare Fraud and abuse. Medicare is reportedly losing \$60 billion annual due to fraud and abuse. An example of fraud is a provider billing for services the individual did not receive. An example of abuse is when a provider orders unnecessary tests or procedures. But Medicare also see loses through individual compromised Medicare information.

The result of this loss means lost tax dollars which in turn puts the Medicare fund at risk. This results in less money for benefits potentially leading to higher Medicare premiums or other costs.

Certainly, human error does exist and not all errors are an instance of fraud or abuse. Most providers are honest. Unfortunately, fraud does happen and only review and investigation will determine the truth.

(CHANGE SLIDE)

Medicare Fraud & Abuse

- Protect
 - Social Security number/Medicare number
 - Shred letters with personal identifying information
 - Medicare does not call or visit
- Detect
 - Review Medicare Summary Notice (MSN)
 - Review Explanation of Benefits (EOB)
 - Keep records/Healthcare Journal
- Report
 - Ask questions
 - Call Nebraska SHIP
 - 1-800-234-7119

In order to ensure an individual does not fall prey to fraud or abuse, they can do three thing.

First, they can protect. Simply meaning protecting personal information.

Individuals should not show or share their Social Security or Medicare number with unknown sources. Protect this information the same way a credit card number would be protected. Also, it is important to securely destroy any documents and communications that have personal identifying information on them. And remember Medicare, or any other government agency, will not call or visit you, unless the initial contact was made by the individual first. In limited situations, Medicare does conduct surveys, but does inform the individual about the survey by mail prior to calling the individual. Otherwise, if an individual is contacted by someone claiming to represent Medicare, they should hang up or shut the door!

The next step a person can take to prevent fraud or abuse is detect. Medicare sends resources to individuals when they use their Medicare. These resources come in the form of a Medicare Summary Notices (MSN) or Explanation of Benefits (EOB). The MSN comes from Medicare quarterly and details what was paid for on an individual's behalf,

in easy-to-understand language. The EOB comes from your Part C, Part D or Medicare Supplement. This is received monthly and also details services received. Individuals may also establish a MyMedicare account Medicare.gov. This account allows a person to manage and monitor their Medicare in a faster manner.

Individuals should also keep a health care journal and note:

- the date of visits
- the doctor seen
- what was discussed with the doctor
- And the treatment received

This can then be compared to the information provided by the MSN, EOB, or within the MyMedicare account. Individuals should look for billing issues like items or services being charged for more than once or billing for items or services not received.

If an individual finds something suspicious, they should report it.

Ask questions. First, contact the provider and ask questions about the item or service in question. This may result in discovering a simple human error and resolve the problem. Second, an individual may contact Nebraska SHIP to report questionable charges. Remember we serve as the state's SMP (Senior Medicare Patrol).

These steps are important to prevent fraud and abuse. Victims of fraud or abuse can see adverse affects to their Medicare benefits, potentially resulting in a denial or delay of benefits.

Remember. Protect. Detect. Report.

(CHANGE SLIDE)

Annual Open Enrollment - Part D & C

- Every October 15 – December 7, regardless of your choice between Original Medicare or Medicare Advantage
 - Contact Nebraska SHIP for a comparison
 - Best Coverage
 - Lowest Price



Finally, regardless of what option you choose, Original Medicare or Medicare Advantage, you should remember that you will have an opportunity each year to evaluate your coverage and make changes for the next year.

This period of time is known as Open Enrollment and comes every fall beginning October 15 and ends December 7.

Open Enrollment is your chance to evaluate your Part C or Part D.

Your cue that Open Enrollment is coming will be the receipt of your Annual Notice of Change (ANOC) in September.

This notice will communicate any changes in:

- Coverage;
- Cost, and;
- Service area

These changes will be effective in January. If you don't get your ANOC, you should contact your plan for another copy.

During Open Enrollment you should contact Nebraska SHIP. We will help compare your current plan to the other plans available next year. This process takes 30 minutes or less and can result in potential savings.

In 2020, our program was able to save Nebraskans over \$17 million (\$17,038,211) in total health care costs. Of that \$17 million, just over \$8 million was specific to prescription costs. That's how important this time period is, and we encourage everyone with Medicare to take advantage of their opportunity to evaluate their options and make changes if they can find better coverage or lower costs.

(CHANGE SLIDE)

Nebraska SHIP

- Medicare information by phone, in-person or via WebEx
- Cost comparisons for Part C, Part D & Supplements
- Medicare enrollment help and problem solving
- Fraud prevention education and reporting
- Low Income Subsidy application assistance
- Presentations for your group
- 1-800-234-7119
- www.doi.nebraska.gov/SHIP

NEBRASKA
SHIP

Local help for Nebraskans
with Medicare

In conclusion....Remember, Nebraska SHIP is here to help.

We will help you evaluate your Medicare options during your initial enrollment into Medicare. We will answer any Medicare related questions during the year and can provide help with problems such as denied billing.

We're also here to help with those applications for Extra Help. And, if you know an organization that could benefit from a discussion like this, we are happy to help with that also!

Thank you all for your attention. Let's go ahead and address any final questions.

(Answer Questions, if there are none, thank and invite the participants to ask questions, one-on-one, after the presentation.)

Nebraska SHIP



That's the basics about Medicare supplements. Let pause here to take a few questions.

(Answer Questions, if none move on)

(CHANGE SLIDE)