



2022 GUIDE

Medicare: Your next chapter

Understanding your Medicare options

Your 2022 guide to coverage options

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Here's what you need to know about Medicare

Medicare is the federal health insurance program for people 65 or older, and for people of any age with certain disabilities. But Medicare doesn't cover all your medical expenses — deductibles and cost-sharing payments apply. Plus there's no annual or lifetime limit on what you pay.

Make a **new start** with Medicare.

You've lived through a lot of changes. Now you're approaching Medicare, and you're going to see changes in your health insurance. You know that the key to facing any change is preparation. We've created this guide to explain how Medicare works so you can make the right coverage decisions.



Talk with a consultant who can help

Call **1 (800)-918-2512** (TTY: **711**) to speak with a Medicare expert who can evaluate your unique situation, and help you make the best coverage choice for you and your budget.



Attend an online Medicare workshop

To find a workshop — including online workshops — visit **Medica.com/MedicareWorkshops** and learn everything you need to know about Medicare and the affordable options we offer.



Get the details online

Visit **Medica.com/Medicare** for valuable information and resources to help you make the best coverage decisions.

For accommodations of persons with special needs at meetings: **1 (800)-918-2512** (TTY: **711**)

The four "parts" of Medicare coverage



Part A: Hospital coverage

Medicare Part A helps you cover costs for inpatient hospital and skilled nursing facility stays, hospice, and home health care. (see page 5).



Part B: Medical coverage

Medicare Part B helps you cover costs for visits to doctors and other providers, including outpatient care. It also covers durable medical equipment and physical and occupational therapy. (see page 6).



Part C: Medicare Advantage plans

Medicare Part C lets you pick a private health plan to administer your Part A hospital coverage and Part B medical coverage on behalf of Medicare (see page 7).



Part D: Prescription drug coverage

Medicare Part D helps you cover prescription drug costs. It's provided through a private plan under contract with Medicare. (see page 8).



Part A: Hospital coverage

Medicare Part A is coverage for inpatient hospital care. You usually don't pay a monthly premium for Medicare Part A if you or your spouse paid Medicare taxes while working.

Inpatient hospital care:

PART A 2022	YOU PAY
Days 1-60	Eligible care is covered in full after deductible of \$1,556 for each benefit period
Days 61-90	Coinsurance of \$389 per day of each benefit period
Days 91+	Coinsurance of \$778 per each "lifetime reserve" (up to 60 reserve days can be used throughout your lifetime)

Types of hospital care that qualify for coverage:

- Inpatient hospital care
- Skilled nursing facility care
- Nursing home care
- Hospice care
- Home health services

Skilled nursing facility care:

PART A 2022	YOU PAY
Days 1-20	\$0 for the first 20 days of each benefit period
Days 21-100	Coinsurance of \$194.50 per day of each benefit period
Days 101+	All costs for each day after day 100 in a benefit period



Part B: Medical coverage

Medicare Part B is coverage for your medical care and helps you cover costs for visits to doctors and other providers. Generally, there's a monthly premium you pay to the federal government, usually deducted from your Social Security check. If you're not drawing Social Security, you'll be billed quarterly for your Part B premium.

Types of medical care that qualify for coverage:

- Doctor's services
- Diagnostic tests
- Medical supplies and services
- Outpatient services



PART B 2022	YOU PAY
Monthly premium	\$170.10
Annual deductible	\$233
Medica-approved expenses for eligible services and supplies	20% after deductible

If you don't enroll in Medicare Part B when you become eligible, you may have to pay a 10% premium penalty for each year you delay enrollment.



Part C: Medicare Advantage plans

Original Medicare or Part C: Medicare Advantage plans

There are two main ways to get your Medicare coverage. Call us at **1 (800) 918-2512** (TTY: **711**) and we'll help you decide which option below is right for you.

Option 1:

Original Medicare is Part A and Part B combined. This option doesn't include drug coverage, but you can enroll in Part D for prescription coverage (see page 8).

Included:

Part A: Hospital coverage
Part B: Medical services

Other private Medicare plan options

You can add to your Original Medicare coverage with a private plan.

Medicare Cost plans cover costs Original Medicare doesn't cover and provide extra benefits like prescription drugs, dental, vision, and more.

Medicare Supplement (Medigap) plans supplement Original Medicare coverage by paying costs Medicare doesn't cover. These plans have no network and don't include prescription drug coverage.

Option 2:

Part C Medicare Advantage Plans are all-in-one private plans that include hospital (Part A) and medical (Part B) coverage and usually drug coverage. They typically offer lower out-of-pocket costs compared to Original Medicare and extra benefits such as dental, vision, hearing, and more.

Included:

Part A: Hospital coverage
Part B: Medical services

Most plans also include:

Part D prescription drug coverage
Extra benefits



Part D: Prescription drug plans

Private insurers under contract with Medicare care offer Part D plans.

You're eligible if you:

- Are enrolled in Medicare Part A and/or Part B
- Are a permanent resident in the plan's service area

You have two options for Part D drug coverage:

Option 1:

“Combined coverage” plans offer Part D coverage in addition to hospital and medical coverage. Examples include Medicare Advantage and Medicare Cost plans.

Option 2:

“Standalone coverage” Part D plans only offer prescription drug coverage. You can pair plans with Original Medicare alone or with some private health plans like Medicare Cost plans or Medicare Supplement (Medigap) plans.

Most Standard Part D plans* have four stages of coverage:

1. **Annual deductible stage**
You pay \$480
2. **Initial coverage stage**
You pay copay or coinsurance
3. **Coverage gap stage**
You pay 25% for generic drugs and covered brand-name drugs
4. **Catastrophic coverage stage**
You pay the greater of \$3.95 or 5% for generic drugs and \$9.85 or 5% for other drugs

If you choose not to enroll in Part D when first eligible, you may have to pay a monthly late enrollment fee if you enroll later. This higher premium will apply as long as you have Part D, and the longer you delay Part D enrollment, the greater the penalty.

** "Standard" plans are minimum Part D benefit package mandated by law. Part D plan benefits vary by carrier and product offerings*

How to choose the **right** plan

Don't want Original Medicare alone? These questions can help you understand your private plan options.

Do you want to keep your current doctors?

Make sure the doctors you use are in the private plan's provider network.

Do you take prescription drugs?

When selecting a Part D plan (combined or standalone), check to see if it covers your prescription drugs and how much you'll have to pay.

Would you rather have a low monthly premium or low cost-sharing for medical costs?

There's usually a tradeoff between the two. Higher premium plans usually have lower cost sharing (copays/coinsurance) and vice-versa.

Do you travel often or spend time each year in a different part of the U.S.?

If so, find out if the private plan you're considering provides nationwide travel or "snowbird" coverage.

Does the plan have a maximum out-of-pocket limit?

This is an important feature because it puts a cap on what you'll pay each year. Once you've reached this limit, the plan pays all covered medical expenses during that benefit coverage period.

Does the maximum out-of-pocket limit change depending upon which doctors you see?

Always check the plan details. Some plans may have a different out-of-pocket maximum for in-network and out-of-network services.

Do you have a health condition that requires frequent doctor visits?

If so, make sure you're comfortable with the plan's copay or coinsurance amounts.

Will you need to have medical procedures done in the near future?

Figure out what your share of costs would be with the plan you're considering.

Do you use a health club?

If so, find out if the plan offers a free or reduced club membership and if there's a minimum visit requirement.



Eligibility and Enrollment: What you **need to know**

Who's **eligible** for Medicare?

Most people become eligible for Medicare at age 65. You don't have to be retired or collecting Social Security. You may also be eligible for Medicare before 65 if you're permanently disabled or if you've been diagnosed with End-Stage Renal Disease (ESRD).

Medicare **eligibility** requirements

- You must be a U.S. citizen or have been a legal resident for five consecutive years.
- You must also meet one or more of the following:
 - You're age 65+
 - You receive retirement benefits from Social Security or the Railroad Retirement Board, or are eligible for them
 - You're under age 65, are permanently disabled and have received Social Security disability payments for at least two years
 - You require ongoing dialysis for ESRD or need a kidney transplant

Initial Enrollment Period (IEP)



You become eligible to sign up for Medicare during a seven-month period called the Initial Enrollment Period (IEP). For most people, this means the three months before you turn 65, the month you turn 65, and the three months after you turn 65.

During IEP, you're eligible to enroll in Medicare Part A, Medicare Part B, Medicare Advantage (Part C), or a Part D drug plan. You can also enroll in a Medicare Supplement (Medigap) or Medicare Cost plan after you enroll in Parts A and B.

Want your coverage to start on the month of your 65th birthday? You'll need to enroll at least one month before your birthday month.

Your health plan coverage needs may change from year to year, and you may decide another type of plan is better for you. Medicare provides times each year when you can make changes to your plan.

Annual Election Period: **October 15-December 7**

During this time, you can make plan changes that will take effect on January 1 of the new plan year. All enrollment, disenrollment, or plan change options are available during this time. Here are specific examples:

- Change from Original Medicare to a Medicare Advantage plan
- Change from a Medicare Advantage plan back to Original Medicare
- Switch from a Cost plan with Part D to another Cost plan with Part D or an alternative private plan like Medicare Advantage
- Switch from one Medicare Advantage plan to another Medicare Advantage plan
- Switch from a Medicare Advantage plan that doesn't offer drug coverage to a Medicare Advantage plan that offers drug coverage, or vice-versa
- Switch from one Medicare Prescription Drug plan to another Medicare Prescription Drug plan

Medicare Advantage Open Enrollment Period: **January 1-March 31**

If you're enrolled in a Medicare Advantage plan, you have a one-time opportunity to:

- Switch to a different Medicare Advantage plan
- Drop your Medicare Advantage plan and return to Original Medicare (Part A and Part B)
- Sign up for a standalone Medicare Part D Prescription Drug Plan (if you return to Original Medicare)



Have enrollment questions? Call 1 (800) 918-2512 (TTY: 711)

What you need to know about **working** **past age 65**



First, talk with your benefits administrator to find out how your current health insurance works with Medicare. Then you can decide if it's a good idea to delay Part B enrollment and enroll in Part A.

My employer has more than 20 employees:

If you're employed and have health insurance coverage through an employer with 20 or more employees, you can delay enrollment. But you could consider enrolling in Part A since there's no cost to you and can act as secondary coverage.

The same goes if you're covered under your spouse's employer-sponsored plan. As long as their employer has 20 or more employees, you can delay enrollment.

My employer has less than 20 employees:

If you're employed and have coverage under through your employer that has less than 20 employees, you need to enroll in Medicare Part A and Part B. It'll become your primary insurance (see pages 5 - 6).

I have a Health Savings Account (HSA):

You're not allowed to contribute to an HSA if you enroll in Medicare even if your primary insurance is through your employer.

My current benefits have stopped, can I enroll in Medicare Part B?:

When you leave your job or your employer stops offering coverage you have an eight-month Special Enrollment Period (SEP). You can enroll starting the month after you separate from your employer or the month after your coverage ends, whichever happens first. Enrolling within those eight months eliminates late penalty payments.

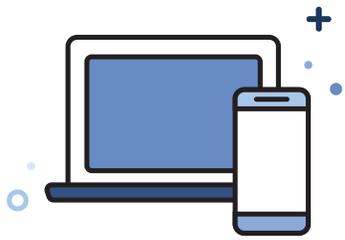
If you're age 65 and have COBRA through a previous employer, you should enroll in Medicare Part B. You'll get a SEP when COBRA ends. Be sure to enroll in Part B during the first eight months of your COBRA coverage to avoid the late enrollment penalty.



Compare costs

Do the math to figure out what you're currently paying for coverage and review your current benefits. Compare those costs to what you'd pay under Medicare. Review the benefits under each part of Medicare (see page 4).

Call **1 (800) 918-2512 (TTY: 711)** to speak with a Medicare expert about your unique situation. They'll help you make the best coverage decision.



Resources for limited incomes

What if I can't afford a private Medicare health plan?

People who qualify for both Medicare and Medicaid in their state may be eligible for a \$0 premium dual health plan that offers combined hospital, medical, and prescription drug coverage under Medicare Part C.

To be eligible for a dual health plan, you need to:

- Qualify for Medicaid / meet specific income criteria
- Have Medicare Parts A and B benefits
- Be at least 65 years old

What if I need extra help with my Part D prescription drug costs?

Extra Help is a program that can help you pay for Part D drug prescription costs like premiums, deductibles, and coinsurance.

You're eligible if you meet specific income and resource limits.

Some people are automatically eligible for Extra Help. You're automatically eligible if you have Medicare and any of the following:

- Have full Medicaid coverage
- Get help from your state Medicaid program covering your Part B premiums
- Get Supplemental Security Income benefits



If you don't know if you're eligible, you can call and speak with one of our experts. They'll help you determine if you're eligible.

Call **1 (800) 918-2512 (TTY: 711)**

“Get ready for Medicare” checklist

Talk with your current employer or union benefits administrator

Find out if they offer group coverage to retirees that's better and more affordable than an individual plan. Review your options if you want to work past age 65 (see page 12).

Sign up for Medicare (see page 10 for when to sign up)

If you **HAVE NOT** received benefits for at least four months from Social Security or the Railroad Retirement Board (RRB) by the time you turn 65: You need to sign up for Part A and/or Part B. Call Social Security at **1 (800) 772-1213** from 7 a.m.-7 p.m., Monday-Friday (**TTY: 1 (800) 325-0778**). Or visit **Medicare.gov** to apply online. If you worked for a railroad, you need to call **1 (800) 772-572** to learn more about signing up.

If you **HAVE received** benefits for at least four months from Social Security or the Railroad Retirement Board (RRB) by the time you turn 65: You'll be automatically enrolled in Part A and Part B. Medicare will send you a card before you turn 65 with information on how to disenroll from Part B, if you wish. If you don't get your Medicare card a few months before your 65th birthday, call Social Security at **1 (800) 772-1213**, from 7 a.m.-7 p.m. Monday-Friday (**TTY: 1 (800) 325-0778**).

Decide if you want Original Medicare alone or if you want to join a private plan

Consider enrolling in a Cost plan or Medicare Supplement (Medigap) plan to supplement your Part A and Part B benefits or decide if you want a Part C Medicare Advantage plan to administer your Part A and Part B benefits on behalf of Medicare and to provide additional benefits.

Determine if you want to add a standalone Part D plan to Original Medicare or to a Medicare Supplement (Medigap) plan. Part D coverage can also be included in a private Part C Medicare Advantage plan or a Cost plan. Remember, you may have to pay a penalty if you don't enroll in Part D when first eligible.



You're not just covered, you're cared for.

Have questions? We're here to help.

Talk with a Medicare expert **1 (800) 918-2512** (TTY: **711**).

Oct. 1-March 31

8 a.m.-8 p.m. CT, seven days a week

April 1-Sept. 30

8 a.m.-8 p.m. CT, Monday-Friday

Visit us online or find a broker in your community at **Medica.com/Medicare**.

Follow us on social media with the handle **@Medica**.