



Basics of Medicare 2023

Medicare Parts A-D

- Medicare Part A (Hospital Services)
- Medicare Part B (Doctor, Outpatient, Preventive Services and DME)
- Medicare Part C (Medicare Advantage)
- Medicare Part D (Prescription Drug Plan)

Medicare and HSAs

- If you are going to continue to work, you do not need to enroll in Medicare. You can still contribute to your HSA until six months prior to going on Medicare.
- Six months prior to going on Medicare, you will need to stop your HSA contributions. Three months prior to retirement, or loss of benefits, you can start the Medicare enrollment process. You can withdraw money from your HSA after you enroll in Medicare to help pay for medical expenses (like deductibles, coinsurance and copayments.)
- If you are enrolling in Medicare at age 65 you do not need to stop contributions six months prior. Any time after that, you will need to stop the contributions six months prior.

Medicare Part A and B Enrollment



- Automatically enrolled in Medicare Part A if you have signed up for Social Security benefits
 - You can defer Part B if you have group coverage

- Initial enrollment period = 3 months prior to 65th birthday through 3 months following birthday
 - Enrollment during the 3 months preceding 65th birthday results in coverage effective first of the month of 65th birthday
 - Anytime thereafter, delayed coverage effective date

Medicare Part A – what it covers



- Medicare Hospital Insurance covers hospital expense, hospice care, and home health care
- Most people do not pay a monthly Part A premium because the individual or a spouse has 40 or more quarters of Medicare-covered employment
- Covers 80% of your Hospital expenses

Medicare Part A

Deductibles and Copays

- Medicare Part A - Hospital
 - Deductible of \$1,600 for first 60 days
 - Copay of \$400 per day for days 61-90
 - Copay of \$800 per day for days 91-150
 - Individual pays 100% for days 151+

- Medicare Part A - Skilled Nursing
 - No copay for days 1-20
 - Copay of \$200 per day for days 21-100
 - Individual pays 100% for days 101+

Medicare Part B – what it covers



- Pays for doctor services, outpatient hospital services, medical equipment and supplies, and some preventive care
- Covers 80% of your Doctor, Outpatient, Preventive (some) and DME services cost

Medicare Part B

Premium and Deductible

- Beneficiaries pay premiums of \$164.90 - \$560.50 in 2023 (based on MAGI from two years prior)
 - Withheld from social security payments, or
 - Billed in quarterly installments
- Deductible of \$226, after which beneficiaries pay 20% of services

Medicare Part B

Special Enrollment Period

- Part B: Special Enrollment Period
 - Any time while covered by employer plan, or
 - Within 8 months of terminating employer plan (covered as an active employee or spouse of active employee)
- Coverage effective 1st of month following enrollment month and does not backdate

Medicare Part B

General Enrollment Period

- January 1 – March 31 of each year
- Coverage becomes effective July 1
- 10% per year premium penalty for each 12 months of “late” enrollment

Medicare Part B – Premium Chart



If your annual income in 2021 was		You Pay
File Individual Tax Return	File Joint Tax Return	
Less than or equal to \$97,000	Less than or equal to \$194,000	\$164.90
Greater than \$97,000 and less than or equal to \$123,000	Greater than \$194,000 and less than or equal to \$246,000	\$230.80
Greater than \$123,000 and less than or equal to \$153,000	Greater than \$246,000 and less than or equal to \$306,000	\$329.70
Greater than \$153,000 and less than or equal to \$183,000	Greater than \$306,000 and less than or equal to \$366,000	\$428.60
Greater than \$183,000 and less than \$500,000	Greater than \$366,000 and less than \$750,000	\$527.50
Greater than or equal to \$500,000	Greater than or equal to \$750,000	\$560.50

Medicare Part C (Medicare Advantage)

- Private Medicare plans
- HMO, PPO, etc.
- Many include Part D benefits (MAPD)
- Some include vision and dental

Medicare Part C (Medicare Advantage)

Plan Enrollment Periods

■ Initial Enrollment

- Follows Medicare Part B rules: 3 months before through 3 months after you turn age 65

■ Special Enrollment

- A series of events requiring changes/enrollment generally within 63 days after the event

■ Annual Enrollment

- 10/15 through 12/07 for coverage effective 01/01
- May change elections annually

Medicare Part D

Prescription Drug Benefit

- Administered by Medicare
- Administered by competing private sector vendors
 - Insurance carriers
 - Pharmacy vendors

Part D – Prescription Drug Benefit

Plan Enrollment Periods

■ Initial Enrollment

- 3 months before through 3 months after you turn 65
- Coverage starts first of month you reach 65 or after enrollment
- Late enrollment penalty of permanent 1% per month (12% annually)

■ Special Enrollment

- No penalty to enroll in Part D within 60 days after losing “creditable” group prescription coverage

■ Annual Enrollment

- 10/15 through 12/07 for coverage effective 01/01
- May change elections annually

Part D IRMAA

If your annual income in 2021 was		You Pay
File Individual Tax Return	File Joint Tax Return	
Less than or equal to \$97,000	Less than or equal to \$194,000	Base Premium + \$0.00
Greater than \$97,000 and less than or equal to \$123,000	Greater than \$194,000 and less than or equal to \$246,000	Base Premium + \$12.20
Greater than \$123,000 and less than or equal to \$153,000	Greater than \$246,000 and less than or equal to \$306,000	Base Premium + \$31.50
Greater than \$153,000 and less than or equal to \$183,000	Greater than \$306,000 and less than or equal to \$366,000	Base Premium + \$50.70
Greater than \$183,000 and less than \$500,000	Greater than \$366,000 and less than \$750,000	Base Premium + \$70.00
Greater than or equal to \$500,000	Greater than or equal to \$750,000	Base Premium + \$76.40

Medigap Plans

- Helps pay some of the copayments, coinsurance, deductibles
- Covers Medicare approved amounts
- Sold by private insurance companies
- You must have Medicare Part A & Part B to buy Medigap policy
- Not available if you have a Medicare Advantage plan (Part C)
- Must follow Federal and state laws
- Also referred to as Medicare Supplements

Medigap Plan Coverage

Medigap Benefits	A	B	C	D	F	G	K	L	M	N
Part A coinsurance and hospital costs up to an additional 365 days after Medicare benefits are used up	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Part B coinsurance or copayment	Yes	Yes	Yes	Yes	Yes	Yes	50%	75%	Yes	Yes
Blood (first 3 pints)	Yes	Yes	Yes	Yes	Yes	Yes	50%	75%	Yes	Yes
Part A hospice care coinsurance or copayment	Yes	Yes	Yes	Yes	Yes	Yes	50%	75%	Yes	Yes
Skilled nursing facility care coinsurance	No	No	Yes	Yes	Yes	Yes	50%	75%	Yes	Yes
Part A deductible	No	Yes	Yes	Yes	Yes	Yes	50%	75%	50%	Yes
Part B deductible	No	No	Yes	No	Yes	No	No	No	No	No
Part B excess charges	No	No	No	No	Yes	Yes	No	No	No	No
Foreign travel exchange (up to plan limits)	No	No	80%	80%	80%	80%	No	No	80%	80%
Out-of-pocket limit	N/A	N/A	N/A	N/A	N/A	N/A	\$5,560	\$2,780	N/A	N/A

Medigap Enrollment Periods

- Enrolling in Part B starts Medigap open enrollment period
- Open enrollment period lasts for 6 months and begins on the first day of the month in which you are both age 65 or older AND enrolled in Part B
- After open enrollment period, Medigap policy can be subject to medical underwriting
- Open enrollment period cannot be changed or restarted

Where do I enroll for Medicare A and B?

- www.ssa.gov

- Select the “Medicare” tile

- You can also call **800-772-1213** for questions or assistance

What you will need for Medicare Advantage Plan selection and enrollment

- ZIP Code and County
- Your Medicare Claim Number and effective date(s)
- Complete list of preferred physicians and hospitals
 - Please provide physician full name and specialty as well as hospital proper name and location
- Complete list of prescriptions including name, dosage and frequency
 - Example: Metformin, 500mg, twice daily
- Preferred pharmacy/ies list
 - If you prefer mail order, please indicate

What you will need for Medigap plan selection and enrollment

- DOB, ZIP Code, and County
- Medicare Claim Number and effective date(s)
- Payment Information
 - Bank routing and account numbers

What you will need for Medicare Prescription Drug Plan selection and enrollment

- Medicare claim number and effective dates
- Complete list of prescriptions including name, dosage and frequency
 - Example: Metformin, 1000mg, twice daily
- Preferred pharmacy/ies list
 - If you prefer mail order, please indicate

Contact Info

- Courtenay Brummer
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- Online Resources
 - www.medicare.gov
 - www.ssa.gov
 - www.cms.gov

Thank You