

Welcome to Medicare



presented by the
Area Agency on Aging of Dane County
Elder Benefit Specialist Program



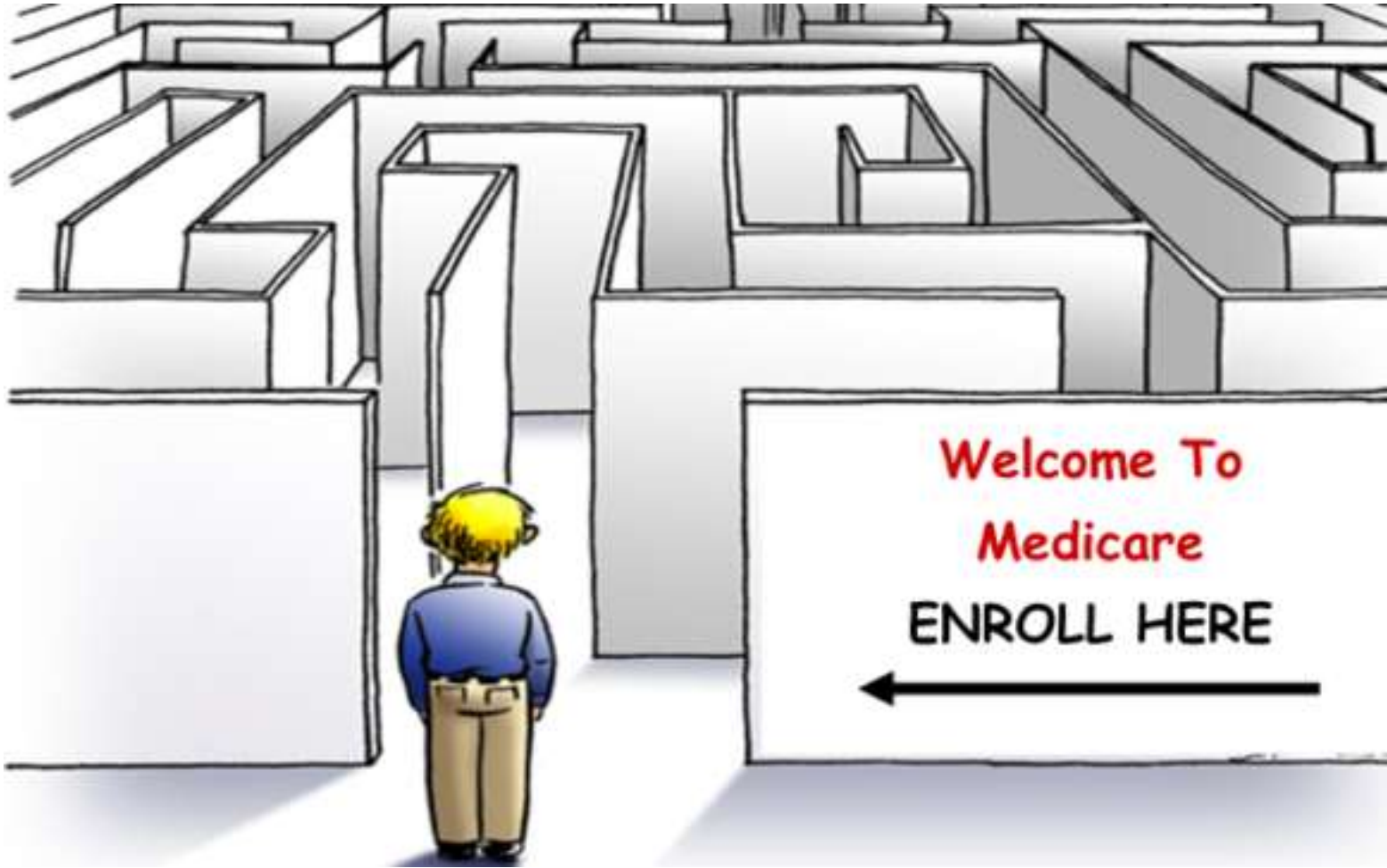
January 18, 2025



LOCAL HELP FOR PEOPLE WITH MEDICARE

Adapted from CMS, Medicare Rights Center, SHIP, OCI, EBS, and GWAAR materials

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January 18, 2025 Welcome to Medicare Presentation

Presentation Outline

- ✓ Medicare Basics
- ✓ Coverage Choices
- ✓ Medicare Enrollment
- ✓ Medicare Basics of A, B, C, and D
- ✓ Medicare Advantage vs. Supplement
- ✓ Medicare and the Marketplace
- ✓ Help for People with Limited Income
- ✓ Resources



Medicare & You 2025

The official U.S. government
Medicare handbook



Find more detailed
information in the
Medicare & You
Handbook.

Housekeeping

- General questions about slides are okay! Save personalized questions until the end. I will stay to answer as much as I can.
- Keep in mind this is created for a wide range of understandings and levels of preparedness, and includes basics AND some complex ideas.
- There will be a 5-10 minute break in the middle.



Medicare Basics - What is Medicare?

- **A national social health insurance program under Title XVIII of the Social Security Act, enacted in 1965, for *lawfully present* residents of the United States:**
 - 65 and older, or
 - Under 65 with certain disabilities who have received SSA benefits for 24 months beyond the initial 5 month waiting period, or
 - Any age with End-Stage Renal Disease (ESRD) or Lou Gehrig's Disease (ALS)

Medicare Basics - Who runs Medicare?

➤ Centers for Medicare & Medicaid Services (CMS)

- Administers insurance program benefits



➤ Social Security Administration (SSA)

- Establishes eligibility, enrolls most individuals & collects premium payments



➤ Railroad Retirement Board (RRB)

- Enrolls railroad retirees



Medicare Basics - Medicare Card

- Keep it to accept Medicare Part A and Part B; *or*
- Return it to refuse Part B; follow instructions on back of card
- What the Medicare card looks like:



The image shows the back of a Medicare card. It contains instructions for carrying the card and refusing Part B. A signature box is provided for the cardholder or a legal representative. The CMS logo and contact information for Medicare services are also present.

1. Carry your card with you when you are away from home.
2. Let your hospital or doctor see your card when you require hospital, medical, or health services under Medicare.
3. Your card is good wherever you live in the United States.

WARNING: Issued only for use of the named beneficiary. Intentional misuse of this card is unlawful and will make the offender liable to penalty. If found, drop in renewal to S, Mail Box.

CMS
Centers for Medicare & Medicaid Services

Centers for Medicare & Medicaid Services
Baltimore, MD 21244-1803
Form CMS-1684 (1/10/02)

If you have questions about Medicare, call 1-800-MEDICARE (1-800-633-6227) or visit us at www.medicare.gov. TTY/7DD: 1-877-486-2048

I DO NOT WANT MEDICAL INSURANCE Check Here

Written Signature (or Legal Representative)

SIGN HERE

Signature by Mark (X) Must Be Witnessed

Signature of Witness

Address of Witness

If you DO NOT want Medical Insurance

1. Check the box above (top right), sign your name, and return the entire form in the enclosed envelope. Do NOT tear off the Medicare card. It would be improper to use it since you do not want Medical Insurance. You must return the form BEFORE the Medical Insurance effective date shown on the card.

2. Since you are entitled to Hospital Insurance even though you do not want Medical Insurance, we will send you a new card showing that you have Hospital Insurance only.

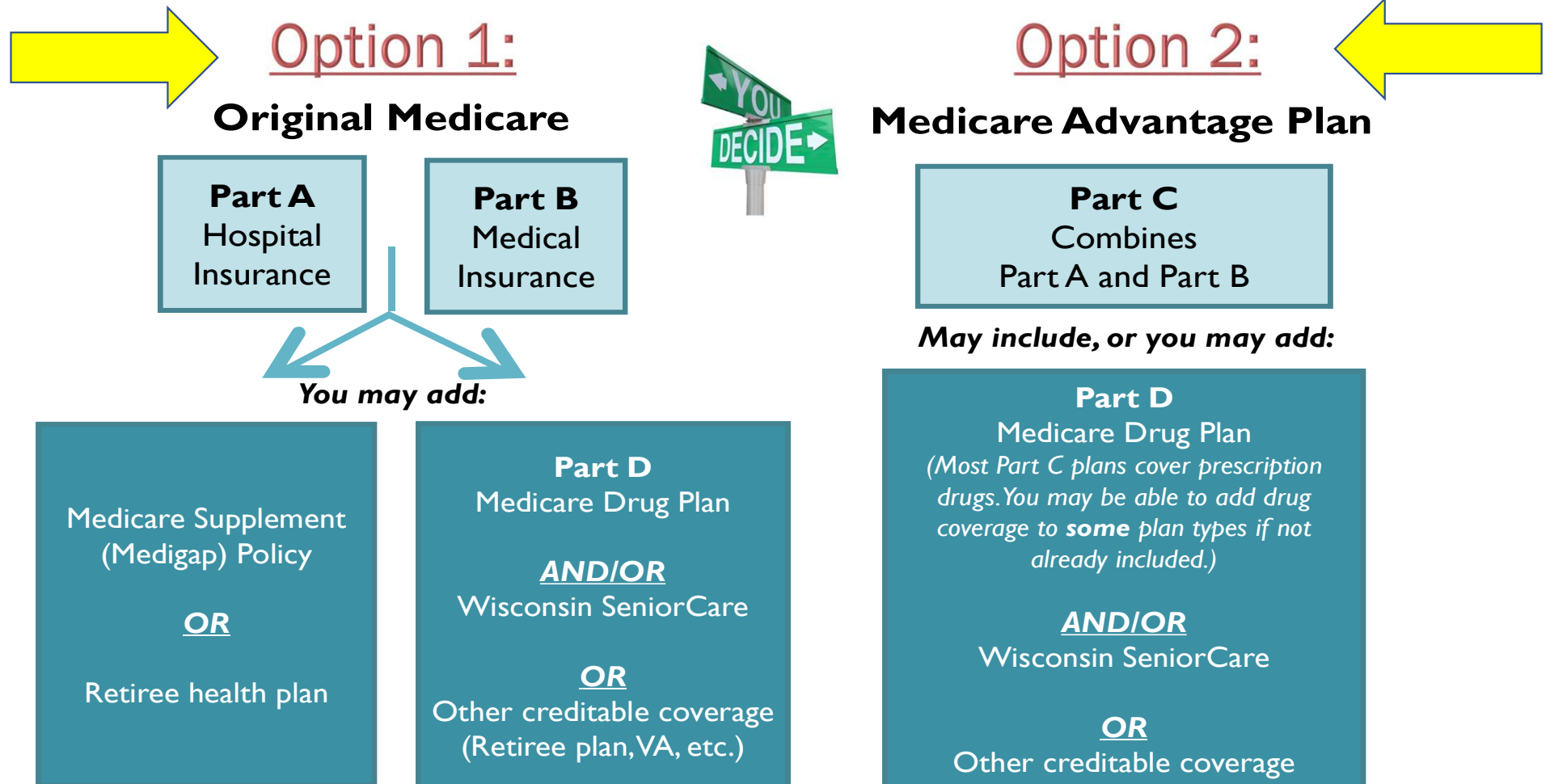
Check Your Knowledge – Question #1

Who were the first two beneficiaries of Medicare and first to receive the Medicare cards?



- a. George and Martha Washington
- b. Harry and Elizabeth Truman
- c. Ronald and Nancy Reagan

Your Medicare Coverage Choices



Original Medicare



Part A
Hospital
Insurance



Part B
Medical
Insurance

➤ Original Medicare is Part A (Hospital Insurance) and/or Part B (Medical Insurance)

- Medicare provides coverage
- You have your choice of doctors, hospitals, and other providers that are accepting new Medicare patients.
- Costs are affected by whether or not providers accept **assignment**, which is an agreement by your doctor/provider, to be paid directly by Medicare, to accept the payment amount Medicare approves for the service, and not to bill you for any more than the Medicare deductible and coinsurance.

You can add...



- Medicare Supplement (Medigap) Insurance
- Medicare Part D prescription drug plan
- Other creditable coverage

Original Medicare

➤ **Original Medicare does not cover these services or supplies:**



- Most Dental care or Dentures
- Cosmetic surgery
- Health care while traveling outside U.S.
- Hearing aids and/or exams for fitting hearing aids
- Long-term care
- Most routine foot care & most supportive devices for feet
- Routine eye care and most eyeglasses
- Routine “physicals”

Check Your Knowledge – Question #2

Whether you are enrolled in Original Medicare or a Medicare Advantage plan, you can see any doctor you want and have coverage:

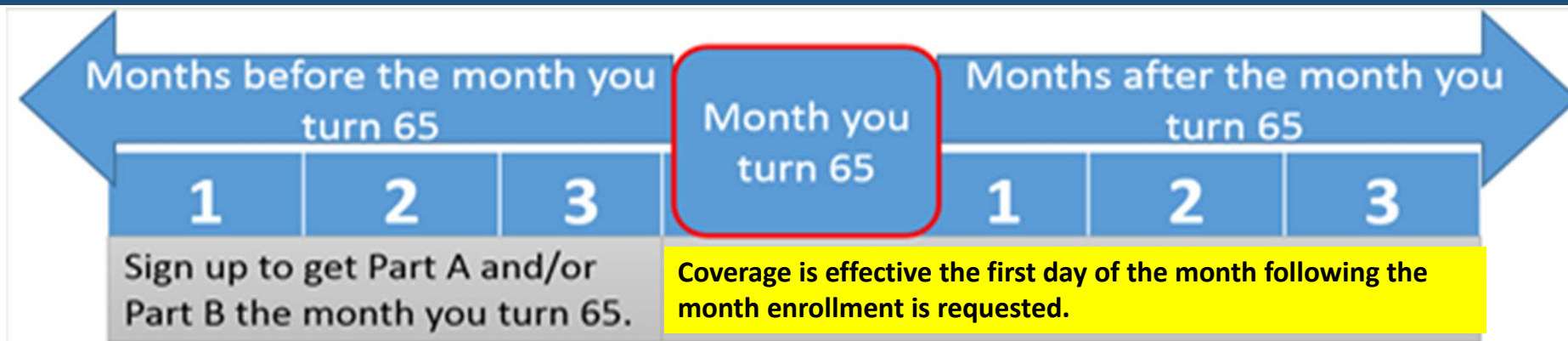
- a. True
- b. False



Medicare Enrollment

- **If you already receive benefits from Social Security or Railroad Retirement,** you are automatically enrolled in Part A & B the first day of the month you turn 65.
- **If you are close to 65 and currently don't receive Social Security benefits,** you need to enroll in Part A & B with **Social Security** during your *Initial Enrollment Period*. (Next Slide.)
 - Visit **www.ssa.gov**; or
 - Call Social Security at **1-800-772-1213 (National) or 1-866-770-2262 (Local field office in Madison; available Mon-Fri from 9am-4pm)**
- **If you are under 65 and disabled,** you are automatically enrolled in Medicare after receiving 24 consecutive months of SSDI, after a 5 month waiting period.

Initial Enrollment Period (IEP)



➤ **7-month period includes 3 months before, month of, and 3 months after your 65th birthday**

- If you were born on 1st day of the month, the 7-month window begins the month before your birthday. *Example: If birthday is June 1, the IEP window is Feb – Aug.*
- The month you request your enrollment will dictate the effective date of your coverage (*see chart above*).
- Premium-free Medicare Part A can be back-dated up to 6 months, but not Part B.

Special Enrollment Period (SEP) - Employment

➤ You can chose to delay enrollment in Medicare *if*:

- You or your spouse are currently working, **and**
- You are covered under an employer group health plan (EGHP) based on active/current employment, **and**
- The employer has **more than 20 employees**. (If less than 20 employees you should take Medicare at age 65, even if you are still working, because Medicare pays first.)



IMPORTANT

Special Enrollment Period (SEP) - Employment

- You can enroll in Medicare anytime while actively working and covered under the employer group health plan.
- Can still enroll in Part A if delaying Part B.
- **You must enroll in Medicare within 8 months of stopping work (quit or retire) or losing employer group health plan coverage, whichever occurs first.**
- **After 8 months, a late enrollment penalty will apply and you will need to wait until the next General Enrollment Period to enroll.**

*****Retiree and COBRA coverage do NOT qualify for an SEP.*****

Special Enrollment Period (SEP) - Employment

If You Are Working and Turn 65:



- Check with your human resources department/benefits administrator
- Check with your health insurance plan
- Check with your spouse's health insurance plan
- Contact Social Security

SPECIAL NOTE on Health Savings Account (HSA) Information:

- **Contributions can no longer be made to your HSA account once you have Medicare. (*Even if you only have Part A.*)**
- If your employer offers an HSA, contact your Human Resources before enrolling into Medicare Part A or B.
- HDHP laws require only one health plan and Medicare eligibility effects this.

SEPs - Exceptional Conditions

New SEPs as of January 2023, for enrollment into *premium* Part A and/or Part B with no late enrollment penalty:

- **Individuals Impacted by an Emergency or Natural Disaster**
 - Beneficiaries who missed enrollment d/t disaster or other emergency declared by Federal, State, or Local gov't agency on or after 1/1/2023
 - Lasts for 6 months after end of emergency declaration

- **Group Health Plan or Employer Misrepresentation**
 - Individual needs to show that their employer or health plan (incl. broker or agent) materially misrepresented information related to enrolling in Medicare on time.
 - Lasts for 6 months after individual informs Social Security Administration

- **Formerly Incarcerated Individuals**
 - Lasts for 12 months after release

SEPs - Exceptional Conditions Cont'd

➤ Termination of Medicaid Eligibility

- Allows individuals who missed Medicare IEP to enroll in Medicare after Medicaid coverage ends
- Lasts for 6 months after the last date of Medicaid coverage
- Individuals who would have been eligible for this SEP but who enrolled during the COVID-19 Public Health Emergency before January 1, 2023 are eligible to have any late enrollment penalties refunded and removed.

➤ Other Exceptional Conditions

- On a case-by-case basis, will allow for an enrollment period for individuals when circumstances beyond their control prevented them from enrolling during the IEP, GEP or other SEPs
- Lasts for a minimum of 6 months

General Enrollment Period (GEP)

- For those who did not enroll during their Initial Enrollment Period and do not qualify for a Special Enrollment Period.
 - Runs annually, from **January 1 - March 31**
 - Coverage begins the first day of the following month

*****Late enrollment penalties may apply*****

- **Part A** - If ineligible for premium-free Part A, must pay a 10% higher premium for twice the number of years you were eligible but did not sign up. This is a temporary penalty.
- **Part B** - Must pay a 10% higher premium for each full 12-month period(s) you were eligible for Part B but delayed enrolling. This is a permanent penalty with no cap.

Check Your Knowledge – Question #3

Why is your Medicare Initial Enrollment Period important?

- a. Missed enrollment deadlines could result in penalties
- b. It's your first opportunity to enroll in Medicare
- c. When you enroll impacts when your coverage begins
- d. All of the above



Medicare Basics - Parts A, B, C & D

Part of Medicare	What It Covers
Part A (Hospital Insurance)	Coverage for inpatient care in hospitals and skilled nursing facilities, as well as hospice, some home health care, and blood.
Part B (Medical Insurance)	Coverage for doctors' services, outpatient care, home health care, and some preventive services.
Part C (Medicare Advantage)	An alternative to Original Medicare; managed by a private insurance company under contract with Medicare. Combines Part A and B and usually Part D.
Part D (Prescription Drug Coverage)	Coverage for prescription drugs. Run by private insurance companies under contract with Medicare.

Medicare Part A



Hospital Insurance

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Medicare Part A - Coverage



Part A
Hospital
Insurance

➤ Part A helps cover:

- Inpatient hospital care
 - Semi-private room, meals, general nursing, other hospital services and supplies. Includes inpatient rehabilitation facilities and inpatient mental health care in a psychiatric hospital (lifetime 190-day limit).
- Inpatient Skilled Nursing Facility (SNF) care
 - Generally, after a related 3-day inpatient hospital stay*
- Blood (inpatient)
- Home health care
- Hospice care

➤ What's not covered?

- Private-duty nursing
- Private room (unless medically necessary)
- Television and phone in your room (if there's a separate charge for these items)
- Personal care items, like razors or slipper socks
- Custodial (non-skilled) care in SNF

Medicare Part A – 2025 Costs

- **Premium** — No premium for most people
- **Deductible** — \$1,676 for inpatient stays (days 1-60).
- **Copays**
 - Hospital Inpatient—See next slide
 - Skilled Nursing Facility—See separate slide
 - Home health care — \$0 copay
 - Hospice care — \$0 copay
- **Out-of-pocket maximum** — None in Original Medicare



Part A
Hospital
Insurance

NOTE: Part B pays for most of your doctor services when you are an inpatient.

Medicare Part A – 2025 Costs

Inpatient Hospital Copays



Part A
Hospital
Insurance

DAYS	MEDICARE PAYS	PATIENT PAYS
1-60	All except \$1,676	\$1,676 deductible
61-90	All except \$419/day	\$419/day
91-150	All except \$838/day	\$838/day

Medicare Part A – 2025 Costs

Skilled Nursing Facility Copays



Part A
Hospital
Insurance

DAYS	MEDICARE PAYS	PATIENT PAYS
1-20	All after deductible	\$1,676 deductible
21-100	All except \$209.50/day	\$209.50/day
Days 100+	None	All

Medicare Part A – Inpatient/Outpatient Status

Are You an Inpatient or an Outpatient?

Inpatient – Formally admitted to the hospital with a doctor's order.

Outpatient – No doctor's order to admit you. ER visit is considered Outpatient.

Hospital "Observation Status"

- Outpatient, **not** inpatient, even if you spend the night
- *Medicare A pays nothing*
- Medicare Part B pays for doctors services and hospital outpatient services after you pay your deductible, coinsurance and copayments
- For drugs received during an observation stay, you'll likely need to pay out-of-pocket and submit a claim form to your drug plan for reimbursement. Request an *out-of-network pharmacy claim form* from your Part D plan
- New: Option to appeal "observation" status if admitted as an inpatient and later switched to observation.

Medicare Part A - Observation Status & SNF Care



Part A
Hospital
Insurance

- **Most Medicare *supplements* sold in Wisconsin include coverage for up to 30 days of skilled care in a Skilled Nursing Facility (SNF) with no prior hospital stay required (unlike Part A)**
 - Physician must certify need for medically necessary skilled services; recertification must be completed every 7 days.
 - Insurer reimburses the SNF an amount equal to the Medicaid skilled care rate, for room and board. The SNF can charge you the difference between that amount and their private pay rate.
 - Skilled services are billed to Medicare Part B.
 - Prescription drugs are billed to Medicare Part D drug plan or other drug coverage.

Check Your Knowledge – Question #4

Medicare Part A helps pay for all of the following when medically necessary and requirements are met, EXCEPT...

- a. Diabetic testing supplies
- b. An inpatient hospital stay
- c. An inpatient skilled nursing facility stay
- d. Hospice care



Medicare Part B



Medical Insurance

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Medicare Part B - Coverage



Part B
Medical
Insurance

- **Part B helps cover medically necessary:**
 - Doctors' services
 - Outpatient medical and surgical services and supplies
 - Clinical lab tests
 - Durable medical equipment (may need to use certain suppliers)
 - Diabetic testing supplies
 - Preventive services (like flu shots and yearly wellness visit)
 - Home health care

Medicare Part B – 2025 Costs



Part B
Medical
Insurance

- **Monthly Premium**
 - Standard premium is \$185/month (up from \$174.70 in 2024)
 - May pay more depending on your income (IRMAA, see next slide)
- **Annual deductible** – \$257 (up from \$240 in 2024)
- **Coinsurance** – 20% for most covered services, like doctor's services, if the provider accepts assignment.
 - \$0 for some preventive services

Medicare Part B – IRMAA



Part B
Medical
Insurance

- Higher-income beneficiaries pay an additional premium amount (IRMAA) for Medicare Part B and Part D.
- **IRMAA = Income Related Monthly Adjustment Amount**
 - Social Security uses modified adjusted gross income (MAGI) from federal tax return filed 2 years prior.
 - Premium amount is reviewed by Social Security each year.
 - Social Security sends a written notice with the premium amounts and reason for determination.
 - You may be able to reduce or eliminate the IRMAA if you experienced a qualifying life-changing event.

Medicare Part B - IRMAA

Income reported to IRS for 2023 is basis for what you pay in 2025 for Part B premium:

If your yearly income in 2023 was:			
File individual tax return	File joint tax return	File married & separate tax return	You pay each month (in 2025):
\$106,000 or less	\$212,000 or less	\$106,000 or less	\$185.00
above \$106,000 up to \$133,000	above \$212,000 up to \$266,000	not applicable	\$259.00
above \$133,000 up to \$167,000	above \$266,000 up to \$334,000	not applicable	\$370.00
above \$167,000 up to \$200,000	above \$334,000 up to \$400,000	not applicable	\$480.90
above \$200,000 and less than \$500,000	above \$400,000 and less than \$750,000	above \$106,000 and less than \$394,000	\$591.90
\$500,000 or above	\$750,000 or above	\$394,000 or above	\$628.90

Source: <https://www.medicare.gov/publications/11579-medicare-costs.pdf>

Medicare Part B – Preventive Services



Part B
Medical
Insurance

- “Welcome to Medicare” Visit
- Annual Wellness Visit
- **Additional screenings/tests/ services**
 - Most covered with no deductible or co-pay

*“An ounce of prevention is worth a pound of cure”
-Benjamin Franklin*



See handouts & review the preventive services chart in the Medicare & You handbook & discuss your prevention plan with your doctor.

Medicare Part B – Preventive Services

“Welcome to Medicare” Visit

Preventive Service



Part B
Medical
Insurance

- Covered once within the first 12 months you have Part B
- Includes:
 - Height, weight, and blood pressure
 - Body mass index
 - Vision test
 - Review of potential risk for depression and level of safety
 - Discussion about advance directives if you choose
 - A written plan regarding screenings, shots, and other preventive services needed

Note: This is NOT a physical!

Medicare Part B – Preventive Services

Yearly “Wellness” Visit

Preventive Service



Part B
Medical
Insurance

➤ Includes:

- Review of medical and family history
- Develop list of current providers and prescriptions
- Record height, weight, blood pressure
- Create list of risk factors and treatment options
- Detection of cognitive impairment
- Establish schedule of screenings for appropriate preventive services
- Offer personalized health advice

Note: Also, **NOT** a physical. Be sure to ask for the ***Yearly Wellness Visit*** by name.

Check Your Knowledge – Question #5

For Original Medicare Part B, in most cases, you pay _____.

- a. A monthly premium
- b. A yearly deductible
- c. 20% coinsurance for most covered services
- d. All of the above



Medicare Supplement (Medigap) Insurance



Medicare Supplement (Medigap) Insurance



➤ **Private insurance to supplement costs under Original Medicare A & B. Policies are approved and regulated by the WI Office of the Commissioner of Insurance (OCI).**

- You must have Medicare Parts A and B to buy a Medigap policy.
- You pay a monthly premium for this type of plan.
- Costs vary depending on insurance company, optional benefits selected, age and sex of applicant, where applicant lives, etc.
- Need to enroll in creditable drug coverage separately – not included with supplement.
- No need to review coverage annually.

Medicare Supplement - Coverage



- **Basic Benefits:** Covers 20% after Part B, copays for Part A, additional inpatient psychiatric days, first 3 pints of blood, 40 home care visits.
- **Wisconsin Mandated Benefits:** Covers some chiropractic services, 30 days non-Medicare Skilled Nursing Facility. (Only applies to policies issued in Wisconsin to Wisconsin residents.)

For more information, see OCI Publication titled “WI Guide to Health Insurance for People with Medicare”

Medicare Supplement - Coverage

Optional Riders (*for additional premium cost*):



- Part A Deductible (or Part A 50% Deductible)
 - Part B Deductible (only available if eligible for Medicare prior to 1/2020)
 - Part B Copay/Coinsurance (reduces premiums)
 - Part B Excess Charges
 - Additional Home Health
 - Emergency Foreign Travel
 - Deductible Discount Rider
- **Note: Some plans offer a Deductible Discount Rider. In exchange for a lower policy premium, an annual deductible is in place that will end after a defined period of time.**

Medicare Supplement – Types of Policies



➤ **“Traditional” Medicare Supplement**

- Beneficiary can receive services from any provider who accepts Medicare.

➤ **Medicare Select policy**

- Beneficiary needs to obtain services through providers contracted w/ the insurance company or HMO, except in emergency situations.

➤ **High-Deductible Medicare Supplement**

- Beneficiary is responsible for paying a deductible each calendar year. Once the deductible is met, the policy pays costs after Medicare. Deductible is adjusted annually.

Medicare Supplement – Types of Policies



➤ Medicare Supplement / Select Cost-Sharing policy

- After Medicare pays their portion for covered services, the beneficiary pays 20% or 50% cost-sharing on the remaining balance. Once they have met their annual out-of-pocket maximum, the policy will cover the remainder of costs after Medicare.

➤ Medicare Cost policy (offered by certain HMOs approved by CMS)

- HMO pays costs if beneficiary uses contracted providers. If beneficiary goes out of the HMO network, beneficiary pays Medicare deductibles, coinsurance, and copays out-of-pocket.

Medicare Supplement – Premiums



➤ Attained Age

- In addition to medical inflation and increased Medicare costs, the policy premium will also increase as you age. Premiums may be less expensive than issue age policies when you first purchase, but are more expensive over time.

➤ Issue Age

- Premiums are set at the age you are when you buy the policy and will not increase because you get older. Premiums may increase for other reasons, including medical inflation and increased Medicare costs.

➤ No Age Rating

- Premium is the same for all policy holders, regardless of age.

➤ Under Age 65

- Premium is calculated for a person eligible for Medicare due to a disability.

Medicare Supplement – Steps to Buying



- **STEP 1:** Decide which benefits (riders) you want, then decide which of the Medigap policies meets your needs.
- **STEP 2:** Find out which insurance companies sell Medigap policies in your state.
- **STEP 3:** Call the insurance companies (or insurance agent) that sell the Medigap policies you're interested in and compare costs.
- **STEP 4:** Buy the Medigap policy.

Medicare Supplement – Open Enrollment Period (OEP)



- **Lasts for 6-months, beginning the first month you are 65 or older *and* enrolled in Part B. This is the best time to purchase a policy as you cannot be denied or charged more based on your health history.**
 - If you delay enrolling in Medicare Part B because you or your spouse are still working and you have group health coverage as primary (clarify with employer how their insurance coordinates with Medicare), your Medigap Open Enrollment Period is delayed until you are enrolled in Part B.
 - If you have Medicare due to a disability, you qualify for a 2nd Medigap Open Enrollment Period - begins the month you turn 65.
- **You can purchase a Medicare supplement any time an insurance company will sell you one, however, companies can charge you higher premiums or deny you coverage outside of your OEP.**

Medicare Supplement – Open Enrollment Period (OEP)



During Your Medigap OEP	NOT During Your Medigap OEP
Best time to buy	May have waiting period for preexisting conditions
Guaranteed Issue Period	May cost more
Companies must sell to you any policy they sell for the same price even if you have a pre-existing condition	Companies can deny coverage

Medicare Supplement – Guaranteed Issue Rights

Other times you cannot be denied a policy



- Your Medicare Advantage or Medicare Cost plan terminates or stops providing care in your service area.
- You move outside the plan’s geographic service area.
- You leave a health plan because it failed to meet its contract obligations to you.
- Your employer group health plan ends some or all of your coverage.
- Your employer group plan increases cost by more than 25% in one 12 month period.
- You are in your “Trial Period” with a Medicare Advantage plan or Medicare cost plan and want to purchase a Medigap policy or go back to the policy you had previously.
- Other specific circumstances

Must apply for Medicare Supplement within 63 days of the date your other coverage ends or you receive notice your group policy is going to end, whichever is later.

Medicare Supplement - Resources

Questions and/or assistance:

- **WI SHIP - Medigap Helpline** **1-800-242-1060**
<https://longtermcare.wi.gov/Pages/Medigap.aspx>
- **WI Commissioner of Insurance** **1-800-236-8517**
<https://oci.wi.gov>
- **Medicare** **1-800-MEDICARE**
www.Medicare.gov

Medicare Supplement - Plan Finder Tool

The screenshot shows the Medicare website homepage. At the top right, there are navigation links for "Basics" and "Health & Drug Plans". A yellow arrow points to the "Health & Drug Plans" link. Below the navigation is an alert banner that reads "Alert Learn how the prescription drug law impacts Medicare." The main content area features a large image of an elderly couple with the text "Welcome to Medicare" and a "Get Started with Medicare" button. Below this are four service cards: "Log in or create an account", "Find health & drug plans", "Find care providers", and "Talk to someone". A yellow arrow points to the "Find health & drug plans" card. A yellow box on the left contains the text "Go to: www.medicare.gov".

Basics ▾ Health & Drug Plans ▾

Alert Learn how the prescription drug law impacts Medicare.

Go to:
www.medicare.gov

Welcome to Medicare

Get Started with Medicare

- Log in or create an account**
Access your information anytime, anywhere
Log in/Create Account
- Find health & drug plans**
Find & compare plans in your area
Find Plans Now
- Find care providers**
Compare hospitals, nursing homes, & more
Find Providers Near Me
- Talk to someone**
Contact Medicare & other helpful resources
Get Help

Check Your Knowledge – Question #6

Medigap (Medicare supplement insurance) policies may help fill in which coverage or cost gaps?

- a. Part A and/or Part B deductibles
- b. Medicare enrollment penalties
- c. Prescription Drug Copays
- d. Medicare Premiums



Medicare Part D



Part D

Medicare prescription drug coverage

Medicare Part D

➤ Covers FDA-approved prescription drugs



Part D
Medicare
prescription
drug
coverage

- You need to be enrolled in Medicare Part A *and/or* Part B
- To receive Part D coverage, you must enroll in a Part D Plan
- Run by private companies contracted with Medicare
- Part D Plans are provided through:
 - Stand alone Medicare Prescription Drug Plans (PDPs) that work with Original Medicare.
 - Medicare Advantage Prescription Drug Plans (MA-PDPs).

**You can compare plans
and enroll in a plan
using the
Plan Finder Tool:
www.medicare.gov**

Medicare Part D - Coverage



Part D

Medicare
prescription
drug coverage

What IS Covered:

- Prescribed medications
- Medications that are included in a plan's formulary (Not all medications are covered by all plans.)
- The law excludes certain medications from coverage under Part D.
- Medications must be for medically prescribed use and FDA approved.
- Insulin and needles and syringes for the administration of insulin

What is NOT Covered:

- Medications that are not on a plan's formulary are *usually* not covered.
- Non-prescription, over-the-counter drugs
- Drugs that are not approved by the Federal Drug Administration (FDA)
- Vitamins and minerals
- Cough medicine
- ED medications
- Drugs for cosmetic purposes
 - Weight loss or weight gain
 - Hair loss

Medicare Part D – Enrollment



Part D
Medicare
prescription
drug
coverage

- **Initial Enrollment Period (IEP)**
 - **3 months prior, month of, and 3 months after starting Medicare.**
- **Annual Open Enrollment Period**
 - **October 15 - December 7**, for coverage starting January 1st of the following year.
- **Medicare Advantage Open Enrollment Period**
 - **January 1 – March 31**, only for people already enrolled in an Advantage plan
- **Special Enrollment Period (SEP)**
 - Under certain circumstances, you may be able to change your Medicare prescription drug coverage outside of your IEP and the Annual Open Enrollment Period. Examples: moving out of your plan’s service area, loss of Medicaid, Medicare ends your plan’s coverage, etc.

IMPORTANT:
**Review your
plan coverage
every year!**

Medicare Part D – 2025 Costs



Part D
Medicare
prescription
drug
coverage

➤ **Premiums, Deductibles, and Copays or Coinsurance**

- Costs vary by plan and change **annually**.
- 2025 premiums: \$0 to \$130.80/month
- 2025 national base beneficiary premium = \$36.78
- 2025 deductible = \$590 or less
- Copays and coinsurance may vary per plan, per drug, per pharmacy

➤ **Income-Related Monthly Adjustment Amount (IRMAA)**

- People with Part D who have higher incomes will pay an additional amount on top of their premium
- Only about 5% of people with Medicare are subject to IRMAA.

Medicare Part D – 2025 IRMAA

Income reported to IRS for 2023 is basis for what you pay in 2025 for Part D premium:

If your yearly income in 2023 was:			
File individual tax return	File joint tax return	File married & separate tax return	You pay each month (in 2025):
\$106,000 or less	\$212,000 or less	\$106,000 or less	Your plan premium
above \$106,000 up to \$133,000	above \$212,000 up to \$266,000	not applicable	\$13.70 + your plan premium
above \$133,000 up to \$167,000	above \$266,000 up to \$334,000	not applicable	\$35.30 + your plan premium
above \$167,000 up to \$200,000	above \$334,000 up to \$400,000	not applicable	\$57.00 + your plan premium
above \$200,000 and less than \$500,000	above \$400,000 and less than \$750,000	above \$106,000 and less than \$394,000	\$78.60 + your plan premium
\$500,000 or above	\$750,000 or above	\$394,000 or above	\$85.80 + your plan premium

Medicare Part D – 2025 Costs



Part D
Medicare
prescription
drug
coverage

➤ Late Enrollment Penalty

- You may pay a late enrollment penalty if you did not enroll in Part D during the IEP and did not have other *creditable* drug coverage.
- The penalty is 1% of the average national monthly premium (\$36.78 in 2025) for every month you delayed enrollment.
- The penalty will be added to your monthly premium if and when you enroll in a Part D plan, and it will continue as long as you are enrolled.

➤ Creditable Coverage

Other prescription drug coverage that is expected to pay, on average, at least as much as Medicare's standard Part D coverage, such as:

- Veterans Administration (VA) drug coverage
- Wisconsin SeniorCare Program
- Some types of Employer Coverage (must ask)

Medicare Part D – 2025 Standard Benefit Structure

NEW: Effective January 1, 2025

Deductible Phase \$590	Initial Coverage Phase \$2000	Catastrophic Phase
Beneficiary pays full cost of medications	Beneficiary pays either 25% or actuarially equivalent tier structure cost.	Beneficiary pays \$0



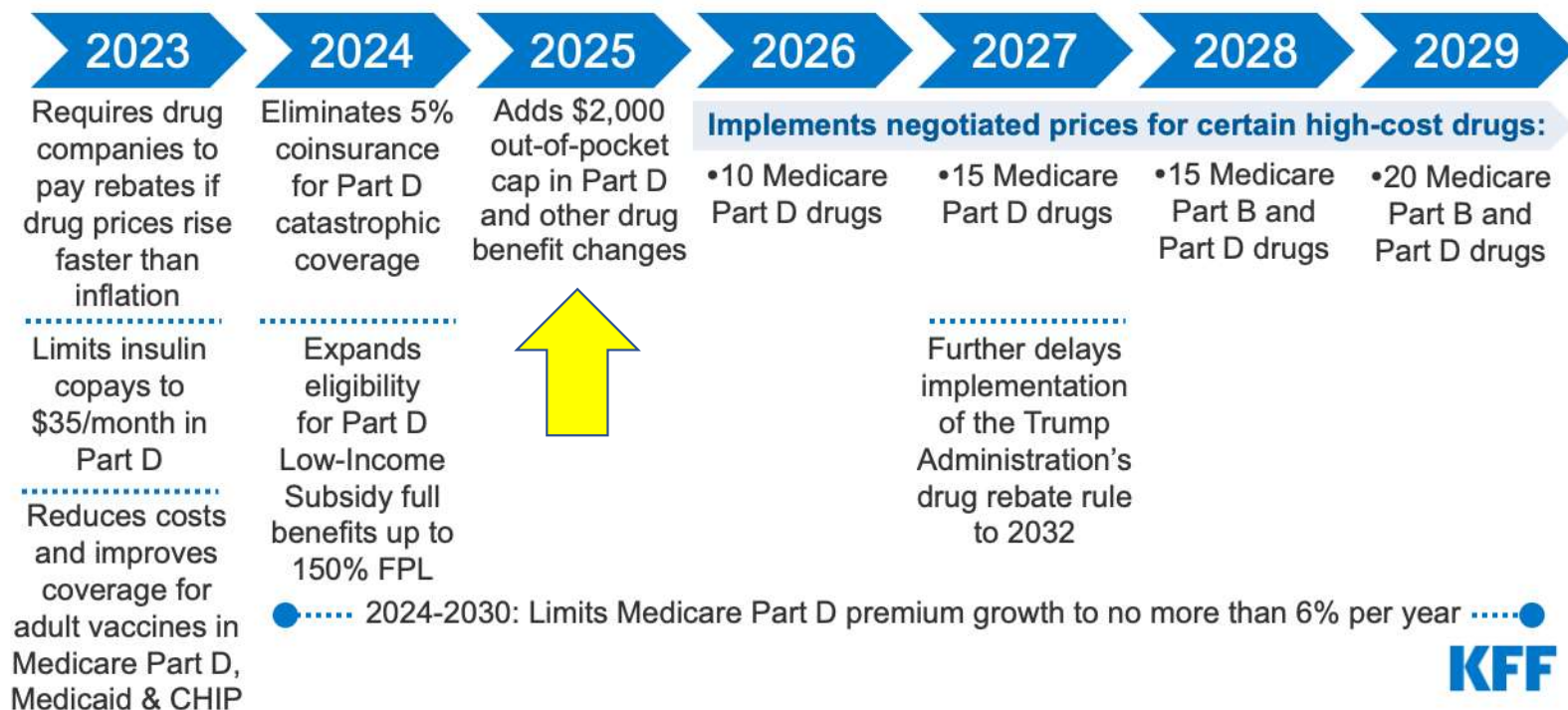
Part D
Medicare
prescription
drug
coverage

Start over after December 31 every year

Inflation Reduction Act – Prescription Drug Provisions

Figure 1

Implementation Timeline of the Prescription Drug Provisions in the Inflation Reduction Act



Medicare Part D – New in 2025: MPPP

Medicare Prescription Payment Plan

- Gives enrollees the option to make monthly payments to the plan over the course of the plan year to pay out-of-pocket prescription drug costs
 - Will receive two bills/month from plan: premium and monthly prescription payment; plans will pay pharmacies
 - Will benefit beneficiaries who typically have high out-of-pocket costs over the first 9 months of the plan year; will not benefit beneficiaries with Extra Help/LIS
- Enrollees can opt in to the MPPP during fall OEP or during the plan year; can also leave MPPP during plan year by paying amount owed via lump sum or continued monthly payments, new OOP costs will be owed to pharmacy

Medicare Part D – New in 2025: MPPP

What's the Medicare Prescription Payment Plan?

The Medicare Prescription Payment Plan is a payment option in the prescription drug law that works with your current drug coverage to help you manage your out-of-pocket costs for drugs covered by your plan by spreading them across the calendar year (January–December). Anyone with a Medicare drug plan or Medicare health plan with drug coverage (like a Medicare Advantage Plan with drug coverage) can use this payment option. **All plans offer this payment option, and participation is voluntary.**

If you select this payment option, each month you'll continue to pay your plan premium (if you have one), and you'll get a bill from your health or drug plan to pay for your prescription drugs (instead of paying the pharmacy). There's no cost to participate in the Medicare Prescription Payment Plan.



<https://www.medicare.gov/prescription-payment-plan>

Medicare Part D - Resources

Questions and/or assistance:

- **WI SHIP - Medigap Part D & Prescription Drug Helpline**
 - **1-855-677-2783**; BOALTCRXHelpline@wisconsin.gov
 - <https://longtermcare.wi.gov/Pages/Medigap.aspx>

- **Local Senior Focal Point – Case Management Program**
 - **Call ADRC (608-240-7400)** for contact information

- **Medicare**
 - **1-800-MEDICARE**; www.Medicare.gov

Medicare Part D - Plan Finder Tool

Basics ▾ Health & Drug Plans ▾

Alert

[Learn how the prescription drug law impacts Medicare.](#)

Compare plans at
www.medicare.gov

Welcome to
Medicare

Get Started with Medicare



Log in or create
an account

Access your information
anytime, anywhere

Log in/Create Account



Find health &
drug plans

Find & compare plans in
your area

Find Plans Now



Find care
providers

Compare hospitals,
nursing homes, & more

Find Providers Near Me



Talk to someone

Contact Medicare & other
helpful resources

Get Help

Check Your Knowledge – Question #7

It's July. You enrolled in Medicare last year but didn't enroll in a Medicare drug plan. *Generally*, when is your next chance to enroll in Part D?

- a. Annual Open Enrollment Period
- b. Initial Enrollment Period
- c. Your next birthday
- d. 12 months after your initial enrollment



Medicare Advantage Plans (Part C)



January 18, 2025 Welcome to Medicare Presentation

Medicare Advantage Plans (Part C)

Part C Includes



Part A
Hospital
Insurance



Part B
Medical
Insurance



Most include Part D
Medicare prescription
drug coverage

➤ **Medicare Advantage plans, sometimes called Part C, include Part A and Part B benefits, and usually Part D.**

- Private insurance companies approved by Medicare provide your Medicare coverage.
- Most plans are HMOs or PPOs with provider networks. You must use plan doctors, hospitals, and other providers, or you will pay more or all of the costs.

Medicare Advantage Plans - Costs



➤ What you Pay:

- Part B monthly premium (\$185 for most in 2025)
- Additional monthly premium to the Advantage plan company - cost depends on the plan
 - Some plans have \$0 premium
- Deductibles, coinsurance, and copayments
 - Different from Original Medicare
 - Vary from plan to plan
 - May be higher if using out-of-network providers

Medicare Advantage Plans - Coverage

Part C Includes



Part A
Hospital
Insurance



Part B
Medical
Insurance



Most include Part D
Medicare prescription
drug coverage

➤ If you join a Medicare Advantage Plan you:

- Still get all services covered by Part A and Part B, but you get them through the Medicare Advantage Plan.
- May choose a plan that includes Part D prescription drug coverage.
- May have different benefits and cost-sharing.
- Can't be charged more for certain services than you would pay under Original Medicare.
- May have a yearly limit on your out-of-pocket costs for medical services.
 - Once you reach this limit, you'll pay nothing for covered services.
- May choose a plan that includes extra benefits not covered by Original Medicare, such as vision or dental care.
- Cannot use a Medigap policy to supplement your coverage.

Medicare Advantage Plans - Considerations

PROS:

- + Coordinated care with network physicians
- + Some offer extra benefits (vision, dental, hearing)
- + May have lower monthly premium (in addition to the Part B premium)
- + Must follow CMS regulations
- + Out-of-pocket copay maximum
- + Varied plans and choices
- + Can change plans each year

CONS:

- Must re-evaluate plan each year/May need to change plans
- Enrollment is limited to specific times of the year
- May have higher out of pocket expenses
- No State mandates or protections for extras
- Higher costs when out of network
- Confusion over plans/coverage

Medicare Advantage – Enrollment



Part D
Medicare
prescription
drug
coverage

- **Initial Enrollment Period (IEP)**
 - **3 months prior, month of, and 3 months after starting Medicare.**
- **Annual Open Enrollment Period**
 - **October 15 - December 7**, for coverage starting January 1st of the following year.
- **Medicare Advantage Open Enrollment Period**
 - **January 1 – March 31**, only for people already enrolled in an Advantage plan.
- **Special Enrollment Periods (SEPs)**
 - Under certain circumstances, you may be able to change your Medicare Advantage plan coverage outside of your IEP and the annual enrollment periods. *Examples: moving out of your plan's service area, loss of Medicaid, etc.*

IMPORTANT:
**Review your
plan coverage
every year!**

Medicare Advantage - Resources

Questions and/or assistance:

- **WI SHIP - Medigap Helpline** **1-800-242-1060**
<https://longtermcare.wi.gov/Pages/Medigap.aspx>
- **WI Commissioner of Insurance** **1-800-236-8517**
<https://oci.wi.gov>
- **Medicare** **1-800-MEDICARE**
www.Medicare.gov
- **Local Senior Focal Point – Case Management Program**
 - Call ADRC (608-240-7400) for contact info.

Medicare Advantage - Plan Finder Tool

Basics ▾ Health & Drug Plans ▾

Alert

[Learn how the prescription drug law impacts Medicare.](#)

Compare plans at
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Welcome to
Medicare

Get Started with Medicare



Log in or create
an account

Access your information
anytime, anywhere

Log in/Create Account



Find health &
drug plans

Find & compare plans in
your area

Find Plans Now



Find care
providers

Compare hospitals,
nursing homes, & more

Find Providers Near Me



Talk to someone

Contact Medicare & other
helpful resources

Get Help

Check Your Knowledge – Question #8

In most cases, you can get Medicare prescription drug coverage at the pharmacy through _____.

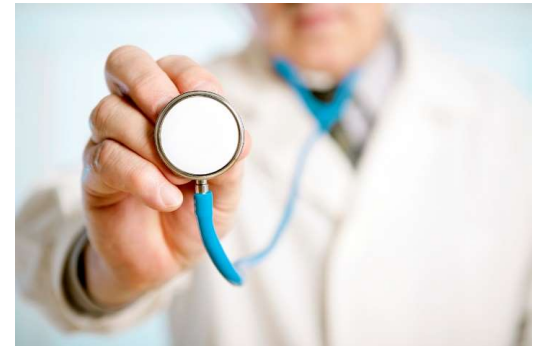
- a. Part A and Part B
- b. Part B and Part C
- c. Part C and Part D
- d. All of the above



Check Your Knowledge – Question #9

Medicare Advantage Plans _____.

- a. Help pay for gaps in Original Medicare
- b. Cover less services than Original Medicare
- c. Are private plans approved by each state



Medicare & The Health Insurance Marketplace

- **Medicare isn't part of the Marketplace**
- If you have Medicare, you're covered and don't need to do anything related to the Marketplace
- Marketplace doesn't offer Medigap or Part D prescription drug plans.
- It's against the law for someone who knows you have Medicare to sell you a Marketplace plan, even if you only have Part A or Part B.

- For more information: **HealthCare.gov**

Keeping a Marketplace Plan with Premium Tax Credit Instead of Having Medicare

- **There are some situations where you can keep your Marketplace plan with premium tax credit:**
- 1. If you're eligible for Medicare but haven't enrolled in it because:**
 - You would have to pay a premium for Part A
 - You have a medical condition that qualifies you for Medicare, like ESRD, but haven't applied for Medicare coverage
 - 2. You're enrolled in Medicare and you're paying a premium for Part A**
 - You can drop your Part A and Part B coverage and get a Marketplace plan instead
 - 3. You are in your 24-month disability waiting period and not eligible for Medicare yet**

Marketplace – Considerations

- In most cases, Medicare will cost less than a Marketplace plan without advanced premium tax credits (APTCs)
- You may have to pay back all or some of the APTCs you received for months you were enrolled in both Marketplace coverage w/ APTCs and premium-free Part A
- Marketplace plans may not pay claims that would be covered by Part B, if you're eligible for Part B but didn't sign up
- If you decide to end your Medicare and it's ended retroactively, you'll have to pay back any claims that Medicare paid during that time

If you delay signing up for Medicare and decide to sign up later, you'll likely:

- Need to sign up during the GEP or SEP, if you qualify
- Be responsible for a lifetime Medicare Part B late enrollment penalty

Check Your Knowledge – Question #10

It's against the law for someone to sell you a Marketplace plan if they know you have Medicare.

- a. True
- b. False



Other Types of Health Insurance

➤ Employer/Retiree Group Health Plan

- Is it a Supplement or Medicare Advantage plan?
- Some offer creditable prescription drug coverage
- Contact your employer or union benefits administrator to find out how your insurance works with Medicare.

➤ Military Coverage: TriCare for Life and CHAMPVA

➤ Medical Assistance/Low Income Programs



Help for People with Limited Income & Resources



➤ Medicaid (aka Medical Assistance or Title 19)

- Needs-based Federal-State health insurance program

➤ Medicare Savings Programs (MSPs)

- If eligible, your Medicare Part B premium will be paid for you by State of WI.
- Some also have Medicare copays and deductibles paid as well, based on income and assets.



➤ Extra Help (Low Income Subsidy)

- Assistance with Medicare prescription drug coverage.
- Reduces Part D premiums, deductibles, and copays based on income and assets.

➤ SeniorCare

- State Pharmaceutical Assistance Program in Wisconsin for residents age 65+
- Level of assistance depends on annual income.

Help for People with Limited Income & Resources

Program Eligibility Guidelines

Program	Single Individual (Unmarried)		Married Couple	
	**Income	Assets	**Income	Assets
Medicare Savings Program	<\$1,694.25/ month	< \$9,660	< \$2,299.50/ month	< \$14,470
Extra Help (“Low Income Subsidy”)	<\$1,882.50/ month	< \$17,600	< \$2,555.00/ month	< \$35,130
Wisconsin SeniorCare Level 1	<\$24,096/year	No asset limit	< \$32,704/year	No asset limit

****Income limits above are based on federal poverty level (FPL) guidelines which are updated at the beginning of each year (end of Jan/early Feb). These figures are from 2024. Asset limits are current as of January 2025.**

Medicare Savings Programs - Income & Resource limits

Medicare Savings Program	Individual Monthly Income Limit*	Married Couple Monthly Income Limit*	Helps Pay Your
Qualified Medicare Beneficiary (QMB)	\$1,255.00	\$1,703.33	Part A and Part B premiums, and other cost-sharing (like deductibles, coinsurance, and copayments)
Specified Low-Income Medicare Beneficiary (SLMB)	\$1,506.00	\$2,044.00	Part B premiums only
Specified Low-Income Medicare Beneficiary Plus (SLMB+; QI-1)	\$1,694.25	\$2,299.50	Part B premiums only

NOTE: Asset limit for all MSPs is \$9,660 for an individual and \$14,470 for a couple (2025)

For more information: <https://www.dhs.wisconsin.gov/publications/p1/p10062.pdf>

***Income limits are based on current federal poverty guidelines which are updated at the beginning of each year. These figures are for 2024.**

SeniorCare

Wisconsin's Prescription Drug Assistance Program

- Offers coverage for prescription drugs and vaccines that protect against shingles, tdap (tetanus, diphtheria, pertusis), meningitis, Hepatitis A & B, COVID-19, Flu, and pneumonia.
- Available to Wisconsin residents age 65+ who are U.S. citizens or have qualifying immigrant status.
- Creditable coverage to Medicare Part D. May use alone or in addition to Medicare Part D.
 - **\$30 annual application fee, per person**
 - **Can enroll anytime during the year**
 - **No monthly premium; no asset limit**
 - **Your annual income determines your out of pocket costs**



SENIORCARE®
Prescription Drugs for Wisconsin Seniors

**For more information or to access
an application online:**
www.dhs.Wisconsin.gov/seniorcare

**Or call:
1-800-657-2038**

Words of Caution

Always review your Medicare Summary Notice!

CMS Medicare Summary Notice June 16, 2006

1 CUSTOMER SERVICE INFORMATION

2 **Your Medicare Number: 111-11-1111-A** **3**

If you have questions, write or call:
Medicare (#12345)
555 Medicare Blvd.
Suite 200
Medicare Building
Medicare, US XXXXX-XXXX

4 Name
Street Address
City, State ZIP Code

5 **BE INFORMED:** Protect your Medicare Number as you would a credit card number.

Call: 1-800-MEDICARE (1-800-633-4227)
Ask For Doctor Services
TTY users should call: 1-877-486-2048.

This is a summary of claims processed from 5/15/06 through 8/15/06.

6 PART B MEDICAL INSURANCE - ASSIGNED CLAIMS

Dates of Service	Services Provided	Amount Charged	Medicare Approved	Medicare Paid Provider	You May Be Billed	See Notes Section
Claim number 12345-84956-84556		10	11	12	13	14
Doctor name, Street Address, City, State ZIP Code		\$55.00	\$44.35	\$0.00	\$44.35	a b
04/07/06	1 Office/Outpatient Visit, ES (99214)					

7

8

9

15 **THIS IS NOT A BILL** – Keep this notice for your records.

- This is not a bill. Sent quarterly.
- Check name, address, Medicare number for accuracy.
- Did you receive the service?
- Be sure claim is processed and paid. If item is denied, call doctor's office to make sure claim was coded properly. If not, office can resubmit.
- If denied, you have appeal rights. Appeal deadline is 120 days.

Words of Caution

Three Steps to Prevent Fraud

Step 1: Protect Yourself and Others from Medicare Fraud

DON'T

- Don't give out your Medicare number except to your doctor or other Medicare provider.

DO

- Do treat your Medicare card and number like your credit card.
- Do watch out for identity theft.
- Do be aware that Medicare doesn't call or visit to sell you anything.
- Do be cautious of offers for "free" medical services.
- Do **pass it on!**



Words of Caution

Step 2: Detect Medicare Fraud & Abuse

- Always review those **Medicare Summary Notices (MSNs)**!
- Access your Medicare information online at www.Medicare.gov.
- Create a **Personal Health Care Journal**:
 - Record doctor visits, tests and procedures in the journal and take it with you to appointments.
 - Compare your MSNs and other statements to your journal to make sure they are correct.



Words of Caution

Step 3: Report Suspected Medicare Fraud and Abuse

- Call the provider.
- Gather information and documentation.
- Contact **WI Senior Medicare Patrol (SMP)**
 - <https://www.smpwi.org/>
 - **1-888-818-2611** (*Free and Confidential!*)
 - To report suspected fraud/abuse.
 - For training, speakers, and/or materials.
 - To volunteer with the SMP program.



Resources

➤ *Medicare*

- Medicare & You 2025: <https://www.medicare.gov/Pubs/pdf/10050-Medicare-and-You.pdf>
- **1-800-MEDICARE**, TTY 1-877-486-2048; www.medicare.gov

➤ *Social Security Administration (SSA)*

- **Local office: 1-866-770-2262; 6011 Odana Road, Madison, WI 53719**
- National: 1-800-772-1213; www.ssa.gov

➤ *Medigap Helpline – WI Board on Aging and Long Term Care*

- **1-800-242-1060**
- <https://longtermcare.wi.gov/Pages/Medigap/Medigap.aspx>
- Provides information and assistance related to Medicare supplements and Advantage plans, long-term care insurance, and more

➤ *Medigap Part D & Prescription Drug Helpline*

- **1-855-677-2783**
- <https://longtermcare.wi.gov/Pages/Medigap/Medigap.aspx>
- Provides information and assistance related to Part D Plans, Advantage Drug Plans and Pharmaceutical Assistance Programs

Resources

➤ *Wisconsin Office of the Commissioner of Insurance (OCI)*

- <https://oci.wi.gov/Pages/Consumers/Medicare.aspx>
- OCI regulates the insurance industry in Wisconsin; OCI also publishes annual list of approved Medicare Supplement (Medigap) plans

➤ *State of Wisconsin Board on Aging and Long Term Care*

- <http://longtermcare.wi.gov/>

➤ *Wisconsin Medicaid for Elderly (age 65+), Blind, and Disabled*

- <https://www.dhs.wisconsin.gov/medicaid/index.htm>

➤ *Dane County Veterans Service Office (VSO)*

- **(608) 266-4158**
- <http://www.danevets.com/>

Resources

➤ *Aging & Disability Resource Center (ADRC) of Dane County*

- Call (608) 240-7400 between 7:45am and 4:30pm, Monday - Friday, to speak to an Information & Assistance (I&A) Specialist
- Walk-in assistance provided at the office: **2865 N Sherman Ave, Madison, WI 53704**
- Provides information and assistance to the public about programs and resources specific to adults with disabilities and older adults

➤ *Dane County Senior Centers / Focal Points*

- 12 Focal Points serving specific geographic areas across Dane County
- To determine which Focal Point serves your location, contact the **ADRC: 608-240-7400**

➤ *Elder Benefit Specialist (EBS) Program - Area Agency on Aging (AAA) of Dane County*

- Call the **ADRC to discuss a referral: 608-240-7400**
- Provides legal and advocacy-related services to Dane County residents age 60 and older experiencing problems/issues related to public or private benefits including Medicare, Social Security, and others

Please complete your evaluation form

Your feedback is important to us and helps us plan for future trainings!

