



Medicare 101

Kersh Cooks, LGSW

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Senior LinkAge Line

- Senior LinkAge Line®
 - Statewide service of the Minnesota Board on Aging
 - Housed within six Area Agencies on Aging
 - Six contact centers cover all 87 counties
 - Expertise in health insurance counseling and long-term care options counseling
 - Does not sell, market, promote or endorse any insurance products

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Federally Designated

- Minnesota's State Health Insurance Assistance Program (SHIP)
 - Medicare
 - Long-term care options counseling
- Minnesota's Senior Medicare Patrol (SMP)
 - Fight health care fraud, waste and abuse
- Minnesota's Aging and Disability Resource Center (ADRC)
 - Resources and assistance to remain in community

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Areas of Expertise

- Care transitions
- Medicare
- Health insurance counseling
- Prescription drug expense assistance (all ages)
- Long-term care options counseling
- Application and forms assistance
- Long-term Care Partnership
- Caregiver planning and support
- Health care fraud, waste and abuse
- State Volunteer opportunities
- agency-related questions

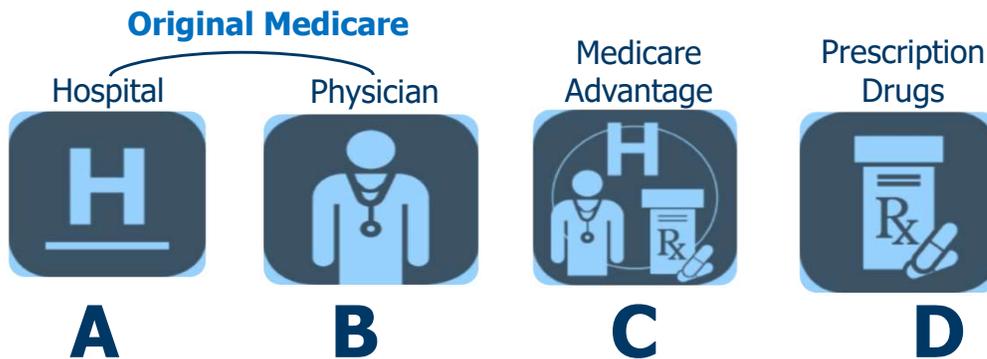
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Four Parts of Medicare



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Original Medicare Part A

- Inpatient hospital (not for Observation)
 - 190-day lifetime maximum for psychiatric hospital
- Skilled nursing facility (nursing home – very limited benefit)
- Home health care
- Hospice
- Blood coverage

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2020 Original Medicare Part A Cost Sharing

- Part A hospital deductible: \$1,408
 - Days 61-90: \$352 coinsurance per day
 - Days 91-150: \$704 coinsurance per day (lifetime reserve days)
- Skilled nursing facility coinsurance: \$176 for days 21-100
- Home health care: \$0
- Hospice services: \$0, but may have \$5 copay for each prescription drug for pain relief and 5% coinsurance for respite care
- Blood: Pay for first three pints unless member of blood bank or someone donates blood on your behalf

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Original Medicare Part B

- Physician services
- Outpatient hospital services (Observation)
- Preventive services
- Ambulance
- Home health care
- Therapy (occupational, speech and physical)
- Limited prescription drugs
- Blood
- Lab services
- Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS)
- Acupuncture for lower back pain (new in 2020)

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2020 Original Medicare Part B Cost Sharing

- Monthly premium: \$144.60 for most
- Annual deductible: \$198
 - After annual deductible, most services covered at 80%
- Physician services: 20% coinsurance
- Preventive services: Most have no cost sharing
- Acupuncture for lower back pain began 1/2020
- Ambulance: 20% coinsurance
- Durable Medical Equipment, Prosthetics, orthotics and supplies: 20% coinsurance
- Home health care: \$0
- Therapies: 20% coinsurance
- Limited prescription drugs: 20% coinsurance
- Blood: first three pints

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Not Covered by Original Medicare

- Comprehensive annual physical (may be covered by Medicare Advantage Plan)
- Hearing aids
- Dental services
- Routine eye exams and eyeglasses
- Most care while traveling out of the United States
- Long-term care (custodial care)
- Routine foot care

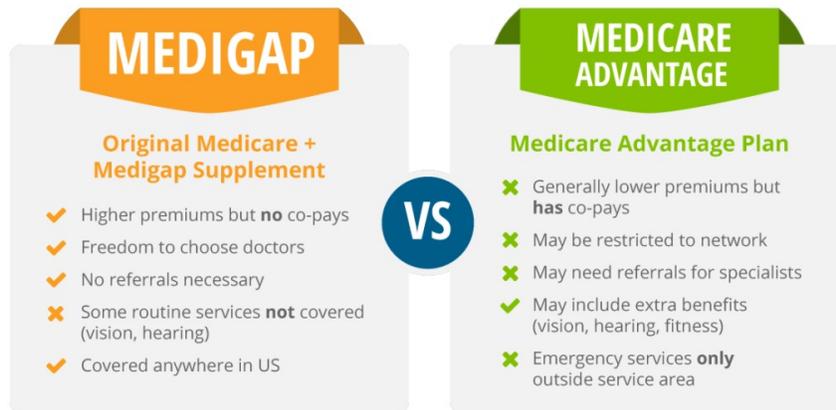
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Medigap vs Medicare Advantage



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Medigap Policies

- Helps to cover Original Medicare Part A and Part B (copays and deductibles)
- Sold by individual insurance companies
- Standardized – differences are premium costs and level of customer service
- *Six-month guaranteed issue period – enrollment in Medicare Part B*
- Transportable to other states – premiums may be higher
- Minnesota is a waiver state – no alpha options structure for Medigap
 - Basic with Riders, Extended Basic, Medicare SELECT, few alpha policies
 - Additional mandated benefits

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Medigap Polices in Minnesota

- **Basic Medicare Supplement**
 - Part A coinsurance (in-patient hospital care) & 100% of all Medicare Part A Part A eligible expenses not covered by Original Medicare
 - Part B coinsurance (Medical cost)
 - Blood: first three pints of blood each year
 - Part A and B home health services & supplies cost sharing
 - Medicare-covered preventive care
 - Foreign travel emergency care (80%)
- **Additional Riders**

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Medigap Polices in Minnesota

- **Extended Basic (same benefits of Basic Medicare Supplement plus)**
 - Part A-in-patient hospital deductible
 - Part A skilled nursing facility (SNF) coinsurance
 - Provides up to 120 days of SNF care
 - State-mandated benefits (diabetic equipment & supplies, routine cancer screening, reconstructive surgery, and immunizations)

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Medigap Policies in Minnesota

- Additional plans with limited coverage
 - 50% Coverage (similar to Plan K)
 - 75% Coverage (similar to Plan L)
 - 50% Part A Deductible (similar to Plan M)
 - Part B \$20 & \$50 (similar to Plan N)
 - High Deductible (similar to Plan F)
- Medicare SELECT
- Retiree Supplement Coverage

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Medicare Part C: Medicare Advantage Plans

- Offered by Medicare-approved private insurance companies
- Must follow Medicare rules
- Must provide, at a minimum, Medicare services
- Another way to get Medicare benefits (A, B and D)
- Only payer of Medicare bills can be the Medicare Advantage plan, not Original Medicare
- Need to use plan's provider networks
- Cannot have a Medigap policy

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ESRD

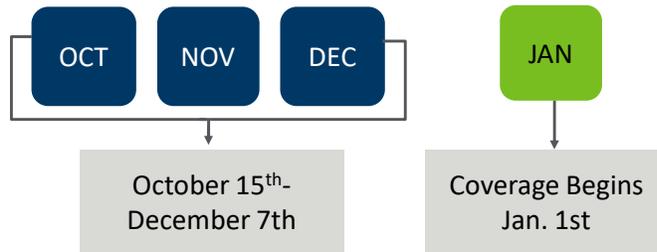
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Types of Medicare Advantage Plans in Minnesota

- Health Maintenance Organization
- Health Maintenance Organization with Point of Service (POS)
- Preferred Provider Organization
- Private Fee-for-Service
- Medicare Advantage Medical Savings Account
- Special Needs Plans

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Medicare Advantage and Medicare Part D Open Enrollment Period



Medicare Part D penalty: if no creditable coverage for 63 or more consecutive days.

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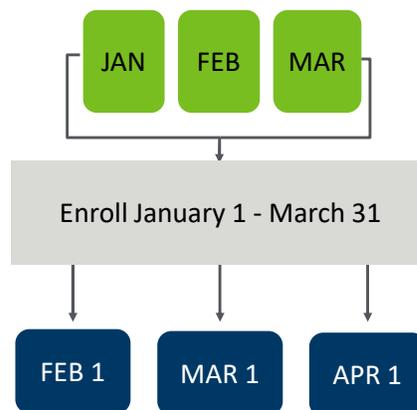
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Medicare Advantage Open Enrollment Period

- Must start the new year already enrolled in a Medicare Advantage Plan
- Coverage Begins the first day of the month following the month plan choice was made



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Medicare Cost Plans

- Not Medicare Advantage – no lock-in
- In 2019, ended in most Minnesota counties, due to a federal law change
- Very popular option in Minnesota
 - Keep Original Medicare Part A and Part B if use out-of-network providers
 - Transportable
- In 2021, continuing to be available in 21 counties

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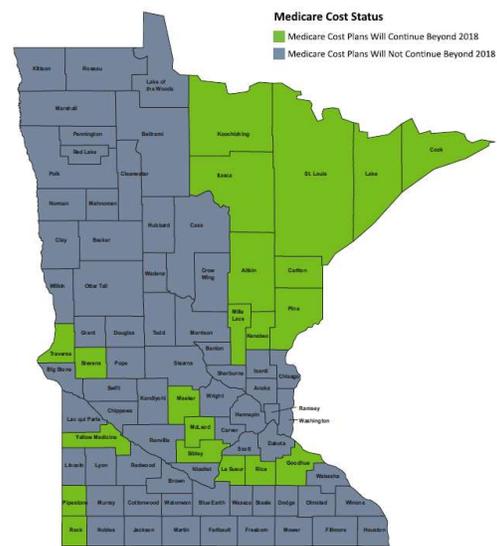
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21 Counties Where Cost Plans Are Available in 2021

- Aitkin
- Carlton
- Cook
- Goodhue
- Itasca
- Kanabec
- Koochiching
- Lake
- Le Sueur
- McLeod
- Meeker
- Mille Lacs
- Pine
- Pipestone
- Rice
- Rock
- St. Louis
- Sibley
- Stevens
- Traverse
- Yellow Medicine



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Cost, Convenience, and Coverage

Option 1 Original Medicare + Medigap

- Higher premiums, lower out-of-pocket costs
- Medicare Covered benefits
- Can use all Medicare providers
- Can buy stand-alone Part D plan
- Underwriting outside of Medigap open enrollment period

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Option 2 Medicare Advantage Plan

- Lower premium, higher out-of-pocket costs
- Covers additional benefits
- Provider networks, may require pre-approval or referrals
- May include Medicare Part D
- No health screening (As of 2021 no longer ESRD restrictions)

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Things to Consider

Original Medicare

- Are you going to purchase a Medigap policy?
- Do you need Part D or are your prescription drugs covered by a creditable plan?
- Can you afford the premiums?
- Do you have employer group health insurance coverage?

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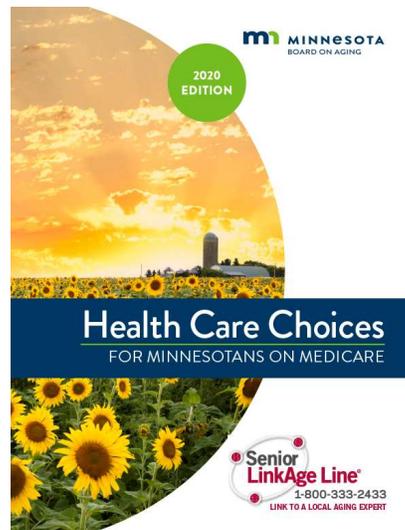
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Medicare Advantage Plan

- Do your providers participate?
- Are your prescription drugs covered?
- Coverage if you travel?
- Does the plan have extra benefits?
- Can you afford the premiums and cost sharing?

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- Provides comprehensive information on all Medicare options in Minnesota
- Free copy mailed to you by calling the Senior LinkAge Line at 1-800-333-2433
- View or download a copy at www.mnhealthcarechoices.com



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Where To Go For Help

- **Senior LinkAge Line** 800-333-2433
 - MinnesotaHelp.info – Live chat
- **Disability Hub MN** 866-333-2466
 - Mn.db101.org
- **Veteran’s Linkage Line** 888-546-5838
- **Medicare** 800-Medicare
 - Medicare.gov – Plan finder
- **Social Security Administration** 800-772-1213
 - ssa.gov

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