



# Senior Healthcare

Change is the only constant



# The 3 Cornerstones of Healthcare

1



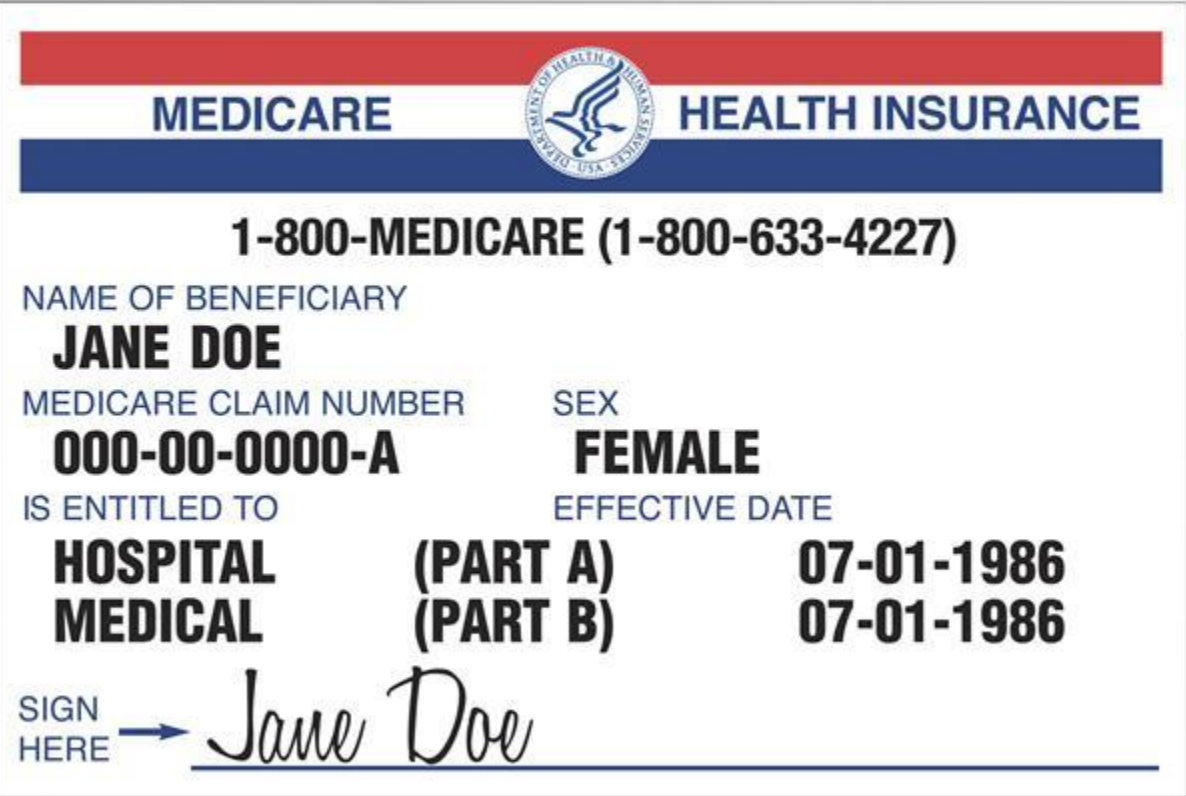
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3



# Current Medicare Card



**MEDICARE HEALTH INSURANCE**

1-800-MEDICARE (1-800-633-4227)

NAME OF BENEFICIARY  
**JANE DOE**

MEDICARE CLAIM NUMBER  
**000-00-0000-A**

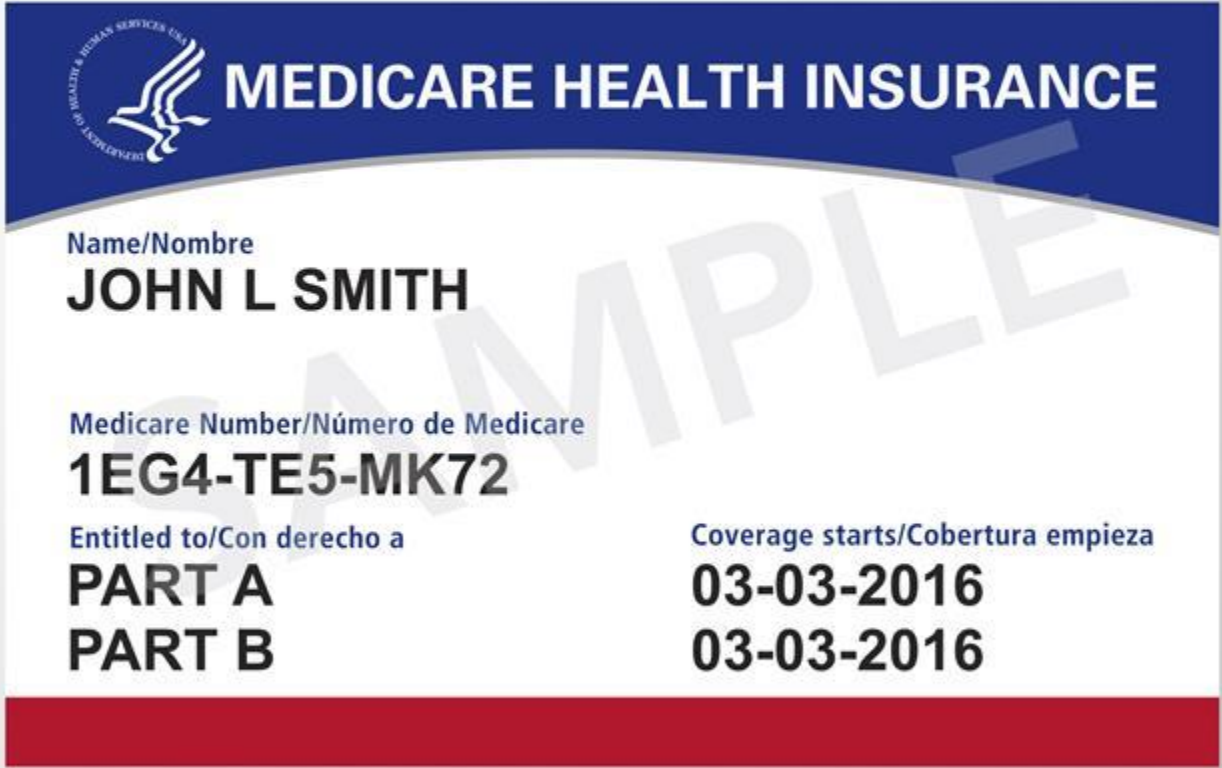
SEX  
**FEMALE**

IS ENTITLED TO  
**HOSPITAL (PART A)**  
**MEDICAL (PART B)**

EFFECTIVE DATE  
**07-01-1986**  
**07-01-1986**

SIGN HERE → Jane Doe

# New Medicare Card



**MEDICARE HEALTH INSURANCE**

Name/Nombre  
**JOHN L SMITH**

Medicare Number/Número de Medicare  
**1EG4-TE5-MK72**

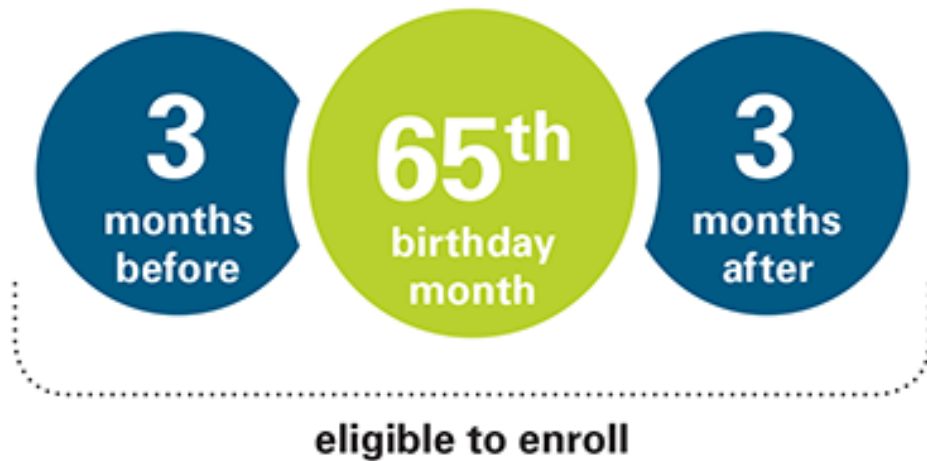
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**PART A**  
**PART B**

Coverage starts/Cobertura empieza  
**03-03-2016**  
**03-03-2016**

If you received on these cards, you enjoy the benefits of the Medicare Healthcare System!



## ELIGIBILITY



Or

1. When you qualify for Medicare Part B
2. Permanent Disability for at least 2 years
3. You have end-stage renal disease
4. You have ALS or Lou Gehrig's disease

July 30<sup>th</sup>, 1965  
Medicare  
signed into law

1965

Medicare **Part C & Part D**  
was created by the  
Balanced Budget Act of  
1997. Known as **Medicare  
Advantage** Plans

2006

Plans change  
Formularies change  
Deductibles change  
**Medicare is always changing**

2020

## Medicare Changes

1983

Prospective Payment System formed  
creating the Diagnostic Related  
Groups (**DRG's**)  
Impact: Nursing Home Admissions  
increased by 45% **launching** the **LTC  
crisis in America!**

2016

Medicare reimbursement  
codes had a major  
overhaul. Medicare  
instituted the  
**"Observation Stay"**

# What are your Medicare choices?

You have two directions you can take...

## Original Medicare

80%

**Part A**  
Hospital  
Insurance

**Part B**  
Medical  
Insurance

\*Additional Coverage Recommended

20%

Medicare  
Supplement  
Insurance  
(Medigap) Plans

**Part D**  
Prescription  
Drug  
Coverage

## Medicare Advantage Plan Part C

Most plans combine Part A and Part B  
+  
Part D  
Prescription Drug Coverage  
\*Plans vary by county\*



# A Closer Look at Medicare's Parts

## **PART A**

**Hospital Coverage**  
inpatient care in hospitals, including critical access and long-term care hospitals

## **PART B**

**Medical Coverage**  
doctors' services and outpatient care when medically necessary

## **PART C**

**Medicare Advantage Plans**  
includes all of Parts A + B as well as extra benefits

## **PART D**

**Prescription Drug Coverage**  
available in standalone plans or as part of Medicare Advantage



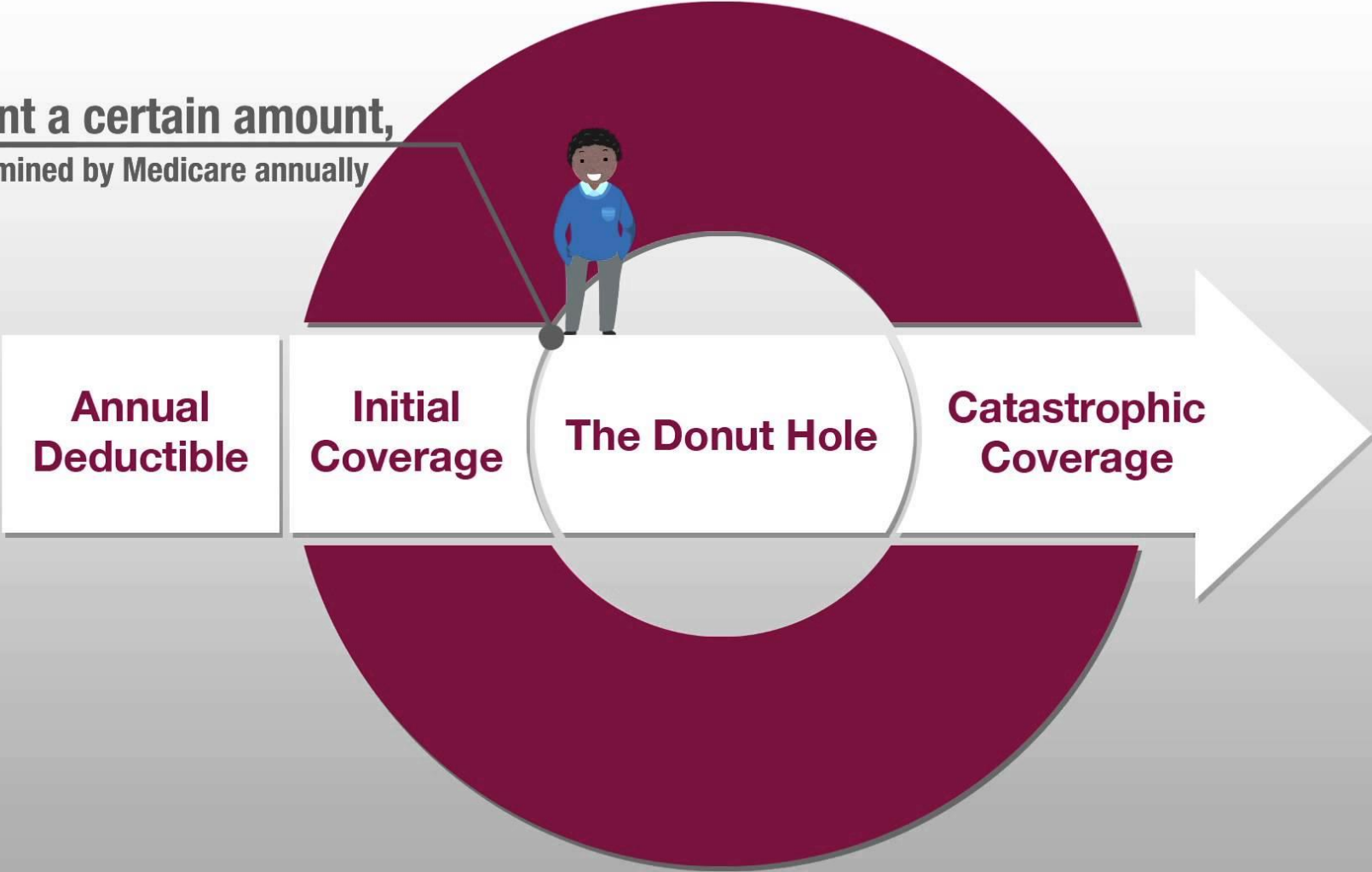








Spent a certain amount,  
determined by Medicare annually



**Annual  
Deductible**

**Initial  
Coverage**

**The Donut Hole**

**Catastrophic  
Coverage**

# Choosing not to enroll in a Part D plan can cost you?

Example of estimated penalty cost:

**1% of the National Avg. Monthly Premium X # of months not enrolled = \$ penalty**

Example

**MRS. SMITH**



$$\mathbf{\$33.19} \times \mathbf{31\%} = \mathbf{\$10.29}$$

\$10.29 is then rounded to the nearest \$0.10 = \$10.30



Mrs. Smith will pay a Part D penalty of **\$10.30** in addition to her Part D premium.



# How are they different?



## Medicare Supplement

- Can choose doctor and hospital
- No Referrals Needed
- No Networks
- Coverage is not guaranteed
- Premium cost \$
- No copays or deductibles
- RX drugs not included



## Medicare Advantage

- Must use plan doctors and hospitals
- May need referrals
- May have network restrictions
- Have specific enrollment periods
- Generally low or \$0 plan premium
- Co-pays & Deductibles apply
- RX drugs included with most plans



# Which option is best for you?

## Things to consider...



Plan availability where you live?



Which doctors you use?



Your health status?



What RX drugs do you take?



Do you travel often or live in multiple states?



Premiums vs Co-pays?





# Which way are you leaning?

Original Medicare

80%

Part A  
Hospital  
Insurance

Part B  
Medical  
Insurance

Additional Coverage Recommendations

20%

Medicare  
Supplement  
Insurance  
(Medigap)  
Plans

Part D  
RX  
Drug  
Coverage

Medicare Advantage Plan  
Part C

Most plans combine Part A and Part B  
+  
Part D  
Prescription Drug Coverage  
\*Plans vary by county\*

