

# Medicare Beginner's Guide



## Massachusetts SHINE Program

Updated August 2020

## Medicare Beginners' Guide

**Disclaimer:** This guide covers the basics – and just the basics – around applying for Medicare. It does not include every detail of this complicated subject. You can contact SHINE (Serving Health Insurance Needs of Everyone) for more information. SHINE is an educational resource that is designed to inform you about the complexities of Medicare. Information was obtained via the Social Security, Medicare, and Division of Insurance websites, as well as the Medicare & You Handbook.

### What is Medicare?

Medicare is the federal health insurance program that was created in 1965 for people 65 & older and some under 65 with disabilities to help with their hospital and medical coverage. The program helps with the cost of health care but it is not comprehensive; it does not cover all medical expenses or the cost of long-term care.

Different parts of Medicare help cover specific services

Part A – Hospital Insurance

Part B – Medical Insurance

Part D – Prescription Drug Coverage

### Preventive Services

Medicare does provide numerous preventive services at no cost to beneficiaries. A complete list of these services is available at this link:

[Medicare Part B Preventive Services](#)

### Who is Eligible?

You are eligible for Medicare if you are:

- **65 years old or older** and a U.S. citizen or lawfully permitted resident for **5 years**
- Medicare is available for certain people with disabilities who are **under age 65**. These individuals must have received **Social Security Disability Insurance (SSDI) benefits** for 24 months *or* have End Stage Renal Disease (ESRD) *or* Amyotrophic Lateral Sclerosis (ALS).
- Most people are eligible for premium-free Part A if they have paid Medicare taxes long enough through their own or a spouse's or ex-spouse's work record.

### How do I Enroll in Medicare?

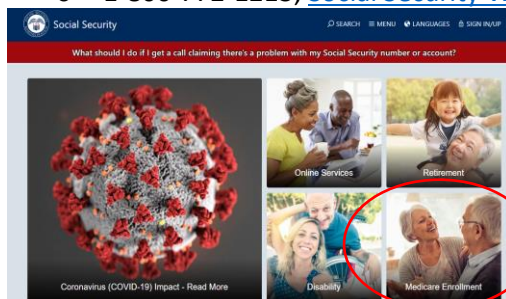
#### Enroll in Medicare through Social Security

**If you're turning 65 in the next 3 months and not already receiving benefits from Social Security, you will not get Medicare automatically. You also will not be notified by Social Security (or Medicare) if you are not already receiving benefits. It is your responsibility to contact Social Security if you want to enroll.**

Social Security handles enrollment in Parts A and B, and will review your records to see if you qualify for Medicare. They will determine if you qualify for premium-free Part A, and what your monthly premium for Part B will be, based on your income. You can enroll by physically going to a local Social Security Office, or by making an appointment to enroll over the phone or online at [www.ssa.gov](http://www.ssa.gov).

- 1-800-772-1213; [Social Security Website](http://www.ssa.gov) ([www.ssa.gov](http://www.ssa.gov))

**TIP: Social Security highly recommends that you create a personalized MySocialSecurity account to enroll in Medicare online**



[Click Here for Information on Medicare Enrollment](#)

**If you already receive benefits from Social Security, you'll get Medicare Part A and Part B automatically when you're first eligible and don't need to sign up. You should be on the lookout in the mail for an Enrollment Kit from Social Security and follow the instructions.**

**If you are working and covered by your employer’s group health plan (or by a spouse’s plan),** you may want to delay enrollment in Part B and enroll only in Part A. You should check with your employer benefits manager on whether or not you need to enroll in Part B. The number of employees in your employer group plan may determine if you need to enroll in Medicare as your primary insurance. You can also delay enrollment in Part A unless you are already collecting Social Security benefits.

**If you have a Health Savings Account (HSA) as part of a high deductible employer insurance plan,** you may want to delay Part A because you cannot contribute to the HSA once your Part A coverage begins. You may use money that is already present in the account *after* you enroll in Medicare to help pay for deductibles, premiums, copayments, or coinsurance. If you contribute to your HSA after your Medicare Part A coverage starts, you may have to pay a *tax penalty*. You should stop HSA contributions six months prior to retiring.

**Two Options for Medicare**

Once you have enrolled in Medicare A and B via Social Security, you will have two options: **(See Page 8 for a comparison chart)**

- 1) Original Medicare with an optional Medigap and/or optional standalone drug plan
- 2) Medicare Advantage plan (also known as Medicare Part C).

**Medicare has specific enrollment periods:**

- 1. Initial Enrollment Period (Parts A, B, C & D)
- 2. General Enrollment Period (Parts A & B)
- 3. Fall Open Enrollment Period (Parts C & D)
- 4. Medicare Advantage Open Enrollment Period (Part C & D- must be enrolled in MA plan on Jan 1<sup>st</sup>)



To enroll outside of these 4 periods, you must qualify for a Special Enrollment Period

**If you do not enroll during your Initial Enrollment Period, you may be subject to late enrollment PENALTIES (with some exceptions), and a possible delay in your coverage.**

**Initial Enrollment Period**

3 months before the month you turn 65	2 months before the month you turn 65	1 month before the month you turn 65	The month you turn 65*	1 month after the month you turn 65	2 months after the month you turn 65	3 months after the month you turn 65
Enroll early to avoid a delay in coverage. To get Part A and Part B the month you turn 65, you must enroll during the first 3 months before the month you turn 65.			If you wait until the last 4 months of your Initial Enrollment Period to enroll, your Part B coverage will be delayed for up to 3 months from the date you enrolled.			

\*if your birthday falls on the first day of the month, your coverage would be effective the month preceding your birthday month.

**Penalties**

- Part A Late Enrollment Penalty
  - **If you enroll late, and aren’t eligible for premium-free Part A, your monthly premium may go up 10% for twice the number of years you signed up late.**
- Part B Late Enrollment Penalty
  - **If enrolling late, Part B penalty is a surcharge added to your monthly Part B premium for life.** The Part B late enrollment penalty is calculated as 10% of the current Part B premium for every 12 month period you were not enrolled and did not have active employer coverage.
- Part D Enrollment Penalty
  - If you do not **have Part D coverage, even if you take no prescription drugs you can incur a lifetime penalty.** The Part D penalty is calculated as 1% of the national base beneficiary premium for each month you were not enrolled in a Part D plan and did not have creditable coverage.

## **Protection from Penalties**

- Once you are eligible for Medicare, as long as you are **working and covered by your employer’s group health plan (or by a spouse’s plan)**, you will not be assessed a Part B Late Enrollment penalty. You will need to provide an Employment Letter to Social Security. **COBRA does not provide coverage from the Part B penalty.**
- After you enroll in Medicare, if you have **creditable drug coverage** from any source, including employer, VA coverage, or COBRA coverage, you will not be assessed a Part D late enrollment penalty. If you lose this creditable coverage, you will have up to two months to enroll in a Medicare drug plan to avoid any penalties.

## **Medicare Advantage Plans**

Medicare Advantage (also known as Medicare Part C) is an “all in one” alternative to Original Medicare (Parts A and B). These bundled plans are offered by private insurance companies that contract with Medicare to provide beneficiaries with all of their Medicare benefits that include Part A, Part B, and usually Part D.

Out-of-pocket costs can vary. Some plans may have lower out-of-pocket costs than others for certain services. With Medicare Advantage, you can choose between an HMO, PPO or an HMO-POS plan. You must use doctors and/or other types of providers who are in the plan’s network if your Medicare Advantage Plan is an HMO (Healthcare Maintenance Organization). You may also need to get a referral to see a specialist. For PPO and HMO-POS plans, you may have the option of choosing out of network doctors but you will usually pay higher co-pays. Ask your primary doctor or other providers you use if they participate in any Medicare Advantage plans.

Emergency services will be covered anywhere within the United States. If you are traveling outside your region (zip code/county), check with your plan for coverage information.

Most plans offer extra benefits that Original Medicare doesn’t cover, like routine/limited vision, hearing, and dental. Check with your plan for coverage information.

You may pay a premium for the plan in addition to the monthly premium for Part B. Some plans have no monthly premium. Make sure to check your maximum out-of-pocket cost before committing to any plan.

### **To be eligible for a plan, you must:**

- Have both Medicare Part A & Part B
- Reside in the plan’s geographic service area
- Not be diagnosed with End-Stage Renal Disease (ESRD) – Restriction ends 12/31/20

### **When can I enroll or disenroll in a Medicare Advantage Plan?**

- Initial Enrollment Period
- Special Enrollment Period
- Fall Open Enrollment (October 15 - December 7)
- Medicare Advantage Open Enrollment Period (January 1 - March 31)
  - ✓ Note: You must already have a Medicare Advantage Plan as of January 1<sup>st</sup> to make any changes.

### **Things to consider before choosing Medicare Advantage:**

- Do your medical providers accept the plan or are you willing to change providers?
  - PLEASE call your provider to confirm plan acceptance!
- How much are the premium, copays, and coinsurance?
- What is the plan’s maximum out of pocket cost for the year?
- Do you need to get referrals to see a specialist?
- Are your prescription drugs on the plan’s formulary and what is the cost and are there any restrictions?

**(See Page 9 for a List of Medicare Advantage Plans Currently Offered in Massachusetts)**

## Medigap Plans

Medigap plans, also known as supplements, provide extra coverage beyond Medicare by filling some of the gaps in Medicare coverage. Medigap plans do not provide prescription drug coverage.

In Massachusetts, there are 7 private insurance companies that offer supplement plans across the state. Massachusetts offers **continuous open enrollment**, which allows you to enroll, change or drop your plan any month for an effective date the 1<sup>st</sup> of the following month.

(See Page 10 for a List of Medigap Plans Currently Offered in Massachusetts)

### Part D Prescription Drug Plans:

Even if you do not take any prescription medications, you **MUST** have a Part D plan to avoid a **lifetime penalty** unless you have other creditable coverage.

If you have Medicare Advantage, most include your Part D coverage. If you do not have Medicare Advantage, you can get a Medicare Part D Standalone Prescription Drug Plan (PDP).

### **Medicare Part D standalone prescription drug plan carriers:**

- Blue Medicare Rx
- Cigna HealthSpring
- Envision Rx Plus
- Express Scripts Medicare
- Humana
- Mutual of Omaha
- SilverScript
- United Healthcare
- WellCare

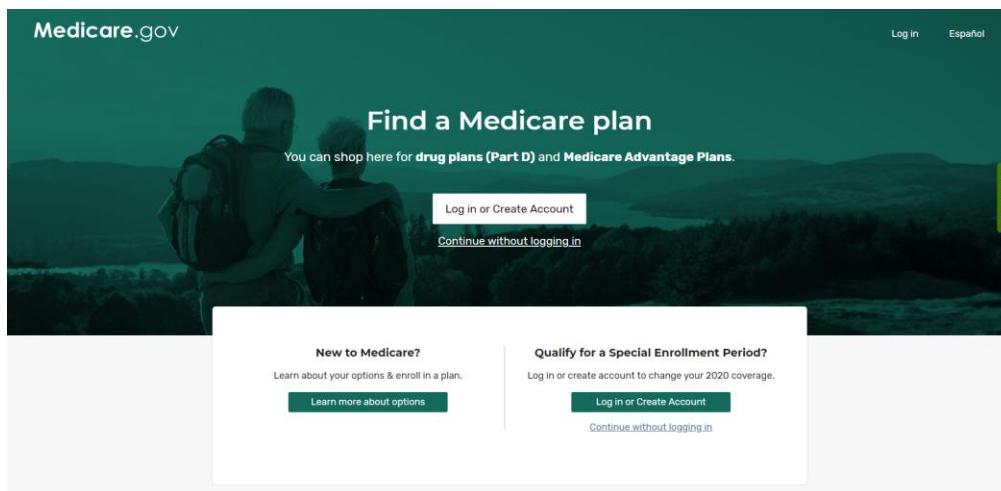
### **Choosing a Part D Plan:**

These are the things to consider when choosing a Part D plan

- What is the Total Cost (premiums and co-pays)?
- Are your prescription drugs covered?
- Does the plan have a deductible?
- Are there any restrictions?
- What pharmacies are preferred?

### On-Line Tool to Compare Options:

You can view available Part D drug plans and Medicare Advantage plans using Medicare Plan Finder. Go to [www.medicare.gov](http://www.medicare.gov) and click on “Find 2020 Health & Drug Plans” – or talk with a SHINE counselor.



**TIP: Medicare also highly recommends that you create a personalized MyMedicare.gov account (see page 7 for detailed instructions).**

***Yes, we agree that this is very complicated. All of your questions will not be able to be answered via this beginners' guide. To assist with Medicare, SHINE has highly trained, dedicated volunteers who are re-certified annually. They will be glad to make an appointment with you to further explain and clarify your Medicare options.***

***SHINE Counselors will also screen you for eligibility for programs that may reduce your Medicare costs. These programs are offered through Prescription Advantage and MassHealth.***

**Contact Information:**

SHINE at \_\_\_\_\_ (regions name): xxx-xxx-xxxx

Medicare: 1-800-633-4227

[www.medicare.gov](http://www.medicare.gov)

Social Security Administration: 1-800-772-1213

MassHealth: 1-800-841-2900 (Medicaid)

[www.ssa.gov](http://www.ssa.gov)

[www.mass.gov/masshealth](http://www.mass.gov/masshealth)

Prescription Advantage: 1-800-243-4636

<https://www.prescriptionadvantagemma.org/>

For additional information and a directory of SHINE Regional Offices  
you can also go to:

[SHINEMA.org](http://SHINEMA.org)

**How to Create an Account for a Personalized Medicare Plan Finder experience:**

When you create an account you can,

- Build a better drug list – the plan finder website will make suggestions based on prescriptions you have filled within the last 12 months
- Modify and save changes to your drug list
- Compare benefits and costs – compare these with other available plans in your area
- See prices based on any help you already get with drug costs

*If you want access to personalized information and features, you will need to create an account.*

**Creating your account**

1. Visit Medicare.gov/plan-compare and click “Log in or create account”
2. Have the following information at the ready (either for yourself or the person you are assisting)
  - a. **Medicare Number** – You can find this on your red, white, and blue Medicare card. If you’re new to Medicare and don’t have your Medicare card yet, you can get your Medicare number on the letter you get from Social Security after you enroll.
  - b. **Last name**
  - c. **Date of Birth**
  - d. **Current address with ZIP code or city**
  - e. **Part A or Part B coverage start date** (find this on your Medicare Card)



Once you enter this information and select “Next,” you can create a username and password and use your new Medicare Account. Remember to write down your username and a password hint, and store the sheet in a safe place. There are spaces below to enter this information if you would like.

**Forgot your username and password?**

If you have an existing account, but forgot the username or password, click “Trouble signing in?” under the Username box on the log in page. You’ll need this information:

1. Medicare Number
2. Last Name
3. Date of Birth

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My Username:

Password Hint:

## Your Medicare Options

### REQUIRED WITH BOTH OPTIONS

### MEDICARE

Enrolled in Medicare Part A & Part B and continue to pay monthly premiums

#### OPTION #1

##### Original Medicare



- **Optional** Medigap plan
- 3 different types of Medigap plans
  1. Core
  2. Supplement 1A
  3. Supplement 1\*  
(\*Only if Medicare eligible prior to 2020)
- Free to choose any doctor or hospital that accepts Medicare
- No referrals needed to see specialists
- Does NOT include drug coverage
- When changing Medigap plans, need to call plan to disenroll



#### OPTIONAL PART D

##### Stand Alone Prescription Drug Plan



- Multiple plans to choose from
- Automatic disenrollment from Prescription Drug Plan when changing Part D plans

#### OPTION #2

##### Medicare Advantage Plan (Part C)

- Optional "Replacement"
- 4 types of MA plans
  1. **HMO** (Health Maintenance Organization) - May use network providers only
  2. **HMO-POS** (HMO with Point Of Service)-HMO with limited out of network coverage
  3. **PPO** (Preferred Provider Organization)- Can go out of network for extra \$\$
  4. **SNP** (Special Needs Plans) HMOs for institutionalized individuals or dual eligibles
- Usually includes prescription drug coverage.
- Cannot have separate Part D plan
- Cannot live outside service area for more than 6 consecutive months
- Covers some extra benefits
- Usually need referrals to see specialists
- May have co-pays and deductibles
- Automatic disenrollment when changing Medicare Advantage Plans



	<b>Massachusetts Medicare Advantage Plans 2020</b> Updated 8/24/20		
Insurer Name	Plans Available	Range of Premiums	Counties Offered In
<b>Aetna</b> 1-855-335-1407 aetnamedicare.com	HMO, PPO	\$0-\$56	Bristol, Essex, Hampden, Hampshire, Middlesex, Norfolk, Plymouth, Suffolk, Worcester
<b>Blue Cross Blue Shield of Massachusetts</b> 1-800-678-2265 medicare.bluecrossma.com	HMO, PPO, HMO-POS	\$0-\$266	Barnstable, Bristol, Essex, Franklin, Hampden, Hampshire, Middlesex, Norfolk, Plymouth, Suffolk, Worcester
<b>Fallon Community Health Plan</b> 1-800-868-5200 fchp.org/medicare-choices	HMO, HMO w/ No RX	\$0-\$238	Barnstable, Berkshire, Bristol, Essex, Franklin, Hampden, Hampshire, Middlesex, Norfolk, Plymouth, Suffolk, Worcester
<b>Harvard Pilgrim</b> 1- 888-609-0692 harvardpilgrim.org/public/our-plans	HMO	\$0-\$195	Bristol, Essex, Middlesex, Norfolk, Plymouth, Suffolk, Worcester
<b>Health New England</b> 1-877- 443-3314 healthnewengland.org/medicare	HMO, HMO-POS, HMO w/ No RX	\$0-\$166	Berkshire, Franklin, Hampden, Hampshire
<b>Tufts</b> 1-800-890-6600 tuftsmedicarepreferred.org/plans	HMO, HMO w/ No RX	\$0-\$220	Barnstable, Bristol, Essex, Hampden, Hampshire, Middlesex, Norfolk, Plymouth, Suffolk, Worcester
<b>United Health Care (AARP)</b> 1-855-356-6098 uhc.com/medicare	HMO, Local PPO, Regional PPO	\$0-\$79	Barnstable, Berkshire, Bristol, Dukes, Essex, Franklin, Hampden, Hampshire, Middlesex, Nantucket, Norfolk, Plymouth, Suffolk, Worcester



## 2020 Medigap Plans

Updated 7/13/20



Medigap Carriers	Supplement Core Monthly Premium	NEW Medigap 1A Monthly Premium	Medigap 1 Monthly Premium <small>Only available if Eligible for Medicare Prior to 1/1/2020 *</small>
<b>Blue Cross &amp; Blue Shield of MA (Medex)</b> 1-800-678-2265 (sales) 1-800-258-2226 (member services) <a href="http://www.bluecrossma.com/medicare">http://www.bluecrossma.com/medicare</a>	\$104.10 *\$106.55 *Vision & Hearing	\$177.97 *\$180.42 *Vision & Hearing	\$209.21 *\$211.66 *Vision & Hearing
<b>Fallon Community Health Plan</b> 1-866-330-6380 (sales) 1-800-868-5200 (member services) <a href="http://www.fchp.org/medicare-choices">http://www.fchp.org/medicare-choices</a>	\$126.00	\$215.00	\$229.00
<b>Harvard Pilgrim Health Care</b> 1-800-782-0334 (sales) 1-877-907-4742 (member services) <a href="http://www.harvardpilgrim.org">http://www.harvardpilgrim.org</a>	\$129.00	\$185.00	\$229.00
<b>Health New England</b> 1-877-443-3314 <a href="http://www.healthnewengland.com">http://www.healthnewengland.com</a>	\$112.00	\$180.00	\$197.00
<b>Humana</b> 1-800-872-7294 (sales) 1-800-866-0581 (member services) <a href="http://www.humana-medicare.com">http://www.humana-medicare.com</a>	\$169.91 *\$183.26 *Dental & Hearing	\$282.20 *\$295.55 *Dental & Hearing	\$270.85 *\$284.20 *Dental & Hearing
<b>Tufts Health Plan</b> 1-800-714-3000 (sales) 1-800-701-9000 (member services) <a href="http://www.tuftsmedicarepreferred.org">http://www.tuftsmedicarepreferred.org</a>	\$124.00	\$201.00	\$218.00
<b>United HealthCare</b> 1-800-523-5800 <a href="http://www.aarphealthcare.com">http://www.aarphealthcare.com</a> Only for members of AARP	\$139.50 (6/1/20)	\$195.25	\$250.75 (6/1/20)

\* Moving from Supplement 1 to Supplement 1A may be subject to restrictions

**Note: Medex Choice™ will no longer be sold after December 1, 2019 but existing members may remain enrolled:** \$154.81/month in 2020  
 In compliance with Medicare regulations, Medicare Medigap 2 cannot be sold after December 31, 2005 but existing members may remain enrolled.  
 Medex Gold premium is \$930.97/month in 2020.

Benefit	Costs For Beneficiary With Original Medicare	Costs For Beneficiary With Supplement Core	Costs For Beneficiary With Medigap 1A	Costs For Beneficiary With Supplement 1
<b>Medicare Part A</b>				
<b>Inpatient Hospital Care</b>				
Days 1-60	\$1,408	\$1,408	\$0	\$0
Days 61-90	\$352/Day	\$0	\$0	\$0
Days 91-150 (Lifetime Reserve)	\$704/Day	\$0	\$0	\$0
All Additional Days	Full Cost	\$0 For An Additional 365 Lifetime Hospital Days	\$0 For An Additional 365 Lifetime Hospital Days	\$0 For An Additional 365 Lifetime Hospital Days
<b>Inpatient Days in Mental Health Hospital</b>	190 Lifetime Days	An Additional 60 Days Per Year	An Additional 120 Days Per Benefit Period	An Additional 120 Days Per Benefit Period
<b>Skilled Nursing Facility Care</b>				
Days 1-20	\$0	\$0	\$0	\$0
Days 21-100	\$176/Day	\$176/Day	\$0	\$0
All additional Days	Full Cost	Full Cost	Full Cost	Full Cost
<b>Blood- First 3 Pints</b>	Full Cost	\$0	\$0	\$0
<b>Medicare Part B</b>				
<b>Annual Deductible</b>	\$198	\$198	\$198	\$0
<b>Coinsurance for Part B after deductible</b>	20%	\$0	\$0	\$0
<b>Medicare-covered services needed while traveling abroad</b>	Full Cost	Full Cost* (BC/BS, HP, HNE, Tufts Core plans cover foreign travel)	\$0	\$0

TIP: Check with your individual plan to see if you are eligible for their respective discounts