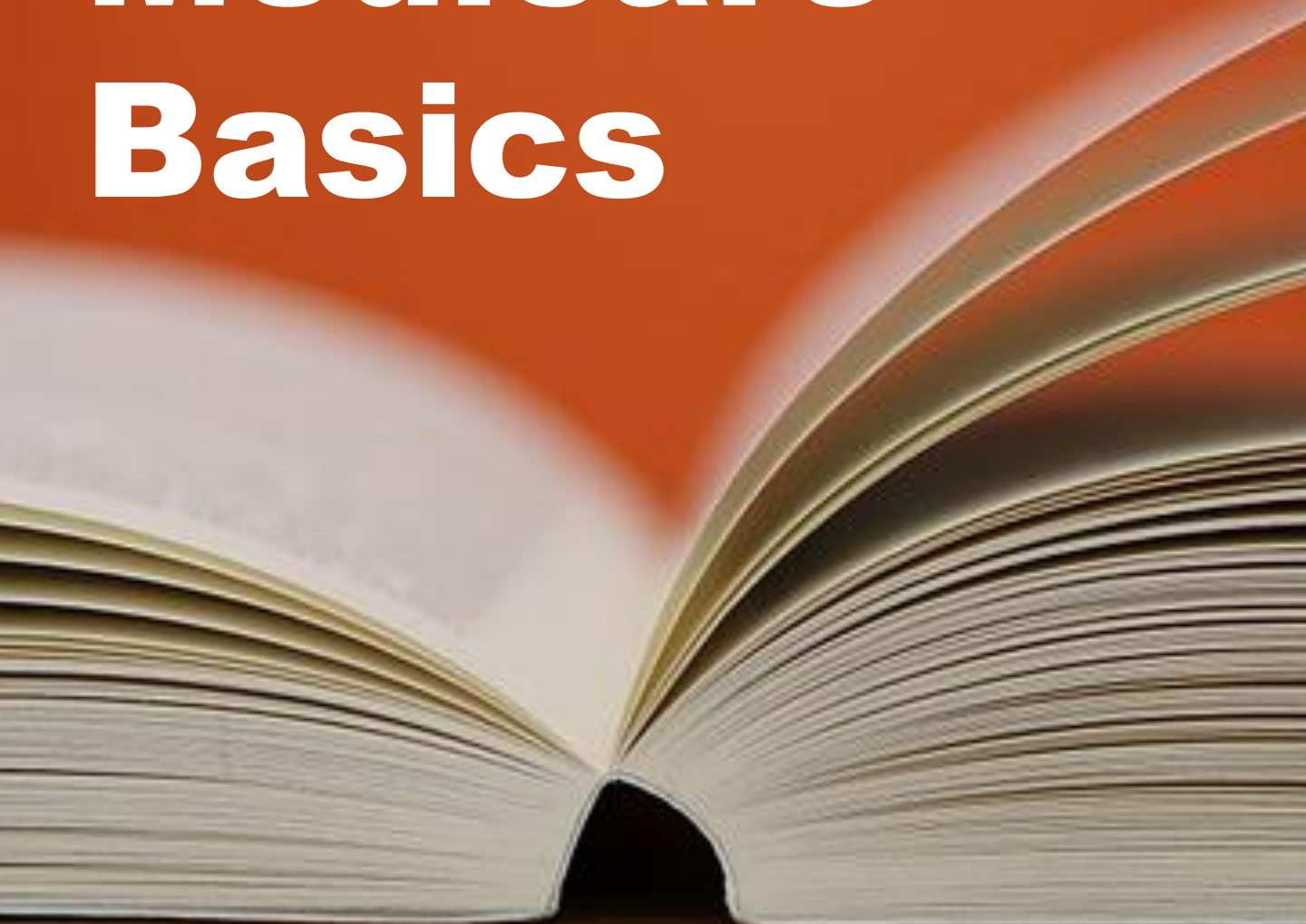




SENIOR MARKETING
SPECIALISTS

DAY 1 STUDY GUIDE

Medicare Basics



Senior Marketing Specialists
Medicare Quick Start

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OVERVIEW

Welcome to week one of Medicare Quick Start– Medicare basics.

This study guide is designed to get you familiar with the basics of Medicare prior to the live workshop. We know there is a lot of information here and it may seem overwhelming. However, we are here to make your transition into the Medicare market as smooth and successful as possible.

RESOURCES

Medicare Publications

Click on the link below, which will take you to the Medicare.gov publication page. Then choose the blue “View Details” button and you can download a digital copy and order a paper copy as well (NOTE: Delivery may take several weeks):

- [Medicare & You Publication](#)
- [Medicare Cost Sheet](#)
- [Choosing a Medigap Policy](#)

Senior Marketing Specialists Resources

Quote Engine

For SMS contracted agents – separate login is required



TERMINOLOGY

Here are some commonly used terms in the Medicare field:
(in no particular order)

CMS – Centers for Medicare & Medicaid Services - The governing body over Medicare & Medicaid

SSA – Social Security Administration

MA – Medicare Advantage Plan – Medicare Part C

MAPD – Medicare Advantage Plan with Prescription Drug Coverage – Medicare Part C

SNP – Special Needs Medicare Advantage Plan

PDP – Stand-Alone Prescription Drug Plan – Medicare Part D

Formulary – List of covered drug

Tier Level – Classification of a drug relative to cost in the plan

HMO – Health Maintenance Organization – Type of MA network

PPO – Preferred Provider Organization – Type of MA network

PFFS – Private Fee For Service – Type of MA network

PCP – Primary Care Physician

Medigap – Another Term for Medicare Supplement

MIB – Medical Information Bureau – Used by underwriting departments

GI – Guaranteed Issue – No underwriting questions are considered for coverage

T65 – Turning 65 – Can be replaced with other numbers such as T67 or T70 –

Typically used to identify marketing lists

Dual Eligible – A Medicare beneficiary who has both Medicare and Medicaid

DVH – Dental, Vision, and Hearing plan

FE – Final Expense coverage (life insurance)

HHC – Home Healthcare Plan

HIP – Hospital Indemnity Plan

LTC – Long Term Care plan policy

STC – Short Term Care plan policy

SOA – Scope Of Appointment Form – Used for Medicare Part C and D plans

PTC – Permission To Contact form

CRM – Client Relationship Manager – A client database program

BRC – Business Reply Card

Original Medicare – Medicare Parts A + B

SOB – Summary Of Benefits

AOR – Agent Of Record

Indemnity – Compensation up to the limiting amount of the insurance policy

Snow Bird – Common term for people who spend summer in one part of the country and winters in another – Residency is based on a 6+ month stay

POA – Power Of Attorney



INTRO TO MEDICARE

Medicare is the federal health insurance program for:

- People who are 65 years old or older
- Certain people with disabilities
- People with End-Stage Renal Disease (ESRD)

Medicare is broken down into 3 parts listed below:

Source: *Medicare & You 2021 Publication page 5*

What are the parts of Medicare?



Part A (Hospital Insurance)

Helps cover:

- Inpatient care in hospitals
- **Skilled nursing facility care**
- Hospice care
- Home health care

See pages 25-29.



Part B (Medical Insurance)

Helps cover:

- Services from doctors and other health care providers
- Outpatient care
- Home health care
- Durable medical equipment (like wheelchairs, walkers, hospital beds, and other equipment)
- Many **preventive services** (like screenings, shots or vaccines, and yearly "Wellness" visits)

See pages 29-51.



Part D (Drug coverage)

Helps cover the cost of prescription drugs (including many recommended shots or vaccines).

Plans that offer Medicare drug coverage are run by private insurance companies that follow rules set by Medicare.

See pages 75-86.

Medicare Supplements

Medicare Supplements (also know as Medigap plans) work with Medicare but are not part of the Medicare program.



INTRO TO MEDICARE

Medicare Part C (Medicare Advantage)

Medicare, for the first time, has separated Medicare Advantage plans and gave them their own page.

Source: Medicare & You 2021 Publication page 7

AT A GLANCE

Original Medicare vs. Medicare Advantage



Doctor & hospital choice

Original Medicare	Medicare Advantage
You can go to any doctor or hospital that takes Medicare, anywhere in the U.S.	In many cases, you'll need to use doctors and other providers who are in the plan's network and service area for the lowest costs. Some plans won't cover services from providers outside the plan's network and service area.
In most cases, you don't need a referral to see a specialist.	You may need to get a referral to see a specialist.



Cost

Original Medicare	Medicare Advantage
For Part B-covered services, you usually pay 20% of the Medicare-approved amount after you meet your deductible . This is called your coinsurance .	Out-of-pocket costs vary —plans may have lower out-of-pocket costs for certain services.
You pay a premium (monthly payment) for Part B . If you choose to join a Medicare drug plan (Part D), you'll pay that premium separately.	You may pay the plan's premium in addition to the monthly Part B premium . (Most plans include drug coverage (Part D).) Plans may have a \$0 premium or may help pay all or part of your Part B premiums.
There's no yearly limit on what you pay out of pocket, unless you have supplemental coverage—like Medicare Supplement Insurance (Medigap).	Plans have a yearly limit on what you pay out of pocket for services Medicare Part A and Part B covers. Once you reach your plan's limit, you'll pay nothing for services Part A and Part B covers for the rest of the year.
You can get Medigap to help pay your remaining out-of-pocket costs (like your 20% coinsurance). Or, you can use coverage from a former employer or union, or Medicaid.	You can't buy and don't need Medigap.

NOTE: This chart continues to page 8 of the Medicare & You book



MEDICARE CARDS

Old Medicare Card

Key Features:

Name – Name on file with Medicare

Medicare Claim Number – Their Medicare number which is either the beneficiary's social security number or the person they are drawing benefits from

Effective Dates – The dates coverage started. They will always be on the first of the month. They may differ.

A sample of an old Medicare card. The card has a red header with "MEDICARE" and "HEALTH INSURANCE" in white, and a blue banner below with the Medicare logo and the phone number "1-800-MEDICARE (1-800-633-4227)". The card lists the beneficiary as "JOHN DOE" with Medicare claim number "000-00-0000-A" and sex "MALE". It shows entitlement to "HOSPITAL (PART A)" and "MEDICAL (PART B)" starting on "01-01-2007". There is a "SIGN HERE" field with an arrow pointing to a line.

New Medicare Card

The new Medicare cards are being sent out between April 2018 through April 2019 to all Medicare beneficiaries. The old card is no longer valid.

Key Difference:

The Medicare Claim number is now a randomly generated number rather than a social security number.

A sample of a new Medicare card. The card has a blue header with the Medicare logo and "MEDICARE HEALTH INSURANCE" in white. The beneficiary is "JOHN L SMITH" with Medicare number "1EG4-TE5-MK72". It shows entitlement to "HOSPITAL (PART A)" and "MEDICAL (PART B)" starting on "03-01-2016".

As of 1/1/2020 providers are required to use the new Medicare ID.



MEDICARE COVERAGE CHOICES

Source: Medicare & You 2021 Page 6

Your Medicare options

When you first enroll in Medicare and during certain times of the year, you can choose how you get your Medicare coverage. There are 2 main ways to get Medicare:

Original Medicare

- Original Medicare includes Medicare Part A (Hospital Insurance) and Part B (Medical Insurance).
- If you want drug coverage, you can join a separate Medicare drug plan (Part D).
- To help pay your out-of-pocket costs in Original Medicare (like your 20% **coinsurance**), you can also shop for and buy supplemental coverage.
- Can use any doctor or hospital that takes Medicare, anywhere in the U.S.

Part A



Part B



You can add:

Part D



You can also add:

Supplemental coverage



This includes Medicare Supplement Insurance (Medigap). Or, you can use coverage from a former employer or union, or Medicaid.

See Section 3 (starting on page 53) to learn more about Original Medicare.

Medicare Advantage (also known as Part C)

- Medicare Advantage is an “all in one” alternative to Original Medicare. These “bundled” plans include Part A, Part B, and usually Part D.
- Plans may have lower out-of-pocket costs than Original Medicare.
- In many cases, you’ll need to use doctors who are in the plan’s network.
- Most plans offer extra benefits that Original Medicare doesn’t cover—like vision, hearing, dental, and more.

Part A



Part B



Most plans include:

Part D



Extra benefits

Some plans also include:

Lower out-of-pocket costs

See Section 4 (starting on page 57) to learn more about Medicare Advantage.



QUICK OVERVIEW OF MEDICARE PREMIUMS & COSTS 2021

For Full Costs – See the Medicare Cost Sheet

Medicare Part A

No Monthly Premium for most
Deductibles for services performed

Medicare Part B 2022

\$170.10 monthly premium automatically deducted from
the beneficiary's Social Security check for most
Annual Deductible = \$233.00
Services are 80/20
80% Medicare paid & 20% Beneficiaries paid

Medicare Part C

Varies per plan
Some coverage may be as low as \$0 per month

Medicare Part D

Varies per plan

Medicare Supplement

Varies per insurance carrier and coverage level

If your clients receives a service that is not covered by Medicare, they will be responsible for 100% of the services performed.



MEDICARE PART C – MEDICARE ADVANTAGE PLANS

Medicare Advantage Plans (Part C or MA) are private insurance plans offered to Medicare Beneficiaries who:

1. Live in the service area
2. Have both Medicare Part A and B

Medicare Advantage Plans become primary over Medicare, but your clients will still have Medicare.

3 MAIN NETWORKS FOR MEDICARE ADVANTAGE PLANS:

HMO – Health Maintenance Organization – Primary care doctor – May need referrals to see a specialists – Cannot go outside the network

PPO – Preferred Provider Organization – Primary care doctor not required – May go outside the network

PFFS – Private Fee For Service – No network in most areas – Providers can choose to accept on a case by case basis – Not very common anymore

3 MAIN TYPES OF MEDICARE ADVANTAGE PLANS:

MA ONLY	MAPD	SNP
<p>Only Medical Coverage No Drug Coverage</p> <p>Cannot be paired with a drug plan – exception MA PFFS plan</p> <p>Great for VA</p>	<p>Medicare Advantage with Prescription Drug Coverage</p> <p>Will be the one you sell the most</p>	<p>Special Needs Plan</p> <p>MAPD plan with special requirements to be eligible</p> <p>Dual eligible (Medicare + Medicaid) Certain chronic conditions</p>



MEDICARE PART D PRESCRIPTION DRUG PLANS

See page 73 in the 2020 Medicare & You publication

Medicare Part D, prescription drug plans, are available through private insurance carriers in two ways:

1. PDP – Prescription Drug Plan – This is a plan that only covers drugs with no healthcare benefits. This type is usually paired with a Medicare Supplement plan.
2. MAPD – A Medicare Advantage Plan with Prescription Drug coverage built into the policy,

Basic Overview of Part D plans:

Deductible: \$480 = The maximum deductible a plan can offer is \$480. Deductibles can range from \$0 to \$480. After the deductible is met, the client will have co-pays and/or co-insurance depending the drug tier level. These will change from carrier to carrier.

Initial Coverage Limit: Once a client reaches \$4,430 in total drug costs, between the carrier and the client, they will enter into the coverage gap.

Coverage Gap: The coverage gap discounts for 2022 are:
75% discount on generic and name brand drugs

Catastrophic Coverage: Once the True Out Of Pocket (TrOOP) costs equal \$7,050 for the clients, they will pay 5% of their drug costs.



MEDICARE SUPPLEMENTS MEDIGAP

Medicare Supplements are private insurance policies that work with Medicare to cover some or all the costs that Medicare may not cover. They follow Medicare's network.

Medicare Supplements only cover health and not drugs. Beneficiaries will need a stand-alone prescription drug plan (PDP) for their drug coverage.

How do I compare Medigap plans?

The chart below shows basic information about the different benefits that Medicare Supplement Insurance (Medigap) plans cover for 2020. If a percentage appears, the Medigap plan covers that percentage of the benefit, and you're responsible for the rest. Out-of-pocket costs (like **deductibles**) might change for 2021.

Benefits	Medigap plans									
	A	B	C	D	F*	G*	K	L	M	N
Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Medicare Part B coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%***
Blood (first 3 pints)	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Part A hospice care coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	100%	100%	50%	75%	100%	100%
Part A deductible		100%	100%	100%	100%	100%	50%	75%	50%	100%
Part B deductible			100%		100%					
Part B excess charges					100%	100%				
Foreign travel emergency (up to plan limits)			80%	80%	80%	80%			80%	80%
							Out-of-pocket limit in 2020**			
							\$5,880	\$2,940		

* Plans F and G also offer a high-deductible plan in some states. With this option, you must pay for Medicare-covered costs (coinsurance, copayments, and deductibles) up to the deductible amount of \$2,340 in 2020 before your policy pays anything. (You can't buy Plans C and F if you were newly eligible for Medicare on or after January 1, 2020. See previous page for more information.)

** For Plans K and L, after you meet your out-of-pocket yearly limit and your yearly Part B deductible (\$198 in 2020), the Medigap plan pays 100% of covered services for the rest of the calendar year.

*** Plan N pays 100% of the Part B coinsurance. You must pay a copayment of up to \$20 for some office visits and up to a \$50 copayment for emergency room visits that don't result in an inpatient admission.



ENROLLMENT

T65 (Turning 65 Years Old) – Most beneficiaries will receive their Medicare card 3 months prior to their 65th birth month. Coverage for both Medicare Part A and B will start on the first of their birth month unless their birthday is on the first of the month, which in case their Medicare Parts A and B will begin the month prior.

Medicare Part C and D plans follow the same enrollment times during this time:

- 3 Months Prior to their 65th birth month
- The Month of their 65th birth month
- 3 months following their 65th birth month

Example:

Bob is turning 65 years old on August 17th
He has: May through November to enroll into any Medicare Part C or D plan in his service area.
May / June / July – 3 months prior
August – Month of
September / October / November – 3 months after

Medicare Supplements are guaranteed issue up to 6 months after their Medicare Part B start date.

Using the same example from above – Bob, who is getting Medicare A and B in August, would have from August 1st through January 31st to enroll into any Medicare Supplement plan available to him with no underwriting questions. This initial 6 month period is called the Medicare Supplement open enrollment period and once those 6 months have passed, this open enrollment does not repeat.



ENROLLMENT

Beyond the T65 Market: Medicare C & D Plans

This chart from the Medicare & You 2021 publication (page 4) explains the open enrollment times for Medicare C and D plans (NOTE: This does not apply for Medicare Supplements):



October 1, 2020	Start comparing your current coverage with other options. You may be able to save money or get extra benefits. Visit Medicare.gov/plan-compare .
October 15 to December 7, 2020	Change your Medicare health or drug coverage for 2021, if you decide to. This includes changing to Original Medicare, or joining or changing a Medicare Advantage Plan .
January 1, 2021	New coverage begins if you made a change. If you kept your existing coverage and your plan's costs or benefits changed, those changes also start on this date.
January 1 to March 31, 2021	If you're in a Medicare Advantage Plan, you can change to a different Medicare Advantage Plan or switch to Original Medicare (and join a separate Medicare drug plan) once during this time. Any changes you make will be effective the first of the month after the plan gets your request. See page 59.

Exceptions

There are certain times beneficiaries can make a change outside of the Annual Election Period (AEP) listed above from October 15th through December 7th, below are the most common:

- Move to a new service area
- Coming off group benefits
- Having both Medicare & Medicaid
- Qualify for a Special Needs Plan (SNP)

These are referred to as Special Enrollment Periods (SEP)



ENROLLMENT

Beyond the T65 Market: Medicare Supplements

Medicare Supplements do not follow the Medicare Part C and D plan enrollment periods.

Beneficiaries can change plans anytime they choose provided, in most cases, they will need to pass the carrier's underwriting guidelines.

These underwriting guidelines will differ from insurance carrier to carrier, so it is important to review the carrier's application and field underwriting manual to make sure you are placing your perspective clients with the most appropriate carrier.

There are certain times they may be guaranteed issue:

- Leaving group coverage
- The beneficiary's Medicare Advantage plan leaves the service area
- Certain states guaranteed issue (GI) periods

Questions about enrollment or eligibility? Senior Marketing Specialists can help you. Give us a call and we will review guidelines and other conditions to help you place your client in the best plan.



WHAT MEDICARE DOES NOT COVER & OTHER MEDICARE INFO

NOTE: Certain exceptions may apply for medically necessary procedures.

Medicare will not cover:

- Nursing Home / Assisted Living Residency
- Routine Dental
- Routine Vision
- Hearing Aids
- Cosmetic Surgery
- Routine Foot Care
- Over The Counter Drugs
- Certain Prescription Medications
- Experimental Procedures

There are additional policies on the market that may help pay for the things Medicare will not cover. More about this on day 2.

No maximum out of pocket

Medicare does not have any type of maximum out of pocket for most services. As long as you are receiving services, you will continue to pay.

Foreign Travel

Medicare does not cover foreign travel outside the United States and its territories.

Individual Coverage

Medicare is individual coverage. Spouses will have different Medicare cards.

Medicare Costs

Medicare costs may change annually, including (but not limited to):

- Medicare Part A deductible
- Medicare Part A skilled rehab co-payments
- Medicare Part B premium
- Medicare Part B deductible



MEDICAID

From Medicaid.gov:

Medicaid provides health coverage to millions of Americans, including eligible low-income adults, children, pregnant women, elderly adults and people with disabilities. Medicaid is administered by states, according to federal requirements. The program is funded jointly by states and the federal government.

Dual Eligible – A person having both Medicare and Medicaid

In the senior market, most people you will come across will qualify for Medicaid due to low income. They also may have health conditions that would also qualify them for Medicaid as well.

Medicaid benefits and qualifications may change from state to state.

Levels of Medicaid

There are several level of Medicaid benefits, most common being Qualified Medicare Beneficiary (QMB) which means they have “full” Medicaid which will pay their Medicare A and B premiums and any co-payments or co-insurance.

Insurance Options

Dual eligible beneficiaries are auto enrolled into qualifying Medicare Part D plans through the state.

Some areas may feature a Special Needs Plan (SNP) for dual eligible beneficiaries. You will need to certify with the insurance carrier to offer these plans.

Interested in working with dual eligible beneficiaries?

Contact us for more details and what options are available in your areas.



WHAT TO DO FROM HERE

Review the Medicare & You Publication:

- Inside cover – Insulin program / ESRD / Telehealth
- Page 4 – Enrollment Times (C and D plans)
- Page 5 – Parts of Medicare
- Page 6 - Medicare Options
- Page 7-8 – Medicare Advantage vs. Original Medicare
- Page 21 – Group insurance and Medicare
- Pages 57+ – Section 4: Medicare Advantage Plans & Other Options
- Pages 71+ – Section 5: Medicare Supplement Insurance (Medigap)
- Pages 75+ – Section 6: Medicare Drug Coverage (Part D)

Other Stuff:

- Know the Medicare Cost Sheet
- Review the Choosing a Medigap Publication

Explore Medicare.gov – This is Medicare’s website and has lots of useful information, plus this site is where your clients and prospects are turning for information

Should you have questions, comments, concerns, or anything else we can help you with, please contact us! You can call, live chat on our webpage, SMSteam.net, or if you have a client issue, fill out a support ticket.

Thank you again and we look forward to being your partner!



(800) 689-2800

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