

2018 Medicare Benefits and Costs

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Need information about Medicare?

**Call Center for Health Care Rights
at **800-824-0780****



**Center for
Health Care Rights**

The Center for Health Care Rights (CHCR) is a California non-profit organization that provides free information and help with Medicare.

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What is Medicare?

A federal health insurance program that provides health benefits to persons who are age **65 and older** and persons **under the age of 65** who have a permanent disability.

Who is eligible for Medicare?

Persons who meet the following requirements are eligible for free Medicare Part A.

- ➔ Are age 65 or older and entitled to Social Security or Railroad Retirement benefits; **or**
- ➔ Are age 65 or older and the spouse or former spouse of someone who receives Social Security or Railroad Retirement benefits; **or**
- ➔ Are under the age of 65 and have been receiving Social Security Disability benefits SSDI for at least two years (24 months); **or**
- ➔ Have Amyotrophic Lateral Sclerosis, also known as Lou Gehrig's Disease and are eligible for Social Security Disability benefits; **or**
- ➔ Have End Stage Renal Disease and are eligible for Social Security Disability benefits.

People who do not meet the guidelines listed above are eligible for Medicare if they meet **all** of the following requirements:

- if** You are age 65 or older
- and** You are a United States citizen or a legal resident,
- and** You have lived in the U.S. for 5 years.

These individuals can purchase Medicare Parts A and B or purchase Medicare Part B only.

2018 Medicare Part A Premium

Medicare Part A is free if you are eligible for Social Security retirement or disability benefits.

If you are **not eligible** for Social Security benefits, you pay a monthly premium for Part A coverage.



2018 Medicare Part B Premium

In 2018, most Medicare beneficiaries pay the standard Part B premium of \$134/month.

About 28% of Medicare beneficiaries pay less than \$134/month for the Medicare Part B premium. These individuals pay less for Part B because the 2018 cost of living increase in their Social Security benefits was not large enough to cover the full cost of the Part B premium increase.

High income Medicare beneficiaries pay \$134/month plus an additional premium charge based on their income. You meet Medicare's definition of a high income beneficiary if you are:

- ▶ A single person with an annual income of \$85,000 or more;
- ▶ A married couple with an annual income of \$170,000 or more.

Medicare late enrollment penalty

Medicare assesses a late enrollment penalty if you do not enroll when you first become eligible. For Part B, the penalty is 10% for every 12 month period you delay enrollment. The penalty is in effect for life.

When do I enroll in Medicare?



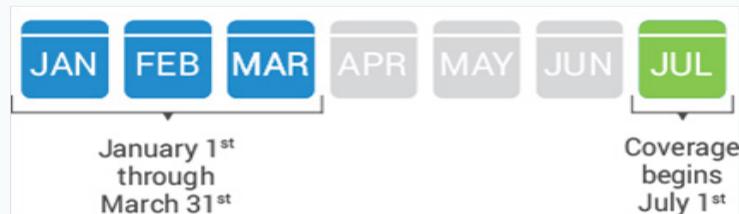
Initial Enrollment Period

The **Initial Enrollment Period** is a 7 month period that starts 3 months before the month of Medicare eligibility and ends 3 months after.



General Enrollment Period

The **General Enrollment Period** is a 3 month enrollment period that starts **January 1** and ends **March 31** each year. If you apply for Medicare during this enrollment period, the Medicare benefits start on July 1st of that year.



Special Enrollment Period

Persons eligible for Medicare who are working and enrolled in an employer group health plan may delay their enrollment in Medicare. These individuals are eligible for a **Special Enrollment Period**. This 8 month enrollment period starts the month the person is no longer covered by an employer group health plan.

To apply for Medicare, contact the Social Security Administration at **1-800-772-1213** or go online to **www.socialsecurity.gov**

Medicare Part A Benefits

Inpatient Hospital Care

Medicare covers up to 90 days of hospital services each “benefit period” and an additional 60 lifetime reserve days that can be used only once.

A **benefit period** begins when you are admitted to the hospital and ends when you have been out of the hospital or have not received skilled care in a skilled nursing facility for 60 consecutive days.

2018 Medicare Part A Copayments

Coverage Per Benefit Period		
Hospital	Days 1 - 60	\$1,340 First day deductible
	Days 61 - 90	\$335/day
	Days 91 – 150 (Lifetime reserve days)	\$670/day
Skilled Nursing Facility	Days 1 - 20	\$0
	Days 21 - 100	\$167.50/day

Skilled Care in a Skilled Nursing Facility

Medicare pays for up to 100 days of skilled nursing care when you meet **all** of the following requirements:

- You are admitted to a skilled nursing facility (SNF) after a 3 day prior hospital stay;
- Your stay must be ordered by a doctor;
- The skilled nursing facility is a Medicare provider; and
- You need skilled care on a daily basis (minimum 5 times a week).

Home Health Care

To use Medicare home health services, you must meet **all** of the following requirements:

- You are home bound. Due to an illness or injury, you need help leaving your home.
- You need skilled nursing or therapy services on a part time basis.
- The home health services are provided by a Medicare home health provider.
- Your doctor has prescribed Medicare home health care services for you.

Hospice Care

Medicare hospice services are available to Medicare patients who are terminally ill. Medicare patients who choose to participate in a Medicare hospice program do not receive medical care to treat their terminal illness.

Medicare hospice services include: physician and nursing services, medical equipment, physical, speech and occupational therapy, respite care and grief counseling.

Medicare Part B Benefits

Pays for outpatient medical care —

- Physician services
- Ambulance
- Mental health services
- Durable medical equipment
- Preventive services
- Laboratory, x-rays, diagnostic tests
- Outpatient speech, physical and occupational therapy

2018 Medicare Part B
\$183 annual deductible
20% of Medicare-approved charges

Part D Prescription Drug Coverage

To obtain Part D drug coverage, enroll in a Medicare Part D drug plan.

There are **2 types** of Medicare Part D drug plans.

-  **Medicare Prescription Drug Plans** only provide prescription coverage and do not affect your use of Medicare Part A and B services.
-  **Medicare Advantage Prescription Drug Plans** are managed care plans that provide Medicare Part A, B and D benefits.



For more information see the Center for Health Care Rights' 2018 Medicare Part D Drug Coverage factsheet.

I am working and have health insurance through my employer. Do I need to enroll in Medicare?

You can delay your enrollment in Medicare if you are covered by an employer health plan due to active employment.

- 1) If you are age 65 or older, your employer must have at least **20 employees**.
- 2) If you are under the age of 65, your employer must have at least **100 employees**.



If you delay your Medicare enrollment, your employer plan is your primary health coverage until the employer plan ends. At that time, Medicare provides an **8 month special enrollment period to enroll in Medicare**. There is no penalty for late Medicare enrollment.



If you have an employer health plan because you or your spouse are working, you can also enroll in Medicare. The employer health plan will pay first as your primary coverage and your Medicare will pay second as your secondary health insurance.

How do I close gaps in Medicare coverage?

Medicare does not cover 100% of your health expenses. It does not pay for dental care or custodial care at home or in a nursing home. Medicare also requires you to pay Medicare Part A and Part B copayments and deductibles. If you only have Medicare, consider the following insurance options:

Medicare Coverage Choices At-A-Glance

Step 1: Decide how you want to get your coverage

I want Original Medicare so that I can choose my Medicare doctors

or

I want a Medicare Advantage plan to reduce my out of pocket costs and get added benefits like dental and vision services

Original Medicare

Part A

Hospital Insurance

Part B

Medical Insurance

Step 2: Enroll in a Part D plan if you want drug coverage

Part D

Prescription Drug Plans

- Only provide drug coverage
- Do not affect your Medicare A & B benefits.

Medicare Advantage Plans (HMO or PPO)

- Managed care plans provide Medicare Part A, B and D benefits.
- **Medicare Advantage HMOs** — You assign your Medicare benefits to the plan and agree to use only Medicare Advantage plan providers.
- **Medicare Advantage PPOs** — You can see out of network medical providers but your out of pocket costs will be higher.

Step 3: Get insurance that will cover your Part A and B copayments

Medi-Cal

Health insurance for low income Californians.

Provides added benefits: dental, vision, long-term nursing home services.

Medicare Supplement Insurance

Medigap policies are sold by private companies. They help pay Part A and B copayments.

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