2022 Medicare Education Guide

A guide to **Medicare**

Learn about the basics of Medicare and understand your coverage options

PREVEA360 Medicare Advantage
from Dean Health Plan

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Have questions?

We are here to help.

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By Phone
Talk to one of our Prevea360 Medicare Advantage Consultants at
1-877-234-0126 (TTY: 711)

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Online
Support is just a click away.
prevea360.com/medicare

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In Person
Sometimes meeting one-on-one with someone you trust is best. Schedule a one-on one appointment* with a Medicare Consultant today.
Call **1-877-234-0126 TTY: 711**.

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*If necessary, these are offered by phone

Getting Started — Welcome to Medicare

Prevea360 Medicare Advantage is here to help.

Getting Started

This Education Guide is a smart start for anyone new to Medicare and anyone learning about their Medicare options. This guide will help answer some of the questions you may have about Medicare.

Recommended Steps:

- ☐ Get connected with a Medicare expert. Prevea360's licensed independent Medicare Consultants are trusted partners who have years of experience to help you navigate this process.

Work with your Medicare expert to:

- ☐ Understand your options, especially if you will be employed after 65, have retiree health coverage, or health coverage through your spouse's employer.
- ☐ Determine when you need to enroll in Original Medicare. Be sure to enroll in Original Medicare on time through the Social Security office to avoid penalties.
- ☐ Learn about programs in Wisconsin that can help to lower costs for you, such as:
  - Medicare Savings Programs
  - Medicaid
  - SeniorCare
- ☐ Enroll in the Medicare Advantage or Supplement plan that's right for you.

Important

If you chose not to collect Social Security at age 65, you are still eligible for Medicare. We recommend you consider your Medicare options even if you are still covered by an employer. Our trusted Medicare Consultants can help guide you through this process.

Specialized Support for Low Income Medicare Beneficiaries

Prevea360 plans are designed to support Medicare beneficiaries with lower incomes. Talk to your trusted Medicare Expert to learn about cost savings offered along with local Wisconsin programs for low income Medicare beneficiaries.

Medicare Eligibility

Who can enroll in Medicare? Medicare eligibility depends on your age and/or disability status.

Who's Eligible For Original Medicare?

You are eligible for Original Medicare, the federal health insurance program, if you are a legal U.S. resident and one of the following applies to you:

- You are 65 years old or older
- You are any age and have a qualifying permanent disability
- You are any age and have been diagnosed with end-stage renal disease (ESRD) or Amyotrophic Lateral Sclerosis (ALS, also called Lou Gehrig's disease)

A licensed Medicare Expert guides a client through their Medicare options and Medicare enrollment.

Medicare Advantage Enrollment Periods

Medicare offers regular enrollment periods when you can elect to enroll in Medicare Advantage coverage. Enrollment periods are seasonal or tied to a qualifying life event. **Talk with your trusted Medicare Expert to learn about your options.**

Initial Enrollment Period

This includes the three months prior, the month of your birthday and the three months after you turn 65.

Annual Enrollment Period

October 15 – December 7 each year.

Open Enrollment Period

January 1 – March 31 each year. Medicare Advantage members may change plans.

Special Enrollment Period

If you meet certain requirements and have a qualifying event, such as moving to a new service area or leaving an employer-based plan.

Understanding Original Medicare

On July 30, 1965, President Lyndon B. Johnson signed into law the bill that created Medicare — which is administered by the federal government.

The Original Medicare program included Part A (Hospital Insurance) and Part B (Medical Insurance). Today these 2 parts are called "Original Medicare."

Though Original Medicare started as a basic insurance program, Congress has added improved options beyond Original Medicare to offer people access to more benefits, such as prescription drugs, eyewear, hearing, and dental.

Part A: Hospital Insurance
Inpatient Care

- Hospital room
- Inpatient acute care
- Inpatient mental health care
- Skilled nursing facility care
- Home health services
- Inpatient tests and services
- Additional coverages apply.

Talk with your trusted Medicare expert to learn more.

Part B: Medical Insurance
Outpatient Care

- Doctor visits (including annual wellness visit)
- Outpatient services
- Clinical lab services
- Some preventive care
- Durable medical equipment, such as oxygen tanks and wheelchairs
- Diagnostic tests such as X-rays and MRIs
- Additional coverages apply.

Talk with your trusted Medicare expert to learn more.

Most services in Part A and Part B are paid at 80%, meaning you pay a 20% coinsurance.

Part A Basics

Medicare Part A covers care for an illness or medical condition, and has some benefits for preventive care. It pays for a hospitalization, a stay in a Skilled Nursing Facility (SNF) for rehabilitation, hospice and some home health care.

- **Part A premium is generally $0 unless you (or a spouse) have not paid in to Medicare for ten years.** Go to medicare.gov for more information if you have been informed you will have to pay premium for Part A.
- **Part A has a deductible and other cost sharing.** These amounts can change annually. For 2021, the deductible was $1,484 per benefit period. Hospital cost sharing was $371 per day for days 61-90 and $742 for days starting at the 91st day.
- **There is no maximum out-of-pocket for Part A coverage.** You will pay your portion of all services annually, with no limit to your financial obligation within the year.

What Is *Not* Covered:

- Doctor services you receive are not covered under Part A but may be paid under Part B.
- Part A also excludes coverage for personal costs in the hospital, such as phone calls, and does not cover "custodial care" (nursing home resident care).

Part B Basics

Medicare Part B pays for a variety of things, including doctor visits, lab tests, imaging services (such as X-ray or CT) and other medically necessary services.

- **Part B premium is usually taken out of your Social Security check or paid directly to Medicare**. The premium changes each year. For 2021, the standard Part B premium was $148.50, but Part B premiums can vary widely based on income.
- **Part B has a deductible before it starts to cover your care.** The deductible was $203 for 2021 and can adjust up every year. You will pay this deductible annually. Most services in Part B are paid at 80%, meaning you pay a 20% coinsurance for any Medicare-eligible charges you incur.
- **There is no maximum out-of-pocket for Part B coverage.** You will pay your portion of all services annually, with no limit to your financial obligation within the year.

What Is *Not* Covered:

- Vision, hearing and dental services are not covered in most circumstances.
- Drugs are not covered in most circumstances. Limited covered medications are generally for specific types of illnesses.

Learn more about plans that offer these additional benefits on pages 12–13.

Medicare Coverage Options

Coverage offered by private insurance companies.

Original Medicare doesn't cover everything. Many Medicare recipients choose to buy additional plans from private insurance companies such as Prevea360 Health Plan for alternative coverage options and to spend less out-of-pocket.

Part C: Medicare Advantage

- Replaces Original Medicare Parts A and B
- Has an annual maximum out-of-pocket
- May have enhancements like dental, eye wear and more
- Has a network of providers and hospitals
- One rate regardless of age

Part D: Prescription Drug Coverage

- Covers outpatient prescription medications
- Offered in MAPD Plans (Medicare Advantage with Part D), or can be purchased separately in addition to Original Medicare.

Medicare Supplement

- Are standardized and generally do not include any additional benefits
- Are also known as Medigap—do not include a network
- Does not replace Parts A and B
- Provides coverage for nearly all of the cost sharing gaps in Original Medicare Parts A and B
- Does not include Part D prescription benefits
- Premiums change with age
- Higher premiums can be charged or coverage can be denied based on health status

Coverage Option 1

Keep Original Medicare and purchase a separate Medicare Supplement Insurance plan also known as Medigap.

- **Medicare Supplement**
  Helps with out-of-pocket expenses *not paid* by Medicare Parts A and B but generally does not cover additional benefits.

With or Without a Separate:

- **Prescription Drug Coverage Part D**
  Covers prescription medications.

Coverage Option 2

Enroll in a Medicare Advantage (MA-Only Plan) *or* a Medicare Advantage with Part D (MAPD Plan).

- **Medicare Advantage with Prescription Drug Coverage** (MAPD) **Part C + Part D**
  Combines Parts A, B and D services, and most include additional benefits, such as gym membership, dental and vision. This includes prescription medication coverage.

Or:

- **Medicare Advantage** (MA-Only) **Part C**
  Combines Parts A & B services, and most include additional benefits, such as gym membership, dental and vision

Important note

- If you enroll in a Medicare Advantage plan, you **cannot** buy or remain enrolled in Medicare Supplement Insurance.
- You may not enroll in an MA-Only plan with a separate Part D plan. To get both, you should choose an MAPD plan.

Overview of Medicare Supplement

Medicare Supplement plans do not replace Original Medicare.

The Basics

Medicare Supplement plans do not replace Original Medicare. They are sold by private insurance companies to help you pay for the deductibles, copays and coinsurance of Original Medicare. (See 2021 amounts on page 7.)

Premium

Medicare Supplement plans charge a premium, which is paid to the insurance company from which you purchase the plan. Premiums are generally age-rated. This means as you get older, your premium will increase. Often, these plans charge different premium rates based on your zip code and gender as well.

If you decide to change Supplement plans, the insurance company may be able to charge you more for your premiums based on health issues, or decline your request for coverage.

Cost-Sharing

Medicare Supplement plans and their optional riders are standardized for each state, and provide coverage for some or all of Original Medicare's cost-sharing provisions.

Important note

Medicare Supplement plans *do not* include prescription drug coverage (Part D). A Part D coverage plan should be purchased separately to help cover prescription drug costs.

What Is Not Covered?

Medicare Supplement plans do not include prescription drug coverage (Part D). A Part D coverage plan should be purchased separately to help cover prescription drug costs.

Medicare Supplement plans do not cover other benefit enhancements such as:

- Preventive Dental: dental exams, cleanings, and X-rays.
- Comprehensive Dental: fillings, extractions, bridges, crowns, and dentures, etc.
- Gym memberships
- Over-the-counter allowance
- Coverage for routine hearing exams and hearing aids
- Coverage for routine eye exams, eyeglasses, and contact lenses

See Medicare Advantage Plans and the comparison chart on pages 16–17 for information on Medicare plans with additional benefits built-in.

Overview of Medicare Advantage Part C Coverage

The easy way to remember what services are included in Medicare Advantage plans is to remember: **Part A + Part B = Part C**.

The Basics

Medicare Advantage, also called Part C, covers the same services as Medicare Parts A and B, but will have different types of cost-sharing. Medicare Advantage plans are offered by private companies and replace Original Medicare. Medicare Advantage plans provide the added simplicity of copays and protect members with a maximum out-of-pocket amount. Many Medicare Advantage plans include prescription drug coverage (Part D).

Premium

This is a separate payment that may be required for your plan. Some Medicare Advantage plans have no premium.

- Premiums do not vary based on age or gender, and do not increase based on your attained age
- Premiums can vary based on plan options

Part B Premium Reduction

Some Medicare Advantage plans pay a portion of your Part B premium for you — effectively putting money back in your pocket. Also known as Part B Buy-Back or Part B Give-Back.

Maximum Out-Of-Pocket for Part A + Part B

This is a protection that is not available under Original Medicare. This is an accumulation of every dollar a member spends for covered Medicare medical expenses toward an annual maximum. For example, the copayments to see a doctor, be admitted to a hospital or get a lab test add up against the maximum out-of-pocket. Once the maximum amount is met for the year, the member pays nothing more out-of-pocket for covered Medicare services. Part D drug cost-sharing does not accrue to the medical maximum out-of-pocket.

Networks

Unlike Original Medicare, Medicare Advantage plans have a network of providers. For some plans, staying in-network provides the lowest cost options. In other plans, no benefits for out-of-network providers are covered, except for urgent and emergency care.

Additional Benefits

Most Medicare Advantage plans cover additional benefits too. Common additional benefits include:

- Preventive Dental: dental exams, cleanings, and X-rays.
- Comprehensive Dental: fillings, extractions, bridges, crowns, and dentures, etc.
- Gym memberships
- Over-the-counter allowance
- Coverage for routine hearing exams and hearing aids
- Coverage for routine eye exams, eyeglasses, and contact lenses

Prescription Drug Coverage

When Medicare Advantage includes prescription drug coverage (MAPD), the drug coverage is Part D coverage and has no extra premium. It is part of the cost for the Medicare Advantage plan. If you need Part D coverage, purchase an MAPD plan. You cannot purchase Medicare Advantage and Part D separately.

MA-Only (No Prescription Drug Coverage)

If you have creditable prescription drug coverage through TRICARE, the VA, an employer, or Wisconsin's SeniorCare program, a Medicare Advantage plan without Part D might be right for you.

What Is *Not* Covered

Any service that is excluded from Parts A and B is generally excluded from Part C with the exception of additional benefits included in the Medicare Advantage plan.

Part D Prescription Drug Coverage

Medicare Part D prescription drug coverage is offered through private insurance companies.

Premiums

You will pay a premium if you purchase a Part D stand-alone plan. The other way to get Part D coverage is by buying a Medicare Advantage plan with Part D (MAPD) included in the price.

Cost-Sharing

There are different cost sharing options (deductibles, copayments and coinsurance) to pay under Part D. Each plan will be a little different.

Formulary

All Part D plans have a formulary. A formulary is the long list of medications that a particular Part D plan covers. Medicare requires that every class of drug is covered by a plan, but does not require all prescription drugs be covered by any plan. Many times you will find there are multiple medications that address the same health issue. Most Part D plans have a "tiered formulary." A tiered formulary means that the plan has divided the drugs in its formulary into groups and has different cost-sharing associated to each. Usually, generic drugs are in the lowest tiers, meaning you pay less. Brand name drugs tend to have significantly higher copayments.

Pharmacy Network

You will obtain your prescription drugs from network pharmacies. Some plans offer reduced cost-sharing if you obtain your medications from a Preferred Pharmacy network, utilize a mail-order pharmacy, or purchase a three-month supply of maintenance prescriptions at one time.

5-Tiered Formulary Example

Formulary Tier	Formulary Cost of Prescription
Tier 1: Preferred Generic	$3 Copay
Tier 2: Non-Preferred Generic	$10 Copay
Tier 3: Preferred Brand	$47 Copay
Tier 4: Non-Preferred Brand	$100 Copay
Tier 5: Specialty Drugs	29% Coinsurance

2022 Medicare Drug Stages	
Stage 1: Initial Coverage Deductible	You pay **full price** for drugs until you meet your deductible. The standard Medicare Part D deductible is **$480**, but your Part D coverage may lower the deductible that you pay.
Stage 2: Initial Coverage Copay and Coinsurance	You pay copays or a percentage of the drug's total cost (coinsurance) You stay in this stage until you and your Part D company have paid **$4,430** within a plan year
Stage 3: Coverage Gap (Donut Hole)	Once your total drug costs reach **$4,430**, you pay **25%** of the cost of the drug You stay in this stage until your total out-of-pocket costs reaches **$7,050** (not counting the amount that your Part D company has also paid) within a plan year
Stage 4: Catastrophic Coverage	After your total out-of-pocket costs reach **$7,050** you pay a small copay or **5%** coinsurance, whichever amount is larger You stay in this stage for the remainder of the plan year

Compare Coverage Options to Fit Your Needs

Benefit Options
Medicare Part A hospital coverage
Medicare Part B doctor visits
Preventive services covered at no cost to you
Covers urgent and emergency care anywhere in U.S.
Covers routine medical care anywhere in the U.S. while traveling
Provides urgent and emergency care outside of U.S.
Permits you to go to any hospital or provider in U.S. who accepts Medicare
Protection from unlimited out of pocket medical costs
Part D prescription benefits
Provides a network of hospitals and providers who work together to coordinate your care
Provides fitness benefit (gym membership)
Covers annual physical exam (not just the annual wellness visit)
Covers vision exam and eyeglass allowance
Provides hearing exam and hearing aid allowance
Provides dental coverage (exams, cleanings, X-rays, extractions, bridges, crowns, and dentures)
Covers an unlimited number of days for inpatient hospital care
Over-the-counter allowance
Post-discharge meal benefit
Transportation to medical appointments

✓ Benefit Included with Plan
• Benefit Offered by Some Plans

	Original Medicare	Original Medicare with Medicare Supplement	Medicare Advantage
	✓	✓	✓
	✓	✓	✓
	✓	✓	✓
	✓	✓	✓
	✓	✓	•
		•	•
	✓	✓	•
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Getting the Help You Need

Understanding Medicare can be complicated. Prevea360 makes it easy.

If you'd like some help understanding Medicare, let us know! Our friendly team of Medicare experts are available year-round.

CALL

By Phone
Talk to one of our Prevea360 Medicare Advantage Consultants at
1-877-234-0126 (TTY: 711)

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Visit **prevea360.com/seminars** to see our upcoming seminars.

*If necessary, these are offered by phone

Other Helpful Resources

Medicare Helpline and Website

Contact Medicare directly:
- 1-800-MEDICARE (1-800-633-4227)
  TTY 1-877-486-2048
- 24 hours a day, 7 days a week

Online Resource for Medicare Information

- Visit medicare.gov

Medicare Eligibility and Social Security

If you have questions about eligibility, enrollment, Social Security retirement benefits or Social Security disability benefits, call:

- Social Security
  1-800-772-1213, TTY 1-800-325-0778,
  Monday through Friday, 7am — 7 pm

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