

Links to Video

Links to video:

- [Sauk County Website page for video](#)
- [YouTube page for video](#)

Transcription Notes

With this transcript I have:

- filtered out a little bit more of the repeated phrases to clean it up a little more to make the reading experience more appropriate for a webpage
- added headers
- added paragraphs
- added a few bulleted lists

Full Transcript

Introduction

Hi everyone! This is Pam Fuchs with the Aging and Disability Resource Center in Baraboo, Sauk County. I am going to do my best to provide you with an informational session here that you can access hopefully on our ADRC website and/or maybe the ADRC Facebook page.

Typically, throughout the year my coworker and I provide you with some face-to-face group informational settings where we give you information on Medicare and it's especially relevant to people who are turning 65 soon. Due to COVID we have not been

able to do these sessions since January so, I thought I'd do my best to provide you with this information online. Maybe we can do some additional videos for you in the future if this goes well.

So, I'm hoping you can see my PowerPoint slide presentation to the side of my screen that says "Welcome to Medicare 2020". Typically, when we're meeting in person, we ask people to silence cell phones and give some logistic information, but we're going to pass through that just to give you some basic information about our local Aging and Disability Resource Center office.

We are located in the West Square Building at 505 Broadway in Baraboo. It's a big building right across the street from the Courthouse. Our office offers a variety of services and we also have six Information and Assistance Specialists who are licensed social workers who also can provide you with a ton of information about other resources outside of our office that are offered throughout Sauk County. So, if you have any questions about where to go, you don't know where to get the answer, then give our office a call. If they don't know the answer they can direct you to someone who does.

We have some Disability Benefits Specialists who assist people ages 18 to 59 in applying for Social Security Disability and also assisting with appeals if those disability applications have been denied. Then we also have Elder Benefit Specialists, which is what I am, and there are two of us. I provide Elder Benefits services to the eastern half of Sauk County which includes Baraboo, Prairie du Sac, Sauk City, Merrimac, North Freedom; and my co-worker, Mindy Shrader, provides the same services to the folks in the western half of the county. We provide services to people age 60 or older. Some of the EBS or Elder Benefit Specialists services provided include:

- assisting with some consumer issues like billing, debt collections,
- landlord tenant issues,

- exploring eligibility and applying for Medicare Savings Programs or Medicaid programs.

We do help people age 60 or over apply for Social Security Disability. We do not assist with appeals, but we can get you resources on that if that is a necessity.

The majority of what we do is related to Medicare, so helping you guys understand Medicare, the eligibility, how to apply for it, what the benefits are, what the costs are, as well as what your additional options are once you're on Medicare. We do work under the supervision of a program attorney, so if you do choose to work with us you are protected by that attorney-client privilege.

Social Security Retirement Benefit

What I'm going to try to get through in this meeting is a brief overview of Social Security, but mainly the information regarding Medicare. I think that I'm limited to 40 minutes here, so I'm going to do my best to get through everything efficiently for you here, so just a brief overview of Social Security retirement benefits.

This is the cash benefit money. This is not insurance. This is your cash money retirement that you have earned through working your whole life or that your spouse has earned through working throughout their lives that you're eligible for once you get older.

You can apply for Social Security retirement benefits through the Social Security Administration. For folks living in Sauk County our local office is the Social Security Administration office in Portage. Due to COVID19 they are currently closed and working from home, but you can still call them and ask for an appointment by phone to apply for your Social Security retirement

benefits. You can also apply for these benefits online at their website ssa.gov, or you can contact either Mindy or myself depending on where you live in Sauk County. We can help you do that application also.

You can apply for Social Security retirement benefits at any age between 62 and 70. Everyone has what's called a full retirement age. If you wait until you reach your full retirement age then you are eligible to receive 100 percent of your benefits that you have earned.

If you want to, however, take your Social Security retirement benefits before you reach your full retirement age you absolutely can do that. You can take your benefits as early as age 62, but your monthly benefit amount will be reduced by about eight percent for every year that you take it early. So, for example, if you waited until your full retirement age to draw your social security benefits, and your full 100% benefit is a thousand dollars a month, you'll get a thousand dollars a month. If you decide to take it a year early you'll get about nine hundred and twenty dollars a month because you're taking it about a year early, so it'll be reduced by about eight percent.

Likewise, if you don't want to take your retirement benefits when you reach your full retirement age you can also postpone taking them until a later date - as late as age 70. And, what happens then is your benefits increase by approximately eight percent every year until you reach age 70, and at age 70 they max out.

So, your full retirement age is based upon your date of birth. I think for folks born in 1954 the full retirement age is 66, but if you were born after that they've started adding on two months. So, for some people it's going to be

66 in two months then it's 66 and four months and so on and so on until age 67, I think for the younger folks.

You want to apply for Social Security retirement benefits approximately three months before you want them to begin because it takes Social Security some time to process your application.

Original Medicare

Introduction

If you have decided to take your Social Security retirement benefits before you turn 65, if you took them early, you will automatically be enrolled into Medicare at age 65. But, if you have not begun taking your Social Security retirement benefits early then you're going to have to sign up for Medicare at age 65. For everyone turning 65, they are eligible to sign up for original Medicare which includes two parts:

- Part A which is hospital insurance
- Part B which is medical insurance.

Medicare - Part A

Enrollment

Medicare Part A enrollment. Again, if you've already begun drawing on your Social Security retirement benefits, they're just going to automatically sign you up for Medicare Part A. They are going to mail you your card in the mail and you're just going to have a start date of the first of the month that you turn 65.

Some people who are on disability who are under the age of 65, but have been awarded Social Security Disability and have been on disability payments for 24 months, are eligible for Medicare regardless of age, and, again, they will be automatically enrolled when they're eligible. If you're not drawing Social Security benefits at age 65 then you need to manually sign up for Medicare which can be done either by going to the Social Security office in Portage in person, normally, not during COVID, or you can call the Social Security office in Portage, or you can do it online through their website [ssa.gov](https://www.ssa.gov), or you can contact your local Elder Benefit Specialist at your local ADRC and we can help you with that too.

Your initial enrollment period for Medicare is a seven month window. It's the three months before you turn 65, the month that you turn 65, and then the three months after you turn 65. So, if you don't sign up for Medicare during this seven month window you will be automatically enrolled into Medicare Part A later, when you sign up for your Social Security retirement benefits.

So, let's say at age 65 you don't sign up for Medicare, you keep working, and then at age 67 you decide "Okay, I want to take my social security retirement money benefit now!" and you apply for that. The Social Security office will start your Social Security Retirement Benefits and then they're going to automatically enroll you into Medicare Part A and back date that Part A start date six months.

So, that is important information to know. If you work for an employer where you have a high deductible health insurance plan with a Health Savings Account that you contribute money into because everyone who is turning 65 is eligible for Medicare, and once you are eligible for Medicare you are no longer eligible to make those tax deductible Health Savings Account

contributions. So, it's important if you have a Health Savings Account to stop making those contributions before you're turning 65. You can still use up whatever money is in that account, but you have to stop making the contributions or you can face some tax penalties.

Also, for folks who are enrolled in a marketplace plan or an Affordable Care Act (*Obamacare*) it's important that if you are receiving any tax subsidies to help with those premiums being lowered for you that you are also not eligible for those tax subsidies once you're eligible for Medicare. So, it's important to call and cancel your Affordable Care Act plan when you're turning 65 and signing up for Medicare.

Costs

Medicare Part A is free. You don't pay a premium for that. It's only hospital insurance, so, it's only going to provide you with coverage for an inpatient hospitalization stay or inpatient nursing home stay.

You earned that, if you're eligible for Medicare you're eligible for Social Security retirement. It means that you've earned 40 work credits throughout your life, 40 work credits is equivalent to 10 years of full-time work added up over time, and so you get Part A for free.

If you have Medicare Part A and you end up going into the hospital, Medicare Part A has a deductible of 1,408 dollars per 60 day hospitalization. So, what that means is:

- If you go into the hospital in January and let's say you're in the hospital for a week, you're going to have a bill for 1,408 dollars and

then the rest of your hospitalization stay would be covered in full.

- But, let's say you go back into the hospital in July of that same year, more than 60 days have passed, so, therefore you're going to pay that deductible a second time.

So, that deductible is not per year. It is for 60-day hospitalization. And then there may be additional daily co-pays if you are in the hospital longer than 60 days. So, this just kind of gives you a breakdown. If you're in the hospital between zero and 60 days you pay that 1,408 deductible and then the rest of your stay is covered in full, but, if you have to be in the hospital for up to 90 days there's a 352 dollar copay per day. Days 91 through 150 there's a 704 per day co-pay.

Coverage

Medicare Part A also includes:

- some home health services
- some blood
- hospice care
- and it covers skilled nursing facility stays with a qualifying three-day hospital admission.

So, what that means is: if you go into the hospital and they say they want to transfer you to the nursing home for rehab, then you must have been admitted as an inpatient into the hospital for three days before being transferred to the nursing home if you want Medicare to pay for that stay.

If you have that three-day qualifying hospital admission, then Medicare will pay for your first 20 days in the nursing home in full. If you're there for days 21 through 100, you will have a 176 dollar per day copay, and if you're in there longer than 100 days you have zero percent coverage under your Medicare Part A. Now, there are some additional things that can help with those costs and we'll get there, but this is the starting point of your Medicare Part A coverage.

We've kind of already covered this - You have to be admitted as an inpatient for at least three days into the hospital prior to being transferred to the nursing home. You cannot be held on observational status. You cannot be held for one night or two nights. It must be inpatient three nights. Once you're transferred to the nursing home, in order for Medicare to continue paying for your stay, you must be receiving skilled nursing care provided by nursing or therapy staff as ordered by your physician; so, things like occupational therapy and physical therapy. Skilled care must be provided to you.

Medicare - Part B

Enrollment

Medicare Part B enrollment. Again, if you're already drawing Social Security retirement benefits then you will automatically be enrolled into Medicare Part B and your start date for Part B will be the first of the month that you turn 65. If you happen to have a birthday on the first of a month it will be backdated by one month.

So, let's say you're turning 65 on August 1st and you're drawing Social Security, Social Security will automatically enroll you into Medicare, but your start date, instead of being August 1st - it will be back dated to July 1st.

For most people your start date for Medicare A and B is going to be on the first of the month that you turn 65, but if your birthday happens to fall on the first it gets backdated by one month. Again, if you're under 65 but you're drawing Social Security disability benefits for at least 24 months, you also will be automatically enrolled.

If you're not drawing any Social Security benefits at age 65 then, again, the same process as Part A. You need to sign up for Medicare Part B through the Social Security Administration in person, by phone, or online. You have the same seven month window. If you have the three months before you turn 65, and if you sign up anytime in those three months before you turn 65 you will get a start date of the first of the month that you're turning 65. If you wait until the month that you turn 65, your start date for Part A will still be the first of the month that you turn 65, but your Part B start date will be the first of the following month.

So, for example if you're turning 65 in August and you wait until the month of August to sign up for Medicare A and B, your Medicare A will still start on August 1st, but your Part B will not start until September 1st.

Likewise, if you wait until the three months after your 65th birthday your Part - your A will still start on the first of the month that you turn 65, but that Part B is going to be delayed for anywhere between two and three months and it gets kind of complicated, so I'm not going to get into that too much. You can contact us for information on that.

But, just know if it's important to you to get your A and B starting when you turn 65 you do not want to delay signing up because the Part B start date

will be delayed anywhere between two and three months depending on how long you wait.

In addition to your initial enrollment period there are also some other times when you can sign up for Medicare. Every year between January 1st and March 31 there is an annual general enrollment period for people who did not take Medicare when they turned 65 and did not have any other coverage through work, so they don't have any other special circumstances that allow them to sign up whenever they want. So, for people in that category they have to wait until January, February, or March of whatever year they're in and they can sign up for Medicare. Their Part A - or their Part B, however, will not start until July 1st.

So, if you didn't take Medicare at age 65 and you just haven't had any other insurance and now you're 68 and you want to sign up for it you'd have to wait until January, February, or March to sign up and then the Part B would not start until the following July 1st, and then those folks also would have a late enrollment penalty. I'm sure I'm going to get into this in a future slide, but if you don't take Medicare Part B when you turn 65 and you did not have any other creditable coverage, and I'll explain what that is in a minute, you're stuck with this general enrollment period and you're stuck not getting that Part B to start for you until the following July 1st which means you could have a lapse in coverage. You might need it right now, but you can't get it right now.

And then, secondly, you may very likely have a late enrollment penalty assessed which means that they'll make you pay 10 percent higher premium every single month for every year that you didn't have Medicare Part B that you were supposed to. The current premium is about 145 dollars a month. If

they assess you a 10 percent late enrollment penalty, you're not paying 145 bucks a month you're paying about 156 bucks a month every month for the rest of your life.

Some people do have what's called a special enrollment period. If you're turning 65, but either you or your spouse is actively working and carrying the insurance you do have the right to sign up for Part A only and defer taking Part B.

Creditable coverage for Medicare is insurance that Medicare considers as good or better than Medicare. The only thing that Medicare considers creditable coverage is insurance through active employment of you or your spouse and that active employment is for an employer that employs at least 20 or more employees. It can't be a small Company. It can't be self-employment. It has to be a large group employer and you have to verify with that employer's personnel or HR department that the insurance that they're providing to you is considered creditable for Medicare. But, if it is, you can defer taking Part B until you're ready to stop working.

You can sign up for Part B at any time while you're working or up to eight months after you stop working, and you can pick your start date for Part B.

So, again, just kind of reiterating for people turning 65 creditable coverage is health insurance that is provided by a large group employer of 20 employees or more that is earned by you or your spouse through active employment. Retirement coverage does not count. Cobra does not count. Marketplace does not count. It is only active employment of an employer of 20 employees or more and please verify with your personal department that your insurance is considered creditable.

For people under age 65 who are disabled, it's a little bit stricter and, generally, they have to be employed or their spouse has to be employed by a large group employer of 100 employees or more. So, again, please verify with your company. You don't want to not take Part B thinking that you have creditable coverage and then find out later that it wasn't. Again, what is not considered creditable is:

- Veterans. Veterans is not considered creditable.
- Marketplace
- Cobra
- retirement coverage
- federal retirement insurance programs.

None of those - Some of those are great insurance programs, but they're not considered creditable coverage for Part B. If you delay taking Part B thinking that you have creditable coverage and then find out that you do not you will have a premium penalty of 10 percent more for life for each year that you were eligible for Part B but did not enroll.

Costs

Medicare Part B monthly premium is \$144.60 for the year 2020. Those rates can change. If you have a higher income you could pay more than that, but most people pay \$144.60 a month.

If you're drawing Social Security they're going to take those premiums right out of your social security check and you're going to continue to receive the remainder of your Social Security minus that premium. If you're not

receiving Social Security yet, but you do take Medicare, they are going to send you a bill for that premium and the billing is done quarterly.

They will send you a bill for three months worth of that premium at a time and the first bill that they send you when you first sign up for Medicare is sometimes even higher than that because it depends on when you're signing up within their billing cycle. And, again, Social Security can take some time to get things processed, so you might sign up for Part B and have it for a month or two and not receive a bill. And, when you do receive the bill Social Security is going to send you a bill for the past two months and then the next three months, so you might get a bill for three months, four months, or five months that first bill that you receive.

After that they will send you a bill quarterly or they will send you information on how you can set up an auto-withdrawal from a checking or savings account on a monthly basis if you want to do it that way. And then once you do begin receiving your Social Security retirement benefits then they'll start taking the premium right out of that.

The Medicare Part B Is your medical insurance. So, remember I said Part A is hospital? That only works as an inpatient. This is your medical outpatient health insurance.

It has a \$198 dollar per year deductible and then after you meet the deductible, it pays 80% of your medical bills, and the other 20% is your responsibility, and there is no cap to that. IRMAA is Income Related Monthly Adjustment Amount. This just means that if you have a higher income that your premium for Part B may be higher. They base this on your income from your taxes from two years prior and then they review it every single year,

and if it changes they'll lower or raise your premiums depending on on what your income was.

There is a Medicare Costs at a Glance handout that we usually give you, but you can find that information on Social Security's website also.

Coverage

Medicare Part B covers medically necessary outpatient services including:

- doctors visits, specialist visits
- lab work, x-rays
- ambulance rides, emergency room, urgent care
- outpatient hospitalization.

So, if you're kept on observation status or you have an outpatient day surgery or procedure where you're not admitted overnight as an inpatient, that's all under your Part B - any outpatient therapies.

Part B medications include things like chemotherapy or kidney dialysis where you have to go and have the medicine or drug administered to you there, and then there are some preventive services that Medicare Part B covers where you do not have to worry about the deductible or the 20% copay.

And, again, there is a Guide to Medicare's Preventive Services brochure that you can locate. I would say we probably have them at the ADRC office. I know that they are found on [medicare.gov](https://www.medicare.gov) also.

When you first start your Medicare, it includes a Welcome to Medicare Visit for the first time, and then every year after that it includes a yearly wellness

visit. When you're scheduling these appointments it's very important to use that terminology when scheduling the appointments, because if you call and say I'm calling to schedule my annual physical or I'm calling to schedule an exam, that is not a Welcome to Medicare Visit and that is not a yearly wellness visit. The Welcome to Medicare and the yearly Wellness Visits are very short, brief contacts with your doctor where they kind of go through a checklist with you.

If you during those visits say, you know "I've been feeling dizzy." and he says "Well, let's check you for vertigo." or "Let's do some blood work and make sure you're doing okay." that gets flipped over into a regular office visit, and it will be subject to the deductible in the copay. So, it's very important to when you're scheduling those visits say I'm calling to schedule my Yearly Wellness Exam or my Yearly Wellness Visit under Medicare. so that they know what to schedule you for to make sure that you don't have to worry about that deductible and 20 copay.

Services NOT included by your Medicare:

- vision
- dental
- hearing aids
- long-term care needs
- cosmetic procedures
- acupuncture
- routine foot care
- prescription drug coverage

It does not provide any health care outside of the United States. So if you're traveling anywhere in the country Medicare is a federal insurance. It's going to work anywhere inside the United States, but it will not work outside the United States at all.

It does not include routine foot care. Basically, anything that's not considered medically necessary Medicare is not going to cover it. It also does not include prescription drug coverage.

Final Thoughts

So, original Medicare is health insurance administered by the Center for Medicare and Medicaid Services or CMS. For those of you that are already drawing Social Security retirement benefits, remember I said that they're just going to automatically enroll you into Medicare and then mail you your card. Watch in the mail for anything from CMS. That will be your Medicare card. I know that people turning 65 are being inundated with a lot of junk mail, and so sometimes they just start throwing stuff in the garbage. If you get anything that says SSA that stands for Social Security Administration. Anything from CMS stands for Center for Medicare Services. Don't throw that stuff out that's important. Again Medicare pays a big part of your health insurance expenses, but it doesn't pay for all of them. So, next we're going to look at your additional options to go along with your Medicare.

Additional Health Coverage Options

Introduction

So, before we start looking at prescription drug options the first thing that we kind of look at is: Do you want anything to go along with your Original

Medicare A and B health insurance? And you have two routes that you can go.

The first option is that you can add on what's called a Medicare Supplement or those are sometimes called Medigap policies. The second option is that you can add on a Medicare Advantage plan, which are sometimes referred to as Medicare Part C.

Medicare Supplements

So, we will start by looking at the Medicare Supplements.

A supplement, true to its name, is going to supplement your Medicare. Your original Medicare is going to pay first. Your Medicare Supplement is going to pay second and you're going to have very comprehensive health insurance coverage. Medicare Supplements are sometimes called Medigap policies because they fill in that 20 percent gap that's left over by Medicare Part B.

If you want to buy a Medicare Supplement, the very best time to do so is within six months of your Part B starting because you have what's called six months of guaranteed issue. Guaranteed Issue means that you are guaranteed to be issued any supplement that you want, no questions asked. You do not have to answer health questions. You do not have to worry about pre-existing conditions. You can go to an insurance agent and you can buy any supplement that you want and they cannot ask you any health questions. However, once that six month window closes, if you then want to purchase a supplement your Guaranteed Issue window has closed, and, at that time, you would be subject to health underwriting. They can ask you health questions. They can deny selling you a policy. They can exclude pre-existing conditions, or they can charge you more money for a

supplement if you do have pre-existing conditions. So, if your health history is not the greatest and you do want to have comprehensive coverage the best time to buy a supplement is right away when your Part B is starting so that you don't have to worry about that in the future.

Once you sign up for a Medicare Supplement, it's guaranteed renewable for life. As long as you pay your premium It's the safest most comprehensive option. If you buy a supplement sold in the state of Wisconsin they are all monitored by the Office of Commissioner of Insurance or OCI and they are all standardized. These plans that are sold in Wisconsin are going to follow you wherever you go, so if you are a snowbird and you want to live down south part of the year, or if you want to travel a lot throughout the country, or if you plan to move maybe to a different state then the traditional supplement sold in the state of Wisconsin is going to follow you wherever you go.

As long as you go somewhere and Medicare is paying first then your traditional supplement that you buy in Wisconsin is going to always pay second. It's not going to matter if you go to the Dean network of providers, or the UW network of providers, or if you move to Alaska. It will follow you there. OCI mandates that all of these supplements are going to provide you with the same basic coverages and the same options to add on. Medicare Supplements are sold by insurance agents. So, all insurance agents doing business in Wisconsin are licensed by OCI and, and they're all - all the supplements are mandated to provide you with the same basic stuff.

So, if you see an agent and you have a concern you can always contact OCI to file a complaint or to check on an agent's license. Most of the agents, I think, do believe that their product is the best or they wouldn't be selling it,

but if you ever feel pressured certainly you don't have to purchase a supplement from that particular agent. You can feel safe in knowing that all of the Wisconsin supplements are going to do just fine for you, so you can feel free to purchase one from whichever agent you feel comfortable with.

Traditional supplements are always going to pick up the other 20% left over by Medicare Part B. They're going to include all of the OCI mandated benefits. OCI has a list of benefits that they mandate that every single supplement sold in Wisconsin has to provide to you and any supplement that you buy is going to provide that. You can see any provider who accepts Medicare first. Your traditional supplement is going to pay second and it's always going to pick up that 20 percent.

You can add on some optional riders if you are okay with your premium being a little bit higher. So, if you want your supplement to pick up that Part A deductible when you go into the hospital, you don't want that bill for \$1,408, then you can add on a Part A deductible rider onto your supplement, and your supplement will cover that for you. Or, you can ask your supplement to pay 50%, so, if you go into the hospital your supplement will pay about \$700 and you'll pay the other \$700. For folks whose Medicare started - at least their Medicare Part A started prior to January 1 of 2020 - they can also purchase a Part B deductible rider to cover that \$198 per year Part B medical deductible. If your Medicare is starting after January 1st 2020 this is no longer an option for you to purchase.

There's a rider called Part B Excess Charges which means if you happen to go to a provider that does not like the Medicare assigned rate and they want to charge you more money than Medicare feels the service is worth, they have the right to charge you what's called excess charges of up to 15%

more. So, what that means is if you happen to go to the doctor - Let's say you go to the Prairie Clinic and you have an appointment and the Prairie Clinic bills it to Medicare, and Medicare says okay that appointment's worth a hundred dollars, so Medicare is going to pay 80 percent of that, which is 80 dollars. Your supplement would pick up the other 20 dollars. You're not going to have a bill.

But, let's say you have that same appointment at the Mayo Clinic. Mayo Clinic reserves the right to charge excess charges. So, Medicare is going to say well we still feel it's only worth a hundred dollars, so we're gonna pay eighty percent which is eighty dollars. Your traditional supplement is going to come in next and pay the other 20, and then the Mayo Clinic is going to have that extra 15% or \$15 hanging out there because they reserve the right to charge more which would be your responsibility unless you have this Part B Excess Charges rider on your supplement. If you have that rider, then the supplement will also pick up that 15 percent extra charge that the Mayo Clinic is charging you.

Most of the providers in this area do accept Medicare assignment. The Mayo Clinic is the only one in this area that we are aware of that does not. But, we do see this a little bit more at places that sell durable medical equipment where they require you to pay in full for your durable medical equipment, and then they will bill Medicare, and then they will refund you the money that Medicare pays minus the excess charges. So, if you don't want to worry about any of that you can just tell your insurance agent to add on that excess charges rider, so it's taken care of.

Supplements will also provide you with some emergency medical coverage if you wish to travel outside of the United States. Remember I said Medicare is

a federal insurance? It's going to work anywhere within the United States with no problem. Your Medicare Supplement, if purchased in Wisconsin, your traditional Medicare Supplement, will also follow you wherever in the United States that you go. But, if you go outside of the country and have an emergency, Medicare isn't going to work. If you add on the Emergency Foreign Travel Coverage rider onto your supplement your supplement will provide you with some medical emergency coverage outside of the country.

Your supplement also gives you the option to add on some extra home health care. Medicare and your supplement already provide you with some home health care if you need that upon your release home from the hospital or the nursing home. This is just an extra home health care benefit for continued services if needed. Most of the supplements are going to be - I would say an average price range for a supplement is probably going to be around 140 bucks a month for someone age 65. They can be less. They can be more.

There are ways to keep your premiums a little bit lower. Most of them are going to be what are called Attained Age, which means the cheapest they're ever going to be is at age 65 and then at age 70, 75, 80, and 85 they're gonna bump up their premiums just because you're getting older. There are some that are called Issue Age where the premiums will not go up every five years because of your age, but they still can increase for inflation and other reasons.

Cost sharing means you're willing to pay a 25% or 50% co-pay in order to keep your monthly premium down. And then high-deductible, same thing if you're willing to pay some sort of a deductible then some of the insurance agents can sell you a plan that is going to have a lower premium.

Historically, there have been things called Select Supplements which work like HMO's. I'm going to skip over that because they're not sold anymore in Wisconsin, so it's not an option for you.

Medicare Advantage - Part C

Costs

So, if you had chosen to go with the Medicare Supplement again, Medicare pays first, Supplement pays second. You have 100% coverage. You can go to any doctor you want. If you say "Well, I live in Baraboo and I [*go to a*] doctor in Baraboo, I don't travel, and I don't want to spend 140 dollars a month on a supplement", some people choose a Medicare Advantage Plan. Medicare Advantage Plans are sometimes called Part C.

They do not work like supplements at all. A Supplement pays second to Medicare. So, if you have a Supplement you go to the doctor you show them your Medicare card. It pays first. You show your Supplement card. It pays second. If you choose to instead sign up for a Medicare Advantage Plan, Medicare Advantage plans do not pay second to your Medicare. They pay *instead* of your Medicare.

So, you still have to remain enrolled in Medicare A and B. You still have to pay that Part B premium. But, think of it like taking your Medicare Card and you're going to put it away on a shelf at home in a safe place because you need to have it. You need to be enrolled in it. You need to pay for it, but you're not going to be allowed to use it. If you choose to sign up for an Advantage Plan then the Advantage Plan steps in front of that Medicare and it becomes your *only* health insurance. It becomes your health insurance and your drug coverage, usually all-in-one.

Most advantage plans include your drug coverage right in them. Medicare contracts with these Advantage Plans to take over providing you with your health insurance. So, they replace your Medicare. They do NOT pay in addition to it. They pay instead of it.

They are not guaranteed renewable for life. They can end each year. Every year there's an annual open enrollment where you can get in or out of these Advantage Plans. They are monitored by Medicare, so they have to pay at least as good as Original Medicare would have. Original Medicare Part B is pretty much 80/20. It pays 80% you pay 20%. An Advantage Plan can't pay worse than that, but they are not monitored by OCI, so they're not required to provide you with any of those OCI mandated benefits.

Most Advantage Plans have lower premiums than supplements. I say most because there are some Advantage Plans that are 200 to 250 dollars a month. Almost all of them are going to have co-pays, deductibles, co-insurance of some sort. Those 200 to 250 dollar range have much fewer copays and deductibles, but they still have them. You have to buy an Advantage Plan that is sold in your county and you have to see providers that accept your plan.

Coverage

There are Advantage Plans that are HMO's where they say you absolutely have to see our providers network or we will give you zero percent coverage if you go out of network. There are some plans that are called PPO's where they say we have a provider network that we want you to use, but we'll let you go out of network if you want to, but there's usually strings attached to that which include if you go out of network we're going to have a higher co-pay or we're not going to pay as well. Not always but most of the time.

There's some Advantage Plans that say that they are private fee for service and they say we don't have a network of providers that you can go anywhere you want, which is technically true. They don't have a network of providers, but you still can't necessarily go everywhere anywhere you want because you have to double check and make sure that whatever provider you want to go to is willing to accept that insurance. So, just because the Advantage Plan says you can go wherever you want doesn't mean that the Doctor Smith down the road is willing to accept that insurance. You still have to make sure that he's willing to take it.

You must see providers who accept the plan. If you go to a provider that does not accept your Advantage Plan then you're gonna get a bill for the full amount of the service. Because, you remember, you've replaced that Medicare Card with your Advantage Plan now, so you don't have that Medicare card to fall back on. Most Advantage Plans are going to include drug coverage and they will offer you some perks like:

- some vision
- some dental
- some hearing aid benefit
- maybe some free over-the-counter medicines.

The amount the amount of perks that you get is generally directly related to the premium that you pay, so Advantage Plans can be as low as zero dollars per month which sounds great, but for a zero dollar a month plan you're not going to get a lot of those perks, and you're going to have a lot of medical copays, and co-insurance, and deductibles, and medical bills.

An Advantage Plan that has, you know, a premium of 200 or 250 dollars a month is probably going to come with a lot more of those perks and a lot fewer medical co-pays, and deductibles, and co-insurance when you go to use the insurance, so it's usually a pretty direct correlation there.

Medicare Advantage plans do not ask you any health questions, other than - if you have had or if you currently have end-stage renal disease, which is kidney disease. If you have end-stage renal disease you are not eligible to purchase an Advantage Plan. If you develop end-stage renal disease while you're enrolled into an Advantage Plan they will not kick you out, but if you already have that they're not going to sell you a policy. Other than that they don't ask any health questions so you can get in or out of them every single year during that annual open enrollment.

And, they do have annual caps on your out-of-pocket costs, so what that means is if they charge you copays every time you go to the doctor, they're going to keep track of those copays and the co-insurance that you've paid, and if you need a certain cap per year they will cover you in full for the rest of the year. So, for example, if you're if your two hundred and forty dollar a month Advantage Plan has an annual cap of \$400 that means that you will pay no more than \$400 in copays or coinsurance per year. If your zero dollar per month plan has a cap of \$6,700 that means you're going to be paying copays and coinsurance until you meet that \$6,700 cap per year, and then next year it starts over.

Enrollment

Medicare Advantage Plans have that initial enrollment window at age 65 the same as Medicare Part A and B, so it's the three months before you turn 65, the month you turn 65, and then the three months after. You have that

seven month window to sign up for an advantage plan at age 65 if you wish to do so.

After that you have an annual open enrollment every single year between October 15th and December 7th where you can get in or out of them. Anyone on Medicare is eligible to do that. Additionally, every January 1st through March 31st there's a second open enrollment period for people who are currently in an Advantage Plan if they did not take care of it during the fall.

People who are currently enrolled in a Medicare Advantage Plan have a second opportunity to drop their plan or switch into a different Advantage Plan. That second open enrollment from January 1 through March 31 is not open to everyone. It's only open to people who are currently enrolled in a Medicare Advantage Plan.

And then again, there's always special enrollment periods based upon different scenarios. So if you are ever feeling stuck you can always call us. We can always see if we can find a special enrollment. No guarantee. But, we can always see what we can figure out.

I kind of already touched on this - there's PPO's, HMO's, and private fee for services and I kind of already explained those to you.

In 2020, there are 29 different Advantage Plans offered in Sauk County by five different companies. The premiums range from zero dollars a month to \$241. There are deductibles and copays ranging from zero dollars up to 20% depending on which plan - how high of a premium you have.

Most of them include drug coverage - not all of them - but most of them include drug coverage right in them. So, if after hearing the difference between Supplements and Advantage Plans, you're leaning towards. "Oh, I think I want to go with a supplement.". Remember, Medicare does not include prescription drugs. A Supplement is only going to pay second to whatever Medicare pays, so a Supplement is not going to include drugs either. If you're going to go with Medicare plus a Supplement, you also have to add on some sort of prescription drug coverage.

Prescription Drug Coverage

Creditable Coverage

For people who are on Medicare, you have a few options. You can sign up for a Medicare Part D prescription drug plan or you can have creditable coverage from another source. Creditable drug coverage for Medicare purposes does not necessarily need to be from active employment. Remember we said creditable health insurance for Medicare Part B does have to be through active employment. That's the only thing that's considered creditable for Part B (as in boy), but for Part D (as in drug), you can have creditable coverage from another source such as:

- Veterans
- Meds by Mail program is creditable
- employer coverage
- retirement coverage
- Cobra
- coverage from a spouse is insurance
- State of Wisconsin Senior Care is another option in the state of Wisconsin and I will explain that to you

Creditable coverage for Part D (as in drug) can be from various places other than active employment, but again, just verify that it is considered creditable.

Senior Care

State of Wisconsin Senior Care is a state of Wisconsin drug plan. It's called a State Pharmaceutical Assistance Program. You have to be a resident of the state of Wisconsin and you have to be at least 65 years old to enroll.

State of Wisconsin Senior Care does not charge a monthly premium. It charges a yearly thirty dollar enrollment fee. Your gross yearly income determines if you have a deductible under Senior Care or not. If you are single it goes by your single gross annual income. If you are married it goes by your combined gross annual income regardless of whether you both are signing up for Senior Care or only one of you is. It's accepted at most Wisconsin pharmacies. You can sign up for it at any time of the year. You don't have to worry about "Do I have a special enrollment?", "Is it annual open enrollment?", "Am I in my initial enrollment?". You can sign up for Senior Care anytime you want as long as you're 65 or older. It is the lowest cost option for those with no medications.

Medicare says you have to have some sort of insurance to cover your prescription drugs. Sometimes people say "Well, I don't take any prescription drug, so, why should I pay for a Medicare drug plan when I don't take any meds?". Sign up for State of Wisconsin Senior Care. It's the cheapest something that you can have to satisfy the requirement that says you have to have something. It's 30 bucks for the whole year and it meets the requirement. And what that's going to do is it's going to prevent you

from having a late enrollment penalty, later, if and when you do need to sign up for a Medicare drug plan. So, you don't you don't want to do nothing because if you do nothing, and then five years down the road you want one of those Medicare drug plans, they're gonna charge you a higher premium every single month because you didn't have something. This is the cheapest something you can have.

Medicare Part D

Enrollment

If you do take meds and you need a Medicare drug plan, again, it has the exact same initial enrollment period as Medicare A and B and C, those Advantage Plans. D (*as in drug*) has the exact same initial enrollment period. It's the three months before you turn 65, the month you turn 65, and the three months after you turn 65.

If you don't sign up for a Medicare Part D drug plan during your IEP then you have the annual open enrollment of October 15 through December 7th every single year to get in or out of those drug plans. You can drop it. You can switch it. You can sign up for something different. You can enroll if you never enrolled before and then your coverage will start January 1 of the next year.

If you sign up for a Medicare drug plan and you're really happy with it this year, and everything's going great, and you think "Uh, I'm just gonna stick with it.", please check it every single fall. The Medicare drug plans work on an annual contractual basis with Medicare which means that every single year these plans can change. They can raise their premiums, raise their deductibles. They can choose to no longer cover your meds. They can choose to no longer work at your pharmacy.

A new plan might come out that is going to save you some money. Your medications could have changed in over the course of a year and you might get put on something - you might be on something different that maybe a different plan would cover better for you. So, even if you think "This plan's been fine for me." please double check it every fall because lots of times if you switch plans and get a new plan for next year you're gonna save some money. And if you don't know how to check that or don't feel comfortable checking that, call the ADRC. We will do that for you every single year.

Again, there's always the possibility that a special enrollment period might be available. We would just need to meet with you and or talk to you about that and see what we could figure out.

Cost

For 2020 there are 30 different drug plans to choose from. They range in premium price from \$13 a month up to \$124 a month. They can have a deductible of anywhere from zero to \$435 per year. And, all of them are going to have copays that you pay at the pharmacy when you pick up your meds and that's going to just vary depending on: is your medication a generic, are you using this at a preferred pharmacy, does the drug plan have some special deal.

We can always run that plan finder for you. www.medicare.gov is Medicare's website where we can sit down with you, enter your medications, enter the pharmacy that you like to use, and help you find the plan that's going to work best for you. Some people come in and say "Well, just sign me up for that 13 month plan because it's got the cheapest premium or the lowest premium.". It's not going to save you any money if it's not going to work at

the pharmacy that you want to use and if it's not going to cover your medications for you at the lowest cost. So, please, please, please run the plan finder into your meds.

Don't just look at the premium. Don't let a plan with a \$435 deductible scare you away because lots of times it's not going to affect you at all. If it's confusing to you, call us at the ADRC. We will help you review this and look at your options. You need to look at your costs overall for the whole year when you add up the premium, any deductible, any copays, and find the plan that's going to save you the most money.

Again, all of the plans can have a deductible. Many of them do. Lots of them will waive that deductible for you if you use their preferred pharmacy or if all of your meds are tier one generics, so, don't let the deductible necessarily scare you away. Then they're all going to bump you into an initial period of coverage where you're going to have some sort of copay. The donut hole kind of scares people. That's where your copays can go up. Again, if you have a few generic meds, that's not going to affect you a whole lot, if at all. The donut hole really kind of affects people that have insulins, inhalers, tier three, four, five - tier three or four name brand, or tier five specialty medications. Those are gonna be the really pricey meds. That's where that donut hole is gonna - you're gonna feel that a lot.

And, then some people end up in the catastrophic coverage phase where your copays go way down again at the end of the year. It really depends on your medications that you take. So again, just contact us. We will help you go through all of this. We will sit down with you and show you your data and help you pick the best plan.

Coverage

Medicare Part D plans cover prescribed medications that are on their formulary. Not all medications are covered by all plans. A good example is: if you are prescribed the ProAir inhaler, your plan may not cover that ProAir inhaler, but they will cover maybe the Ventolin inhaler or the Advair inhaler. So, if you really need that ProAir you want to pick a plan that's going to cover that ProAir. If you can handle any inhaler, it doesn't have to be the ProAir, then you know maybe your plan would be okay, a different plan would be okay for you.

They will only cover medications that are being prescribed for the medically prescribed use. So, if you're being prescribed an antidepressant to help you stop smoking, but it's not approved to stop smoking - it's only approved as an antidepressant - a drug plan isn't going to cover that. You have to be being prescribed the medication for the prescribed use. Part D will cover insulin needles and syringes for the administration of insulin and medications that are approved by the FDA.

If you want to try a drug, that's not FDA approved Medicare Part D will not cover that. Part D will not cover over-the-counter meds, non-prescription meds, vitamins, mineral supplements, drugs for non-medically necessary purposes not approved by FDA, or for your need and not on your plan's formulary.

That being said, if you sign up for a drug plan and then after you're on this drug plan your doctor prescribes you a medicine that your drug plan doesn't cover - again just know that sometimes things can work out - you can ask your doctor to request an exception to the drug plan to cover it for you for

the rest of the year until we can look at a different plan for you for next year. Sometimes, like I said, with the inhaler maybe your plan doesn't cover this brand of inhaler, but your doctor can prescribe you a different brand, sometimes doctors have programs where you can get samples or help with meds in another way.

And sometimes we can find a special enrollment to get you out of your drug plan and into something else throughout the year. It just kind of depends. So, don't, don't just sit there and not get your medication because your drug plan says they're not going to cover it. Talk to your doctor or call the ADRC and we can see if we can try to help you.

Where to go for help with a Medicare Part D drug plan? Again www.medicare.gov is Medicare's website. Do not go to Medicare.com or org. You will get connected to people trying to sell you something or get redirected somewhere else dot gov is Medicare's legitimate website. You can also call Medicare or the State of Wisconsin has a helpline called the Medigap Prescription Drug Helpline.

But, the easiest way is probably - unless you're really good with computers - the easiest way is to just call us at the ADRC. Again, I cover Baraboo, Merrimac, Sauk City, Prairie du Sac, and North Freedom. And Mindy covers Reedsburg, Spring Green, Rock Springs, Plain, Lake Delton, Wisconsin Dells, and some of those outlying. I know I'm missing some communities, but there are some other outlying communities out there. But, you can always just call the ADRC regular number and the receptionist will get you connected with an intake worker, and they will connect you with the right person if you don't remember all this.

If this is overwhelming as far as the prices are going, there are programs that can help people pay for either their Medicare Part B premium, that \$145 a month, and/or their Medicare Part D (*for drug*) premium. They can get rid of those Part D deductibles. They can get you really low co-pays at the pharmacy for your medications and some of the programs even get you the Medicaid Card that can serve as a supplement to your Medicare, so you don't have to pay for a supplement you can just have Medicare plus the Medicaid.

And those are all free programs if you're eligible based on your income and your assets. So again, this is just kind of a list of those programs. There's QMB, Slim B, Slim B Plus. There's other - a few other programs too. You can apply for those programs through the Capital Consortium which is - I'll give you the number at the end of the slide program. But, on the fourth floor of the West Square Building, we do have Economic Support intake workers who can help you do those applications.

But, again, the easiest way is probably to contact the ADRC and ask for either Mindy or me, and we'd be happy to screen you for those programs. And, if we think you might be eligible we can certainly help you apply for those programs as well. Even if you're not eligible for those programs, the Social Security Administration also has their own program called Extra Help, and it specifically helps just with your drug medication costs. So, again you can apply for that program through the Social Security Administration. But, the easiest way again is just contact the ADRC and ask for Mindy or me and we can screen you for that program. And, if we think you might be eligible we can certainly help you apply for it.

Closing

Words of Caution

Just some final words of caution:

Always review your quarterly Medicare summary notice. Once you're on Medicare, Medicare sends you a statement or an explanation of benefits every three months that outlines where you've been seen, what services you've received, what Medicare paid, what was left over, what you might be billed if you didn't have a supplement. It's important to review those because if you see anything on there that doesn't look right - you know - if you get that Medicare summary and it says you saw Dr. X in July of 2019 and you didn't see a Dr X in July of 2019, then that might be the case that somebody's got your Medicare number and they're trying to bill your Medicare for things that you haven't been receiving.

It's important to not ever give out your Medicare number except to your doctor or a confirmed Medicare provider. Lots of times people say "Oh, I saw this commercial on TV for a free back brace!" Those are people trying to get your Medicare number so that they can bill your Medicare card for services that you don't receive. Or, they have these braces that you get in the mail and they're not gonna - they're not in good quality or they're not right.

If you need a brace or some sort of durable medical equipment. Talk to your doctor. He or she can write you a prescription and you can go to a reputable durable medical equipment provider and get it covered.

I caution people - Medicare doesn't ever call you or visit you or try to sell you anything. Social Security does not call you, unless under certain circumstances. If we do an application and I tell you Social Security might give you a follow-up phone call because we contacted them first, very rarely. But, Social Security will never call you out of the blue and say your benefits are going to be ending unless you do something.

Be very wary of any offers for free medical services or products. Treat your Medicare card and your Social Security number like a credit card. If you suspect after looking at your explanation of benefits that there has been some Medicare fraud or abuse, call that provider to let them know. Gather as much information and documentation as you can, and you can also contact the Wisconsin Senior Medicare Patrol at (888) 818-2611 for free and confidential help to report your concerns.

Final Reminders

Some final reminders and I'm hoping we're not running out of time here.

You sign up for Social Security retirement between the ages of 62 and 70, but don't sign up, any earlier than three months before you want your benefits to start. You sign up for Medicare A and B at age 65 during your seven month initial enrollment period - the three months before your birthday month, the month you turn 65, the three months after.

Medicare Supplements are sold by insurance agents and you have six months of Guaranteed Issue from the start date of your part B to buy any supplement that you want, no questions asked. You can contact your insurance agent that you purchase your auto or your home insurance through and work with them, or you can contact the ADRC. We do have an

Insurance Agent Resource Guide of some agents in Sauk county that do sell Medicare Supplements.

Advantage Plans, also known as Part C, and prescription drug plans known as Part D have the same initial enrollment period as Medicare A and B, so the three months before you turn 65, the month you turn 65, and the three months after. After that you're kind of stuck waiting for the annual open enrollment if you want to sign up for an Advantage Plan or a drug plan. The annual open enrollment is October 15th through December 7th and that's your time to sign up for a plan if you did not do so at age 65. And, that's also your time every single year to check the plan that you do have to make sure it's going to be good for you for next year. And, if it is great, you just stay in it. if it's not then you might want to switch and, again, we can review that for you.

If you're enrolled in the Medicare Advantage plan, you have a second opportunity to switch that plan or drop that plan every January, February, and March. And again, if none of those apply to you and you're feeling stuck see us because sometimes other special enrollment windows may apply. So, if you've had other work coverage or something else and that's ending you may very likely have a special enrollment period to sign up for one of these things at that time.

Contact Info

Some final - just information contact numbers:

- the ADRC office in Baraboo, our phone number is (608) 355-3289
- Social Security office in Portage (888) 875-1681 or you can go on their website [ssa.gov](https://www.ssa.gov).

- If you're a veteran or the spouse of a veteran, please contact our Sauk County Veterans Services Office at 355-3260 to see what services or programs you may be eligible for.
- Medicare - 1 (800) Medicare. You can call if you have questions.
- State of Wisconsin Medigap Helpline for help with prescription drug insurance is 1 (800) 242-1060.
- Medicare again is 1 (800) Medicare or [medicare.gov](https://www.medicare.gov).
- The Office of Commissioner of Insurance, or OCI, can be reached at (800) 236-8517 or oci.wi.gov.
- The Senior Medicare Patrol (888) 818-2611.
- The Capital Consortium where you can call to apply for those Medicare Savings or Medicaid Programs is (888) 794-5556.

But, again, if you just want to call us at the ADRC we are more than able and willing to help you with any of these programs. So, if you do not feel comfortable calling on your own to those places, please just feel free to contact the ADRC.

So, that's all I have for you today. If you have any questions or concerns, or would be interested in a follow-up appointment you can contact our office again, our ADRC office number is (608) 355-3289, or we do have a toll-free number of 1 (800) 482-3710 And you can give us a call anytime.

Thank you.