

Episode #14: The ABC's of  
Medicare with Amy Kokoles  
Show Notes

1:35 Important time of the year open Enrollment October 15 thru December 7

1:48 Do you want to take Medicare at 65 or keep working and keep your employer plan?

1:58 Medicare Part A and B - A is hospitalization B is Doctors

2:03 Sign up 1 of 3 ways - Call Social Security, [ssa.gov](https://ssa.gov) or go to the office (Covid dependent)

2:18 Takes about 6 weeks or so

2:29 If you decide you are definitely going on to Medicare you have a 7 month window to do that

2:34 3 months before your 65 the month of your 65 and 3 months after your 65th birthday

2:55 Call Ship - State Health Insurance Program <https://www.shiptacenter.org/> - Nationwide - medicare counselors will advise you -

3:09 they have nothing to gain in steering you from one plan to another

3:15 not allowed to steer, only provide information to help you decide what is the best plan for you

3:33 the way Medicare is delivered - once you enroll in part A and part B and even before

3:51 Important to do this before you sign up

3:57 Find out what your comfort level is for payment and plans

4:02 Screen you financially to see if you qualify for any extra help from the Government

4:23 - Hospital A Doctors B

4:31 - Delivered in one of two ways - 1st way is the Red white and blue card - take to doctors or hospitals and 80% is covered

4:38 - Monthly \$144.60 premium when you sign up for Plan B - high income may be more low income may be less and there may be programs to help you pay for that

4:55 If you decide you want the Red White and Blue Card you also need to purchase a stand alone monthly drug plan - Have to

5:07 Or you are penalized 1% every month you should have had a drug plan

5:28 There are relatively inexpensive plans that you can purchase because you have to have it

5:56 Original medicare A & B standalone drug plan (C)

6:04 Medicare Advantage plan still is Medicare just Medicare delivered in a different way

6:11 HMO PPO could or could not be prescription drug plan

6:39 Drug coverage regulation is has to be as good or better than what Medicare could offer you and then you wouldn't have to pay the 1% penalty

6:55 It's called credible drug coverage

7:03 Medicare Advantage Plan - HMO or PPO - 1 card - 1 insurance company

7:16 May or may not have a premium depending on state or county

7:29 Medicare Advantage plan may also offer benefits - fitness - vision - dental = hearing

7:43 Comfort level and money - Don't want to put money out for supplemental plan that covers that other 20%

8:03 Medicare Advantage also has co-pays with that

8:12 - Hospital has a co-pay per day as well - days 1-6/7 you pay the co-pay it maxes out then the next amount of days are free

8:36 Medicare is Medicare is Medicare - Doesn't matter if it's red white and blue plan or Medicare supplement plan it covers the exact same thing

8:53 Not "better" to have one plan vs another

9:00 Medicare covers 80% - what is the other 20% called

9:15 The 20% plan is called the gap plan - Medigap

9:29 Medigap plans go from A-N - some letters aren't accepting new members

9:48 You have to weigh out pros and cons for all of them

9:51 So you would have red white and blue Medicare and pick an A- N plan to go with that (A-N plan)

10:00 Or Medicare advantage and everything is in that

10:10 2 options traditional Medicare A B D(rugs)Red white and blue cared and Medigap and D is drug plan

10:25 I don't want that I can't afford that I don't want to deal with it - that's Medicare Advantage plan HMO PPO 1 card for doctor/hospital/drugs

10:38 Some might say the disadvantage of an advantage plan is that there are networks you have to stick to - your doctor has to be in network

10:47 Advantage plans - if you have a doctor and the doctor doesn't take what you have the Ship counselor will work with you to find you a plan that your doctor is in

11:44 What does medicare cover?

12:00 Days in hospital covered after day 6 medicare advantage covers it

12:39 Hospitalization coverage is free for most people - covers rooms, meals and nursing

12:52 Nursing care is covered at a skilled nursing facility

13:05 3 days in hospital then discharged to skilled nursing facility (SNF)

13:15 With Covid they did away with stay

13:30 Observation status - have to make sure you are actually admitted in the hospital not observed

13:42 Hospital is supposed to let you know and have you sign a form that you are being admitted and not observed

14:03 You can be under observation for days

14:13 If you were not admitted and sent to SNF you are responsible for the bill

14:28 They don't count the discharge day as one of the days either

14:49 How do you find out if you are admitted vs observed

15:00 As part of the process of exam and discussion ask about admission vs observation status

15:45 Carie handles medicare fraud <https://www.carie.org/resources/healthcare-fraud/>

15:52 Carie - Medicare Fraud - center for the advocacy of the elder  
Nationwide organization for Medicare fraud - SMP senior medicare patrol

16:32 Knee/back brace fraud schemes - someone calls offers you a brace - its junk - they billed Medicare for the brace and you have no brace and cannot acquire another one from Medicare for the next 12-24 months depending

17:03 Medicare fraud is a \$60-90 billion a year industry

17:15 Ambulance fraud is the biggest fraud

17:38 Medicare will not pay for ambulance calls because of fraud

18:04 SS and Medicare are not going to call you

18:15 They would send you a letter alerting you that's legitimate

18:42 Some instances where they cover home care - intermittent after a hospital visit - not to sit with someone

19:08 Lower income get screened and may qualify for Medicaid or waiver service

19:30 SHIP can look into all of Medicare, medicaid

19:42 The connections the counselors have can help

20:00 Ship is on the pulse of where to go for what and if we don't know we'll find out

20:39 They can show you the different plans - password protected website

20:47 Can tell you what the plans cost but cannot sell you an insurance plan

20:55 Check with your insurance companies to see what policies they are selling

21:16 Brokers are getting paid

21:21 The Joe Namath commercial - getting paid to advertise medicare helpline but it will be for an insurance company

22:05 Ship is best place to start - no one gets paid for their service - they look to deliver information to you so you can make the decision

22:27 Can enroll you in a drug plan or Medicare advantage plan online

22:37 [medicare.gov](https://www.medicare.gov) awesome resource

22:55 Ship can help you enroll yourself for Medicare Advantage or drug plan you don't need a broker you can go directly to the insurance company

23:13 Medigap plans (supplemental) need to be through a broker or an insurance agent

23:24 Ship nationwide Guam, Puerto Rico and the Virgin Islands

23:36 Ship is funded by a grant projects by the Federal Dept of Health and Human Services and the U.S. Administration of county living

23:48 Deferring medicare is there a benefit of not taking it at 65?

24:12 What about the people who don't want Medicare and are still working and Prefer their own Commercial insurance?

24:27 If you are not getting any type of Social Security (disability, etc) you are not automatically enrolled in medicare

24:38 So you HAVE to enroll yourself in Part A Medicare

24:40 Medicare is also going to want to enroll you in Part B

24:43 You're going to send back I don't want Part B I'm going to keep working and keep my employer coverage

24:50 As long as your employer coverage is credible and is AS GOOD or BETTER than Medicare you can keep that coverage

25:00 20 or more staff members for Part B but human resources would know as well

25:24 You let Medicare know

25:34 When you are getting ready to retire call Ship or talk to you HR dept look at plans

25:50 If you just don't sign up for Part B is a mistake because there is a penalty that comes with that of 10%

26:13 10% penalty for the rest of your life

26:21 Assessed for each year you did not sign up for Medicare Part B

26:28 Example - If you go for 3 years you are assessed a penalty of 30% of for the rest of your life what the premium would have been (30% of the \$144.60 a month)

27:03 You have to let Medicare know you're not taking it

27:23 At 65 at least take Part A which is free for most people

27:31 Medicare is going to send you the card, you send it back to them and say I don't want B -

27:36 When the time comes for you to get B now when you stop working - you will get a form from Medicare saying take this form to your employer so they can fill it out and say you did have coverage all these years

28:45 IF you want to change your plan it has to be between October 15 and December 7

28:58 You want to look over your plan for the next year - doctors may be leaving your area/network etc for Medicare Advantage plans

30:00 Guaranteed issuance period of 6 months when you're first eligible for Medicare - That's the ideal time you want to get a Medigap plan

31:10 If not in that 6 month window they don't have to take you

31:22 They want you in there at your healthiest, it's guaranteed they can't turn you down.

31:24 What is the appeal of Medigap vs Medicare Supplemental plan - personal preference - expense - co-pays etc

32:49 Don't want an HMO, want to be able to go anywhere I want to a provider who accepts Medicare assignment

33:20 Example G plan - \$198 a month but won't cover Part B deductible which is doctors

34:10 - If you go to drs often or hospital stays a year you could have thousands of dollars - depending on plan you may or may not be paying all of those co-pays for everything else with the Medigap plan

35:05 - Medigap G plan started at \$99 a month can go up to \$450 a month

35:24 Medicare covers what medicare covers no matter how it's delivered to you - Medigap, medicare advantage

35:43 The delivery is whether you want co-pays, whether you want a network you have to stay in

36:00 Medicare advantage plans don't necessarily have all that freedom

36:40 They have a chart for all the plans

37:52 Depending on your personal needs/pre-existing conditions Could have supplemental or gap plan that can cover everything

38:21 If you are seeing a specialist 3 times a month you have to really check the plans

38:38 Even at zero if the plan has co-pay that's still \$90

38:53 Advantage plans have the extra benefits hearing, dental, vision

39:00 Usually you have to add those services to your plan

39:22 Average time for an appointment is 2 hours

40:19 Depends on how comfortable you are with finding your own information

40:23 Sat on the phone with people while they were both on [medicare.gov](https://www.medicare.gov)

40:30 Medicare.gov suggests you set up an account so they can keep your info for enrollment there

41:06 Ship can even help walk you through setting up an account

41:31 SEP Special Enrollment Period to change plans after enrollment period (nursing home)

41:51 A,B,C, D's - A Hospital - B Doctors - D Drugs - C Medicare Advantage Plans

42:00 Amy says A, B and C = D if you're going to go with the HMO/PPO option

42:18 Social Security offers lower income lower resources called LIS Low Income Subsidies or sometimes called Extra Help

42:44 Your state may have their own guidelines

42:56 They can also work with you for Medicaid

43:06 PACE and PACE Net for drug help - check with your doctor for samples also

43:25 SHIP is the hub of information

Amy Kokoles is a Medicare Counselor for APPRISE, Pennsylvania's division of SHIP. APPRISE Statewide helpline 1-800-783-7067 9-4 M-F

<https://www.medicare.gov/>

**SHIP CAN HELP WITH ALL OF THIS INCLUDING APPEALS, FRAUD AND VARIOUS OTHER MEDICARE TOPICS.**

**NATIONWIDE SHIP # 1-877-839-2675 [INFO@SHIPCENTER.ORG](mailto:INFO@SHIPCENTER.ORG) OR [WWW.SHIPTACENTER.ORG](http://WWW.SHIPTACENTER.ORG)**

**Senior Medicare Patrol for Medicare Fraud <https://www.carie.org/programs/senior-medicare-patrol/>**

### **What is Medicare?**

- A federal health insurance program for people age 65 or older
- People under 65 with certain disabilities
- You must be a U.S. Citizen or a legal resident of the U.S. for at least 5 years

### **Who is Eligible for Medicare?**

- People age 65 or older
- People receiving Social Security disability income for 24 months
- People diagnosed with ALS –Lou Gehrig's Disease
- End Stage Renal Disease
- Must be a citizen or permanent resident of the US

### **Medicare Has Four Parts (The ABCD's of Medicare)**

- Part A -- Hospital insurance 80%
- Part B -- Medical insurance This is where you can purchase Medigap/ supplement to help with the 20%

- Part C -- Medicare Advantage plans
- Part D -- Prescription Drug coverage

## **The A-B-C-D's of Medicare**

### **Part A – Hospital Insurance** FREE for most people

- Inpatient care while in the hospital, room, meals, nursing
- Nursing Home care must be Skilled Nursing Care facility
- Part time or intermittent Home Health Care
- Hospice care for those who are terminally ill, in home or a facility

### **Part B – Medical Insurance** Monthly premium \$144.60 for most people. Low income individuals may pay less. High income earners may pay more.

- Doctors' Visits
- Diagnostic Tests/Laboratory tests
- Outpatient hospital care
- Durable Medical Equipment
- Mental Health
- Preventive and wellness screenings
- Ambulance Services

\*\*\*\*Since Medicare only covers 80% a Medigap/supplemental plan can be purchased. The plans are A-N. Depending on what letter you choose will determine what % of the 20% is covered.

**SHIP can help you by explaining Medigaps/supplementals and what each plan covers but the plan itself needs to be purchased through a broker or an insurance company directly.**

**Part C – Medicare Advantage Plans (MA)** HMO's and PPO's (Alternative delivery of Medicare) Encompasses:  
Parts A and B and usually Part D (prescriptions)

- Must still pay Part B premium of \$144.60
- May offer additional benefits that are not offered by Original Medicare such as a fitness benefit, Vision, Dental, hearing
- May have additional premium
- Must use Doctors that are in network

**Part D – Prescription Drug Benefit (PDP) EVEN IF YOU DON'T TAKE MEDICATIONS YOU MUST GET HAVE DRUG COVERAGE.**

- Usually charges a monthly premium
- Charges co-pays
- May have a deductible

**What Does Medicare Cost? This is for 2020 only**

**Part A Hospital-** free for most if you or your spouse has worked 40 quarters **BUT there may be a \$1408 Deductible per benefit period** (hospital stay within 60 days)

Skilled Nursing facility No Deductible, days 1-20 are covered at 100% then copays occur.

**\*\*\*\*HOSPICE has no deductible**

**Part B Medical Insurance-** Premium \$144.60/month. Individuals with lower income may pay less. Higher premiums for people with income over \$85,000 (individual) or \$170,000 (couple)

**\$198 DEDUCTIBLE** after it is met, 20% is individual's responsibility or you can purchase a Medigap/supplemental plan.

**\*\*\*The provider/facility you see must accept Medicare assignment. If not, the individual's cost sharing responsibility increases.**

**What if I Already Have Health Insurance?**

You can defer your Medicare Part B (medical insurance) until later:

- If you have coverage from you or your spouse's employer
- The plan must be from active employment, not a retiree plan
- Employer must have more than 20 full-time staff
- COBRA does not count as an employer plan

You can still get Part A (hospital in-patient) but not take Part B

**If you don't sign up for Part B when you leave your employer plan (within 8 months), you'll be assessed a 10% penalty for each year you didn't sign up and should have. If you don't sign up for 3 years, that penalty will be 30% for the rest of your life.**

\*\*\*\*You can NOT join Medicare part A or B and still contribute to an HAS (Health Savings Account)

Original Medicare with Medigap or Medicare Advantage Plan

Some factors to consider:

- What can you afford? A higher monthly premium and little or no co-pays, or a lower monthly cost with co-pays and deductibles and network doctors/facilities
- What is your experience with HMOs, PPOs, versus a fee for service plan (like Medicare with a Medigap)?

It is a personal decision that YOU must be comfortable with. Even though you are maybe healthy now you may not be tomorrow

#### **OTHER INFO:**

- **If you don't sign up for Part B when you lose your credible coverage or when 1<sup>st</sup> eligible if you don't have other coverage you will be assessed a 10% penalty for each month you didn't sign up. If you don't sign up for 3 years, that penalty will be 36% of the average PDP rate for the rest of your life.**
- **If you don't sign up for Part D within 63 days of losing your "creditable coverage", you will have to pay a 1% penalty for each month you didn't sign up. If you don't sign up for 3 years, that penalty will be 36% of the average PDP rate for the rest of your life. You must be enrolled in Part A and/or Part B to get Part D**
- **You may get a SEP (Special Enrollment period) in certain situations**
- **LIS/EXTRA help is a program through Social Security that helps people with lower income and resources pay for prescriptions, copays, premiums, and deductibles**

- **Only certain times a year you can switch or leave PDP or MA'S**

**\*\*\*\*\*Social Security and or Medicare will NEVER text you or call you\*\*\*\*\***

### **How do I Enroll?**

If you are not already receiving benefits, apply at your local Social Security Office, online @ [www.ssa.gov](http://www.ssa.gov) or by phone 1-800-772-1213

### **When do I Enroll?**

- Three (3) months before your 65th birthday, the month you turn 65 and three (3) months after you turn 65.
- When you are leaving or losing your employer coverage
- Call your local SHIP office for help with this

### **What Does Medicare NOT Cover?**

Most Dental Care

Eye Exams and Corrective Lens (but Medicare does cover Diseases of the Eye)

Hearing Aids

Cosmetic surgery unless it is needed to improve the function of a malformed part of the body

Long Term Care

Acupuncture

Foreign Travel (Medical Care outside the US)