



Social Security & Medicare 101

RETIREMENT BENEFITS

A How To Guide for navigating the Medicare Marketplace

with Marketplace Agency & ElderCare Associates

Marketplace Agency & ElderCare Associates

Who we are:

We Are Licensed Professionals Serving Americans Across the Nation

Since Marketplace Agency & ElderCare Associates was founded, we have been trusted partners in providing solutions for our client's insurance needs. Our commitment is to make the insurance process clearer so that you can make your plan and coverage choices with confidence.

The plans we offer are evaluated for value and advantages, giving you the right options for your individual needs. Our expert advice gives you peace of mind. Feel confident when you've fully explored and understand all of the options available to you before choosing your Medicare coverage.

We do well by doing what's right!



Marketplace Agency & ElderCare Associates

How we can help you with your coverage decisions:

Connecting You To the Right Options

Our agency delivers personalized service for you, your spouse, and your dependents. We also help your other family members and friends find the right insurance plans for their healthcare needs. We work directly with you to answer your questions and supply you with a complete understanding of each part of your coverage. Marketplace Agency & ElderCare Associates licensed professionals:

- Determine your available options
- Walk you through the benefit structure of each plan
- Perform detailed comparisons of your options
- Determine your out-of-pocket expenses
- Review the quality of your plan's provider network

Guidance from the First Step & Every Step Forward

By working closely with each insurance carrier to fully understand the fine print of each plan, we make sure that you understand the differences between your options. Personalization is our specialty beginning with analyzing your individual needs one-on-one, showing which options you qualify for, and providing a detailed explanation of the coverage options that are available to you.



Marketplace
Agency
ElderCare
ASSOCIATES, INC.

Agenda:

What we will cover today

Social Security overview

- What is Social Security and who can participate
- Social Security basics and benefits
- How Social Security and Medicare work together
- Turning 65 and working

Medicare 101: Understanding your options

- Medicare Parts A – D and what they cover
- Federal health insurance programs and private plans

Original Medicare compared to Medicare Advantage

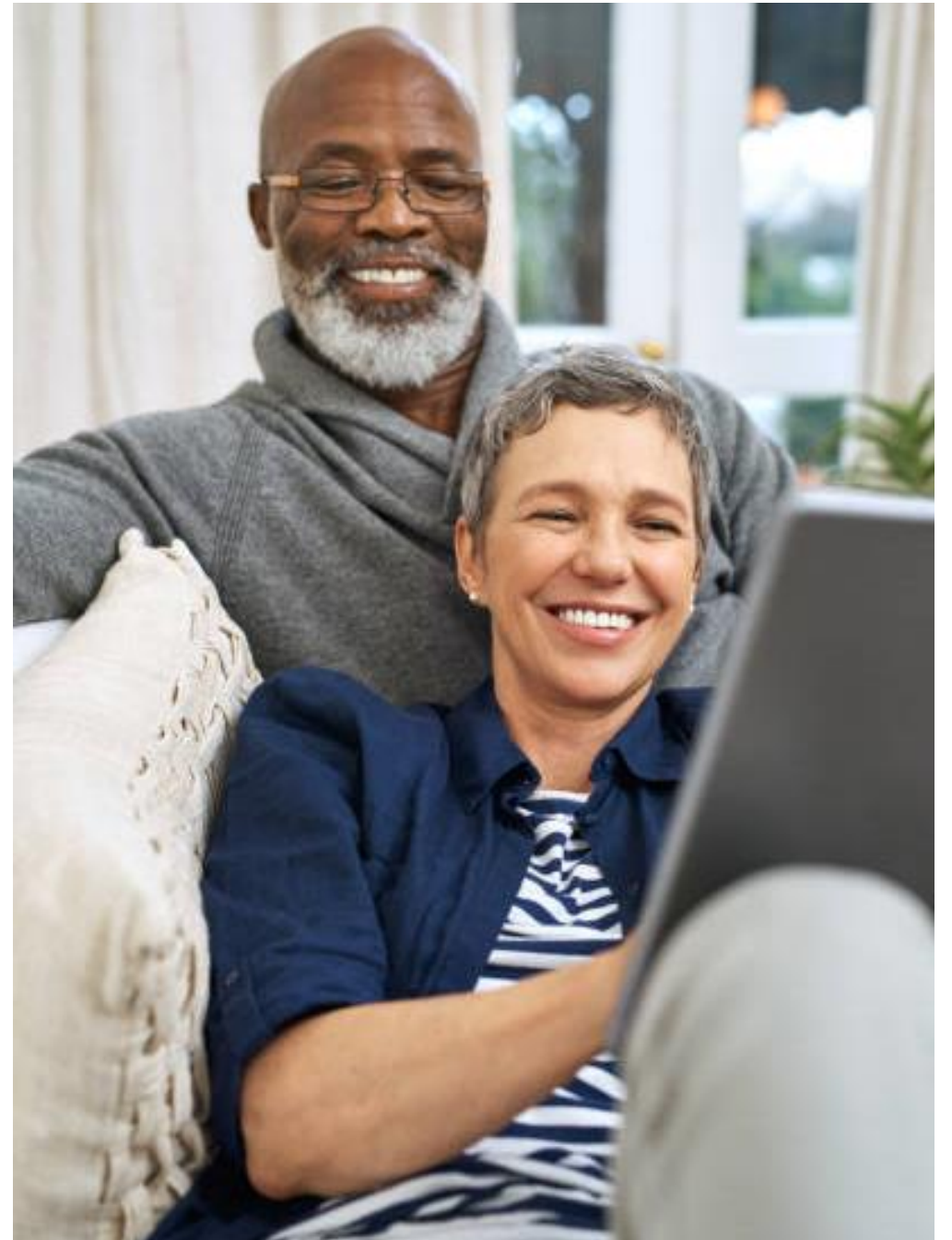
Prescription drug coverage

Medicare Supplement Insurance

How to get started

- Enroll in Medicare when eligible
- Choose additional coverage that's right for you

Frequently asked questions





Social Security

Social Security and You

How Social Security and Medicare work together...

Social Security Overview

- The main requirement of the original Social Security Act was to pay financial benefits to retirees based on lifetime payroll tax contributions.
- It was intended to be a federal safety net providing aid and benefits for the elderly, unemployed, victims of industrial accident, dependent mothers and children, the blind and disadvantaged Americans.

Qualifications to receive full benefits

- Must be a U.S. citizen or resident
- Pay into the Social Security system for 10 years



Social Security Basics

Before you apply for retirement benefits, here are Social Security basics you need to know:

- Your full “*retirement age*” depends on your date of birth. This may be between 66 plus 2 months and 67 (We will go into more detail later).
- You can start receiving benefits as early as 62.
- Benefits (monthly payments) may be reduced if you choose to receive benefits earlier.
- You may choose to continue working while receiving benefits, if you elect to receive benefits before full retirement age.
- Delayed retirement credits may be added to your benefits if you start after your full retirement.





Full retirement age

Age to receive full Social Security benefits
(Called "full retirement age" or "normal retirement age.")

Year of birth*	Full retirement age
1943-1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months

If you delay your retirement benefits until after full retirement age, you may be eligible for *delayed retirement credits* that would increase your monthly benefit. Even if you decide to delay your retirement, be sure to *sign up for Medicare at age 65*.

* If you were born on January 1 of any year, you should refer to the previous year. (If you were born on the 1st of the month, your birthday is considered part of the previous month, and your eligibility window will be shifted accordingly.)

* The earliest you can start receiving Social Security retirement benefits will remain age 62.



How Social Security and Medicare work together

The Social Security Administration determines who is eligible for Social Security benefits as well as Medicare.

They also carry many of the administrative functions for Medicare. Medicare is available to some younger Americans with disabilities.

Social Security AND Medicare are social safety programs that Americans pay into during their working years through taxes.

Social Security enrolls you into Original Medicare (Parts A and B)

Social Security enrolls you in Part A. Medicare Part A (hospital insurance) helps pay for inpatient care in a hospital or limited time at a skilled nursing facility (following a hospital stay). Part A also pays for hospice care.

- Note: For those who have not worked 40 quarters or 10 years, you may purchase Part A.
- You can also sign up for Part B. Medicare Part B (medical insurance) helps pay for services from doctors and other health care providers, outpatient care, home health care, durable medical equipment and some preventive services.



Working past 65 with Medicare Benefits

Should you enroll in Medicare if you are still working?

Questions to ask:

If your employer offers health coverage, do you need to enroll in Medicare? What about Medicare's prescription drug benefit?

Can I save money using Medicare instead of what my employer group offers?

Things to know:

- Most workers should remain enrolled in Medicare Part A, which is free for most people and covers institutional care in hospitals, skilled nursing facilities and other caregiving agencies.
- Individuals who don't sign up for Part B when they first become eligible might have to pay a 10-percent premium penalty for each year that enrollment is delayed.

Working past 65 with Medicare Benefits

Medicare and HSA's (Health Savings Account)

Please note: you can no longer contribute to a Health Savings Account (HSA) once you have Medicare.

To avoid a tax penalty, you should stop contributing to your HSA at least 6 months prior to applying for Medicare.

You will be able to withdraw money from your HSA after you enroll into Medicare to help pay for medical expenses like deductibles, Medicare Part B & D premiums, and copayments. You are not able to use money from your Health Savings Account to pay for Medicare supplement premiums.

Medicare and COBRA



It is important to know that Medicare DOES NOT recognize COBRA or retiree health insurance plans as “continuous coverage based on employment”. You have an 8-month window to enroll in Medicare Part B once your employee group health plan ends to avoid a penalty.



MEDICARE

Medicare Parts A & B

Starting with the basics

MEDICARE

Medicare has 4 Parts:



PART A
Hospital Insurance



PART B
Medical Insurance



PART C
Medicare Advantage



PART D
Prescription Coverage

MEDICARE



PART A

Hospital Insurance



PART B

Medical Insurance

ORIGINAL MEDICARE



PART C

Medicare Advantage

Private medical plans that typically only include Part A, Part B, and often Part D



PART D

Prescription Coverage

Medicare prescription drug coverage plans



MEDIGAP POLICIES

Private medical plans that fill in the gaps of original Medicare



Original Medicare Part A & Part B

When can you enroll and how much does it cost?

Enrollment Dates

Name	Purpose	When
Initial Enrollment Period (IEP)	Enrolling in Part A and Part B	3 months before your 65th birthday, the month of, and 3 months after
General Enrollment Period (GEP)	Enrolling in Part A and/or Part B after having missed your IEP	January 1st-March 31st, coverage effective July 1st
Special Election Period (SEP)	Termination of employer group plan	The month after loss of coverage (8-month window)

- You qualify for a special election period anytime you are still covered by an employer group health plan.

Important Dates

Medicare Part B Effective Dates

If you sign up for Medicare Part B in:	Your coverage starts:
The month you turn 65	1 month after you sign up
1 month after you turn 65	2 months after you sign up
2 months after you turn 65	3 months after you sign up
3 months after you turn 65	3 months after you sign up
During the January 1-March 31 General Enrollment Period	July 1

Medicare Part A

Medicare Part A - Premium

Part A generally does not have a monthly premium...



If you or your spouse have worked for 10 years or 40 quarters

And paid Medicare Taxes

People who do not qualify for premium free Part A:

Could pay a premium of \$278 up to \$506 per month, depending on how long they or their spouse worked/paid Medicare taxes.

MEDICARE PART A

**Part A of Original Medicare is your:
Hospital Insurance**



Hospital Room and Board



Skilled Nursing



Hospice Care



Home Health Care



Blood (after the first three pints)

Medicare Part A

Medicare Part A – Out of pocket cost

Part A has a \$1,600 deductible per Benefit Period



Part A Benefit Period is 60 days

Days 61-90: \$400 per day

Days 91 and after: \$800 per day
(while using your 60 lifetime reserve days)

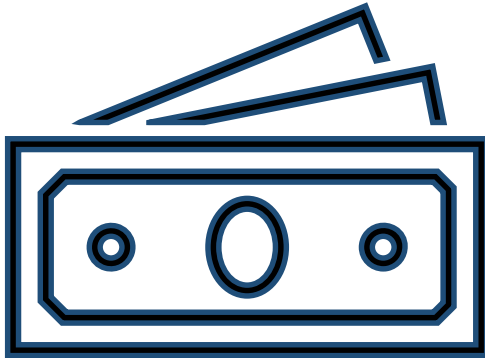
Skilled Nursing Facility Costs

Days 1-20 are covered by Medicare

Days 21-100: \$200.00 per day

Medicare Part B

Medicare Part B - Premium



Part B-How to pay your premium

The standard Part B premium amount is \$164.90 for the year 2023. Most people pay the standard Part B premium.

If you get Social Security or Railroad Retirement Board benefits your Part B will be deducted from you benefit payment.

If you are not drawing Social Security or Railroad Retirement Board benefits you are billed quarterly.

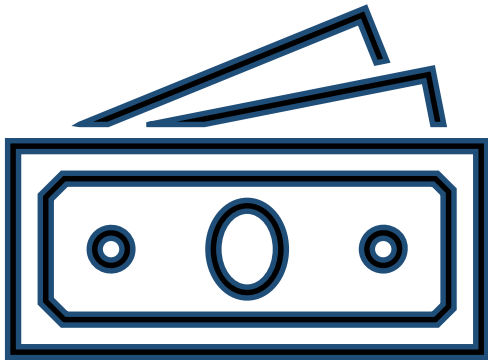
How to determine your Medicare Part B and Part D premium* based on IRMAA

File individual tax return	File joint tax return	File married & separate tax return	Part B monthly premium amount	Part D IRMAA
\$97,000 or less	\$194,000 or less	\$97,000 or less	\$164.90	\$0 + your plan premium
Above \$97,000 up to \$123,000	Above \$194,000 up to \$246,000	N/A	\$230.80	\$12.20 + your plan premium
Above \$123,000 up to \$153,000	Above \$246,000 up to \$306,000	N/A	\$329.70	\$31.50 + your plan premium
Above \$153,000 up to \$183,000	Above \$306,000 up to \$366,000	N/A	\$428.60	\$50.70 + your plan premium
Above \$183,000 and less than \$500,000	Above \$366,000 and less than \$750,000	Above \$97,000 and less than \$403,000	\$527.50	\$70.00 + your plan premium
\$500,000 or above	\$750,000 and above	\$403,000 and above	\$560.50	\$76.40 + your plan premium

*The Part B premium can be automatically deducted from your monthly Social Security check, or you can choose to pay the premium out-of-pocket. Source: Benefits Planner: Retirement | Medicare Premiums | SSA

Medicare Part B

Medicare Part B – Late Enrollment Penalty

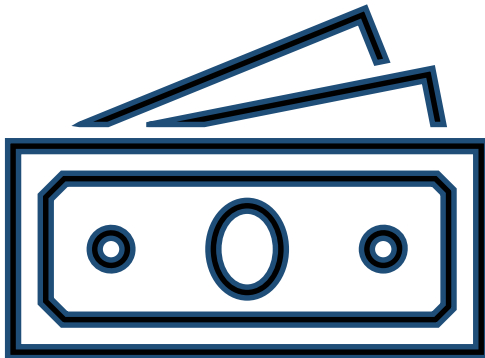


If you do not sign up for Part B when you are first eligible you may pay a late enrollment penalty for as long as you have Part B

Your monthly Part B premium may go up 10% for each 12-month period that you could have had Part B and did not sign up

Medicare Part B

Medicare Part B - Late Enrollment Penalty Example



Mr. Smith's initial enrollment period ended December 2019. He waited to sign up for Medicare Part B until March of 2022, during the General Enrollment Period. His coverage begins July 1, 2022. His Part B premium penalty is 20%***. He will have to pay this penalty for as long as he has Part B.

(***Even though Mr. Smith wasn't covered a total of 27 months this included only 2 full 12 month periods).

MEDICARE PART B

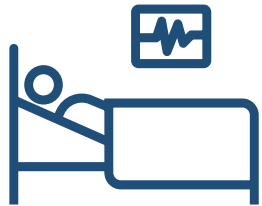
Part B of Original Medicare is your: Medical Care



Medical Services



**Durable Medical
Equipment**



Hospital Care (treatment)



Doctor's Visits



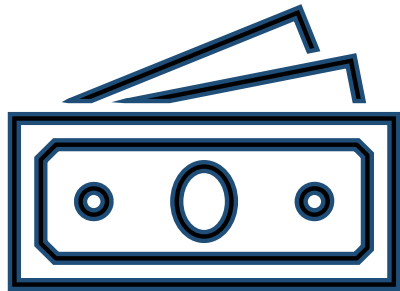
Preventative Services

Medicare Part B

Medicare Part B – Out of Pocket Cost

Part B has a \$226 annual deductible

Medicare generally covers 80% of Part B Services



Costs that go toward deductible:

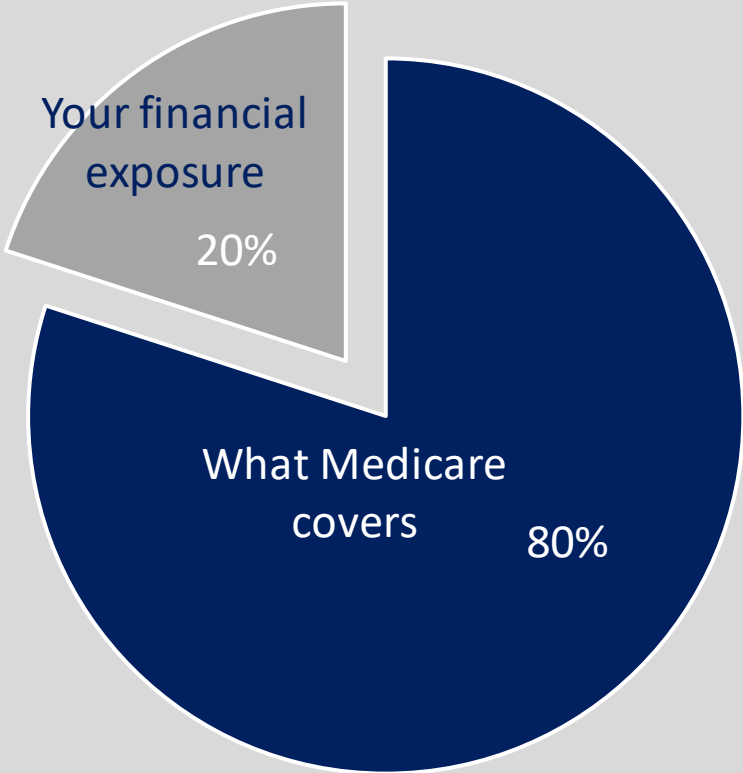
- Durable Medical Equipment
- Doctor's Visits
- In and Out-Patient Services
- Surgeries

Under Original Medicare there is not a Maximum Out of Pocket Limit



You can rely on Parts A and B, but Original Medicare has a deductible and only covers about 80% of your Part B services

It covers hospital and doctor visits, along with some prescription drugs.

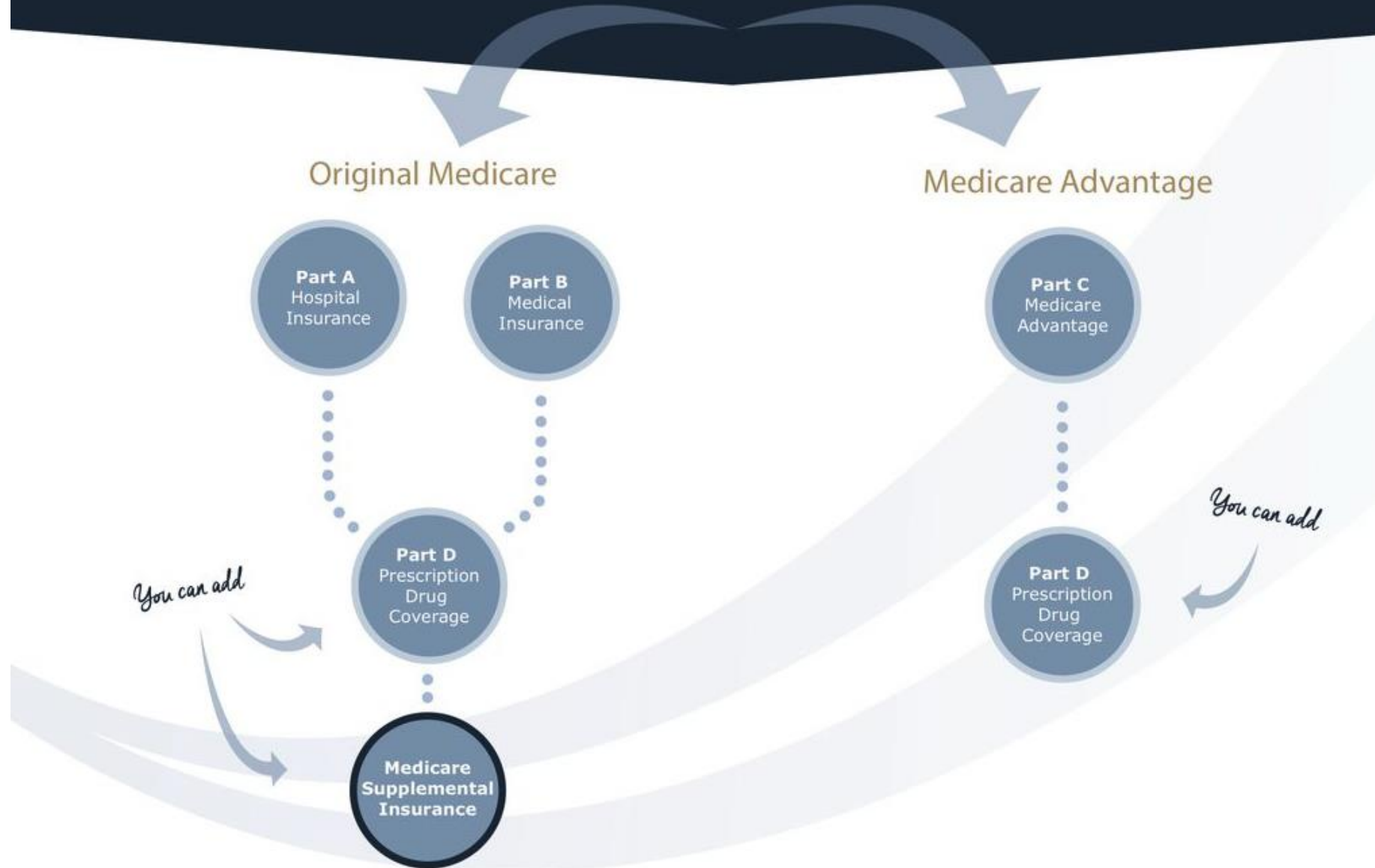




Medicare Advantage

Also known as Medicare Part C

Your Medicare Coverage Choices



Important Dates

Name	Purpose	When
Initial Enrollment Period (IEP)	Enrolling in Medicare Advantage	3 months before your 65th birthday, the month of, and 3 months after
Annual Election Period (AEP)	Changing, dropping, or enrolling in Medicare Advantage Plans and Part D Plans	October 15th - December 7th
Open Enrollment Period (OEP)	Changing or dropping Medicare Advantage Plans	January 1st - March 31st

Medicare Part C

Medicare Advantage Plans:



Are approved by Medicare and ran by private companies.

You are still enrolled in the Medicare Program

You still have Medicare Rights and Protections

Medicare Part C

When you choose Medicare Advantage (Part C), the plan will cover:



Medicare Part A and Part B

All the same benefits as Original Medicare, and may include benefits Original Medicare doesn't cover, like dental, hearing and vision care

Prescription drug coverage (Part D), with most plans

Part C also has a yearly limit on out-of-pocket costs for covered medical services, unlike Original Medicare.

Medicare Part C

The Bottom Line....



Part C, or Medicare Advantage, combines Part A and Part B benefits, and usually Part D, in one plan.

There are plenty of options on the market. We can help you choose a plan based on your individual needs.

Medicare Part C

Medicare Advantage Plans:



Medicare Advantage Plan Types:

HMO (Health Maintenance Organization)

PPO (Preferred Provider Organization)

PFFS (Private Fee for Service)

SNP (Special Needs Plans)

MSA (Medical Savings Account)

Doctors and Hospital Choice

Original Medicare

(Parts A and B)

You can go to any doctor or hospital that accepts Medicare in the US.

A referral is not required to see a specialist

Medicare Advantage

(Part C)

In many cases you will need to use providers who are in the plans network and can only go outside the network in case of an emergency

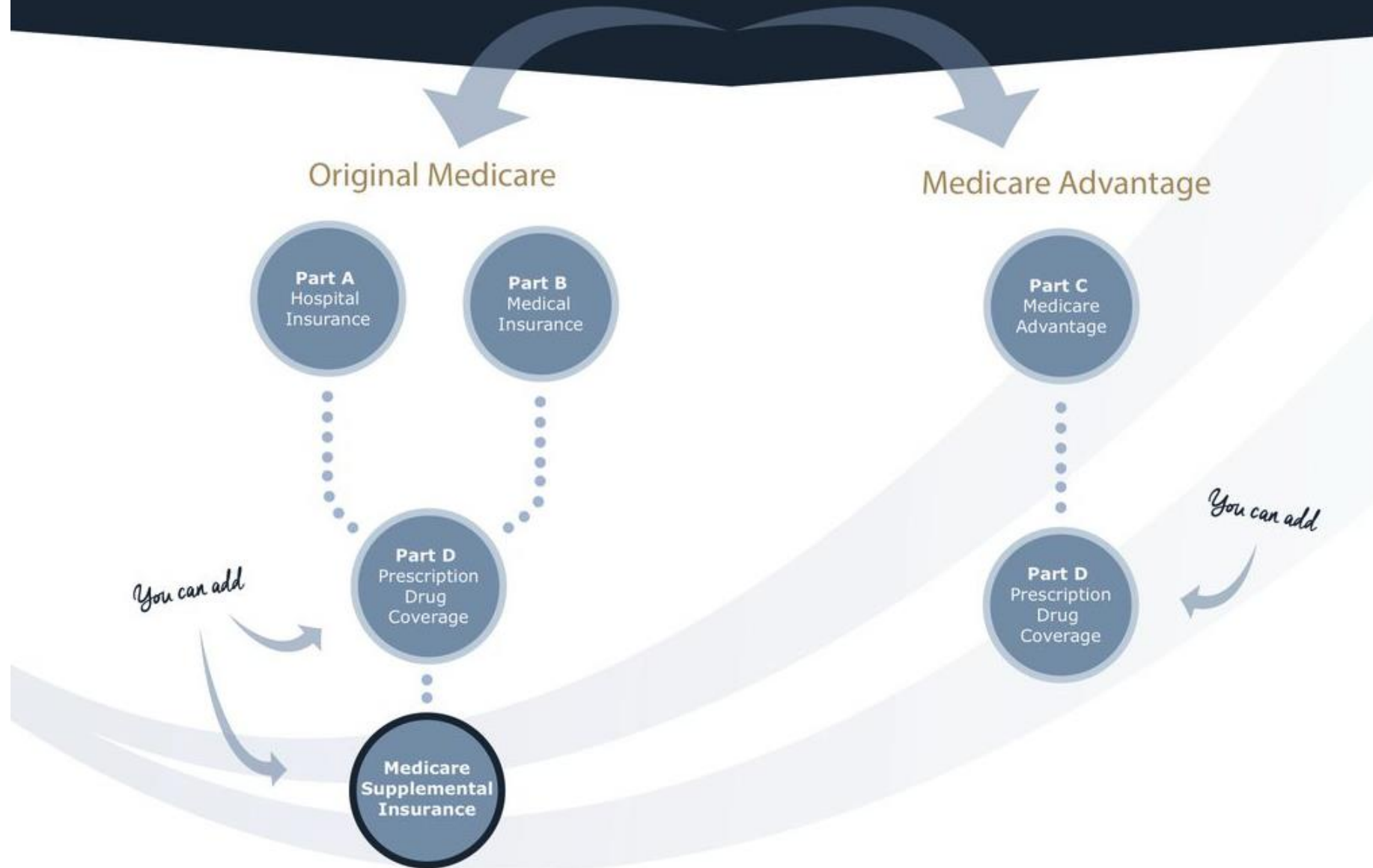
Referral may be required to see a specialist



Understanding Part D

How does Part D work

Your Medicare Coverage Choices

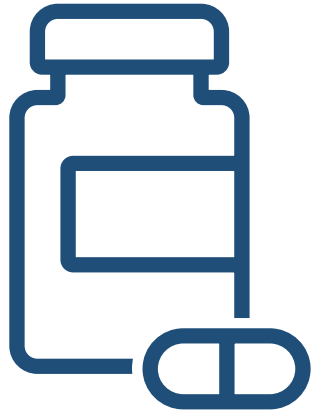


Important Dates

Name	Purpose	When
Initial Enrollment Period (IEP)	Enrolling in prescription drug coverage	3 months before your 65th birthday, the month of, and 3 months after
Annual Election Period (AEP)	Changing, dropping, or enrolling in Part D Plans	October 15th - December 7th
Special Enrollment Period (SEP)	Enrolling, changing or dropping Medicare Part D coverage	Time frame dependent on individual situation

Medicare Part D

Prescription Drug Plans:



What it Costs you...

Part D plans are standardized and must adhere to the **Medicare Standard Coverage Model**

Most, but not all, plans have a deductible ranging from: **\$0-\$505 for 2023.**

The **Standard Coverage Model** consist of four parts:

- Deductible Phase
- Initial Coverage Phase
- Coverage Gap (Donut Hole)
- Catastrophic Phase

Medicare Part D

Prescription Drug Plans:

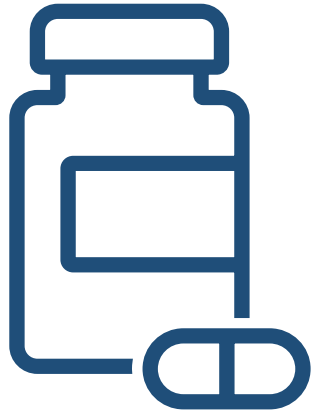
Standard Coverage Model



Cost before Deductible	Initial Coverage Phase	Coverage Gap (Donut Hole)	Catastrophic Phase
Maximum deductible per plan \$505 for 2023	You pay no more than 25% for the cost of your medications. In order to leave the initial coverage phase, the full retail cost of your medications must meet or exceed \$4660	In the Coverage Gap you pay no more than 25% of the cost of brand and generic medications. This includes a 50% manufacturer's discount to reach a True Out of Pocket (TROOP) of \$7400	You will pay no more than up to 5% of the retail cost OR \$4.15 for generic and \$10.35 for brand, whichever is greater of the two.

Medicare Part D

Prescription Drug Plans:

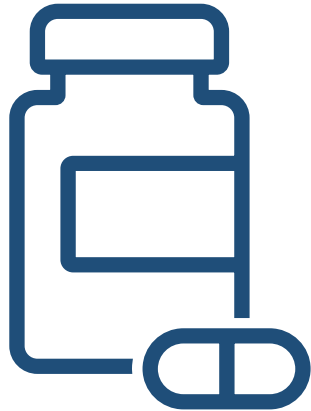


You may face a Part D late enrollment penalty of 1% of the national average premium for each month that you did not have credible prescription drug coverage.

This is a lifelong penalty.

Medicare Part D

Prescription Drug Plans:



Part D has its own formulary with the following tiers:

Tier 1- Preferred Generic

Tier 2- Generic

Tier 3- Preferred Brand

Tier 4- Non preferred Brand

Tier 5- Specialty Brands

Part D has 3 medical utilization tools:

Prior Authorization

Quantity Limits

Step Therapy



Medigap

Medicare Supplement Policies

Medigap

Medigap, also known as Medicare Supplement Plans:



Medigap or Medicare Supplement policies fill in the “gaps” of Original Medicare, helping to limit one’s financial exposure.

They are health plans sold by private insurance companies.

You must have Parts A and B of Original Medicare to qualify for a Medicare Supplement Plan.

You may need to be 65 or older, depending on the state you live in.

Medigap policies may help pay some of the costs that the Original Medicare doesn’t cover.

So long as you pay your premium, a Medicare Supplement policy is Guaranteed Renewable for life.

Medigap-Plan Types

Medigap, also known as Medicare Supplement Plans:

This chart shows you the benefits included under all the standardized plans A-N

Medicare Benefits	A	B	C	D	F	G	K	L	M	N
Medicare Part A Deductible							50%	75%	50%	
Medicare Part B Deductible										
Medicare Part B Excess Charges										
Medicare Part B Coinsurance							50%	75%		
Medicare Part A Hospice Care							50%	75%		
Skilled Nursing Facility Coinsurance							50%	75%		
Blood (first 3 pints)							50%	75%		
Foreign Travel Emergency										
Medicare Part A Hospital Coinsurance*										

- Plans C & F only available to beneficiaries who were Medicare eligible prior to January 1st, 2020



What can a Medicare Supplement cover?

\$1,600

Part A
Deductible
(Hospital Insurance)

\$200.00 per day

Part A
Coinsurance
(Skilled Nursing Facility for
days 21-100)

\$226

Part B
Annual Deductible
(Medical Insurance)

20%

Part B
Coinsurance
(Doctor services the
plan covers)

Medigap

Medicare Supplements: How are prices set?

Insurance companies decide how they will set the price for premiums for their respective Medigap Policies.

They use the following:



Community Rated

Issue Age Rated

Attained Age Rated

Medigap

Medicare Supplements: Need To Know

Best time to purchase a Medigap Policy?



Open Enrollment – This period lasts for 6 months before and after your 65th Birthday OR when you are new to Part B Medicare.

Medicare Supplements are NOT restricted to Provider Networks.

You have the freedom to go to any Provider who accepts Medicare.



Frequently Asked Questions

Here are some questions that come up quite frequently...

Frequently asked Questions

When should I sign up for Medicare?

It depends on your situation; if you are covered under your employer's group plan you may want to delay enrollment into Part B. You will have a Special Enrollment Period when this coverage ends. You may have an HSA in place, your spouse may have other coverage, so it all depends on your individual coverage needs.

Frequently asked Questions

What is the difference between an MA plan and a Medicare Supplement Plan?

A Medigap policy will pay your claims after Medicare. While a Medicare Advantage Plan pays instead of Medicare.

With a Medicare Advantage plan you have network restrictions and the plans utilization management techniques.

Frequently asked Questions

How do I enroll in Medicare?

If you are getting Social Security when you turn 65, you'll automatically be enrolled.

If not, you'll need to sign up for Parts A and B. Contact Social Security three months before you turn 65. If you worked for a railroad, contact the Railroad Retirement Board.

Note: People on Social Security disability will automatically be enrolled in their 25th month of disability.

Frequently asked Questions

What's not covered by Medicare?

Services NOT COVERED by Parts A and B

✗ Most Dental Care

✗ Routine
Physical Exams

✗ Eye Exams
(for prescription glasses)

✗ Hearing Aids
And the exam for fittings

✗ Dentures

✗ Long Term Care***

✗ Cosmetic Surgery

✗ Massage Therapy

Frequently asked Questions

When can I enroll in Medicare?

When can I enroll in Part A and Part B?

You can enroll in the window three months before the month you turn 65, your birthday month and the three months after the month you turn 65.

What if I don't enroll in that window?

You may have to pay a penalty in the form of a higher premium.

Frequently asked Questions

When can I enroll in Part C and Part D?

During the same seven-month window as Part B. That means during the three months before the month you turn 65, your birthday month and the three months after the month you turn 65.

Frequently asked Questions

Are there other times I can enroll in Parts C and D?

From October 15 to December 7, all people with Medicare can change their health care plans. You can switch to Medicare Advantage or Original Medicare during this Annual Enrollment Period, join a Medicare prescription drug plan or change plans.

You can also enroll in Parts C and D during a Special Enrollment Period for special circumstances such as:

- Losing your employer coverage
- Moving to a new service area
- Qualifying for Extra Help

What if I'm late in signing up for Part D?

- You may face a late enrollment penalty.
- The penalty increases based on each month that you delay.
- This can get costly.

Frequently asked Questions

When can I enroll in a Medigap Plan?

(also called Medicare Supplement Insurance)

Medigap has a six-month Open Enrollment Period. It automatically starts the first full month you're 65 and enrolled in Medicare Part B.

For example: If you turn 65 on April 3 but don't join Medicare Part B until May 25, your Medigap Open Enrollment Period will start on June 1. This is the first day of the month in which you are both 65 and enrolled in Part B.

During your six-month Open Enrollment Period, you can buy any Medigap policy sold in your state.

Frequently asked Questions

What if I have health problems?

During the six-month Open Enrollment Period, you can purchase a Medigap policy even if you have pre-existing health conditions.

Even if you have a disability or have health problems, an insurance company cannot do any of the following:

- Refuse to sell you any Medigap policy it offers
- Charge you a higher premium than they charge others who are 65 and older
- Delay the start of your coverage

Frequently asked Questions

What if I delay enrollment?

You can apply for a Medigap policy after your Open Enrollment Period ends. However, there's no guarantee your application will be accepted if you don't meet medical underwriting requirements, except in certain limited situations.



THANK YOU

Thank you very much for attending this presentation today.

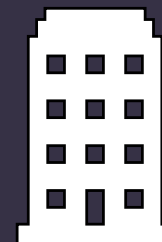
Please contact Marketplace Agency & ElderCare Associates directly should you have any questions.



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