Medical Benefits in Retirement

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Presented By

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Advantage Benefits Group

Agenda

- Under Age 65 Options (Pre-65)
- Age 65 and Older Options (Post-65) *Party Time!*
- Q&A, Examples throughout

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Retiree Medical Options – Pre 65

1. GVSU Retiree Medical Plan
2. COBRA continuation coverage
3. Individual Coverage
4. Marketplace Coverage

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Retiree Medical Options

1. GVSU Retiree Medical Plan

- See GVSU Health and Wellness Website for details
  - www.gvsu.edu/healthwellness/benefits-in-retirement-446.htm
- "Official Retiree" Age and Service = 75
- Pre-65 Option - Coverage similar to GVSU Standard PPO but without prescription drug coverage (discount card available)
  - 2019 Monthly Cost (20 years of service) = $336.50
  - 2019 Monthly Cost Spouse = $361.50

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Retiree Medical Options

2. COBRA Continuation Coverage

- Up to 18 months or until entitled to Medicare whichever is less
- Medical & Prescription Drugs
- Dental

- Cost (2019)
  - GVSU Standard Single
    - $600.75 per month
  - GVSU HDHP Single
    - $501.63 per month
  - Dental Single
    - $33.94 per month

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Retiree Medical Options

3. Individual Plan

- Number of carriers:
  - Priority Health
  - Blue Cross Blue Shield
  - Molina Healthcare
  - Oscar Insurance Company

- Cost varies based on smoker status, age, zip code and plan design

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Retiree Medical Options

4. Marketplace Plan (www.healthcare.gov)

- Advance Premium Credits (subsidies) based on household income and age
- Metal Tier Plans – Platinum, Gold, Silver, Bronze
- Multiple Carriers available (Blue Cross Blue Shield, Priority Health, Blue Care Network)

Open Enrollment Period:

- Usually November 1 through December 15th
- Average monthly cost (age 62, non-smoker, zip: 49401, effective 1/1/2020)
  - Silver Plan for Single: $2,400 deductible (14 plans available) - $483 after subsidy
  - Gold Plan for Single: $1,100 deductible (6 plans available) - $772 after subsidy
  - Both plans have a subsidy of $535 per month based on household income of $36,000

For Plan and Cost Estimates outside of Open Enrollment, go to:

www.healthsherpa.com

Instructions to navigate the www.healthcare.gov site:
1. Click "See Topics" from the top ribbon on the homepage
2. Click "See plans and prices"

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Will I Qualify for Lower Costs on Monthly Premiums? – Marketplace Plan

Savings Programs you may qualify for:	Estimated 2020 Household Income – based on number of people in your household *NOTE: Eligibility does vary based on age of applicant.					
	1	2	3	4	5	6
Free or low-cost coverage through Medicaid based on income alone	Below $17,236	Below $23,335	Below $29,435	Below $35,535	Below $41,634	Below $47,734
A Marketplace health plan with lower monthly premiums plus savings on out of pocket costs, like deductibles and copayments	$17,236 - $31,225	$23,335 - $42,275	$29,435 - $53,325	$35,535 - $64,375	$41,634 - $75,425	$47,734 - $86,475
A Marketplace health plan with lower monthly premiums	$31,225 - $49,960	$42,275 - $67,640	$53,325 - $85,320	$64,375 - $103,000	$75,425 - $120,680	$86,475 - $138,360
You won’t qualify for savings on a Marketplace insurance plan. You can buy insurance through the Marketplace at full price, or buy from other sources	Above $49,960	Above $67,640	Above $85,320	Above $103,000	Above $120,680	Above $138,360

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What Does An Average (Silver) Plan Cost?

Costs apply for Individual or Marketplace (if eligible for subsidy, it will reduce premium)

- **MyPriority Silver 3200 HMO (Priority Health)**
  - Individual Premium (age 62, zip 49401) = $977 per month
  - $3,200 Single Deductible, $8,150 Out of Pocket Maximum
  - $30 Copay Primary Care visits. Specialist $45 after deductible
  - $5 Generic Drugs Before Deductible
  - $75 after deductible-preferred brand, 50% specialty copays after deductible
  - 30%-member coinsurance after deductible for most other services
- **Meridian HSA Savings Silver - HMO (Meridianchoice)**
  - Individual Premium (age 62, zip 49401) = $818 per month
  - 3,500 Single Deductible, $6,650 Out of Pocket Maximum
  - $30 after deductible for Primary Care Physician, $55 copay after deductible for Specialist
  - 40% copay after deductible for Emergency Room
  - 40% coinsurance after deductible for most services
  - Free Generic Drugs after deductible
  - 40% after deductible for Brand Name and Specialty Drugs

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Retiree Medical Options – Post 65

1. Medicare Part A, B and D
2. Medicare Advantage Plan (Part C)
3. Medicare Supplemental Plan

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Retiree Medical Options - Medicare

Post-65 GVSU Retiree Medical Stipend to help pay for Medicare Premiums

- 2019 Monthly Stipend (20 years of service/age 65) = $52.50
- 2019 Monthly Stipend Spouse = $27.50

- Who runs the Medicare Program?
  - The Centers for Medicare & Medicaid Services (CMS) is the Federal agency that runs Medicare. CMS is part of the U.S. Department of Health and Human Services
  - You enroll in Medicare through the Social Security Department
    - https://www.ssa.gov/benefits/medicare/
  - Resource sites:
    - http://www.uspreventiveservicestaskforce.org/uspstf/uspsabrecs.htm
    - www.medicare.gov
    - www.medicarerights.org – detailed timeline
    - www.kff.org – Kaiser Family Foundation
    - http://offers.priorityhealth.com/medicarefordummies

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Medicare

Medicare Benefits

Part A:

Hospital Coverage

Part B:

Medical Coverage

Part D:

Prescription Drug Insurance

Part C (Advantage Plan):

Combines Part A, B and D into one package

Medigap (Supplemental Plan):

Secondary to Traditional Medicare

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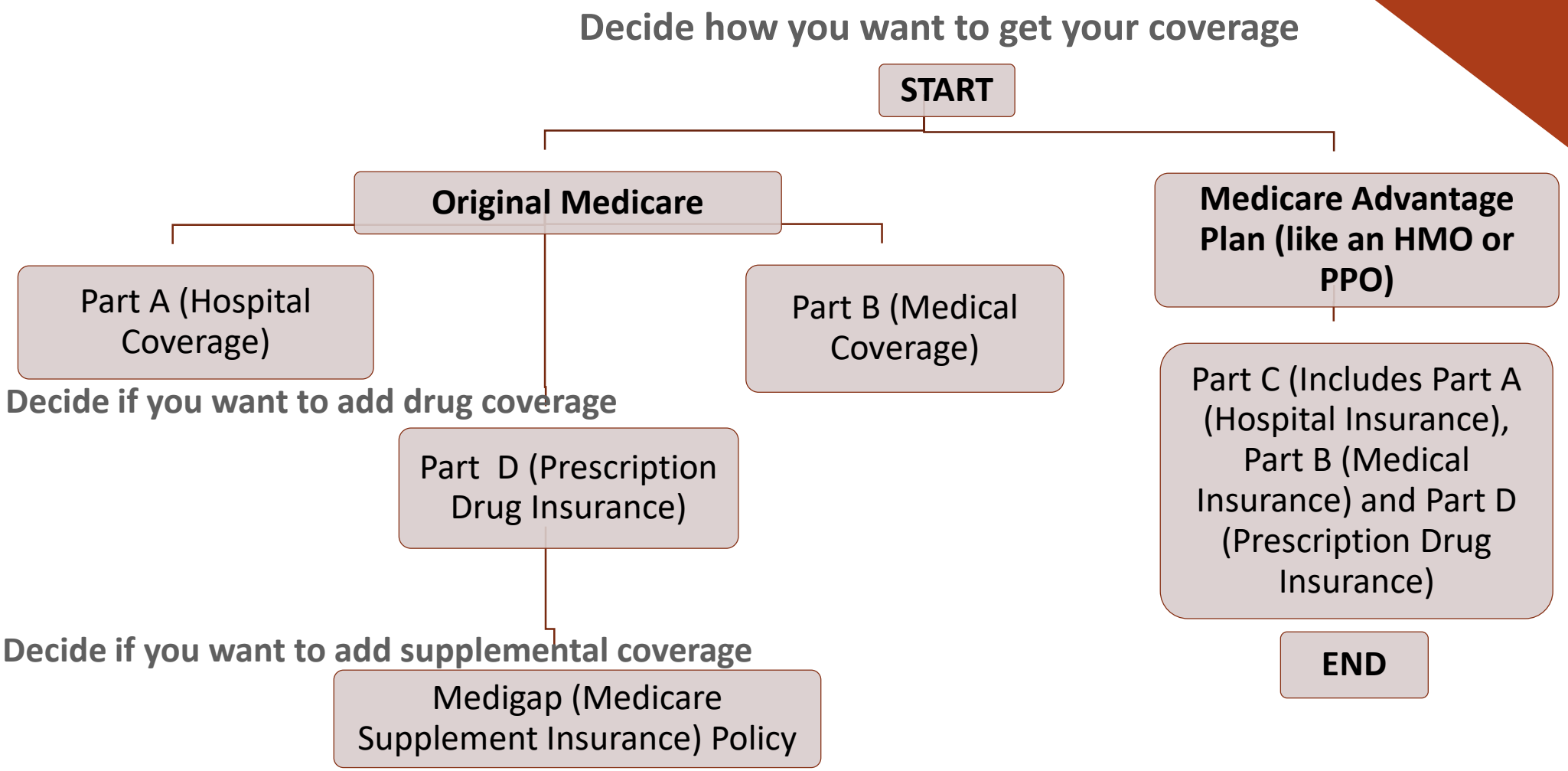
Medicare Coverage Choices



If you join a Medicare Advantage Plan, you don't need and can't be sold a Medigap policy.

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Enrollment:

- I am still working for GVSU and covered under the GVSU medical plan. Do I need to sign up for Medicare when I turn 65?
  - You do not have to sign up for Medicare. You can wait until you are done working as you can sign up at that time and have no penalty.
  - You can sign up for Part A as that does not cost anything; however
    - If you are covered under a HDHP with a Health Savings Account, you will not be able to contribute to your HSA if you sign up for part A.
      - To be eligible to contribute to an HSA:
        - Have coverage under an HSA qualified high deductible health plan
        - Have no other first dollar medical coverage
        - Can't be enrolled in Medicare
        - Cannot be claimed as a dependent on someone else's tax return

Special Note about HSA's and Social Security: It's important to note that electing to receive Social Security retirement benefits automatically enrolls you in Medicare Part A (also known as Hospital Insurance)

  - You can wait and sign up for Part B, when you no longer are working.

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Enrollment

- I am going to stop work, so how can I enroll for Medicare?
- **Special Enrollment Period:**
  - You can join during the 8-month period that begins the month after employment ends or GVSU coverage ends, whichever happens first.
    - You are treated as a new Medicare enrollee and your coverage will begin the 1st of the month in which you enroll.
    - To avoid any gap- sign up before you stop work and provide the date you will be losing your employers plan.

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Medicare Part A

Helps Pay For:

- Hospital stays ($1,420 deductible, 1st 60 days/$355 per day – 61 to 90 days)
- Skilled nursing facility (SNF) care
- Long-term care hospitals
- Home health care
- Hospice care
- Blood
- For information, call 1-800-MEDICARE

Paying for Medicare Part A:

- Most people receive Part A premium free
- People with less than 10 years of Medicare covered employment will pay a Part A premium
- For information, call the Social Security Administration (SSA)
  - 1-800-772-1213
  - -800-325-0778 for TTY users

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Medicare Part B

Helps Pay For:

- Doctors' services
- Outpatient medical and surgical services and supplies
- Diagnostic tests
- Outpatient therapy
- Outpatient mental health services
- Preventive health care services
- Other medical services

Paying for Medicare Part B:

- Most Medicare Part B beneficiaries will pay a premium amount of $144.30 (higher income earners may pay more) in 2020. 2020 premium based on 2018 income.
- $197 per year deductible
- 20% coinsurance for most services
- Some programs may help cover these costs
- Addition of Preventive Care Services
  - Annual wellness exam
  - Covers all wellness services/preventive care services as outlined by the Affordable Care Act

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Medicare Part B

Part B Premiums Based on Income

If your yearly income in 2018 (for what you pay in 2020) was		You pay each month (in 2020)
File individual tax return	File joint tax return	
$87,000 or less	$174,000 or less	$144.30
Above $87,000 up to $109,000	Above $174,000 up to $218,000	$202.02
Above $109,000 up to $136,000	Above $218,000 up to $272,000	$288.60
Above $136,000 up to $163,000	Above $272,000 up to $326,000	$375.18
Above $163,000 and less than $500,000	Above $326,000 and less than $750,000	$461.76
$500,000 or above	$750,000 and above	$490.62

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Medicare Part D

- Prescription drugs provided by Medicare Approved Prescription Drug Plans (PDP) or Medicare Advantage Plans (MA-PD). Not through Medicare – these plans are purchased from insurance companies.
- These plans offer negotiated discount prices based on a formulary with cost sharing
  - No more than 35% of cost for brand drugs, what you pay, plus 50% discount payment, will count towards your out of pocket costs
- *No more donut hole*. Standard plan's maximum deductible is $435 and out of pocket spending will decrease once a member reaches $6,350

Paying for Medicare Part D

- $0 or reduced premium, deductible and co-insurance if one qualifies for the Low-Income Subsidy (LIS)
- Must meet income and asset criteria
- Eligibility determined by Social Security Administration (SSA)

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Medicare Advantage

- **Medicare Advantage Plans** are health plan options that are part of the Medicare program. If you join one of these plans, you generally get all your Medicare-covered health care through that plan (Parts A, B, and D). This coverage can include prescription drug coverage. Medicare Advantage Plans include:
  - Medicare Health Maintenance Organization (HMOs)
  - Preferred Provider Organizations (PPO)
  - Private Fee-for-Service Plans
  - Medicare Special Needs Plans
- When you join a Medicare Advantage Plan, you use the health insurance card that you get from the plan for your health care.
  - In most of these plans, generally there are extra benefits and lower copayments than in the Original Medicare Plan.
  - You may have to see doctors that belong to the plan or go to certain hospitals to get services

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Medicare Advantage

- To join a Medicare Advantage Plan, you must have Medicare Part A and Part B. You will have to pay your monthly Medicare Part B premium to Medicare. In addition, you might have to pay a monthly premium to your Medicare Advantage Plan for the extra benefits that they offer.

- If you join a Medicare Advantage Plan, your Medigap policy won't work. This means it won't pay any deductibles, copayments, or other cost-sharing under your Medicare Health Plan. Therefore, you may want to drop your Medigap policy if you join a Medicare Advantage Plan. However, you have a legal right to keep the Medigap policy.

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Medicare Advantage

PriorityHealth | Medicare

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Michigan Medicare Advantage plans & Medigap plans

Priority Health Medicare plans have you covered, whenever and wherever you need care. Learn more about what we offer.

View plans

Compare plans
See the plans we offer

Medicare Learning Center
Everything you need to know about Medicare

Ready to enroll?
Enroll now

Already a member?
How to use your plan

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Medicare Advantage

Medicare Advantage plans for Kent County

Coverage starting January 1, 2020 in ZIP code 49418 Edit

Looking for Medigap plans?

Select View

Click the ★ next to the plan to save and compare plans

Email plans

Top choice	Most popular	Best value
PriorityMedicare Key SM — $0 a month	PriorityMedicare Value SM — $10 a month	PriorityMedicare Ideal SM — $18 a month
In-network deductible: $0	In-network deductible: $0	Combined in- & out-of-network deductible: $0
Details / Enroll	Details / Enroll	Details / Enroll

PriorityMedicare Merit SM — $44 a month	PriorityMedicare SM — $78 a month	PriorityMedicare Select SM — $136 a month
Combined in- & out-of-network deductible: $0	In-network deductible: $0	In-network deductible: $0
Details / Enroll	Details / Enroll	Details / Enroll

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Medicare Advantage

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★ Top choice

PriorityMedicare
Key SM

$0 a month

In-network deductible:	$0	Specialist visit:	$45
Annual out-of-pocket maximum:	$5,500	Inpatient hospital visit: per day, days 1-6	$325
Primary care physician (PCP) visit:	$10	Tier 1/Tier 2 prescription drugs at preferred retail pharmacy	$4/$15

Details | Enroll

★ Most popular

PriorityMedicare
Value SM

$10 a month

In-network deductible:	$0	Specialist visit:	$50
Annual out-of-pocket maximum:	$5,000	Inpatient hospital visit: per day, days 1-5	$325
Primary care physician (PCP) visit:	$5	Tier 1/Tier 2 prescription drugs at preferred retail pharmacy	$2/$10

Details | Enroll

★ Best value

PriorityMedicare
Ideal SM

$18 a month

Combined in- & out-of-network deductible:	$0	Specialist visit:	$50
Annual out-of-pocket maximum:	$6,000	Inpatient hospital visit: per day, days 1-6	$300
Primary care physician (PCP) visit:	$15	Tier 1/Tier 2 prescription drugs at preferred retail pharmacy	$4/$13

Details | Enroll

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Shopping for Medicare Advantage Plans: www.Medicare.Gov

Medicare.gov

The Official U.S. Government Site for Medicare

type search term here | Search

Sign Up / Change Plans | Your Medicare Costs | What Medicare Covers | Drug Coverage (Part D) | Supplements & Other Insurance | Claims & Appeals | Manage Your Health | Forms, Help, & Resources

2020 Open Enrollment starts Oct 15 - and ends Dec 7

Preview 2020 Health & Drug Plans

Get Started with Medicare

Get free & secure access to your Medicare info

Log in / Create Account

Need a 2019 plan?
Find 2019 health & drug plans

Find care
Search all providers & facilities

Need a procedure?
Compare procedure costs

What's covered?
Check covered items & services

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Shopping for Medicare Advantage Plans: www.Medicare.Gov

Medicare.gov

The Official U.S. Government Site for Medicare

type search term here | Search

Sign Up / Change Plans | Your Medicare Costs | What Medicare Covers | Drug Coverage (Part D) | Supplements & Other Insurance | Claims & Appeals | Manage Your Health | Forms, Help, & Resources

Home → Sign up/change plans

Share

- Get started with Medicare
- How do I get Parts A & B?
- I have employer coverage
- Apply for Medicare online
- When can I join a health or drug plan?
- Types of Medicare health plans
- Find health & drug plans
- Check your enrollment

Sign up/change plans

Get started with Medicare

Simple plan to get started with Medicare. Find out how you can get Medicare, what's offered, eligibility, and more. Official Medicare site.

How do I get Parts A & B?

Find out how to get Part A and Part B. Some people get Medicare automatically, but some don't and may need to sign up.

I have employer coverage

Find out what you need to do if you have employer coverage and you're turning 65, are over 65, are under 65 and have a disability.

Apply for Medicare online

Apply online for Medicare on Social Security's website.

When can I join a health or drug plan?

Find out when you can sign up for or change your Medicare coverage. This includes your Medicare Advantage Plan (Part C) or Medicare Prescription Drug Coverage (Part D).

Types of Medicare health plans

Medicare Advantage, Medicare Savings Accounts, Cost Plans, demonstration/pilot programs, PACE, and Medication Therapy Management.

Find someone to talk to

Select your state... | Go

Is my test, item, or service covered?

type your test, item, or service | Go

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Retiree Medical Resources

- Your Personal Financial Advisor – Referral to Medicare Specialist
- Your Personal Home and Auto Insurance Agent – Referral to Medicare Specialist
- Schullo & Associates, Patrick J. Schullo: 800-367-8933
- Advantage Benefits Group: 616-458-3597
- Area Agency on Aging of Western Michigan: 616-456-5664
  - www.aaawm.org/
- Blue Cross Blue Shield of Michigan Medicare: 1-877-469-2583
  - http://www.bcbsm.com/medicare/
- Priority Health Medicare: 1-888-389-6676
  - http://www.priorityhealth.com/medicare
- Centers for Medicare and Medicaid Services
  - www.cms.hhs.gov
- The Official U.S. Government Site for People with Medicare
  - www.medicare.gov
- "Medicare and You"
  - https://www.medicare.gov/pubs/pdf/10050-Medicare-and-You.pdf
- AARP
  - http://www.aarp.org/health/medicare/
- HealthCare.gov
  - https://www.healthcare.gov
- Social Security Administration
  - www.SSA.gov