

2023 Medicare Coverage Options for HonorHealth Employees & Spouses

Presented By:

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Options for signing up for Medicare:

- ▶ Initial Enrollment Period: the three months prior to turning age 65, the month you turn 65, and three months after you turn 65 you are eligible to sign up for Medicare Part A & B
- ▶ Special Enrollment Period: If you are past your initial enrollment period and did not sign up for Part A or B when you were first eligible, because you have group health plan coverage based on a current employment
 - ▶ This enrollment period is available any time during the year
- ▶ If you are age 65+ you must go onto Medicare when you lose employer coverage, COBRA is not considered creditable coverage and you could end up with a penalty

When to sign up for Medicare

- ▶ If you are still covered on employer coverage you do NOT need to sign up for Medicare
 - ▶ You can sign up for Part A any time after turning 65
 - ▶ Do NOT mistakenly sign up for Part B because you will lose your special enrollment eligibility for signing up for supplemental coverage with no medical underwriting
- ▶ When you or your spouse are ready to leave employer coverage you should sign up for Part A/B as early as 3 months prior to the month of coverage you want the insurance to start
 - ▶ Medicare coverage always starts on the 1st of the month you sign up

What does Medicare Part B cost?

- ▶ Based on your tax returns for the last two years see the chart below:

If your yearly income in 2020 (for what you pay in 2022) was			You pay each month (in 2022)
File individual tax return	File joint tax return	File married & separate tax return	
\$91,000 or less	\$182,000 or less	\$91,000 or less	\$170.10
above \$91,000 up to \$114,000	above \$182,000 up to \$228,000	Not applicable	\$238.10
above \$114,000 up to \$142,000	above \$228,000 up to \$284,000	Not applicable	\$340.20
above \$142,000 up to \$170,000	above \$284,000 up to \$340,000	Not applicable	\$442.30
above \$170,000 and less than \$500,000	above \$340,000 and less than \$750,000	above \$91,000 and less than \$409,000	\$544.30
\$500,000 or above	\$750,000 or above	\$409,000 or above	\$578.30

Original Medicare: Part A

WHEN YOU ARE HOSPITALIZED* FOR:	MEDICARE COVERS	YOU PAY
1-60 DAYS	Most confinement costs <u>after</u> the required Medicare deductible	\$1,556 DEDUCTIBLE
61-90 DAYS	All eligible expenses <u>after</u> patient pays a per-day coinsurance	\$389 A DAY COINSURANCE as much as: \$11,670
91-150 DAYS	All eligible expenses <u>after</u> patient pays a per-day coinsurance (These are Lifetime Reserve Days that may never be used again)	\$778 A DAY COINSURANCE as much as: \$46,680
151 DAYS OR MORE	NOTHING	YOU PAY ALL COSTS
*SKILLED NURSING CONFINEMENT: Following an inpatient hospital stay of at least 3 days and enter a Medicare-approved skilled nursing facility within 30 days after hospital discharge and receive skilled nursing care	All eligible expenses for the first 20 days; then all eligible expenses for days 21-100 <u>after</u> patient pays a per-day coinsurance	After 20 days \$194.50 A DAY COINSURANCE as much as: \$15,560
HOSPICE CARE: Must meet Medicare's requirements, including a doctor's certification of terminal illness	All but very limited copayment for outpatient drugs and inpatient respite care	Medicare CO-PAYMENT

Original Medicare: Part B

ON EXPENSES INCURRED FOR:	MEDICARE COVERS	YOU PAY
ANNUAL DEDUCTIBLE	Incurred Expenses after the required Medicare deductible	\$233 ANNUAL DEDUCTIBLE
MEDICAL EXPENSES Physicians' services for inpatient and outpatient medical/surgical services; physical/speech therapy; and diagnostic tests	80% of approved amount	20% of approved amount*
EXCESS DOCTOR CHARGES** <i>(Above Medicare Approved Amounts)</i>	0% above approved amount	ALL COSTS
CLINICAL LABORATORY SERVICES	Generally 100% of approved amount	Nothing for services
HOME HEALTHCARE	100% of approved amount; 80% of approved amount for durable medical equipment	Nothing for services; 20% of approved amount* for durable medical equipment
OUTPATIENT HOSPITAL TREATMENT	Medicare payment to hospital, based on outpatient procedure payment rates	Coinsurance based on outpatient payment rates

Part C: Medicare Advantage Plans

- Medicare Advantage Plan members are still enrolled in Medicare
 - The insurance company is primary
- Each plan has a COUNTY-based provider network
- Strict enrollment/disenrollment periods
- Most Advantage plans include prescription coverage and formulary changes are made annually
- Plan benefits change year to year
 - Check co-pays, deductibles and maximum out-of-pocket amounts

Part D: Prescription Drug Plans

Yearly Deductible	What you pay at the pharmacy	Coverage Gap (Donut hole)	Catastrophic Coverage
\$0-505 (Depending on which plan you choose)	Copayment until you and the plan have spent \$4,660 on covered medication	You pay 25% of the Plan's cost for covered Brand-name drugs	Once you reach \$7,400 in out-of-pocket costs, Catastrophic Coverage offers: Generic Drugs: The greater of 5% or \$4.15 Brand Drugs: The greater of 5% or \$10.35

Medicare Supplement:

- ▶ Original Medicare part A & B are primary
 - ▶ Medicare pays medical bills first
- ▶ Medicare Supplement is your secondary
 - ▶ After Medicare pays, the supplement pays their portion
- ▶ Network includes any doctor that accepts Medicare in the US
- ▶ Can enroll or dis-enroll at any time
 - ▶ Cannot be enrolled in a Medicare Advantage plan to sign up for a supplement
- ▶ There is no prescription coverage included in a Medicare supplement, you will need a stand-alone Prescription Drug plan

HonorHealth 2023

Medical Plan Options Compared to Medicare

HonorHealth 2023 Plans:

	Coordinated Care Plan	Standard Plan	High Deductible Health Savings Account Plan
In-Network/ Out-of-Network Maximum Out of Pocket	\$5,000/\$10,000	\$6,450/\$12,900	\$6,450/\$12,900
Full time Employee Monthly Premiums	\$88	\$400	\$88
Spouse of Full Time Employee Monthly Premium	\$326	\$494	\$326
Part time Employee Monthly Premiums	\$268	\$898	\$268
Spouse of Part Time Employee Monthly Premium	\$648	\$896	\$648

Medicare Supplement vs. Medicare Advantage

Coverage for 65 year old Male, non-smoker, Arizona

	Medicare Supplement Plan G + Part D Drug plan	Medicare Advantage HMO/PPO Includes Part D Drug Coverage
Monthly Medicare Part B Premium	\$170.10 (income means tested)	\$170.10 (income means tested)
Monthly Premium	\$140 + Drug Plan	\$0-120
Maximum Out of Pocket	\$233 medical PLUS Drug plan co-pays	\$2,300-\$11,300 PLUS Drug Plan co-pays
Additional Details	Covers: Medicare approved procedures, all Medicare providers in USA & some foreign travel	Contracted provider network Out of network costs will not be covered unless emergency

Full-time Spouse Rate vs. Medicare

	Coordinated Care	HDHP	Standard Plan	Medicare Supplement Plan G**	Medicare Advantage Part C**
Monthly Premium	\$326	\$326	\$494	\$170.10 + \$140	\$170.10 + \$0-\$118
Deductibles for a single	\$500	\$3,000	\$500	\$233	Co-pays/ coinsurance
Max Out of Pocket for In-network	\$5,000	\$6,450	\$6,450	\$233	\$2,300-11,300

***Medicare supplement/advantage do NOT include prescription coverage out of pocket amounts, this will be covered in a few slides

Part-time Spouse Rate vs. Medicare

	Coordinated Care	HDHP	Standard Plan	Medicare Supplement Plan G**	Medicare Advantage Part C**
Monthly Premium	\$648	\$648	\$896	\$170.10 + \$140	\$170.10 + \$0-\$118
Deductibles for a single	\$500	\$3,000	\$500	\$233	Co-pays/ coinsurance
Max Out of Pocket for In-network	\$5,000	\$6,450	\$6,450	\$233	\$2,300-\$11,300

**Medicare supplement/advantage do NOT include prescription coverage out of pocket amounts, this will be covered in a few slides

Prescription coverage comparison

	Coordinated Care	HDHP	Standard Plan	Medicare Part D
Monthly Premium	No additional premium	No additional premium	No additional premium	Part C=no additional premium Stand Alone Part D Drug Plan \$5.40-\$166.20
Deductible	\$500	\$3,000	\$500	Up to \$505

Frequently asked questions:

- ▶ If I continue working do I need to enroll in Medicare?
 - ▶ As long as you keep employer coverage you do NOT need to enroll in Medicare
 - ▶ You can sign up for Part A at no additional cost
- ▶ How do I sign up for Medicare?
 - ▶ Through your local social security office, social security website, or calling social security
- ▶ I'm on my spouse's employer coverage and I'm turning 65, do I need to do anything?
 - ▶ If you want to leave employer coverage and sign up for Medicare then you need to apply for Medicare. If you plan on staying on the employer plan you most likely do NOT need to do anything
 - ▶ If you are already collecting social security you will be automatically signed up for Medicare and you will have to let them know that you do not want to take your Medicare Part B

What Do You Do Now?

- If you have more questions or need additional information feel free to call or email someone in our office
- Remember, your Medicare eligible spouse can leave the employer at any time during the year under a special enrollment period
 - You do NOT need to make a decision today

Disclosure

The following information has been obtained from sources considered to be reliable, but we do not guarantee that the foregoing material is accurate or complete. Any information is not a complete summary or statement of all available data necessary for making an investment decision and does not constitute a recommendation. Any opinions are those of Ellen Dean and not necessarily those of RJFS or Raymond James. Expressions of opinion are as of this date and are subject to change without notice.

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