



Take
20

Medicare Fundamentals

Jenny Morgan, Director
Ryan Ruska, Associate Director

VIA BENEFITS®
Via Benefits by WTW
Individual Marketplace Retiree Healthcare Strategy

November 2023

Agenda

1. Understand Original Medicare
2. When to Enroll onto Medicare
3. Explore Medicare Options

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Understanding Original Medicare





Who Qualifies for Medicare?

Individuals who . . .

- ✔ are 65 and older
- ✔ who are citizens of the United States or a permanent resident
- ✔ are under 65 with a disability and have been receiving 24 months of Social Security Disability income

Along with . . .

- ✔ Individuals of all ages with End-Stage Renal Disease (ESRD) or ALS

Original Medicare

Administered by the Federal Government



**Part A –
Hospital**



**Part B –
Doctors**

Administered by Private Insurance Companies



**Part C –
Medicare Advantage**



**Part D –
Prescriptions**





Medicare Part A

Hospital Insurance

What it **helps** cover:

- + Inpatient care in hospitals
- + Skilled nursing facilities
- + Hospice care
- + Home health care services

What it **doesn't** cover:

- \$1,632 hospital deductible (each benefit period)
- Copays for extended stays
- Extended hospital stays

What it **costs**: **\$0** for most people

Medicare Part B

Medical Insurance

What it
helps
cover:

- + Preventive services
- + Doctor office visits
- + Outpatient surgery
- + Lab tests and x-rays
- + Durable medical equipment and diabetic testing supplies
- + Part B drugs (such as chemotherapy medications)

What it
doesn't
cover:

- \$240 annual deductible
- No limit on Part B out-of-pocket costs
- 20% of Medicare-approved amount for covered services

What it
costs:

\$174.70 per month in 2024 for most people (higher income individuals may be required to pay more)



2024 Income-related Monthly Adjusted Amounts (IRMAA) Brackets for Medicare Parts B & D

Modified Adjusted Gross Income (MAGI)		Part B Premium per person	Part D Premium per person
Single	Couple		
< \$103,000	< \$206,000	\$174.70	Premium (varies)
\$103,000 to \$129,000	\$206,000 to \$258,000	\$244.60	\$12.90
\$129,000 to \$161,000	\$258,000 to \$322,000	\$349.40	\$33.30
\$161,000 to \$193,000	\$322,000 to \$386,000	\$454.20	\$53.80
\$193,000 to \$500,000	\$386,000 to \$750,000	\$559.00	\$74.20
> \$500,000	> \$750,000	\$594.00	\$81.00

Examples of services *not* covered by Medicare Part A and Part B



Prescription drugs



Routine vision exam and eyewear



Long-term care (custodial care)



Routine hearing exam and hearing aids



Additional dental coverage



Care outside of the United States



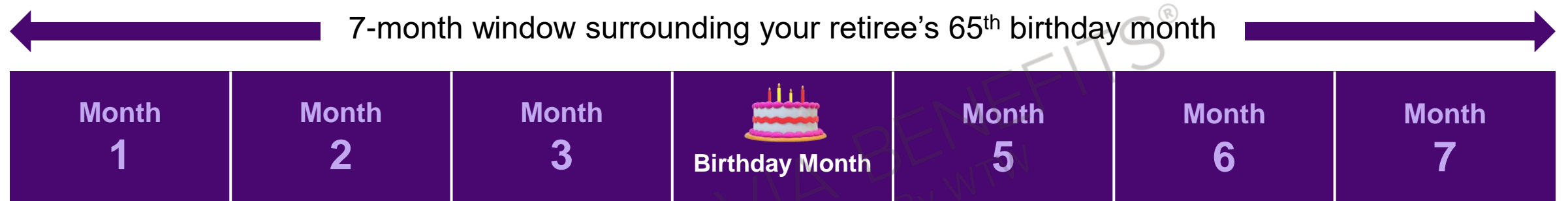
Some alternative care such as massage and naturopathy



When to Enroll

When to enroll

Enrollment periods



Initial Enrollment Period (IEP)

Enroll onto Medicare as early as the **first day** of the month your retiree turns 65

Enroll through **SSA.gov** or by **calling** 1-800-772-1213

If receiving Social Security before age 65, enrollment in Parts A & B is **automatic**

Working past age 65

Medicare Special Enrollment Period (SEP)

- If they don't enroll into Part B when they're first eligible there may be a 10% penalty for each year they delay applying
- They may avoid a penalty if they or their spouse are actively working **AND** are covered by an employers group health plan

Working Past Age 65 – Special Enrollment Period (SEP)

- There is an **eight-month** enrollment period that begins the month after employment ends to sign up for Part B without accruing a late enrollment penalty
- Employer or HR department provides a verification form

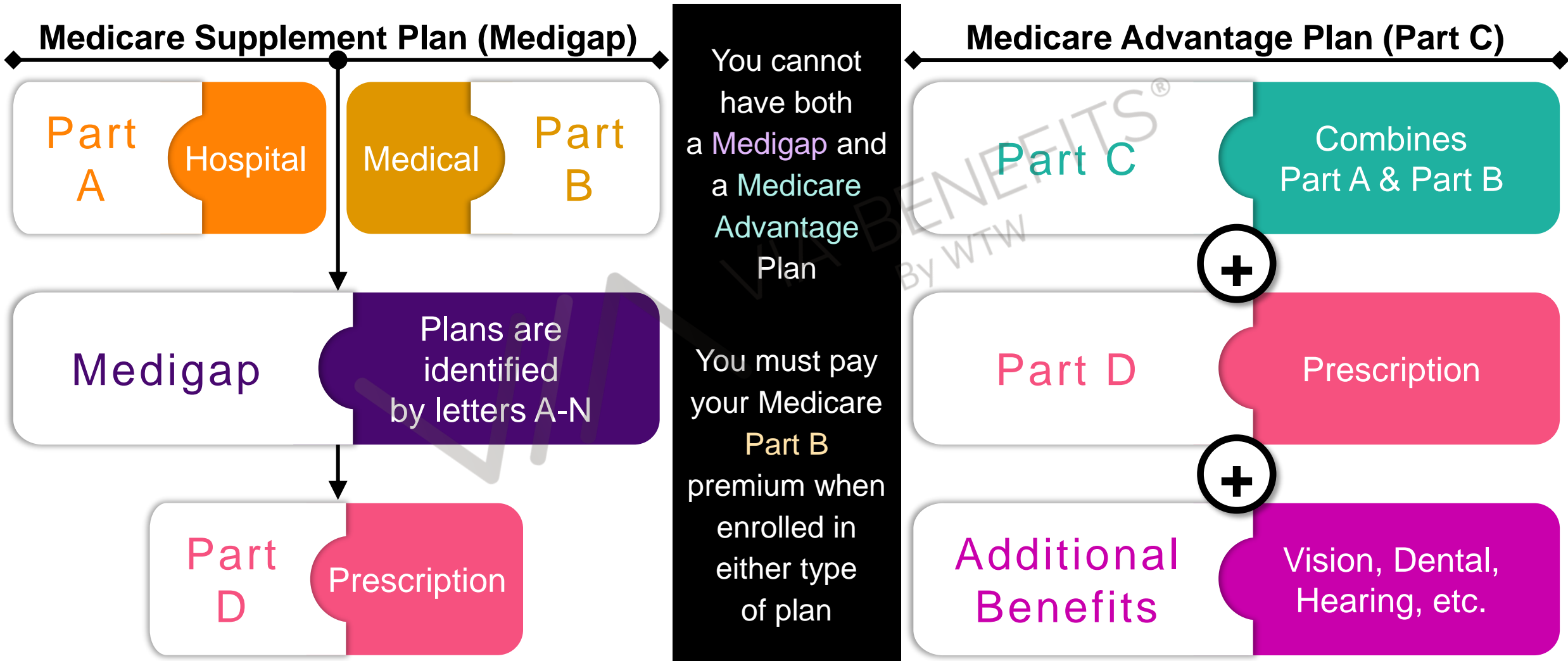
General Enrollment Period (GEP)

- January 1 – March 31, coverage takes **effect** the first day of the following month
- A late enrollment **penalty** may apply



Explore your Medicare Options

Two ways to get additional coverage



Health Savings Accounts (HSA) and Medicare

- Once enrolled Medicare, employees can no longer contribute to their HSAs
- To avoid a tax penalty, employees should stop contributing to their HSAs at least 6 months before applying for Medicare
- Once enrolled in Medicare, they can use HSA funds to pay Medicare premiums and out-of-pocket health expenses
- They cannot pay Medicare Supplement premiums with an HSA



Via Benefits, WTW's Individual Marketplace

Oldest and largest retiree marketplace with
20 years of service

2.3+
million retirees

700+
plan-sponsors

3.1 million retiree conversations in 2022

98%
of retirees feel they selected
the best plan
for their needs

+99%
of retirees are satisfied
with their benefit advisor



Jenny Morgan
jenny.morgan@wtwco.com



Ryan Ruska
ryan.ruska@wtwco.com

Save the date

- Medicare Part D Prescription
Thursday, March 14, 2024
- Individual Family Plans
Thursday, May 9, 2024



Appendix

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Working past age 65

Annual Enrollment Period (AEP)

October 15 through December 7, effective January 1 of the next year

- Join, drop, or switch to another Medicare Advantage Plan
- Switch from Original Medicare to a Medicare Advantage Plan.
- Join a Medicare drug plan if you're in Original Medicare.
- Switch from one Medicare drug plan to another if you're in Original Medicare

Medicare Advantage Open Enrollment Period (OEP)

January 1 through March 31, effective first of the month after the plan gets your request

- Available only if you're already in a Medicare Advantage Plan
- Within the first 3 months you get Medicare
- Switch to another Medicare Advantage Plan with or without drug coverage
- Drop your Medicare Advantage Plan and go back to Original Medicare
- Join a Medicare drug plan

Special Enrollment Period (SEP)

Examples

- Moving to a new address
- Losing or changing your current coverage
- Getting Medicaid
- Getting extra help paying drugs costs,
- And more

Two ways to get additional coverage (cont'd)

1



**Original Medicare
+ Medigap**

- Secondary plan to Original Medicare Parts A & B
- Part D drug coverage not included – must purchase drug plan separately
- Limited extra benefits – Only covers what Original Medicare covers
- Portable – you can move and keep the same plan
- Largest network of providers – Accepted by all providers that accept Medicare assignment
- Premiums vary by carrier, geography, sometimes age, etc., but are typically higher than Medicare Advantage premiums
- Three ID cards for services: Medicare, Medigap and Part D
- 6-month guarantee issue window for enrollment, after that underwriting may apply
- Regulated by each state



**Medicare
Advantage**

2

- Replaces Original Medicare as primary payer
- Extra benefits such as dental, vision and hearing aid coverage usually included
- Plans vary by area, moving may require a plan change
- Part D drug coverage included on most Medicare Advantage plans
- Provider networks can be very different depending on the company, plan type (HMO, PPO, etc.) or area
- Premiums are generally lower than Medigap
- One ID card for all services
- Enroll during open enrollment periods