



Planning for Medicare

Educational Webinar for American Bar Association Members

Please Note: This webinar is for informational purposes only. Opinions shared by the panel do not reflect the official position of the ABA.

AGENDA

- Partnership & Introductions
- What is Medicare and Who is Eligible
- Medicare Open Enrollment
- Late Enrollment Penalties & IRMMA (Income Related Monthly Adjustment Amount)
- Working Past Age 65
- Finding the Coverage That Best Fits Your Needs
- ABA Medicare Program
- Live Question & Answer Session

Welcome



The ABA Insurance Program has worked with AmWINS Group Benefits to offer ABA members and their families the opportunity to attend this complimentary virtual webinar.

www.ABAinsurance.com

Introduction



Chris Reilly

Senior Vice President & National Practice Leader

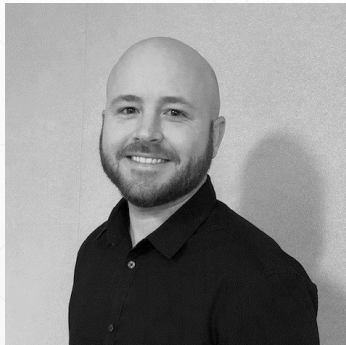
- 25+ years of insurance industry knowledge and expertise in retiree healthcare programs.
- As the National Practice Leader of Retiree Solutions at Amwins, Chris is focused on strategies and solutions to help partners and clients every day.



Chelsey Russell

Business Development Specialist

- 2+ years of insurance industry knowledge and expertise in retiree healthcare programs.
- Chelsey works closely with insurance carriers and brokers, assisting in the development of program solutions for prospective clients while coordinating the new group implementation process and annual program renewals.



Jeff Morris

Relationship Manager

- 5+ years of insurance industry knowledge and expertise in retiree healthcare programs.
- As a Relationship Manager, Jeff serves as the primary point of contact for clients while placing an emphasis on building positive working relationships.

What is Medicare?

- Health insurance for people
 - 65 and older
 - Under 65 with certain disabilities
 - Any age with End State Renal Disease (ESRD)
- Administered by:
 - Centers for Medicare & Medicaid Services (CMS)
- Enrollment is handled by:
 - Social Security Administration (SSA) for most

What is Medicare?

- The Social Security Act established both Medicare and Medicaid programs in 1965
- Original Medicare is a “fee-for-service” system, where a Medicare beneficiary is charged a fee for each health care service/supply received
- Beneficiaries can see any provider that is approved by the Medicare program

The Four Parts of Medicare – Parts A & B

■ Part A – Hospital Insurance (Inpatient)

- Hospital
- Skilled Nursing Facility
- Home health care
- Hospice care
- 2021 Premium:
 - Free for most
 - If you paid Medicare taxes for less than 30 quarters, the standard Part A premium is \$471

■ Part B – Medical Insurance (Outpatient)

- Doctor's visits
- Outpatient hospital services
- Clinical lab tests
- Durable Medical Equipment
- Preventative services
- Part B premium: \$148.50

The Four Parts of Medicare – Part C

Part C

- All in one alternative to original Medicare
- Health plan options approved by Medicare
 - Another way to get Medicare coverage
 - Still part of the Medicare program
 - Run by private companies
- Plans cover everything that original Medicare covers + some services not covered by Medicare (dental/vision)
- Medicare pays an amount for each member's care
- May have to use network doctors or hospitals

The Four Parts of Medicare – Part D

Part D

- Available for all people with Medicare
- Part D coverage is optional
 - You can choose a plan and join
 - Must have Parts A + B
- Provided through
 - Medicare Prescription Drug Plans
 - Medicare Advantage Plans
 - Other Medicare plans



The Four Parts of Medicare – Part D

- Coverage includes formularies
 - Lists of covered drugs
 - Must include range of drugs in each category
- You pay a monthly premium
- You pay deductibles and copayments
- There is extra help to pay Part D costs
 - If you have limited income and resources



What is not covered by Medicare?

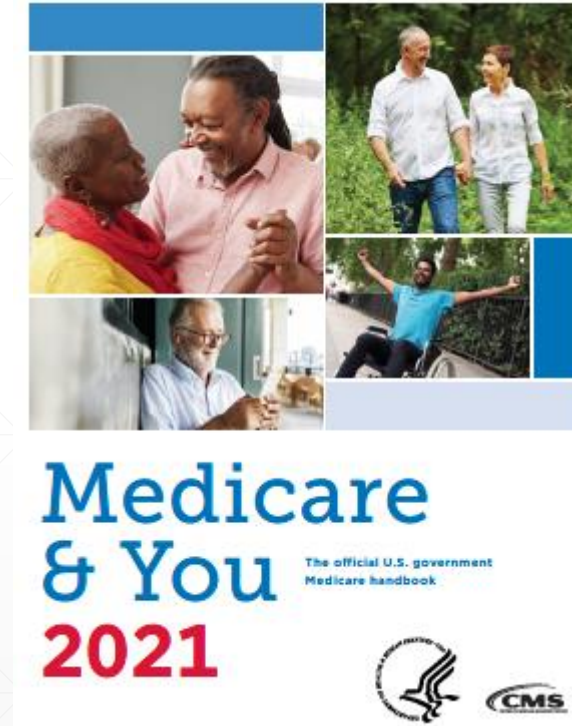
- Acupuncture
- Dental care/dentures
- Cosmetic surgery
- Custodial care
- Health care while traveling outside the U.S.
- Hearing aids
- Orthopedic shoes
- Outpatient prescription drugs (covered under Part D)
- Routine foot care
- Routine eye care and eyeglasses

Medicare Enrollment Periods

- Initial Enrollment Period (IEP)
 - Begins 3 months prior to the month of turning 65 and continues through the end of the third month after
- General Enrollment Period (GEP)
 - Allows individuals who did not enroll in Part B during the IEP to enroll between January 1 – March 31 of each year for a July 1 effective date
- Special Enrollment Period (SEP)
 - Allows individuals who delayed enrolling in Part B because they were receiving benefits through an employer as an active employee (or dependent of someone who is); SEP runs 8 months from the time of retirement or loss of coverage

Medicare Enrollment – Parts A & B

- Automatic for those receiving
 - Social Security benefits
 - Railroad Retirement Board benefits
- Initial Enrollment Period Package
 - Mailed 3 months before
 - Age 65
 - 25th month of disability benefits



Medicare Enrollment – Parts A & B

- You do not have to be retired
- Your Initial Enrollment Period lasts 7 months
 - Begins 3 months before your 65th birthday
 - Includes the month you turn 65
 - Ends 3 months after you turn 65
- There are other times you may enroll
 - You may pay a penalty if you delay
 - Annual Open Enrollment Period



Medicare Enrollment – Part A & B

Part A

- Automatic if receiving Social Security
- Free for most people
 - Can pay if work history is not sufficient
 - There may be a penalty if you delay
- If you/your spouse are actively working and covered by employer plan
 - Contact Social Security to sign up

Part B

- Automatic if receiving Social Security
 - Most people pay a monthly premium
 - Usually deducted from SSA benefits
 - Amount depends on income
- If you do not sign up on time you will pay a penalty

Medicare Enrollment – Part B Continued ...

- If you do have coverage through active employment
 - You may want to delay part B
 - There is no penalty if you enroll while you have coverage or within 8 months of losing coverage

- If you do not have coverage from active employment
 - You or your spouse
 - Delaying Part B may mean
 - Higher premiums
 - Paying for your health care out-of-pocket

Medicare Enrollment – Part C & D

Part C

- Medicare Advantage
- Must have Part A & B coverage
- Enroll through private insurers

Part D

- Must have Part A + B coverage
- Enrollment is NOT automatic
- If you wish to enroll, you need to enroll as soon as you are eligible to avoid enrollment penalties
- Enroll through private insurers

Medicare LEP's (late enrollment penalties)

- **Part-A & Part-B LEP (handled separately)**

- If you are **not** eligible for premium-free Medicare Part A & B, you will need to sign up for it when you first become eligible to do so.
- If you do not enroll right away, a 10% LEP may be applied to your monthly Medicare Part A & B premium's.

- **Part-D LEP**

- Assessed if you do not enroll in a Medicare Part-D or Med Advantage Plan during IEP for Part-D
- Calculated by multiplying 1% of the “national base beneficiary premium” by the number of months you were eligible, but did not apply for a Medicare Prescription Drug Plan
- LEP is paid on top of your Rx Plan premium

What is IRMAA?

- IRMAA = Income Related Monthly Adjusted Amount
- Increased Part B + D premium that some Medicare beneficiaries pay based on their tax returns from 2 years ago
- The theory is that higher-income beneficiaries can afford to pay more for their healthcare. Instead of doing a 25:75 split with the government, they must pay a higher share of the program costs
- Notice is issued by SS if you have Medicare Part B and/or Part D and Social Security determines that any Income Related Monthly Adjustment Amounts (IRMAA) apply to you
- Chart on next page ...



IRMAA Tax Brackets

If your yearly income in 2019 (for what you pay in 2021) was			You pay each month (in 2021)
File individual tax return	File joint tax return	File married & separate tax return	
\$88,000 or less	\$176,000 or less	\$88,000 or less	\$148.50
above \$88,000 up to \$111,000	above \$176,000 up to \$222,000	Not applicable	\$207.90
above \$111,000 up to \$138,000	above \$222,000 up to \$276,000	Not applicable	\$297.00
above \$138,000 up to \$165,000	above \$276,000 up to \$330,000	Not applicable	\$386.10
above \$165,000 and less than \$500,000	above \$330,000 and less than \$750,000	above \$88,000 and less than \$412,000	\$475.20
\$500,000 or above	\$750,000 and above	\$412,000 and above	\$504.90

Medicare Marketplace Plans

- Medigap
- Medicare Advantage
- Medicare Part D

MEDIGAP

- Medicare Supplement Insurance Policies
 - Sold by private companies
- Fill the gaps in Original Medicare
 - Deductibles, coinsurance, copayments
- Standardized plans in all but three states
 - Minnesota, Washington, Wisconsin
- All plans with same letter
 - Include same coverage
 - Only the costs are different

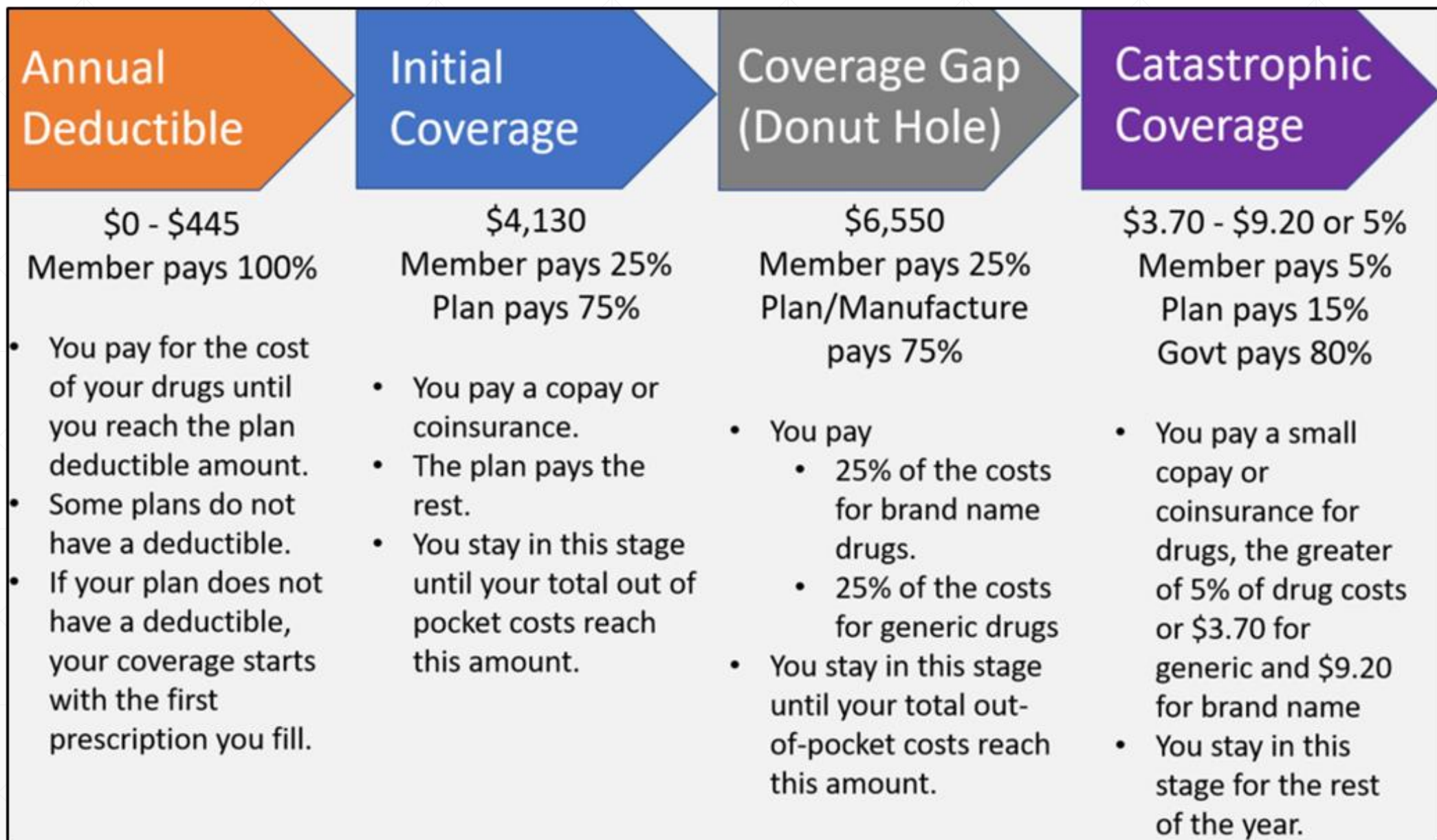
Medigap Benefits	Medigap Plans									
	A	B	C	D	F*	G	K**	L**	M	N
Part A Coinsurance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Up to 365 Days	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Part B Coinsurance	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Blood	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Hospice Care Coinsurance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Skilled Nursing Coinsurance			✓	✓	✓	✓	50%	75%	✓	✓
Part A Deductible		✓	✓	✓	✓	✓	50%	75%	50%	✓
Part B Deductible			✓		✓					
Part B Excess Charges					✓	✓				
Foreign Travel Emergency (Up to Plan Limits)			✓	✓	✓	✓			✓	✓

MEDICARE ADVANTAGE

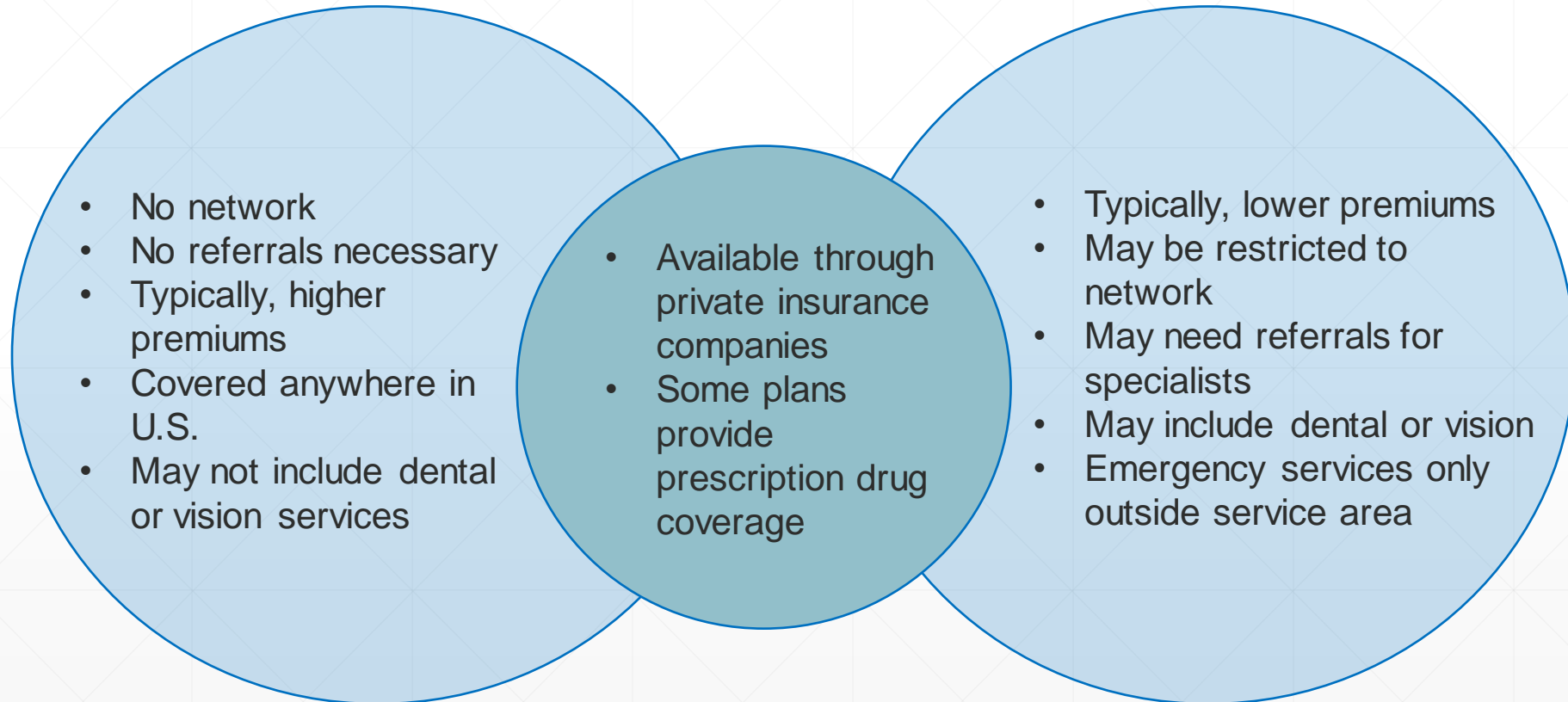
- Health plan options approved by Medicare
 - Another way to get Medicare coverage
 - Still part of the Medicare program
 - Run by private companies
- Medicare pays amount for each member's care
- May require you to use a network
- Most offer comprehensive coverage including Part D
- Does not work with Medigap policies
- Can only join/ leave plan during certain periods

MEDICARE PART D

- Available for all people with Medicare
- Provided through
 - Medicare Prescription Drugs Plans
 - Medicare Advantage Plans
- It is optional
 - You can choose a plan and join
- Plans have formularies
- Lists of covered drugs (must include range of drugs in each category)
- You pay a monthly premium, deductibles, and copayments



Medigap vs. Medicare Advantage



ABA Medicare Program

- Medicare Concierge Service
 - Dedicated & experienced Medicare Benefit Specialist to help future retirees transition into Medicare
 - Single source experts to cut through the clutter & confusion of Medicare to ensure retirees get the best healthcare options to meet their individual needs
- Law firm group plans and rates
 - Voluntary Medical Plan Options
 - Custom Plans not available in the Medicare Marketplace

Law Firm Group Plans

FULLY INSURED CUSTOM PLANS	Option 1 (Plan G 2000)	Option 2 (Plan G 1000)	Option 3 (Plan G)
Calendar Year Deductible*	\$203.00	\$250.00	\$203.00
Member Part B Co-Insurance	20%	10%	0%
Out-of-Pocket Maximum**	\$2,000.00	\$1,000.00	\$203.00
Lifetime Benefit Maximum	Unlimited	Unlimited	Unlimited

Law Firm Group Plans

- Can be offered as a Contributory Program or as a fully Voluntary Program with **zero cost to the employer.**
- Hybrid Solution that gives retirees access to the best group and individual plans available today.
- The program includes an account management team including dedicated benefit specialists, relationship manager, and an implementation coordinator.
- AmWINS will manage the ongoing retiree eligibility, enrollment, marketing, communications, HRA administration, billing & collection.

Closing Remarks and Q&A Session

Thank you for attending today's webinar. We hope that you found it informative.

Chris Reilly, National Practice Leader, Retiree Solutions

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