

Contacting SHIP--SMP



• Statewide: 1-800-351-4664
(TTY 1-800-735-2942)

• Website: www.ship.iowa.gov

www.smp.iowa.gov

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• Local: Check Website or
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BEWARE of Medicare Scams



- Medicare will not call to confirm you got your new card
- Medicare and Social Security will NEVER call and ask for your Medicare number
- Do Not give our your Medicare number to someone you do not know or trust

When Can You Join?



- You can join a Medicare Advantage Plan or other Medicare plan
 - During your Initial Enrollment Period – when you are first eligible for Medicare
 - Each year, during Annual Election Period (October 15 - December 7)
 - During a Special Enrollment Period

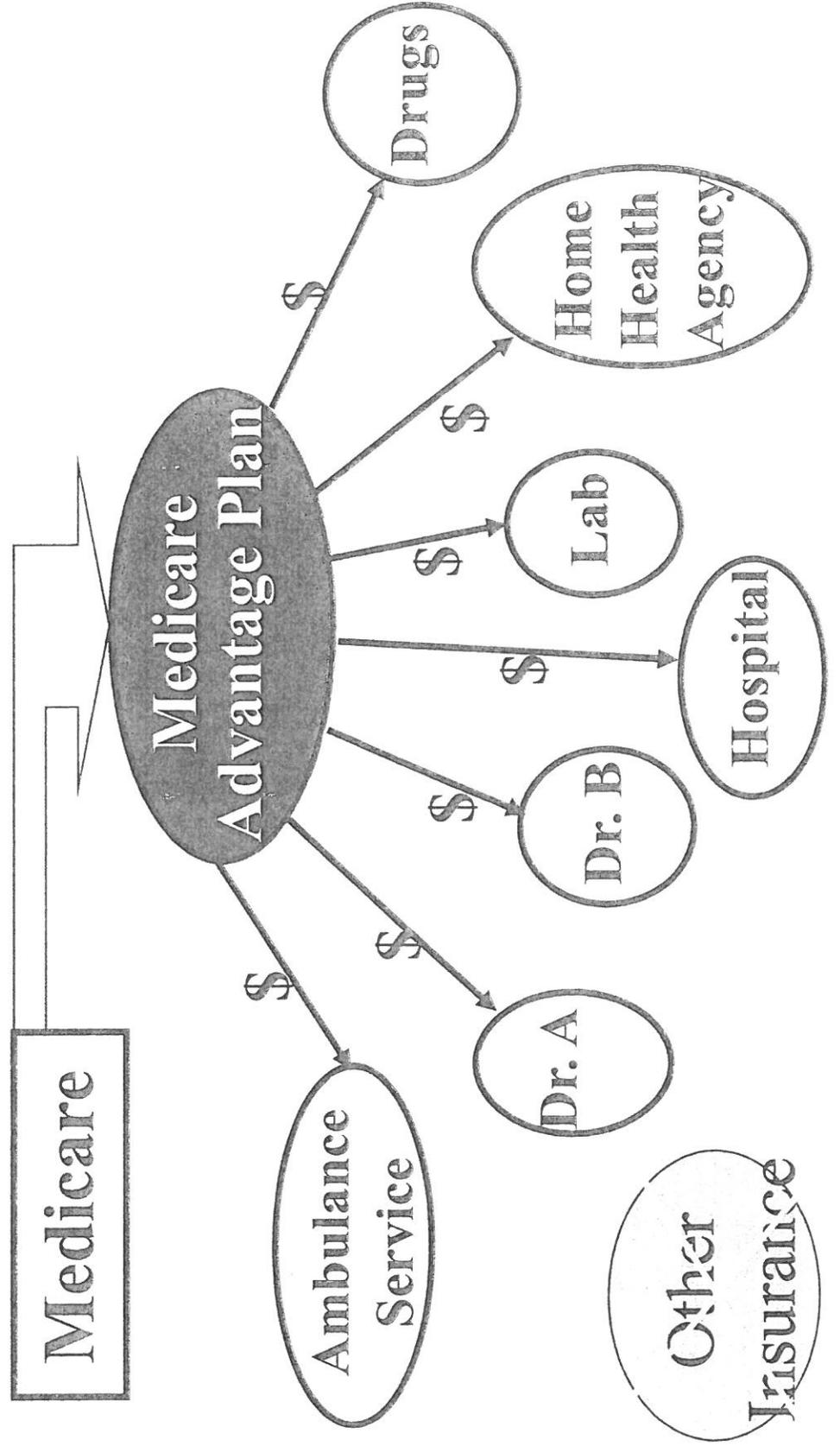
These are the same times you can join a Medicare prescription drug plan.

Questions to Ask About MA Plans



- Do I live in the service area for the plan?
- Will my doctors, hospital and other medical providers accept payment from the MA plan?
- What is the monthly premium?
- What is the out-of-pocket maximum cost?
- What are the deductibles, co-insurance or copayments for the services I am likely to use?
- Does the plan include prescription drug coverage?

Medicare Advantage (Part C)



Your Medicare Coverage Choices



Original Medicare

Part A Hospital Insurance
Part B Medical Insurance

Supplemental coverage

Prescription Drug
Coverage – Part D

Medicare Advantage Part C

Combines Part A &
Part B

May include
Prescription Drug
Coverage – Part D

Qualify For “Extra Help” With Prescription Drug Costs



- Helps pay drug plan premium, deductible and co-pays
- Monthly Income limits: Resource limits:

\$1,581 individual	\$14,390 individual
\$2,134 couple	\$28,720 couple

Apply through Social Security

SHIP can help!

Comparing Part D Plans



- Premium
- Deductible
- Formulary – the drugs that are covered
- Restrictions on your medications
- Out of pocket costs at pharmacy
- Coverage in the Gap
- Pharmacy network (national availability?)

Annual Election Period



October 15 – December 7

- During the Annual Election Period you can:
- Change prescription drug plans
- Enroll in a drug plan for the first time
- Drop Medicare drug coverage
- Change from Original Medicare and a prescription drug plan to a Medicare Advantage plan
- Keep your current coverage

What Is The Late Enrollment Penalty?



- Assessed 1% of base premium* for every month you were eligible to enroll in Medicare's prescription drug coverage and did not enroll
- Pay penalty for life
- Example: Did not enroll in 2006-your penalty would be 151 months X 1% or 151% X \$33.19 or \$50.12 per month in penalty
- * \$33.19 in 2019

What Is “Creditable Coverage” ?



- Drug coverage that is as good as or better than a Medicare prescription drug plan
- Includes:
 - VA drug benefits
 - Tricare for Life
 - Some employer or retiree coverage
 - Indian Health Services

Prescription Drug Coverage Choices



Original Medicare

Part A Hospital Insurance
Part B Medical Insurance

Supplemental coverage

**Prescription Drug
Coverage – Part D**

Medicare Advantage Part C

Combines Part A & Part B

May include Prescription
Drug Coverage – Part D



Myth #3 –

I must get rid of my Plan C or F

- You can keep your Plan C and F
- You can change if you want to
 - You could save money on your premium
 - Understand benefits you are giving up
 - Must pass “underwriting” (answer health questions)

Myth #1 – Plan C and F is going away

- Your Plan C and F is **NOT** going away for individuals eligible for Medicare before 1/1/20
- The Part B deductible will continue to be covered
- Your Plan C and F is “**guaranteed renewable**”
 - As long as you pay your premiums you cannot the insurance company cannot cancel your coverage

How Much Does A Medicare Supplement Cost?



Company	A	F	F(HD)	G	Notes	Comments
Company 1 Smoker rates differ; HH discount	\$952	\$1686	\$2240	\$1315	NA S \$0	PreX: 3 mos. Gl: None
Company 2 Smoker rates differ; Rates for females are lower	\$1951	\$2910		\$2290	AA Z \$25	PreX: 3 mos. Gl: None
Company 3	\$1434	\$1897	\$596	\$1432	IA Z \$0	PreX: None Gl: None
Company 4	\$1894	\$1705	\$900	\$1494	AA S \$0	PreX: None Gl: A
Company 5 Innovative benefits	\$1714	\$2957	\$546	\$2782	C AA Z \$0	PreX: None Gl: None

Medicare Supplement Insurance

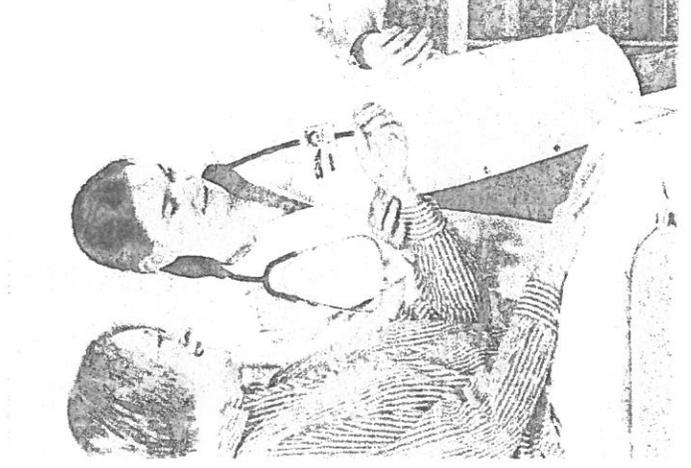


- Health insurance policies sold by private insurance companies
- Also called “Medigap”
- Cover “gaps” in Original Medicare Plan
- 10 standardized policies
- Plans A, B, C, D, F, G, K, L, M, N
- Guaranteed renewable

Original Medicare



Use any provider anywhere in the US who accepts Medicare and has a provider number.



Help Paying For Medicare Costs



Medicare Savings Programs – Pay for Part B premium and sometimes Medicare deductibles and coinsurance

Income below:

- \$1,425 per month individual
- \$1,922 per month couple

• Resources below:

- \$7,730 individual
- \$11,600 couple

Medicare Part B - Claims



If provider accepts “assignment”

- Agree to accept Medicare’s “approved” amount as full payment
- You only pay deductibles & coinsurance
- Medicare sends its payment directly to the provider

If provider does not accept “assignment”

- May charge up to 15% more than the “approved” amount
- May ask you to pay entire charge at time of service
- Medicare sends its payment to you and you pay the provider

How Do I Pay The Part B Premium?

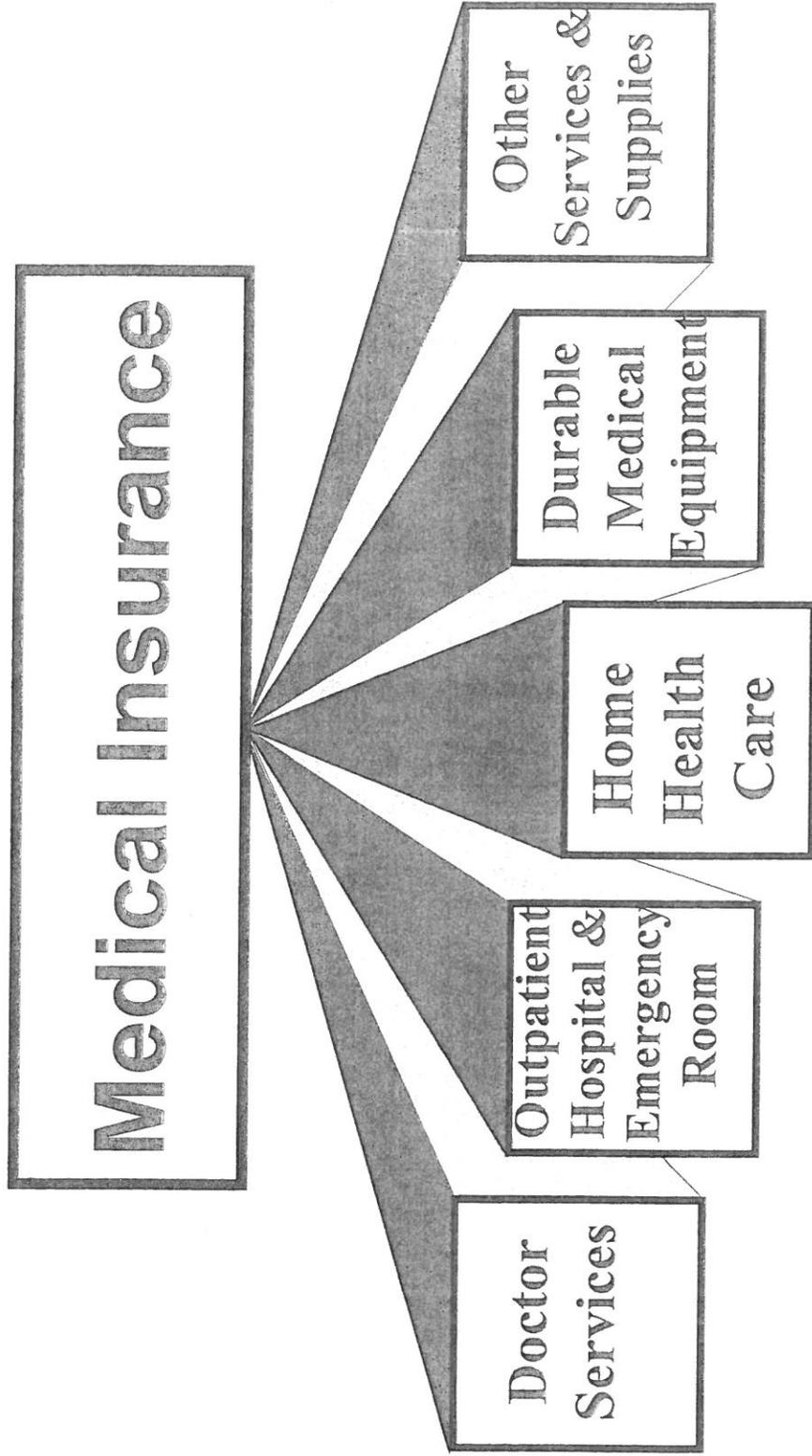


If you are drawing benefits, the premium is taken out of your monthly payment:

- Social Security
- Railroad Retirement
- Federal Government retirement

If you are not drawing benefits, you will be billed every 3 months

Medicare Part B



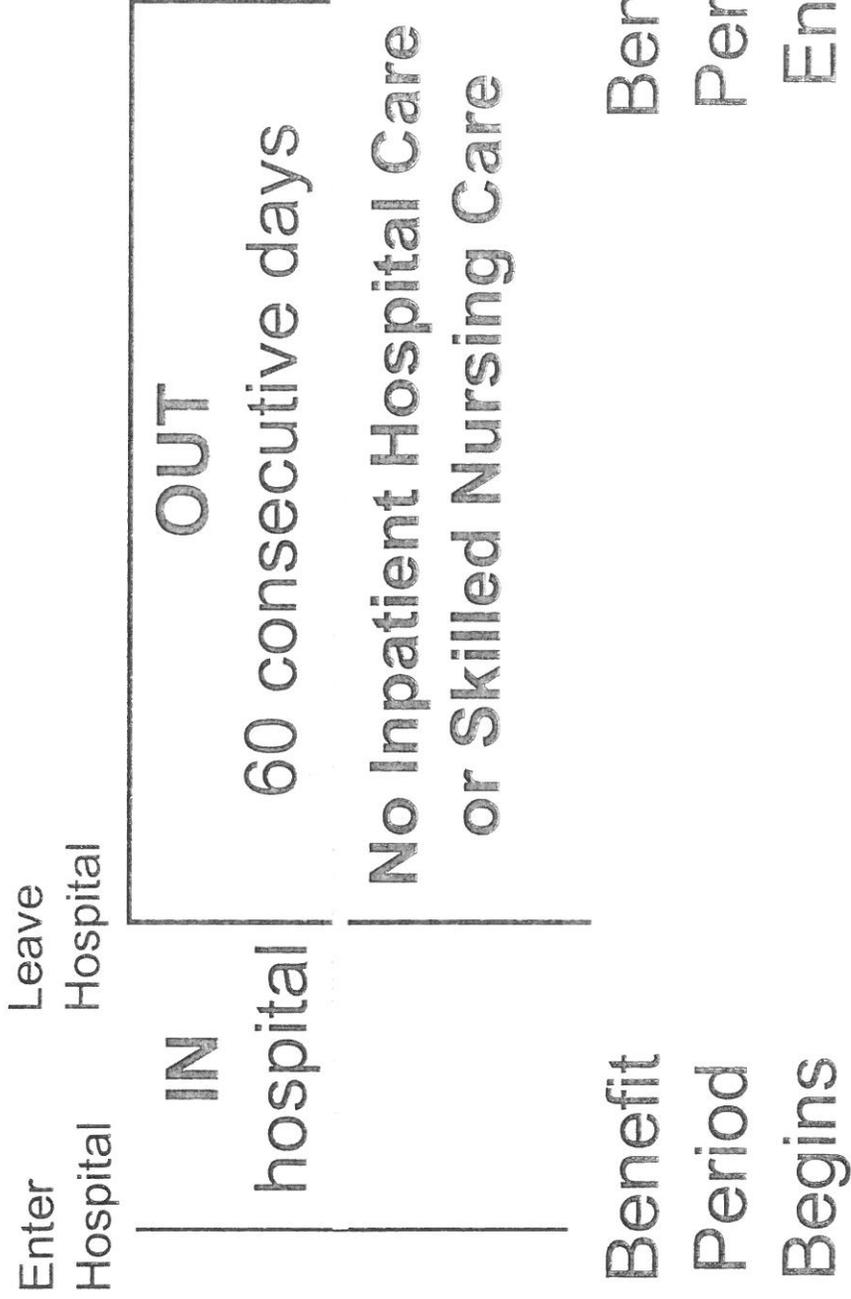
Home Health Care – What You Pay



Covered Services – no cost

- Part-time skilled nursing care
- Therapy—occupational, physical, speech-language
- Some home health aid services

Inpatient Hospital & SNF Benefit Period

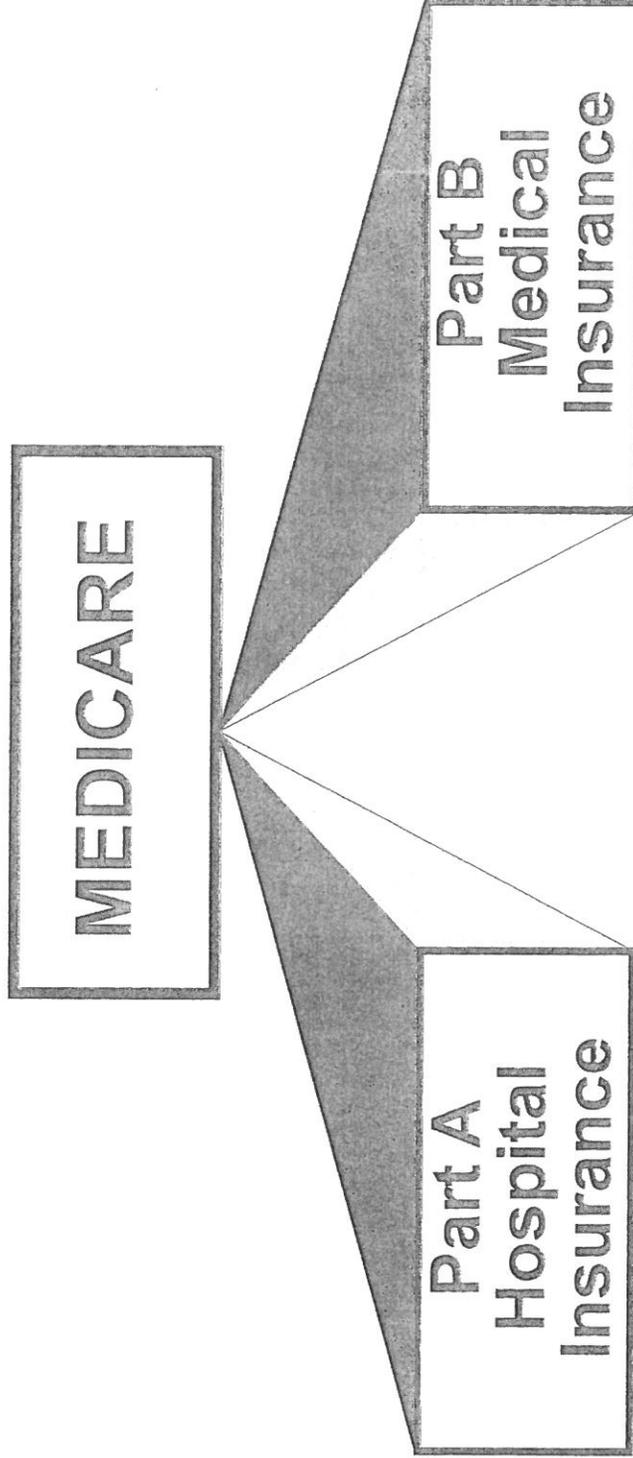


Cost Of Enrolling In Medicare Part A



Part A is free for people who have 40 quarters of work credit under Social Security or Railroad Retirement.

Medicare Health Insurance

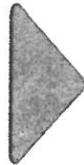


When To Enroll In Medicare Parts A & B

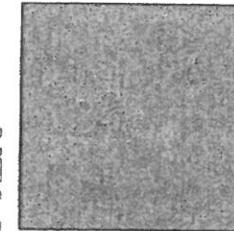
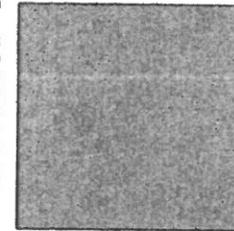
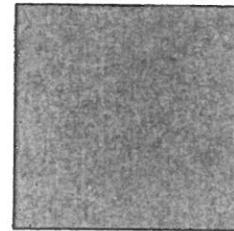
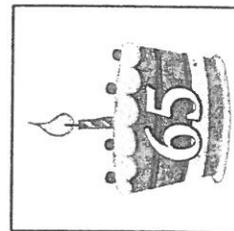
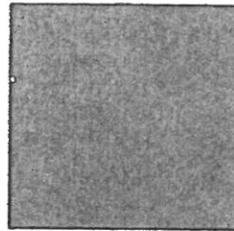
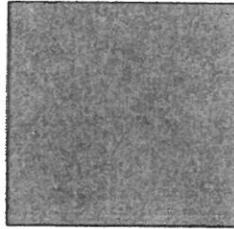
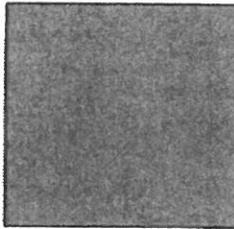


Initial Enrollment Period

YOUR ELIGIBILITY MONTH



THREE MONTHS BEFORE



THREE MONTHS AFTER

_____ Initial Enrollment Period _____

If You Delay Enrolling In Medicare



Always verify a decision to delay enrollment with Social Security



Should I Delay Enrolling In Part B While Working?

- If you or your spouse are working and covered by your employer's group health insurance, based on active employment, consider this:
 - Part B coverage usually is secondary to employer coverage
 - Part B costs a monthly premium
 - Enrolling in Part B triggers a 6 month one-time guarantee to purchase a Medicare Supplement.

Are You Medicare-eligible & You Or Your Spouse Work?



Employer has fewer than 20 employees

- Employer can offer anything or nothing
- Medicare is primary insurance

I will work past age 65



For purposes of enrolling in Medicare, “work” means:

In the month in which you turn 65

You are **actively** working for an employer who
provides you with group health insurance

or

Your spouse is **actively** working for an employer
who **provides group health insurance** which
covers you

I'm Turning 65



What should I do?
Should I enroll in Medicare?



Today We Will Cover



- Medicare eligibility, enrollment & costs
- Your Medicare choices:
 - Original Medicare Parts A & B
 - Supplementing Medicare
 - Prescription Drug Plans – Part D
 - Or
 - Medicare Advantage Plans – Part C
- Financial assistance if your income and resources are limited

What Is SHIP?



Objective Information Source

- Objective – doesn't recommend or endorse specific companies, products of agents
- Confidential
- Free
- Part of the State of Iowa Insurance Division

CHAPTER 514D

ACCIDENT AND SICKNESS INSURANCE POLICIES

Referred to in §§7.4, 296.7, 331.301, 364.4, 505.28, 505.29, 509.13, 514A.14, 669.14, 670.7

- 514D.1 Purpose.**
- 514D.2 Definitions.**
- 514D.3 Standards for policies established.**
- 514D.4 Standards for benefits established.**
- 514D.5 Disclosure, Medicare information, and advertising.**
- 514D.6 Limitation on defenses.**
- 514D.7 Exclusions.**
- 514D.8 Title and effective date of chapter.**
- 514D.9 Regulations regarding limitation on compensation.**

514D.1 Purpose.

The purpose of **this chapter** is to provide reasonable standardization, simplification, and disclosure of the terms and coverages of individual accident and sickness insurance policies issued under **chapter 514A** and individual subscriber contracts issued under **chapter 514**, in order to facilitate public understanding and comparison and to eliminate provisions which may be misleading or unreasonably confusing in connection with the purchase of coverage or the settlement of claims.

[C81, §514D.1]

514D.2 Definitions.

As used in **this chapter**, unless the context otherwise requires:

1. "*Accident and sickness insurance*" means individual accident and sickness insurance within the meaning of **section 514A.1**. "*Accident and sickness insurance*" also means individual subscriber contracts for hospital service, or medical and surgical service, or individual pharmaceutical or optometric service issued under **chapter 514**, and for purposes of **this chapter**, corporations issuing contracts under **chapter 514** are deemed to be engaged in the business of insurance.
2. "*Form*" means and includes policies, contracts, riders, endorsements and applications used in connection with the sale of accident and sickness insurance under **chapter 514** or **chapter 514A**.
3. "*Medicare*" means the Health Insurance for the Aged Act, Tit. XVIII of the United States Social Security Act added by the amendment of 1965 as amended on or before July 1, 1980.
4. "*Policy*" means the entire contract between the insurer and the insured, including the policy

riders, endorsements, and the application, if attached, and includes individual subscriber contracts issued under **chapter 514**.

[C81, §514D.2]

2013 Acts, ch 90, §154

514D.3 Standards for policies established.

1. The commissioner shall issue rules to establish specific standards, including standards of full and fair disclosure, that set forth the manner, content, and required disclosure for the sale of policies of individual accident and sickness insurance and individual subscriber contracts which shall be in addition to and in accordance with applicable laws of this state, including but not limited to **sections 514A.1 to 514A.12**. These rules may include, but shall not be limited to, any of the following subjects:

- a.* Terms of renewability.
- b.* Initial and subsequent conditions of eligibility.
- c.* Nonduplication of coverage provisions.
- d.* Coverage of dependents.
- e.* Coverage of persons eligible for Medicare by reason of age.
- f.* Preexisting conditions.
- g.* Termination of insurance.
- h.* Probationary periods.
- i.* Limitations.
- j.* Exceptions.
- k.* Reductions.
- l.* Elimination periods.
- m.* Requirements for replacement.
- n.* Recurrent conditions.
- o.* The definition of terms, including but not limited to the following: Hospital, accident, sickness, injury, physician, accidental means, total disability, partial disability, nervous disorder, guaranteed renewable, and noncancelable.

2. The commissioner may issue rules with respect to policies of individual accident and sickness insurance and individual subscriber contracts that specify prohibited policies or subscriber contracts, or prohibited policy or contract provisions which the commissioner finds to be unjust, unfair, or unfairly discriminatory to the policyholder or any person insured under the policy or any beneficiary. **This subsection** does not authorize the commissioner to prohibit a policy or policy provision or subscriber contract or contract provision which is specifically authorized by statute.

3. A rule issued by the commissioner under **this section** shall not apply to a conversion policy issued pursuant to a contractual conversion privilege under a group or individual policy of accident and sickness insurance when such group or individual contract contains provisions that are inconsistent with the requirements of **this chapter** or any rule issued under **this chapter**.

4. A rule issued by the commissioner under **this section** shall not apply to policies being issued to employees or members being added to a franchise plan, as defined in **section 509.14**, which is in existence on the effective date of the rule.

[C81, §514D.3]

514D.4 Standards for benefits established.

1. The commissioner shall issue rules to establish minimum standards for benefits under each of the following categories of coverage contained in policies of individual accident and sickness insurance or subscriber contracts:

- a. Basic hospital expense coverage.
- b. Basic medical-surgical expense coverage.
- c. Hospital confinement indemnity coverage.
- d. Major medical expense coverage.
- e. Disability income protection coverage.
- f. Accident-only coverage.
- g. Specified disease or specified accident coverage.
- h. Medicare supplement coverage.
- i. Limited benefit health coverage.

2. **This section** does not prohibit the issuance of a policy which combines two or more of the categories of coverage enumerated in paragraphs “a” to “f” of **subsection 1**. A category of coverage referred to in paragraph “g”, “h” or “i” of **subsection 1** shall not be combined in a policy or contract either with another category of coverage referred to in paragraph “g”, “h” or “i” of **subsection 1** or with a category of coverage referred to in any of paragraphs “a” to “f” of **subsection 1** unless a rule issued by the commissioner specifically authorizes that combination of coverages.

3. The commissioner shall prescribe the method of identification of policies and contracts based upon coverages provided.

4. A policy of accident and sickness insurance or subscriber contract shall not be delivered or issued for delivery in this state unless the policy or contract meets the minimum standards prescribed under **this section**.

5. The commissioner may upon notice and hearing at any time after the initial filing or approval of any individual accident and sickness policy or subscriber contract form, withdraw approval or suspend further sale of the form if the benefits provided are unreasonable in relation to the premium charge. The commissioner shall establish reasonable and creditable anticipated minimum loss ratios for Medicare supplement and other accident and sickness insurance policies.

6. A rule issued by the commissioner under **this section** shall not apply to a conversion policy issued pursuant to a contractual conversion privilege under a group or individual policy of accident and sickness insurance when such group or individual contract contains provisions which are inconsistent with the requirements of **this chapter** or any rule issued under **this**

chapter.

7. A rule issued by the commissioner under **this section** shall not apply to policies being issued to employees or members being added to a franchise plan, as defined in **section 509.14**, which is in existence on the effective date of the rule.

[C81, §514D.4; 81 Acts, ch 167, §2]

92 Acts, ch 1162, §34

Referred to in §508C.8, 514D.5

514D.5 Disclosure, Medicare information, and advertising.

1. Except as otherwise provided in **subsection 3**, in order to provide for full and fair disclosure in the sale of individual accident and sickness insurance policies or subscriber contracts a policy or contract shall not be delivered or issued for delivery in this state unless the outline of coverage described in **subsection 2** either accompanies the policy or contract or is delivered to the applicant at the time application is made and unless an acknowledgment of receipt or certificate of delivery of the outline is provided the insurer. In the event the policy or contract is issued on a basis other than that applied for, the outline of coverage properly describing the policy or contract must accompany the policy or contract when it is delivered and must clearly state that it is not the policy or contract for which application was made.

2. *a.* The commissioner shall prescribe the format and content of the outline of coverage required by **subsection 1**. “*Format*” means style, arrangement, and overall appearance, including such items as the size, color, and prominence of type and the arrangement of text and captions. The outline of coverage shall include all of the following:

(1) A statement identifying the applicable category or categories of coverage provided by the policy or contract as prescribed in **section 514D.4**.

(2) A description of the principal benefits and coverage provided in the policy or contract.

(3) A statement of the exceptions, reductions, and limitations contained in the policy or contract.

(4) A statement of the renewal provisions including any reservation by the insurer of a right to change premiums.

(5) A statement that the outline is a summary of the policy or contract issued or applied for and that the policy or contract should be consulted to determine governing contractual provisions.

b. If payment will not be made for services performed by a chiropractor acting within the scope of the chiropractor’s license when those services would be compensable if performed by a medical doctor, then a statement that services performed by a chiropractor are not compensable shall be included in the outline of coverage.

3. The commissioner shall prescribe disclosure rules for Medicare supplement coverage which are determined to be in the public interest and which are designed to adequately inform the prospective insured of the need for and extent of coverage offered as Medicare supplement coverage. For Medicare supplement coverage, the outline of coverage required by **subsection 2**

shall be furnished to the prospective insured with the application form.

4. The commissioner shall further prescribe by rule a standard form for and the contents of an informational brochure for persons eligible for Medicare by reason of age, which is intended to improve the buyer's ability to select the most appropriate coverage and to improve the buyer's understanding of Medicare. Except in the case of direct response insurance policies, the commissioner may require by rule that this informational brochure be provided to prospective insureds eligible for Medicare concurrently with delivery of the outline of coverage. With respect to direct response insurance policies, the commissioner may require by rule that this brochure must be provided to prospective insureds eligible for Medicare by reason of age upon request, but not later than at the time of delivery of the policy or contract.

5. The commissioner shall adopt rules prohibiting the advertising of forms titled as "nursing home" forms or inferring coverage for custodial care in a nursing facility as defined in **section 135C.1** unless such forms provide coverage for custodial care in a nursing facility as defined in **section 135C.1**.

[C81, §514D.5]

86 Acts, ch **1045**, §2; 90 Acts, ch **1039**, §17; 2003 Acts, ch **141**, §15; 2012 Acts, ch **1023**, §157

514D.6 Limitation on defenses.

Notwithstanding **section 514A.3, subsection 1**, paragraph "b", subparagraph 2, or any contrary provision of **chapter 514**, if the issuer of the policy of accident and sickness insurance or subscriber contract elects to use a simplified application form, with or without a question as to the applicant's health at the time of application, but without any questions concerning the insured's health history or medical treatment history, the policy or contract must cover any loss occurring after twelve months from the date of issue of the policy or contract from any preexisting condition not specifically excluded from coverage by terms of the policy or contract, and, except as so provided, the policy or contract shall not include wording that would permit a defense based upon preexisting conditions.

[C81, §514D.6]

514D.7 Exclusions.

This chapter does not apply to any of the following:

1. A policy of credit accident and health or credit accident and sickness insurance.
2. A policy of accident and sickness insurance which is exempt from the provisions of **sections 514A.1 to 514A.12** by virtue of an exemption set forth in **section 514A.1** or **514A.8**.
3. Any evidence of coverage issued to an enrollee of a health maintenance organization under **chapter 514B**.

[C81, §514D.7]

514D.8 Title and effective date of chapter.

This chapter may be cited as the “*Uniform Individual Accident and Health Insurance Minimum Standards Act*”. **This chapter** takes effect July 1, 1980. Rules issued by the commissioner of insurance pursuant to **this chapter** shall be subject to the provisions of **chapter 17A**, and all rules issued by the commissioner of insurance shall give the issuers of policies and contracts a reasonable time to achieve compliance.

[C81, §514D.8]

514D.9 Regulations regarding limitation on compensation.

The commissioner shall issue rules to establish minimum standards to assure fair and reasonable benefits, claim payment, marketing practices, and compensation arrangements and reporting practices for the following classes of policies:

1. Medicare supplement insurance.
2. Nursing home insurance.
3. Long-term care insurance.

90 Acts, ch 1234, §32



Iowa 2020 Medicare Part D Stand-Alone Prescription Drug Plans

Company Name	Plan Name (and ID Number)	\$0 Premium with Full Low-Income Subsidy		Monthly Drug Premium		Annual Deductible		National Plan
		2019	2020	2019	2020	2019	2020	
CIGNA 1-800-735-1459	Cigna-HealthSpring Secure Essential (S5617-304)			\$21.90	\$22.20	\$415*	\$435*	Yes
	CIGNA-HealthSpring Rx Secure-Extra (S5617-270)**			\$54.40	\$49.20	\$100*	\$100*	Yes
	CIGNA-HealthSpring Rx Secure (S5617-123)		Yes	\$58.50	\$33.40	\$415	\$435	Yes
Clear Spring Health 1-877-384-1241	Clear Spring Health Premier Rx (S6946-051)***				\$14.40		\$435*	No
	Clear Spring Health Value Rx (S6946-022)***		Yes		\$32.40		\$435	No
Envision Insurance 1-888-377-1439	EnvisionRxPlus (S7694-025)			\$55.40	\$40.30	\$415	\$435	Yes
Express Scripts Medicare 1-866-477-5704	Express Scripts Medicare-Saver (S5660-241)			\$25.00	\$22.00	\$415*	\$435*	Yes
	Express Scripts Medicare-Value (S5660-127)			\$48.00	\$44.50	\$415	\$435	Yes
	Express Scripts Medicare-Choice (S5660-195)**			\$94.30	\$85.60	\$350*	\$250*	Yes
Humana 1-800-706-0872	Humana Walmart Value Rx Plan (S5884-204)***				\$13.20		\$435*	Yes
	Humana Premier Rx Plan (S5884-171) [Humana Walmart Rx and Humana Enhanced Plan]			\$25.60	\$52.80	\$415*	\$435*	Yes
	Humana Basic Rx Plan (S5884-145) [Humana Preferred Rx Plan]	Yes	Yes	\$31.80	\$32.90	\$415	\$435	Yes
MII Life Insurance, Inc 1-888-575-7530	Journey Rx Value (S6986-013)			\$22.70	\$26.90	\$415*	\$435*	No
	Journey Rx Standard (S6986-007)	Yes	Yes	\$28.00	\$30.20	\$415	\$435	No

* indicates deductible applies to some or all drugs ** Additional Coverage in the Gap ***New Plan in 2020

[Plan name in brackets indicates plan name or number change from 2019]

Company Name	Plan Name (and ID Number)	\$0 Premium with Full Low-Income Subsidy		Monthly Drug Premium		Annual Deductible		National Plan
		2019	2020	2019	2020	2019	2020	
Mutual of Omaha Rx 1-800-961-9006	Mutual of Omaha Rx Value (S7126-057)**			\$30.20	\$24.50	\$415*	\$435*	No
	Mutual of Omaha Rx Plus (S7126-024)			\$47.00	\$58.70	\$415	\$435	No
SilverScript 1-866-552-6106 United Healthcare 1-888-867-5564	SilverScript Choice (S5601-050)	Yes	Yes	\$32.30	\$33.00	\$0	\$325*	Yes
	SilverScript Plus (S5601-051) **			\$68.20	\$75.30	\$0	\$0	Yes
	AARP MedicareRx Walgreens (S5921-406)			\$28.10	\$34.10	\$415*	\$435*	Yes
	AARP MedicareRx Saver Plus (S5921-370)	Yes	Yes	\$33.80	\$32.80	\$415	\$435	Yes
WellCare 1-888-293-5151	AARP MedicareRx Preferred (S5820-024)			\$69.50	\$71.00	\$0	\$0	Yes
	WellCare Wellness Rx (S4802-194)**				\$13.80		\$435*	Yes
	WellCare Value Script (S4802-158)			\$15.00	\$16.70	\$415*	\$435*	Yes
	WellCare Medicare Rx Select (S5810-302) [Aetna Medicare Rx Select]			\$17.40	\$20.70	\$365	\$435*	Yes
	WellCare Classic (S4802-089)	Yes	Yes	\$33.80	\$29.30	\$415*	\$435	Yes
	WellCare Medicare Rx Saver (S5810-059) [Aetna Medicare Rx Saver]	Yes	Yes	\$32.40	\$34.00	\$310*	\$435	Yes
Wellmark Blue Cross and Blue Shield of Iowa 1-800-336-0505	WellCare Medicare Rx Value Plus (S5768-148) [Aetna Medicare Rx Value Plus]			\$58.80	\$72.40	\$0	\$0	Yes
	MedicareBlue Rx Standard (S5743-001)			\$37.90	\$42.00	\$415*	\$435*	No
	MedicareBlue Rx Premier (S5743-004) **			\$89.70	\$89.60	\$0	\$0	No

* indicates deductible applies to some or all drugs ** Additional Coverage in the Gap ***New Plan in 2020
[Plan name in brackets indicates plan name or number change from 2019]

October 1, 2019

For assistance please call the Senior Health Insurance Information Program or SHIIP at 1-800-351-4664



2019 Medicare Deductibles, Coinsurance and Premiums

*Medicare Questions? Free, confidential, objective
Call SHIIP at 1-800-351-4664 (TTY 1-800-735-2942)*

October 2018

Part A

Inpatient Hospital

Deductible:	Per Benefit Period	\$1,364
Coinsurance:	Days 61-90	\$341/day
	Lifetime Reserve Days (60)	\$682/day

Skilled Nursing Facility

Coinsurance:	Days 21-100:	\$170.50/day
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Monthly Premium:

40 quarters of Social Security work credit -----	Free
30-39 quarters of Social Security work credit -----	\$240
Less than 30 quarters of Social Security work credit -----	\$437

Part B

Deductible:	Per Calendar Year	\$185
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Part B Monthly Premium - Based on 2017 Modified Adjusted Gross Income

If Your Yearly Adjusted Gross Income is		Premium You Pay
File Individual Tax Return	File Joint Tax Return	
\$85,000 or less	\$170,000 or less	\$135.50*
\$85,001 - \$107,000	\$170,001-\$214,000	\$189.60
\$107,001 - \$133,500	\$214,001 - \$267,000	\$270.90
\$133,501 - \$160,000	\$267,001 - \$320,000	\$352.20
\$160,001 - \$500,000	\$320,001 - \$750,000	\$433.40
Greater than \$500,000	Greater than \$750,000	\$460.50

***Who pays \$135.50 in 2019?**

- Those enrolled in Medicare Part B but not collecting Social Security or Railroad benefits in 2015, 2016, 2017 and 2018.
- Those enrolled in Part B for the first time in 2019.
- Those directly billed for their Part B premium.

***What does everyone else pay?**

- If you are paying less than \$134 in 2018, your 2019 Part B premium will increase by the amount your Social Security benefit increases up to \$135.50. In 2019 your Social Security benefit will increase by 2.8%.
- Beneficiaries with higher incomes also pay a higher premium (see chart above).

Do You Need Help With Your Medicare Costs?

If you have limited income and resources, you may be able to get help paying some of your Medicare expenses through the Medicare Savings Programs.

You must be enrolled in or eligible for Medicare Part A and meet the income and resource guidelines. Check the chart below to see if you might qualify for assistance.

February 2019

(Amounts effective March 1, 2019)

What kind of help can I get?	Am I eligible?
Medicare Savings Programs pay:	If your monthly income is below:
QMB <ul style="list-style-type: none"> • Medicare Part A and Part B premiums • Medicare Part A and Part B deductibles • Medicare Part A and Part B coinsurance 	\$1,061 or less (individual) \$1,430 or less (couple)
	If your resources are below*
	\$7,730 (individual) \$11,600 (couple)
SLMB <ul style="list-style-type: none"> • Medicare Part B premium 	If your monthly income is below:
	\$1,426 or less (individual) \$1,923 or less (couple)
	If your resources are below
	\$7,730 (individual) \$11,600 (couple)
If you qualify for QMB or SLMB, you automatically qualify to get Extra Help paying for Medicare prescription drug coverage.	

Effective January 1, 2010, any benefits paid by Medicare Savings Programs will not have to be paid back to the state when you die.

How can I apply for these programs?

Call the Senior Health Insurance Information Program (SHIIP) help you with the application process.

Toll-free: 1-800-351-4664 (TTY 1-800-735-2942)

E-mail: shiip@iid.iowa.gov





Medicare and HSA - Health Savings Accounts

Health Savings Account (HSA) are accounts for individuals (and optionally, a spouse or dependent) used with a high deductible health plan and offered by some employers as a health insurance option. The employer and employee may make contributions to the HSA tax-free as long as the funds in the account are used to pay for qualified medical expenses.

Enrolling in Medicare when you have a HSA

If you have a HSA and will soon be eligible for Medicare, it is important to understand how enrolling in Medicare will affect your HSA.

Once you enroll in Medicare Part A and/or Part B, you and your employer can no longer contribute to your HSA. The month your Medicare begins, the administrator of your HSA account should change your contribution to zero dollars per month. Your spouse enrolling in Medicare does not affect you or your employer's contribution to the HSA.

HSA Distributions

You may continue to withdraw money from your HSA tax-free after you enroll in Medicare to help pay for qualified medical expenses such as:

- Medicare Part A and Part B premiums, deductibles, copayments, and coinsurances, this includes Medicare Advantage and Medicare drug plan premiums
- Your share of retiree medical insurance premiums
- Qualified Long-Term Care Insurance premiums
- COBRA

You cannot use your HSA to pay your Medicare supplement premiums.

Delaying Medicare enrollment after you turn age 65

If you continue to work past age 65 and you want to continue to contribute to your HSA, there are important things to be considered.

- You will need to wait to collect Social Security retirement benefits because once you sign up for Social Security your enrollment in Part A will automatically occur. There is no way to delay it.
- While actively working, you will want to delay enrolling in Part A or you will lose your ability to contribute to your HSA. There is no penalty for delaying enrollment in Part A for people who are entitled to premium-free Part A. You also need to delay enrolling in Part B.
- If you qualify for premium-free Part A, when you decide to enroll in Part A later, Social Security will backdate the enrollment date by 6 months (but no earlier than your 65th birthday.) You cannot stop Social Security from doing this. Any contributions made to your HSA during this retroactive period of coverage may be subject to a tax penalty. To prevent any penalty you should stop making contributions to your HSA six months before you enroll in Part A and Part B. You should discuss your options with the administrator of your HSA or consult your tax professional at least six months before you retire.

How to contact SHIIP:

Call SHIIP at **1-800-351-4664** (TTY 1-800-735-2942) with your Medicare and health insurance questions. SHIIP is a service of the State of Iowa Insurance Division. Our counseling is free, confidential and objective.

Specific questions about your HSA should be directed to the Administrator of your HSA or your employer benefits department.

~ www.therightcalliowa.gov ~ shiip@iid.iowa.gov

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Medicare and Other Insurance for People with Disabilities

February 2018

Becoming Eligible for Medicare:

When you are entitled to Social Security disability benefits for 24 months, you are eligible for Medicare beginning the 25th month. An exception applies if you have been diagnosed with Amyotrophic Lateral Sclerosis (ALS) also known as Lou Gehrig's disease. If you have ALS, Medicare begins the first month you are entitled to Social Security disability benefits.

If you have questions about your Medicare eligibility and enrollment, you should contact your local Social Security Office.

Provide them with this information:

- When your disability benefits began.
- Whether you or a family member is working for an employer with 100 or more employees, and whether you are covered by the employer group health plan.

Ask these questions:

- Will Medicare pay first or will other insurance I have pay first?
- Should I sign up for Medicare Part B?
- If I do not sign up for Medicare Part B, will I have to pay a penalty later?
- Document the name, date, exact question asked and the response provided for future reference.

If you have questions about information in this factsheet, call the Senior Health Insurance Information Program or SHIIP:

1-800-351-4664 (TTY 1-800-735-2942)

Website: www.TheRightCallIowa.gov

E-mail: shiip@iid.iowa.gov



Enrolling in Medicare

Automatic for Most People:

Generally, enrollment in Medicare Part A and Part B is automatic. If you are receiving disability benefits, you will receive a Medicare card showing the date your Medicare benefits begin.

You receive **Medicare Part A premium-free**. The premium for Medicare Part B is \$134 per month (2018). You need both Medicare Part A and Part B for the best coverage. If you don't enroll in Part B when you should, you may pay a higher premium later. If you are covered under an employer group health plan, you may be able to delay enrollment in Medicare Part B (see below).

If you are paying a higher premium because you enrolled late in Medicare Part B, the penalty will end when you turn 65.

Enrollment When Covered by an Employer Plan:

Employers with **100** or more employees are required to continue your health insurance coverage. **You must be currently employed** or covered under an employer group health plan of a **family member who is currently employed**.

As long as employment continues and the employer has 100 or more employees, the employer group plan will pay first for your health care. Medicare will be a second payer. You can wait to enroll in Part B until you or your working family member is no longer actively employed. You have up to eight months to enroll in Part B after you or your family member quits working.

Benefit Options When You Have Medicare

Original Medicare with Supplemental Insurance:

With Original Medicare you share in the cost of your health care. Most people like to have supplemental insurance to pay some deductible and coinsurance amounts.

• Medicare Supplement Policies:

A small number of insurance companies sell Medicare supplement policies to those under age 65 who have Medicare. These companies are listed in the current *Iowa Medicare Supplement & Premium Comparison Guide* available from SHIP at **1-800-351-4664**. A few of the plans available are guarantee issue. That means they won't turn you down; however, these plans may be expensive.

You don't have an open enrollment for Medicare supplement policies when you are under age 65. However, **at age 65 you will have a six-month open enrollment period.** Then, you can't be turned down for any plan being sold. You can't be charged a higher premium because of any health conditions.

If you become covered by an employer group health plan, you can suspend your Medicare supplement policy indefinitely.

- **Employer Insurance:**

If you continue to be covered under an employer group health plan after you or your family member quits working, the employer plan can supplement Medicare. It will pay after Medicare pays. These plans may have drug coverage and other benefits not available in Medicare supplement policies. (Also see COBRA, page 5.)

Other Medicare Choices:

You may choose to receive your Medicare Part A and Part B benefits including Medicare prescription drug coverage through a Medicare Advantage plan instead of Original Medicare. The plan has a contract with Medicare to handle your Medicare benefits for you.

Medicare Advantage plans cover **all the same services as Original Medicare.** Plans often cover additional services such as routine physicals, hearing and vision services.

Some plans require you to pay a premium to the plan; others have no premium. Benefits begin from the first day the plan is effective for you.

Plans operate in different ways, and your costs with each plan will differ. You may pay a deductible, a set copayment amount or a percentage of the cost for services. **You do not need to pay for a Medicare supplement when enrolled in one of these Medicare health plans and the Supplement will not pay.**

A Medicare Advantage plan has to take you if you are on Medicare because of disability, you have both Medicare Part A and Part B and you do not have permanent kidney failure.

Medicare Advantage plans are available in most counties in Iowa except Dubuque and Taylor. Medicare beneficiaries who live in one of these counties do not have the option of enrolling in a Medicare Advantage plan.

There are several different types of Medicare Advantage plans in Iowa including: Health Maintenance Organization (HMO), Preferred Provider Organization (PPO), Private Fee-For-Service (PFFS) and Special Needs Plans (SNP).

Medicare Cost plan is another choice available to those who live in Clayton, Delaware, Dubuque, Jackson and Jones counties.

Call SHIIP at **1-800-351-4664** to request a copy of the *Medicare Advantage & Other Health Plans in Iowa Guide*. This guide includes basic information to help you understand the Medicare Advantage choices in Iowa.

Medicare and the Health Insurance Marketplace:

During the 24-month waiting period, before your Medicare starts, you can apply for coverage in the Marketplace. If you stay with your Marketplace plan once your Part A coverage starts any premium tax credits and reduced cost-sharing will stop. Your policy may pay little or no benefits once you are enrolled in Medicare. Check your policy. You may also face penalties if you delay enrolling in Medicare Part B and Part D at this time. Contact SHIIP to review your Medicare and health insurance options before your Medicare coverage starts.

Medicare Prescription Drug Benefit:

You can join a Medicare prescription drug plan when you first become eligible for Medicare or from October 15 to December 7 each year. If you currently have drug coverage you **may not** need to enroll. If you delay enrollment and do not have coverage as good as Medicare's coverage, you will have to pay a higher premium if you join later. Call SHIIP if you have questions about the Medicare Drug Benefit.

Assistance if You Have Limited Income and Resources

Income limits change for most programs each year. Adjustments are made for some types of income. If you think you might be eligible, you can apply at your local Department of Human Services office.

Medicare Savings Programs:

To be eligible for these programs in 2018, your resources must be less than \$7,560 for an individual or \$11,340 for a couple. An additional \$1,500 can be exempt if it is designated for funeral expenses. Resources do not include your home, car or household belongings.

If your monthly income is: (Amounts effective March 1, 2018)		Medicare Savings Programs May Pay
\$1032 or less (individual)	\$1,392 or less (couple)	Your Medicare premiums, deductibles and coinsurance. You must use doctors who participate with Medicaid.
Over \$1032 but less than \$1,386 (individual)	Over \$1,392 but less than \$1,872 (couple)	Your Medicare Part B premium.

SSI Medicaid:

This program covers all your medically necessary health care including, prescription drugs and vision, hearing and dental care. The income limit for 2018 is \$770 for one and \$1,145 for a couple. Your resources must be less than \$2,000 for one and \$3,000 for a couple.

Medically Needy Program:

You may qualify for this program if you have high medical expenses not covered by insurance. Medical expenses are subtracted from your income to see if you meet the limit of \$483 income per month. Your resources must be less than \$10,000 per household.

Other Insurance Options

COBRA

If your employer group health coverage ends because you or a family member quits working, you may be able to continue coverage for up to 29 months by paying the premium yourself. When you become eligible for Medicare Part A, your COBRA coverage will end. You will need to enroll in Medicare Part B. If you don't enroll in Part B at this time, you may pay a higher premium later.

If you already have Medicare on or before the date you become eligible for COBRA, you may continue Medicare along with COBRA coverage.

Request the *COBRA* brochure from SHIIP, **1-800-351-4664**, for more information.

Veterans

Some veterans who meet certain income guidelines may qualify for health benefits including prescription drugs. For more information contact your nearest VA facility or call toll-free 1-877-222-8387.

HIPIOWA

A Health Insurance Plan of Iowa policy is available to individuals unable to buy health insurance due to health reasons. These policies can be used as a supplement to Medicare for individuals under 65. For more information call the State of Iowa Insurance Division at 1-877-955-1212.

If You Go Back to Work

Continued Eligibility for Medicare Part A:

You may remain eligible for Medicare Part A if you go back to work, as long as you are considered disabled. Part A will be **premium-free for up to 8 ½ years**; after 8 ½ years you can continue Medicare Part A by paying the premium. It is \$422 per month in 2018. Medicaid may pay that premium if your income is below 200% of the federal poverty level.

You can continue to be enrolled and pay the premium for Medicare Part B as long as you are enrolled in Part A. If you have employer health benefits and don't need Part B, you may be able to drop it and enroll later if necessary. Call your local Social Security Office with questions.

Medicaid for Employed Persons with Disabilities:

This program allows those under age 65 with disabilities to work and to have access to Medicaid assistance. You must have earned income from employment.

Eligibility is based on net family income and must be less than 250% of the federal poverty level. Resource limits are \$12,000 for an individual and \$13,000 for a couple. Call your local Department of Human Services office to see if you are eligible.

SHIIP Can Help:

The Senior Health Insurance Information Program or SHIIP is an objective source of information. SHIIP doesn't sell insurance or make recommendations, but SHIIP does have factsheets on all the Medicare choices available to you. We will help you understand your options and refer you to other sources for additional assistance when needed.

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Medicare Supplement Changes in 2020 – Frequently Asked Questions

A change in Medicare Supplement law will take place in 2020 affecting Medicare Supplement plans C, F and high deductible F. Medicare Supplement plans are sold by private companies to fill the gaps in traditional Medicare Part A and Part B. Medicare Supplement plans help pay for things like coinsurance, copayments or deductibles on Medicare-covered services.

This new law change prohibits the sale of Medicare Supplement policies that cover the Part B deductible to “**newly eligible**” Medicare beneficiaries on or after January 1, 2020.

Why are these changes being made? How will these changes affect my Medicare Supplement coverage? Do I need to change plans? This document includes answers to a few of the most common questions people are asking about the 2020 Medicare Supplement law changes.

1. Who is considered a “newly eligible” Medicare beneficiary?

“Newly eligible” is defined as anyone who:

- Attains age 65 on or after January 1, 2020, or
- Who becomes eligible for Medicare benefits due to disability or end-stage renal disease on or after January 1, 2020.

2. Why are these changes being made for “newly eligible” Medicare beneficiaries?

Plans C, F and high deductible F are the only plans that cover the Part B deductible. Individuals enrolled in these plans have no out-of-pocket costs for Medicare covered services. Medicare beneficiaries eligible after 2020 will be required to share in the cost of services by paying for the Part B deductible.

3. Do I need to change plans if I currently have a Plan C, F or high deductible F?

If you are currently enrolled in a Medicare supplement Plan C, F or high deductible F, you can keep it and the Part B deductible will continue to be covered. These plans are not going away. Your plan is guaranteed

renewable. This means as long as you pay your premiums the insurance company cannot cancel your coverage.

4. Can I purchase a Plan C, F or high deductible F after January 1, 2020?

If you are age 65 **prior** to January 1, 2020 or eligible for Medicare due to disability or ESRD you may buy a Plan C, F or high deductible F and companies must continue offering Medicare Supplement plans C and/or F after January 1, 2020.

5. Will I see a significant increase in my Plan C, F or high deductible Plan F premium after 2020 because no new people will be sold these plans?

Your premium rate is based on your individual age, not on the number of younger and healthier policy holders buying these plans. Consumers who currently have Plans C, F and high deductible F can keep these plans and the Iowa Insurance Division does not expect the rates for these plans to dramatically increase.

6. Will new plans be offered for those “newly eligible” after January 1, 2020?

The high deductible Plan F will be replaced with a new high deductible Plan G. Plans A, B, D, G, K, L, M and N will continue to be offered.

7. Who can I call if I have questions?

SHIIP is a free, confidential service of the State of Iowa that helps consumers make informed decisions about Medicare and other health insurance coverage, including Medicare Supplements.

To contact SHIIP:

Call 1-800-351-4664 (TTY 1-800-735-2942)

E-mail: shiip@iid.iowa.gov

Website: www.shiip.iowa.gov





Getting Ready to Retire: Health Insurance Issues

February 2019

What are the questions? Where are the answers?

Before making the decision to retire, understand the health insurance options available to you (and your spouse if you are married). Which questions you need to ask depend on:

- your age
- your spouse's age
- whether you or your spouse are eligible for Medicare
- whether you or your spouse will continue to be employed
- the number of employees where you and your spouse are employed

For reliable, objective answers call the Senior Health Insurance Information Program or SHIIP at **1-800-351-4664**. We will answer your questions and refer you to the proper place if you need further information or assistance.

Retiring Under Age 65

Retirement Benefits: You may have continued health coverage when you retire.

- If you work for a **public employer** in Iowa such as a public school, city or county government, you may choose to continue the employer group health coverage until you are 65. Your spouse may also be covered under a family policy until you, the retired employee, reach age 65.
- State of Iowa retirees and their spouses should consult the Department of Administrative Services – Human Resource Enterprise website at <http://benefits.iowa.gov> for benefits available to retired employees and their spouses.
- A nonpublic employer may choose to offer you continued coverage under a retirement health plan. Check to see how long the employer coverage lasts.
- If your spouse is working, you may be able to continue coverage or become enrolled in his/her employer group health plan.

COBRA: If you will not have a retirement health plan, you may be able to continue your group health insurance under the law.

- Federal COBRA law applies to employers with 20 or more employees. You are allowed to continue your coverage under the employer group health plan for up to 18 months. COBRA will end sooner if you become eligible for Medicare. In some cases, a spouse may have longer periods of coverage. Call SHIIP at **1-800-351-4664** and request a *COBRA* brochure.
- Iowa law requires employers with fewer than 20 employees to allow you to continue your coverage under the employer group health plan for up to 9 months after retirement. This law only applies to group health plans issued in Iowa. It does not apply to self insured plans. Call the State of Iowa Insurance Division at **1-877-955-1212** for more information.

Health Insurance Marketplace

You can get a Marketplace plan to cover you before your Medicare begins. Once your Medicare coverage starts you can cancel the Marketplace plan or consider the following:

- You can keep your Marketplace coverage, however once your Medicare coverage starts, any premium tax credits and reduced cost sharing you get through the Marketplace will stop. Also, consider that Marketplace plans do not coordinate with Medicare like Medicare Supplement plans. Your policy may pay little or no benefits once you are enrolled in Medicare. Check your policy.
- If you choose to stay with a Marketplace plan and **do not** enroll in Medicare when you are first eligible, you may have to pay a late enrollment penalty when you enroll in Medicare later. Any Marketplace premium tax credits and reduced cost-sharing will end when you become eligible for Medicare. For more information, call SHIIP and request a *Medicare and the Health Insurance Marketplace* fact sheet.

Age 65 or Older, and You or Your Spouse Works

- If the employer has **20 or more employees**, you and your spouse must be allowed to continue any health insurance coverage you had before age 65. The employer health plan will be the first payer on claims. If the employer has **less than 20 employees** where you work, you need to check the insurance contract to see if your employer insurance will be primary when you become eligible for Medicare at 65.

- If you are already receiving Social Security benefits when you turn 65 you will automatically be enrolled in Part A and Part B of Medicare with an opportunity to delay Part B.
- You can delay Part B if you or your spouse is actively employed AND you are covered by a group health plan through the employer of the actively employed person. It is important to understand that even though you may be eligible to delay Medicare enrollment, if your employer has **less than 20 employees** they may choose to pay secondary when you are eligible for Medicare. When the person carrying the employer insurance is no longer working, or employer coverage is dropped during active employment, you will need to sign up for Part B. At that time you won't have to pay a higher premium, even though you are past age 65 and you will also have the right to a Medicare supplement open enrollment.
- If you are **not** getting Social Security or Railroad retirement benefits yet, for instance because you are still working, you will not get Part A and Part B automatically at age 65.
- You may want to delay Part A if your employer insurance is a qualified high deductible plan with a Health Savings Account. You and your employer cannot contribute to your HSA if you are enrolled in Medicare Part A or Part B. You cannot delay Part A if you are drawing Social Security benefits. When you do enroll in Part A, your enrollment will be backdated up to six months or your 65th Birthday month whichever is less. This determines when you should stop contributing to your HSA. Your spouse going on Medicare does not affect your ability to contribute to your HSA.
- Enrollment in Part A or Part B triggers your eligibility for Medicare Part D drug coverage. Check if your employer drug coverage is creditable (at least as good as Medicare coverage); if it is you don't need to enroll in Part D.
- If you and/or your spouse are enrolled in Medicare before retiring, employer group health coverage can be continued under the COBRA law when you retire. Medicare will pay first when you are retired even if you continue under COBRA. You will continue to pay the full premium for the employer plan, and it will supplement your Medicare. It is necessary to enroll in Medicare Part B when you retire, or you may pay a higher premium later.

Age 65, Retired and No Working Spouse

- Medicare is your primary insurance regardless of any other health insurance you have. You should enroll in Medicare Part A and Part B. If you don't enroll at this time, you may pay a higher premium later.
- Call Social Security at **1-800-772-1213** or go to **www.socialsecurity.gov** to enroll in Medicare.
- If you have retirement health insurance, it will pay after Medicare. If you need a Medicare supplement policy, you will have a **six-month open enrollment** period beginning on the date your Medicare Part B coverage starts. During open enrollment you can buy any Medicare supplement from any company that sells in Iowa.
- If you do not have drug coverage as good as Medicare's you need to enroll in a Medicare Part D drug plan to avoid paying a higher premium later.

Issues for a spouse

- Does the employer continue coverage for a spouse when an employee retires?
- Does the coverage continue when the spouse is eligible for Medicare?
- Does the spouse's coverage continue if the retired employee becomes eligible for Medicare or dies?
- Do any other limits apply to health insurance coverage for the spouse?

SHIIP Resources

- *Iowa Guide to Medicare Supplement Insurance*
- *Iowa Medicare Supplement Premium Comparison Guide*
- *Medicare Advantage Plans in Iowa*
- *COBRA* brochure
- Individual counseling: Call **1-800-351-4664** (TTY **1-800-735-2942**)
- Website: www.shiip.iowa.gov

