

USA spent **\$3.4 trillion** on Healthcare in 2016

\$325 billion on retail prescription drugs

88% population have insurance coverage in late 2017

Projected growth:

\$5.5 trillion by 2025 and more.....



Which Swim Lane are you now?

When could it CHANGE?



Swim Lanes for Healthcare Insurance Sources	When could It Change	How funded	Year started	Est. Number of People	Comment
Employer Sponsored NO pensions OR retiree benefits	Age 65; Co. w/less than 20 employees?	Individuals/Company until termination	1943-1950	181,000,000	Cobra? Not considered creditable coverage
Medicare & Employer Sponsored As Retiree Benefits	65 sooner?	Individuals/Co	1943-1950	Included in above*	
Medicaid (CHIP & SNAP)M	Income based	Taxes (joint state & Fed)	1965	73,000,000*	Low income to qualify; Immigrant 5 yr. wait Starts at 65/retire; If you don't enroll late penalty is 10%/year/qualify Medicaid
Medicare & add insurance options Individual Market/Private Pay (includes Cover CA*)	65	Individuals/Taxes	1965	56,000,000*	
	Anytime	Individuals/Taxes		52,000,000*	Credits from ACA (9Mill)
Union based w/Retiree Benefits	65 sooner?	Individuals/Taxes	1943-1950	30,000,000	Medicare Prime @ 65
Uninsured		Taxes		29,000,000*	Include 4.7 Mil undocumented immigrant
Military VA	65 sooner?	Taxes	1811	22,000,000*	Served 181 days on active duty during peacetime. (Tricare)
City or County Governments	65 sooner?	Individuals/Taxes		14,000,000*	
Federal Government	Optional	Individuals/Taxes		2,400,000*	(FEHB/FERS); sign up for free Part A?
State Governments	65 sooner	Individuals/Taxes		3,700,000*	(i.e. CalPERS & CA-STRS for CA)
TOTAL				463,100,000	
*Indicates gov'n't paid or subsidized	(~209 Mill people)				
Population of USA				327,000,000	Covered by more than 1 provider? (~136M)

Signed up for Medicare

Now you need to cover the gaps

Which one is right for you?

Medicare Advantage Plan (HMO)

OR

Medicare Part B plus Part D (Original Medicare)

aka: Medigap Plan or Supplemental Policy



START

STEP 1: Decide how you want to get your coverage.

ORIGINAL MEDICARE

or MEDICARE ADVANTAGE PLAN

Part C (like an HMO or PPO)

Part A
Hospital
Insurance

Part B
Medical
Insurance

Part C
Combines Part A,
Part B, and **usually**
Part D

**STEP 2: Decide if you need to
add drug coverage.**

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add drug coverage.**

Part D
Prescription
Drug Coverage

Part D
Prescription Drug
Coverage (Most
Medicare Advantage
Plans cover
prescription drugs.
You may be able to
add drug coverage in
some plan types if not
already included.)

**STEP 3: Decide if you need to add
supplemental coverage.**

**Medicare
Supplement
Insurance**
(Medigap) policy

END

END

**If you join a Medicare Advantage Plan,
you can't use and can't be sold a Medigap
policy. See page 35.**

Original Medicare (Medigap)--Standardized by Feds
 Forces all Insurance companies offer like benefits
 (Medigap/Supplemental only)

	Medicare Supplement Insurance (Medigap) Plans									
Benefits	A	B	C	D	F*	G	K	L	M	N
Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Medicare Part B coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100% ***
Blood (first 3 pints)	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Part A hospice care coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	100%	100%	50%	75%	100%	100%
Part A deductible		100%	100%	100%	100%	100%	50%	75%	50%	100%
Part B deductible			100%		100%					
Part B excess charges					100%	100%				
Foreign travel emergency (up to plan limits)			80%	80%	80%	80%			80%	80%
							Out-of-pocket limit in 2015**			
							\$4,940	\$2,470		

Example: Details of “Total Cost”?

One Single Person--Age 68-70

Healthy i.e. 1 chronic condition

	Monthly Cost	Annual Cost
Medicare Insurance Part B (Income (MAGI)* over \$85K/Year)	\$ 200.50	\$ 2,406.00
Medical Insurance a Medigap Plan F	\$ 195.00	\$ 2,340.00
Drug Insurance	\$ 30.00	\$ 360.00
Medical Insurance Deductibles	\$ 41.67	\$ 500.00
Drug Insurance Deductible (Doughnut hole?)	\$ 41.67	\$ 500.00
Out of Pocket, Dental	\$ 83.33	\$ 1,000.00
Out of Pocket, Vision	\$ 41.67	\$ 500.00
Out of Pocket, OTC (over the counter) drugs/Aids	\$ 41.67	\$ 500.00
Out of Pocket, hearing needs	\$ 16.67	\$ 200.00
	\$ 692.17	\$ 8,306.00

*Modified Adjust Gross Income

Medicare Cost → Deducted from your SS check

Based on your Income Related Monthly Adjustment Amount (IRMAA)

Use your "MAGI*" on last tax form on file ~2 years Ago
 (*modified adjust gross income)

Part B Medical 2018 had 5 bracket

If your filing status and yearly income in 2016 was		
File individual tax return	File joint tax return	You pay each month (in 2018)
\$85,000 or less	\$170,000 or less	\$134
above \$85,000 up to \$107,000	above \$170,000 up to \$214,000	\$187.50
above \$107,000 up to \$133,500	above \$214,000 up to \$267,000	\$267.90
above \$133,500 up to \$160,000 (new)	above \$267,000 up to \$320,000	\$348.30
above \$160,000	above \$320,000	\$428.60

Part B Medical 2019 now has 6 bracket

If your filing status and yearly income in 2017 was		
File individual tax return	File joint tax return	You pay each month (in 2019)
\$85,000 or less	\$170,000 or less	\$135.50
above \$85,000 up to \$107,000	above \$170,000 up to \$214,000	\$189.60
above \$107,000 up to \$133,500	above \$214,000 up to \$267,000	\$270.90
above \$133,500 up to \$160,000	above \$267,000 up to \$320,000	\$352.20
above \$160,000 and less than \$500,000	above \$320,000 and less than \$750,000	\$433.40
\$500,000 or above (new)	\$750,000 and above	\$460.50

**(Con'td) Medicare cost → Deducted from your SS check
Part D Premiums--DRUGS**

2018 had 5 brackets

If your filing status and yearly income in 2016 was		
File individual tax return	File joint tax return	You pay each month (in 2018)
\$85,000 or less	\$170,000 or less	your plan premium
above \$85,000 up to \$107,000	above \$170,000 up to \$214,000	\$13.00 + your plan premium
above \$107,000 up to \$133,500	above \$214,000 up to \$267,000	\$33.60 + your plan premium
above \$133,500 up to \$160,000 (new)	above \$267,000 up to \$320,000	\$54.20 + your plan premium
above \$160,000	above \$320,000	\$74.80 + your plan premium

2019 Now has 6 brackets

If your filing status and yearly income in 2017 was		
File individual tax return	File joint tax return	You pay each month (in 2019)
\$85,000 or less	\$170,000 or less	your plan premium
above \$85,000 up to \$107,000	above \$170,000 up to \$214,000	\$12.40 + your plan premium
above \$107,000 up to \$133,500	above \$214,000 up to \$267,000	\$31.90 + your plan premium
above \$133,500 up to \$160,000	above \$267,000 up to \$320,000	\$51.40 + your plan premium
above \$160,000 and less than \$500,000	above \$320,000 and less than \$750,000	\$70.90 + your plan premium
\$500,000 or above (new)	\$750,000 and above	\$77.40 + your plan premium

Where can I go for ?

- **HICAP - MEDICARE COUNSELING**

The Health Insurance Counseling & Advocacy Program) provides free and objective information and counseling about Medicare.

aka. Sourcewise:

Sourcewise Community Resource Solutions	
Website	www.mysourcewise.com
Address	2115 The Alameda San Jose, CA 95126
Telephone	(408) 350-3200, option 2
Hours	Monday – Friday: 8:30 to 4:30

- **AARP**
- **Medicare.Gov and SSA.Gov**
- **Books; Get What’s Yours “2 book series”
Covers both Medicare & Social Security**