

Presentation #2

Medicare Supplements and Part D Plans

Presented by SourcePoint

*Resources: Ohio Senior Health Insurance Information Program (OSHIIP)
from the Ohio Department of Insurance.*



Secondary Insurance

Group Health Insurance

- Insurance from a former employer or union that supplements Medicare

Medicaid

- State assistance for those with limited income and resources
- Medicare Savings Program

Medicare Supplemental Insurance

- Private insurance designed to coordinate with Original Medicare

Original Medicare
Part A and Part B



Secondary Insurance
GHI, Medicaid, or MedSup

Medicare Supplemental Insurance

- Plans are standardized
 - All companies sell the same plans
 - Premiums will vary from company to company
 - Plans A, B, D, G, K, L, M, N
- No network
- Pay only after Original Medicare (Parts A and B)
- Guaranteed issue
 - Open enrollment – six months beginning with Part B effective date at age 65 or older
 - Special circumstances – typically 63 days after loss of coverage

Check out the Ohio Shopper's Guide to Medicare Supplement Insurance at insurance.ohio.gov

Medigap Plans

Benefits	A	B	D	G	K**	L**	M	N***
Medicare Part A coinsurance and hospital costs (up to 365 days after Medicare benefits are used)	100%	100%	100%	100%	100%	100%	100%	100%
Medicare Part B coinsurance or copayment	100%	100%	100%	100%	50%	75%	100%	100%
Blood (first 3 pints)	100%	100%	100%	100%	50%	75%	100%	100%
Part A hospice care coinsurance or copayment	100%	100%	100%	100%	50%	75%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	50%	75%	100%	100%
Medicare Part A deductible		100%	100%	100%	50%	75%	50%	100%
Medicare Part B deductible								
Medicare Part B excess charges				100%				
Foreign travel emergency (up to plan limits)			80%	80%			80%	80%

*Out-of-pocket
limit in 2024*

\$7,060

\$3,530



Medigap Plans

** For Plans K and L, after you meet your out-of-pocket yearly limit and your yearly Part B deductible, the Medigap plan pays 100 percent of covered services for the rest of the calendar year.

*** Plan N pays 100 percent of the Part B coinsurance, except for a copayment of up to \$20 for some office visits and up to \$50 copayment for emergency room visits that don't result in an inpatient admission.

Medicare Part D

- Everyone with Medicare can get Part D
 - May not need Part D if you have credible coverage
 - Example: Employer, VA, etc.
- Medicare's Prescription Drug Coverage
 - Offered by private companies that contract with Medicare
 - Available two ways
 - Stand-alone prescription drug plans (PDPs)
 - Through Medicare Advantage Plans (MAPDs)
 - Initial enrollment is the same as Part B
- Open enrollment **Oct. 15 through Dec. 7**
 - Coverage begins Jan. 1
 - Other enrollment times based on circumstance

All Medicare patients should review plan options each year at [medicare.gov](https://www.medicare.gov)

The Three C's of PDPs

- **Convenience**

- Network pharmacies (preferred vs. standard)
- Mail order options

- **Coverage**

- Choose a plan that includes your meds on the formulary
- Brand vs. generic, tiers 1-7
- Take the formulary with you when seeing your physicians

- **Cost**

- Know all possible costs!

Compare plans each year at [medicare.gov](https://www.medicare.gov)



Part D Costs

- Average monthly premiums: \$32.74 (National Average)
- Annual deductible: \$0-545
- Coinsurance/copays: 25-50% or flat copay amounts based on formulary
- Coverage gap (donut hole): \$5,030 - \$8,000 in total drug costs
- Coverage gap discounts: 75% discount on brand name medications, 75% discount on generic medications during the coverage gap
- Catastrophic coverage: You pay \$0 for covered drugs on the plan formulary for the duration of the calendar year after the coverage gap.

Things to Consider

- All plans have a different cost structure.
- Late enrollees may incur a 1% penalty for each month of delay.
- Those with limited income/resources may qualify for extra help (Limited Income Subsidy or LIS) through the Social Security Administration.

Mid-Year Formulary Notification

- Plans will be able to immediately substitute a newly available generic for brand name drugs on the same or lower cost-sharing tier without prior beneficiary notice.
- Plans may provide beneficiaries with general notice that mid-year generic substitution may occur and affected enrollees and providers can be notified after the fact.
- The Part D plan that utilizes the general notice will be required to provide a 30-day supply of the brand name drug upon beneficiary request.
- Beneficiaries can continue to seek formulary exceptions.

Questions?

SourcePoint provides a variety of free insurance education classes and workshops. Learn more at [MySourcePoint.org/insurance](https://www.mysourcepoint.org/insurance) or call 740-363-6677.

Other Resources

- **OSHIIP** | 1-800-686-1578 | [insurance.ohio.gov](https://www.insurance.ohio.gov)
- **Medicare** | 1-800-MEDICARE | [medicare.gov](https://www.medicare.gov)
- **Social Security Administration** | 1-800-772-1213 | [ssa.gov](https://www.ssa.gov)

