

Understanding Medicare and Your Options



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Your “easy chair.”



We want you to know that Excellus BlueCross BlueShield is here for you. We have been helping residents of Upstate New York for more than 70 years. As you approach your 65th birthday, we know you have decisions to make about your health care coverage. Whether or not you have decided to continue working, you are faced with a choice about your health insurance. Understanding your choices may help you avoid paying more than you need to and get the coverage that is best for you. Our licensed Medicare Sales Advisors are here to help you every step of the way so you feel informed and prepared.

This guide is a resource to help you understand the basics of Original Medicare. It will also introduce you to our Medicare Advantage plans and the benefits and features associated with them — coverage designed for your generation.

Our specially trained, Medicare Sales Advisors are committed to helping you understand your options. They can provide the guidance you need to make informed choices so you feel confident and secure about your decisions whether you plan to continue working or have questions about insurance coverage from your employer. Please feel free to contact one of our local Sales Advisors if you have questions or would like to schedule a one-on-one personal consultation.

To find the representative nearest you please go to ExcellusMedicare.com/FindMyRep then enter your county to find the contact information and mobile office hours of the representative nearest you. General Medicare Seminar meeting information is also available.

Don't have computer access or prefer to call? You can call to speak with one of our dedicated Medicare Sales Representatives who can look up this information for you and answer your questions about Medicare and our available Medicare Advantage plans.

Representatives can be reached at 1-800-659-1986 Monday – Friday, 8 a.m. to 8:00 p.m. From October 1st to February 14, representatives are available to assist you seven days a week, from 8:00 a.m. to 8:00 p.m. TTY users call 1-800-421-1220.

Sincerely,

Roger van Baaren

Roger van Baaren
Vice President, Medicare Sales

You are here: _____



Get Informed



Explore options



Choose plans

Find a Representative at ExcellusMedicare.com/FindMyRep

Understanding Medicare

What is Original Medicare?

Original Medicare is a federal program designed to cover certain health insurance costs for eligible individuals 65 or older, as well as those with certain disabilities. Original Medicare covers certain medical services and supplies in hospitals, doctors' offices and other health care settings.



Medicare Part A & Medicare Part B

Original Medicare has two parts: Part A and Part B

Medicare Part A: Coverage for inpatient care in hospitals or inpatient skilled care in a nursing facility as well as hospice and home health care.

- ▶ You are eligible for Part A if you or your spouse paid into Social Security for at least 10 years through your employment and if you are a citizen or permanent resident of the U.S. Most individuals do not pay a premium for Part A because they or their spouse paid Medicare taxes while working.
- ▶ Part A has deductibles, copayments and coinsurance.

Medicare Part B: Coverage for doctor visits, outpatient hospital care, lab tests and other medical services.

- ▶ Individuals residing in the United States (except residents of Puerto Rico) who become entitled to premium-free Part A become eligible for Part B.
- ▶ Part B requires a monthly premium which most people have deducted directly from their monthly social security check.
- ▶ In addition, there is a Part B annual deductible amount and other costs (such as copayments and coinsurance) may also apply.

Medicare Part C: Medicare Advantage Plans

Medicare Advantage plans are Medicare-approved health insurance plan options offered by private health insurance companies like Excellus BlueCross BlueShield.

When you enroll in a Medicare Advantage plan, your Part A (hospital insurance) and Part B (medical insurance) will be covered under a single plan. Many of our Medicare Advantage plans include extra benefits such as prescription drugs, dental, vision, routine physicals, hearing and/or health and wellness programs. Please note that hospice services are not covered under Medicare Advantage plans, as they are paid for by Original Medicare when you enroll in a Medicare-approved hospice program.

When you select one of our Medicare Advantage plans with prescription drug coverage, you will have:

- ▶ A way to reduce your out-of-pocket drug costs.
- ▶ Benefits equal to or better than Medicare's standard Part D plan requirements.
- ▶ About 64,000 pharmacy locations, including most national pharmacies and local neighborhood pharmacies.



Medicare Part D: Prescription Drug Coverage

Part D prescription drug coverage is a way to cover the cost of your prescription drugs, and is available through private health insurance companies like us. There are two ways to get Medicare prescription drug coverage: 1) through a stand-alone plan that covers prescription drugs only, or 2) through a Medicare Advantage plan that includes health care and prescription drug coverage.

Medicare Supplement Plans (Medigap plans)

Medicare Supplement plans work hand-in-hand with Original Medicare to help pay costs that Original Medicare does not, such as copayments, coinsurance and deductibles. You pay a monthly premium to a private health insurance company, like us (in addition to your monthly Part B premium). Generally, you must have Medicare Part A and B to buy a Medicare Supplement plan.

Understanding Your Options with Us

Our company offers Medicare Advantage Preferred Provider Organization (PPO) plans. If you meet the eligibility requirements and join one of our Medicare Advantage plans, we will provide all of your Part A (hospital insurance) and Part B (medical insurance) coverage. Many of our Medicare Advantage plans offer extra coverage; such as, prescription drugs, vision, routine physicals, and/or health and wellness programs.*

Our PPO plans allow you the choice of selecting a provider in our network or an out-of-network provider. When you use an out-of-network provider under our PPO plans, your out-of-pocket costs may be higher, except in cases such as emergency care, urgently need care or out-of area dialysis.

You don't need to get a referral or prior authorization when you get care from out-of-network providers, but you may ask for a pre-visit coverage decision to confirm that the services you are getting are covered and are medically necessary.



PPO
Preferred Provider Organization
No Primary Care Physician
No referrals
In-Network & Out-of-Network Providers

*The benefit information provided is a brief summary, not a complete description of benefits. For more information contact the plan. Limitations, copayments, and restrictions may apply. Benefits, formulary, pharmacy network, provider network, premium and/or co-payments/co-insurance may change on January 1 of each year.

When to enroll:

1. Initial Enrollment Period (IEP)

- ▶ During your IEP, you can enroll three months before you turn age 65 to three months after the month you turn 65
- ▶ If you get Medicare due to a disability, you can join during the three months before to the three months after your 25th month of disability
- ▶ You can join a Medicare Advantage or stand-alone Prescription Drug plan
- ▶ If you enroll during the three months after your birth month, enrollment will generally take effect on the first day of the month subsequent to your enrollment submission request

There's a seven-month period for sign up!



2. Annual Election Period (AEP)

The AEP, also referred to as the “Fall Open Enrollment” is from October 15th to December 7th. Your coverage would begin on January 1st of the following year.

During the AEP, you can:

- ▶ Change Medicare Advantage or stand-alone Prescription Drug Plans
- ▶ Add or drop prescription drug coverage
- ▶ Return to Original Medicare

3. Special Election Period (SEP)

You may be able to join or switch plans under special circumstances that grant a Special Election Period (SEP). For example:

- ▶ If you enroll in Elderly Pharmaceutical Insurance Coverage (EPIC)
- ▶ When you lose or end your employer sponsored coverage
- ▶ If you make a permanent move into or out of your plan’s service area
- ▶ If you have both Medicare and Medicaid
- ▶ If you become approved for Low Income Subsidy (LIS – Extra Help)
- ▶ If you qualify for any other exceptional conditions determined by the Centers for Medicare & Medicaid Services (CMS)



Understanding how Your Employer Sponsored Health Insurance Coverage works with Medicare

Some people are deciding to either stay on their employer sponsored health insurance, or continue working past 65 because they're not ready to slow down. Everyone's situation is unique, so please review the information below and then speak with your employer.

Do you need Medicare?

- ▶ When your employer sponsored coverage ends, when you retire or stop working, you should generally opt in to Medicare Part A, as there is no premium if you or your spouse contributed to Medicare payroll taxes for 10 years. And you will need to enroll in Medicare Part B if you want medical coverage, regardless whether your employer offers you coverage through COBRA.
- ▶ Many people choose to work beyond age 65 for full retirement benefits, but Medicare enrollment is based on the size of your company.

Situation 1: If you are currently working at a company with 20 or more employees, then you can wait to sign up for Medicare Part B because your employer insurance will still be the primary payer. To avoid potential penalties later on, be sure to ask your employer if the prescription drug coverage provided with your plan is creditable, meaning it covers at least as much as Medicare Part D. If you retire or lose your employer sponsored coverage, see the Special Election Period information below.

Situation 2: If you are currently working at a company with fewer than 20 employees and become eligible for Medicare, you should enroll in Medicare because Medicare will be your primary insurance once you become eligible. If you do not enroll in Medicare, it will be as if you do not have any coverage.

What happens if you are over 65 and not yet enrolled in Medicare?

- ▶ There are specific rules to follow if you are over 65 and not yet enrolled in Medicare. There are time frames to follow in order to avoid late-enrollment penalties once you stop working, or if you work beyond age 65 for an employer with less than 20 employees and you did not enroll in Part B when you turned 65.

Once your Initial Enrollment Period has passed (three months before your 65th birthday to three months after), you have another chance each year to sign up during the General Enrollment Period from January 1 through March 31 with coverage starting on July 1. If you have special circumstances, you may also qualify for a Part B Special Election Period.

Keep in mind your monthly Part B premium increases 10% for each 12-month period you were eligible for, but did not enroll in Medicare Part B (unless you qualify for a Special Election Period).

Part B Special Election Period:

- ▶ You can enroll in Medicare Part B during the eight-month period that begins following the last month your employer sponsored health coverage ends, or following the month employment ends, whichever comes first.
- ▶ Special Election Period rules do not apply if employment or employer-provided health plan coverage ends during your Initial Enrollment Period. In addition, if you have COBRA coverage or a retiree health plan, you don't have coverage based on current employment. You're not eligible for a Special Election Period in Part B when that coverage ends.

More Helpful Resources

To learn more about your options, contact your local Medicare Sales Advisor at ExcellusMedicare.com/FindMyRep

You can visit our website at ExcellusMedicare.com to read more about our plan options and programs and services we offer to help you stay healthy. You can also sign up for our health and wellness monthly emails at ExcellusMedicare.com/Email.

For general information on Medicare you can call Medicare at 1-800-MEDICARE (1-800-633-4227), 24 hours a day, seven days a week. (TTY/TDD users, call 1-877-486-2048) www.medicare.gov

For general information on Social Security you can call the Social Security Administration (SSA) at 1-800-772-1213, 7 a.m. to 7 p.m., Monday – Friday (TTY/TDD users, call 1-800-325-0778) www.ssa.gov

