

# MEDICARE

## FOR BEGINNERS

*A Guide to Understanding and Enrolling in Medicare*

*2020 Edition*



**BOBBY JONES**

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**TABLE OF CONTENTS**

INTRODUCTION..... iii

Chapter 1 ORIGINAL MEDICARE .....1

Chapter 2 MEDICARE SUPPLEMENTS .....9

Chapter 3 WHEN AND HOW TO ENROLL .....16

Chapter 4 WRAPPING IT UP .....23

ABOUT THE AUTHOR.....25

# INTRODUCTION

## Welcome to Medicare!

You have worked hard your entire life and paid into the system; it's time to enjoy the many benefits that Medicare has to offer!

Once you learn about the various advantages of Medicare, I believe you will genuinely enjoy this program. If you are transitioning from an employer group plan, you are likely familiar with high deductibles, limited choice of health care providers, and costly premiums.

However, this is not the case with Medicare! When you enroll in Medicare, you will find lower payments, a nationwide choice of the best doctors and hospitals, and, when you choose the right supplement, virtually no out of pocket medical expenses.

## Objective

My name is Bobby Jones and I am president of Delta Benefits Group. Our company specializes in researching and comparing Medicare plans to ensure our clients have options tailored to their individual needs and unique circumstances.

My goal in writing this book is the same goal I have with all my clients: to make the process of enrolling in Medicare as stress free as possible.

Learning the “language” of Medicare may seem intimidating, and the abundance of choices may initially appear somewhat overwhelming. However, I think you will find as we walk through the information together, you will gain the knowledge you need to proceed with confidence!

## What’s inside?

Your journey towards a successful and stress free transition into Medicare begins now. Within the pages of this book you will discover what Medicare does and doesn’t cover, how Medicare Supplements work, and how and when to enroll.

Here is an overview of what we will be covering together:

**Chapter One** explains Original Medicare, the coverages included in the different parts of Original Medicare, and the premiums associated with each part.

**Chapter Two** provides information on available Medicare Supplements, what they cover, and information to help you decide which plan is best for you.

**Chapter Three** will take you through the steps of the enrollment process.

**Chapter Four** summarizes what you have learned.

## Let’s Get Started!

Medicare has a lot of working parts we will cover in the next pages. As you read and reflect on the information, please know that I am available to answer any of your questions regarding coverages, enrollment, supplements, or ANY part of the process you find confusing or overwhelming.

Please feel free to contact me by phone at 888-449-7716, or email me at [info@deltabenefitsgroup.com](mailto:info@deltabenefitsgroup.com). Our services are absolutely free and we would love to hear from you!

# CHAPTER ONE

## *Original Medicare*

Medicare is broken down into *parts* signified by letters.

Part A and Part B are considered **Original Medicare**. **Original Medicare** is one of your options when you enroll; you also have the option to choose a **Medicare Advantage Plan** or Part C. Part C is similar to an HMO or a PPO that you may have or have had through your group insurance, and is administered through approved private insurance companies. We will discuss Part C further in Chapter 2.

Part D is prescription drug coverage and is also administered by approved private insurance companies.

We'll begin by discussing coverages in Original Medicare.

### **Medicare Part A: Hospital and Health Care Facilities coverage**

Coverages found in Part A include:

- Inpatient care in a hospital
- Inpatient care in a **Skilled Nursing Facility** (SNF); this does not include custodial or long term care
- Hospice care
- Home health care

## **Medicare Part A: Premium Payments**

Most people do not pay a monthly premium for Part A coverage. Currently, if you or your spouse have paid Medicare taxes for at least 10 years (40 quarters) prior to enrollment, you will not pay a premium for Part A coverage.

For those who do not qualify for premium free Part A coverage, the maximum amount you will pay is currently \$458 per month.

## **Medicare Part: A Deductibles and Coinsurance Payments**

In 2020, the Part A deductible, or amount you pay before receiving Medicare benefits, is \$1,408 per ***benefit period***.

A ***benefit period*** begins the day you are admitted into a hospital or SNF. The benefit period ends when you have received no care as a patient in a hospital or SNF for 60 days in a row.

If you enter a hospital or SNF after a benefit period has ended, a new benefit period will begin. You will be required to pay the deductible for each benefit period. It is therefore possible to have several Part A inpatient deductibles in a year.

Medicare Part A coinsurance, or the amount you pay out of pocket after Medicare benefits begin, varies based on the length of time you are receiving care and whether you are an inpatient in a hospital or in a SNF.

### **For inpatient hospital care, coinsurance payments for 2020 are:**

- 1 through 60 consecutive days: \$0
- 61 through 90 consecutive days: \$352 per day

When you have stayed in the hospital for more than 90 days in a row, you will then begin using your **lifetime reserve days**. With Medicare Part A, each

person has a total of 60 lifetime reserves days. Each time you use a lifetime reserve day, you pay \$704 per day of the hospital cost. After your lifetime reserve days are depleted, you will be responsible for all hospital costs.

Medicare Supplements can be added to extend coverage beyond your lifetime reserve days... more on this in Chapter 2!

**For SNF care, coinsurance payments for 2020 are:**

- 1 through 20 consecutive days: \$0
- 21 through 100 consecutive days: \$176.00 per day
- 101 days and beyond: you will be responsible for all costs

**Medicare Part B: Physician and Outpatient Service coverage**

Part B of Medicare covers the following:

- medically necessary doctors' services
- outpatient care
- home health services
- durable medical equipment
- preventative services

**The Centers for Medicare & Medicaid Services (CMS) provides guidelines every year which explain and define what is covered in each of the categories above.**

**Medicare Part B: Premium Payments**

Part B premiums are more complicated than Part A premiums because they vary based on income. For those enrolling in Medicare Part B in 2020, your monthly premium will be based on your income from 2018.

The table below, from Medicare.gov, provides a summary of your monthly premium if you enroll in Medicare in 2020.

If your yearly income in 2018 (for what you pay in 2020) was			You pay each month (in 2020)
File individual tax return	File joint tax return	File married & separate tax return	
\$87,000 or less	\$174,000 or less	\$87,000 or less	\$144.60
above \$87,000 up to \$109,000	above \$174,000 up to \$218,000	Not applicable	\$202.40
above \$109,000 up to \$136,000	above \$218,000 up to \$272,000	Not applicable	\$289.20
above \$136,000 up to \$163,000	above \$272,000 up to \$326,000	Not applicable	\$376.00
above \$163,000 and less than \$500,000	above \$326,000 and less than \$750,000	above \$87,000 and less than \$413,000	\$462.70
\$500,000 or above	\$750,000 and above	\$413,000 and above	\$491.60

### **Medicare Part B: Deductibles and Coinsurance Payments**

In 2020, the Part B deductible, or amount you pay before receiving Medicare payments, is **\$198** per year.

After your deductible is met, you will typically be responsible for **20%** of the cost of Medicare approved:

- doctors' services (including those you receive while you are inpatient in a hospital or SNF)
- outpatient therapy
- durable medical equipment

## **Medicare Part D: Prescription Drugs**

Medicare Part D plans offer coverage for prescription drugs and are administered through private insurance companies. There are numerous Part D plans available. While drug options will vary from plan to plan, all plans must cover every therapeutic category of prescription drug.

Each Medicare Prescription Drug Plan has its own list of covered drugs (called a formulary). Many Medicare drug plans place drugs into different tiers, or levels, within their formularies. A drug in a lower tier will generally cost less than a drug in a higher tier.

All Medicare Part D plans are required to have a process for members to request exceptions to the drug formulary. It is also possible to request an exception to the tier level of a drug.

### **Part D Premium Payments**

Because Part D Medicare drug plans are offered through numerous private insurance companies, the monthly premium you pay will vary based on the company and the plan you choose, and your income from two years prior to year you enroll. Please contact us to determine your exact premium.

Please be aware that if you go without Medicare Part D prescription drug coverage, or other creditable coverage (drug coverage that is comparable to Medicare), for 63 consecutive days or more, you may be charged a late-enrollment penalty upon enrollment in a Part D Plan. Your late-enrollment penalty is calculated by multiplying 1% of the “national base beneficiary premium” (\$32.74 per month in 2020) by the number of full months you did not have Medicare Part D or comparable coverage. The penalty is then added to your monthly Medicare Part D premium. The national base beneficiary premium may change each year, so your late enrollment penalty may also change each year.

## **Part D Deductibles and Coinsurance Payments**

Of all the subjects concerning Medicare, Part D deductibles and coinsurance payments are often the most difficult to grasp. The reason for this confusion is because the amount you pay for medications may vary throughout the year and may include a period of time where there is a gap in coverage and the amount you pay for your drugs increases.

Let's begin by discussing your deductible.

In 2020, the **maximum** deductible that a plan can require is \$435. Plans and options vary, so the deductible may be significantly lower and some plans require no deductible at all.

You are responsible for 100% of your prescription drug cost until you reach your deductible (There are exceptions: Tier 1 and tier 2 prescriptions are typically not subject to the deductible.)

### ***The Initial Coverage Limit***

After your deductible is met, you enter into the **initial coverage limit** phase. During this period, your plan will pay a portion of your drug cost and you will be required to pay a smaller portion, or copayment. Your copayment is based on the **tier** that your drug is in; the tier is based on the **formulary** (a list of the covered prescription drugs) of your specific plan. The higher the tier the higher the copayment.

Once you and your plan have reached the amount of \$4020 (the **initial coverage limit** for medications set for 2020), you will enter a coverage gap.

### ***The Coverage Gap***

The gap in coverage begins once you and your plan have reached the initial coverage limit of \$4020 out of coverage gap and ends when a total amount of \$6,350 is spent on medications. Most people will never enter this period; however, it is important to know what to expect if you do find yourself in this coverage gap.

## **Brand Name Prescription Drugs**

In 2020, once you reach the coverage gap, you'll pay no more than 25% of the cost for your plan's covered brand-name prescription drugs. You'll pay this discounted rate if you buy your prescriptions at a pharmacy or order them through the mail. Some plans may offer you even lower costs in the coverage gap. The discount will be deducted from the price that your plan has set with the pharmacy for that specific drug.

Although you'll pay no more than 25% of the price for the brand-name drug, almost the full price of that drug will count as out-of-pocket costs to help you get out of the coverage gap. What you pay and what the manufacturer pays (95% of the cost of the drug) will apply to the \$6350 needed to get out of the coverage gap.

- Of the total cost of the drug, the manufacturer pays 70% to discount the price for you. Then your plan pays 5% of the cost. Together, the manufacturer and plan cover 75% of the cost. You pay 25% of the cost of the drug.
- There's also a dispensing fee. Your plan pays 75% of the fee, and you pay 25% of the fee.

What the drug plan pays toward the drug cost (5% of the cost) and dispensing fee (75% of the fee) aren't counted toward your out-of-pocket spending.

**For example:** If you reach the coverage gap period and purchase a brand name medication with a retail cost of \$100, you will pay \$25 for the medication and receive \$70 credit toward meeting your 2020 total out-of-pocket spending limit (the \$25 you paid plus the \$70 paid by the brand name drug manufacturer).

## **Generic Drugs**

Medicare will pay 75% of the price for generic drugs during the coverage gap. Enrollees will pay 25% of the price on generic drugs purchased while in the gap. The coverage for

generic drugs works differently from the discount for brand-name drugs. For generic drugs, only the amount you pay will count toward getting you out of the coverage gap.

**For example:** If you reach the 2020 coverage gap, and your generic medication has a retail cost of \$100, you will pay \$25. The \$25 that you spend will count toward your total out of pocket expenses. You will not get credit for the additional 75 percent.

In 2020, the following count towards reaching the \$6,350 limit:

- Your yearly deductible, coinsurance, and copayments
- The discount you receive on brand name drugs while in the coverage gap period
- What you pay in the coverage gap period

Items that don't count towards the coverage gap

- The drug plan Premium
- Pharmacy dispensing fee
- What you pay for drugs that aren't covered

### ***Catastrophic Coverage***

Once in catastrophic coverage, you pay only a small coinsurance amount, or copayment, for covered drugs for the rest of the year.

If you have questions or need more explanation on these coverages please feel free to call us at 888-449-7716, and we will walk you through this process

# CHAPTER TWO

## *Medicare Supplements*

As you have probably realized, while Original Medicare is fairly comprehensive, there are gaps in coverage to be filled. This is where a Medicare Supplement plan, also referred to as a **Medigap policy**, comes into play.

Like Original Medicare, Supplements are also identified with letters; however rather than use the term “Parts”, Supplements are identified as “Plans”. In 2020, you will have Plans A through N from which to choose

Medicare Supplements are offered by Medicare approved private insurance companies. The premium you pay for your supplement will be based on the area in which you live, your age, your gender, the insurance company offering the plan, and the plan you choose.

Most people will choose their Medigap policy during the Medigap ***Open Enrollment Period***. There are two ways to trigger this period

- turning 65 and enrolling in Part B for the first time,  
or
- retiring after 65 and coming off of a group employer plan or an individual plan and enrolling in Part B for the first time

***When enrolling during an Open Enrollment Period, you are able to choose any Medigap Policy without medical underwriting or answering any health questions.***

Be aware that after your Open Enrollment period is over, you **must** medically qualify for supplemental coverage offered through Medigap policies.

**It is important to know that all Medigap policies are standardized.**

Supplemental Insurance offered through Medigap policies must follow federal and state laws designed to protect you, and policies must be clearly identified as “Medicare Supplement Insurance.”

Companies offering Medigap policies must offer “standardized” Medigap policies identified by letters A through N. Each standardized Medigap policy must offer the **exact same benefits**, no matter which insurance company offers it. **Cost is the only difference between Medigap policies with the same letter offered by different insurance companies.**

Additionally **all** doctors and hospitals that accept Medicare will accept your Medigap Policy, no matter what insurance company is providing your coverage. With Medigap Policies there are no Networks, no PPO’s, and no HMO’s. You are free to go to any doctor or hospital that you choose provided they accept Medicare.

### **What Medigap Policies Cover**

If you refer back to the previous chapter on Medicare Parts A and B you will see that there are some gaps in coverages that need to be addressed. For example, it is possible your Part A inpatient deductible (currently \$1408 per *benefit period*) may be incurred several times a year. Additionally, there are inpatient copays encountered in the event of an extended hospital stay

Furthermore, Part B has a flat 20% coinsurance amount that is the participant's responsibility, and there is no cap. Chemotherapy for example, typically falls under Part B, and at \$12,000 to \$14,000 per treatment you might find that 20% of the bill is a staggering amount to be responsible for.

Medigap policies are designed to supplement Parts A and B and reduce these types of gaps in coverage.

The chart below provides a quick look at the standardized Medigap Plans available and what they cover.

### 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 points)	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 2020**			
							\$5,880	\$2,940		

\* Plan F also offers a high-deductible plan in some states. With this option, you must pay for Medicare-covered costs (coinsurance, copayments, and deductibles) up to the deductible amount of \$2,340 in 2020 before your policy pays anything. (Plans C and F won't be available to people who are newly eligible for Medicare on or after January 1, 2020. See previous page for more information.)

\*\* For Plans K and L, after you meet your out-of-pocket yearly limit and your yearly Part B deductible (\$198 in 2020), the Medigap plan pays 100% of covered services for the rest of the calendar year.

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

## Which Medigap Plan to Choose?

Choosing the right plan for you is a discussion best had one on one with your insurance professional. There are several factors that will come into play in deciding the best plan to choose. A discussion of each plan is not practical for the purposes of this book, therefore we will talk about three of the most popular plans: F, G, and N:

- **Plan F** has historically been one of the most popular choices for Medigap coverage. As you can see from the chart, this plan covers 100% of all out of pocket costs. Currently, the major drawback with Plan F are premiums that are significantly higher than with other plans.

***Be aware: As of 2020, a plan F supplement can no longer be issued for those born in 1955 or later. If you already have Plan F you will be able to keep it.***

- **Plan G** is a popular option and one that I help my clients enroll in more than any other. The reason I prefer Plan G over Plan F is simple. Plan G offers 100% coverage in all categories except your Part B deductible. If you remember, the Part B annual deductible is \$198 (2020). The premium difference between Plan F and Plan G is usually greater than \$198 (with Plan F being the more expensive of the two). Therefore in my opinion, it is better to pay the deductible yourself and save the extra premium dollars.
- **Plan N** is similar to Plan G with two differences:  
First, Plan N covers 100% of the Part B coinsurance **except for** a copayment **for up to** \$20 for some office visits and **up to** \$50 copayment for emergency room visits that do not result in inpatient admission. I always tell my clients to plan on the full \$20 copay but many times it is less. It will never be more.

The second difference between Plan N and Plan G is that Plan N does not cover **Part B excess charges**. Let me explain this further.

Doctors who accept Medicare patients will either a) accept the Medicare assigned rate for their services and expect no further payment from their patients; or b) accept the Medicare payment and expect their patient to pay an additional **excess charge**. The amount charged over the Medicare approved rate is an **excess charge**. *Excess charges cannot be over 15% of the assigned rates reimbursed by Medicare.*

While excess charges are not common, be aware that excess charges are a possibility and are not covered by a Plan N. There are some states that do not allow excess charges. These states are: Connecticut, Massachusetts, Minnesota, New York, Ohio, Pennsylvania, Rhode Island, and Vermont.

Typically Plan N is the least expensive of the three plans. Many clients, especially those that do not go to the doctor often, prefer it because of the lower premium. Conversely, many clients do not think worrying with the doctor's copays and the potential for excess charges warrant the savings versus a Plan G.

Again, for a more detailed discussion on supplement choices please feel free to call or email me.

### **What doesn't Medigap cover?**

Generally, Medigap policies do not cover long-term care (such as care in a nursing home), vision or dental care, hearing aids, eyeglasses, or privateduty nursing. There are stand-alone policies that cover these services. We would be happy to assist you in exploring these options.

### **Medicare Advantage Plans, Part C**

A Medicare Advantage Plan (like an HMO or PPO) is another way to receive Medicare coverage. Medicare Advantage Plans, sometimes called "Part C" or "MA Plans," are offered by private insurance companies approved by Medicare.

If you join a Medicare Advantage Plan, you'll still have Medicare but you'll get your Medicare Part A (Hospital

Insurance) and Medicare Part B (Medical Insurance) coverage from the Medicare Advantage Plan, not Original Medicare. You'll generally receive services from a plan's network of providers. If you sign up for a Medicare Advantage Plan you will get a card from the plan that you will need to present for services; you will not use the Original Medicare card that may have been sent to you.

There are several advantages to enrolling in a Medicare Advantage plan. Generally the premiums are lower than those provided by a Medicare supplement (in some cases there is no premium), and many times a Plan D drug plan is included in the package. Additionally, some plans provide extra benefits including dental, vision, and gym memberships.

One of the potential drawbacks in having a Medicare Advantage plan is the *defined* and *limited* list of doctors and hospitals allowed by the plan (much like traditional health insurance). You are not typically able to go outside the group of providers without incurring additional costs. Remember, with Original Medicare (and Medigap supplement policies), you may choose any doctor or hospital you wish (nationwide) provided they accept Medicare.

Another possible disadvantage with a Medicare Advantage plan is that you will have copays, deductibles, and out of pocket costs. These out of pocket costs could range from \$4,000 to \$6,000 dollars annually. With Original Medicare plus a supplement, you can receive 100% coverage with no out of pocket costs (depending on which supplement you choose).

As you can see, a Medigap policy offers a variety of options. I hope this chapter has helped you in deciding what coverage is best for you. We are always available and happy to help you answer questions concerning your choice so feel free to call us with any questions at 888-449-7716 or email us at [info@deltabenefitsgroup.com](mailto:info@deltabenefitsgroup.com).

Now let's talk about how to enroll.

# CHAPTER THREE

## *How and When to Enroll*

Enrolling in Medicare is not as confusing as you may think. In fact, some people are enrolled automatically under certain conditions. We'll begin by discussing automatic enrollment.

### **Automatic Enrollment in Original Medicare**

You will automatically be enrolled in Parts A and B under the following scenarios:

- **You are already receiving benefits from Social Security or the Railroad Retirement Board (RRB).** Coverage will begin the first day of the month you turn 65. If your birthday is on the first day of the month, Part A and Part B will start the first day of the prior month. You should get your Medicare card in the mail 3 months before you turn 65.  
***Hint: If you are in this category and receive a Medicare card, but DO NOT want to sign up for Part B, mail the card back to the Medicare office. They will then send you a card for Part A coverage only. If you neglect to return the card, you will be charged for Part B coverage.***
- **You are under 65 and disabled.** Coverage begins after you receive disability benefits from Social Security or from the RRB for 24 months. You will receive your Medicare card in the mail during the 25<sup>th</sup> month.

- **You have Amyotrophic Lateral Sclerosis (ALS or Lou Gehrig's disease)** you will automatically get Part A and Part B the month your Social Security disability begins.

### **Enrolling in Medicare**

The following people are eligible for Medicare, but will need to enroll in order to receive benefits:

- **You are close to 65 and NOT receiving Social Security Benefits or RRB benefits.**
- **You have End-Stage Renal failure**
- **You live in Puerto Rico and receive benefits from Social Security or the RRB.**

### **If you are not automatically enrolled, when and how do you sign up?**

There are three ***periods*** in which you can enroll in Medicare Parts A and B. Your specific situation will determine your enrollment period. The enrollment periods are: ***Initial Enrollment Period, Special Enrollment Period, and General Enrollment Period.*** Each period is outlined below.

### **Initial Enrollment Period**

The Initial Enrollment Period occurs during the year you turn 65. It is a 7 month window that begins 3 months before your birthday month and ends 3 months after your birthday month. You can enroll in Part A and/or Part B any time during this 7-month period. For example, if your birthday is any time in the month of May (May 1-31<sup>st</sup>), your initial enrollment period begins February 1<sup>st</sup> and ends August 31<sup>st</sup>.

## When Is My 7-Month Initial Enrollment Period?



If you sign up for Part A and/or Part B during the first 3 months of your Initial Enrollment Period, in most cases, your coverage starts the first day of your birthday month. However, if your birthday is on the first day of the month, your coverage will start the first day of the prior month.

If you enroll in Part A and/or Part B the month you turn 65 or during the last 3 months of your Initial Enrollment Period, the start date for your Medicare coverage will be delayed.

### **Special Enrollment Period**

If you (or your spouse) are working during your Initial Enrollment Period, you can opt to delay enrollment in Part B without penalty if you have creditable coverage, usually through an employer group plan. You will be allowed to sign up for Medicare during a **Special Enrollment Period**. This period occurs:

- While you are covered by an employer group health plan, or
- During an 8-month period that begins the month after employment ends or the group health coverage ends whichever happens first.

Typically, you don't pay a late enrollment penalty if you sign up during a Special Enrollment Period. This Special Enrollment Period doesn't apply to people with End-Stage Renal Disease (ESRD).

## **General Enrollment Period**

If you didn't sign up for Part A and/or Part B during your Initial Enrollment Period and are not eligible to sign up during a Special Enrollment Period, you can enroll between January 1<sup>st</sup> and March 31<sup>st</sup> each year. **Your coverage won't begin until July 1<sup>st</sup> of that year, and you may have to pay a higher Part A and/or Part B premium for late enrollment.**

## **Part B Late Enrollment Penalty**

**If you don't sign up for Part B when you're first eligible, you may have to pay a late enrollment penalty for as long as you have Part B.** Your monthly premium for Part B may go up 10% for each full 12-month period that you could have had Part B, but didn't sign up for it.

**Example:** Mr. Johnson's Initial Enrollment Period ended July 31, 2017. He waited to sign up for Part B until January 2020 during the General Enrollment Period. His Part B premium penalty is 20%. Even though Mr. Johnson waited a total of 30 months to sign up, this included only 2 full 12-month periods. He'll have to pay this penalty for as long as he has Part **B**.

## **How to Enroll in Parts A and B**

Enrolling in Parts A and B is not difficult. There are a several ways you can enroll including:

- Applying on line at Social Security, [www.ssa.gov/medicare/](http://www.ssa.gov/medicare/)
- Visiting your local Social Security office and applying.
- Calling Social Security at 1-800-772-1213 and apply by phone (TTY: 1-800-325-0778); or if you worked for a railroad, call the RRB at 1-877-772-5772.

You should find the process fairly seamless. However, if you run into any problems (believe it or not, sometimes problems may pop up when dealing with the government.☺) please contact my office at 888-449-7716 and we will help you in any way that we can.

## **How to Enroll in a Part D Prescription Plan**

Part D, if you remember from our earlier discussion, is offered by Medicare approved private insurance companies.

There are numerous Part D drug plans available and many factors that go into finding the best plan for you. When comparing Part D plans, you should consider the following:

- the medications you are currently taking,
- the formulary (list of drugs) the provider uses,
- the pharmacy you use

Because there are so many variables to consider and so many plans available, it is recommended that you talk one-on-one with your agent. Together we can select a plan and conveniently enroll you by phone. If you would like our assistance, our number is 888-449-7716. We'll be pleased to assist you.

## **When and How to Enroll in a Medicare Supplement Plan (Medigap)**

Let's talk about the 'when' first.

The best time to purchase a Medigap policy is during your Medigap Open Enrollment Period. **During your Medigap Open Enrollment Period, the insurance company cannot turn you down for any reason. There are no medical questions to answer, the issuance of your Medigap policy is guaranteed.**

Your Medigap Open Enrollment Period lasts for six months and begins on the first day of the month you are 65 or older and enrolled in Medicare Part B. **However**, most insurance companies offering Medigap will allow you to enroll in your Medigap policy as early as **6 MONTHS BEFORE your open enrollment period begins.**

The advantage to you for purchasing Medigap early is that you will lock in your rate for the period from when you first enroll through the first year the policy is in effect. This is an 18 month price guarantee.

**For example:** A person turning 65 on July 12, 2020 whose Part B coverage begins July 1, 2020 can apply for a Medigap policy as early as January 1, 2020. The Medigap coverage will not go into effect until July 1<sup>st</sup>, but your rate will be locked in until July 2021.

If you enroll in a Medigap plan after your Open Enrollment Period has ended, the insurance company issuing coverage will conduct a prescription check and require that you answer medical questions. They may decline to issue you a policy based on the information provided. *Therefore, it is vital to take advantage of your Medigap Open Enrollment period.*

**How to enroll?** There are several ways to enroll in a Medigap policy. You can call each carrier in your market and compare plans and prices. While certainly an option, most people find this overwhelming and intimidating.

You may elect to enlist the services of your car or home insurance agent. While an expert in the field of property and casualty insurance, most agents in these fields do not have the time to stay informed on all the plans, changes, and options within Medicare.

Or, you may choose to use the services of a company like mine, **Delta Benefits Group**.

Delta Benefits Group is a nationwide company representing every top carrier in your market. Medicare is what we do. The process is simple: call us and we will shop the market for you to make sure you are getting the best available price for the supplement that you choose. We can help you in person or over the phone, efficiently and effectively. And there is no additional cost; you pay the same premium as you would if you went directly to a Medigap insurance company.

We strive to make sure that every one of our clients entering Medicare not only has a stress free experience in the enrollment process, but also that they get the very best value and service available year after year.

We treat our clients with the same respect that we would want to be treated. When you are our client we search the market on your policy anniversary date every year to make sure that you are always getting the very best value that your market has to offer. And we will always keep you informed on all Medicare changes.

Our services are absolutely free. Our office number is 888-449-7716 or we can be reached by email at [info@deltabenefitsgroup.com](mailto:info@deltabenefitsgroup.com).

## CHAPTER FOUR

### *Wrapping it Up*

At this point, I hope you have a better understanding of how Medicare and Medicare supplements work, what they cover, and how and when to enroll.

To briefly summarize, Medicare Parts A and B are original Medicare and will cover your inpatient hospital, outpatient services, and physician charges. Part D will cover your prescription drugs.

It is recommended that, because of gaps in Medicare coverages, you add a Medicare Supplement also known as a Medigap policy.

Part D, prescription drug coverage, and Medigap plans are both offered by private insurance companies and there are several choices for both.

Part C, which is Medicare Advantage, is also offered by private insurance companies and is another choice for your medical coverage.

I have enjoyed writing this book and it is my hope that it will help you along your journey of becoming a Medicare participant. I believe that you will enjoy being on Medicare with its freedom of choice in using your favorite doctors and hospitals, and with the proper supplementation, very little out of pocket cost when you need to use your healthcare.

If you need any help, have any questions, or have any comments please feel free to contact me.

I would love to hear from you!

**Bobby Jones**

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## ABOUT THE AUTHOR



My name is Bobby Jones and I am excited to help you navigate the potentially confusing waters of Medicare. I am a 1986 graduate of the University of Tennessee with a degree in Finance and Insurance and a licensed insurance agent. As founder and president of Delta Benefits Group, I lead a team that contracts with all of the top Medicare supplement carriers in the nation. This allows us the freedom to work strictly for our clients, rather than a specific carrier, offering our clients access to the best options the market has to offer.

At Delta Benefits Group, we *educate* people new to Medicare, ensuring a smooth enrollment into the Medicare system; we *shop and compare* policies from multiple companies to find the highest quality and most affordable supplement on the market; and we remain an *active partner* with all our clients, continually reviewing plans and options each year. As an expert in the arena of Medicare, I am often asked to lead seminars and provide advice through television and radio forums. I am always excited to educate, inform and clear up misconceptions regarding enrollment and supplement plans. My number one goal is a satisfied clientele, where each customer receives the highest level of benefits at the lowest possible price. I truly hope that you find **“Medicare for Beginners”** a helpful and convenient resource!

**Bobby Jones   Delta Benefits Group**

