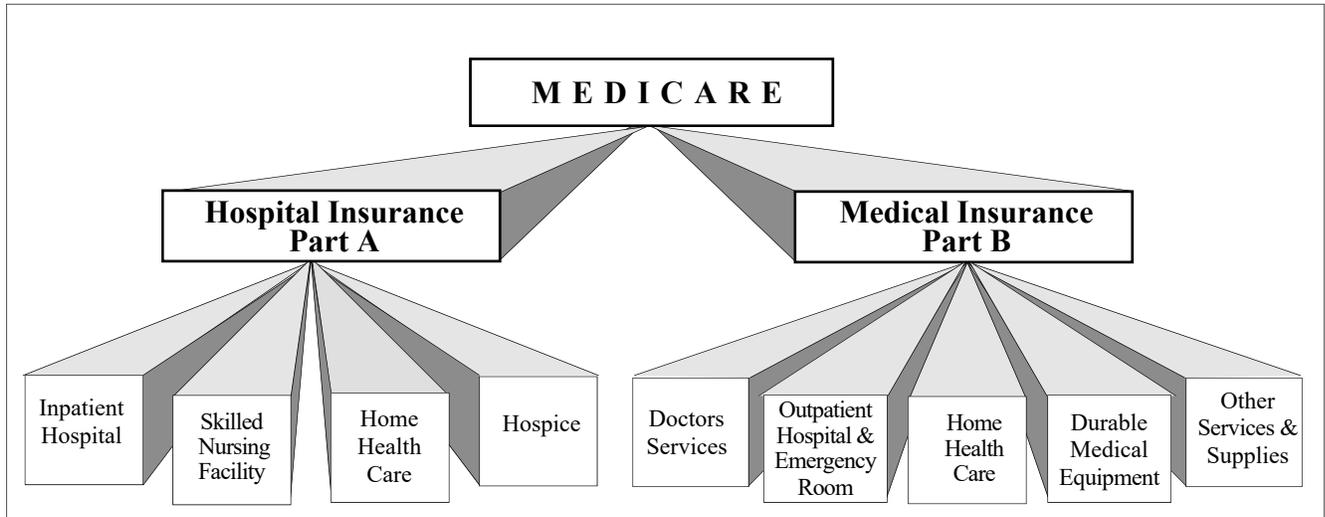


# Medicare Basics

Medicare is the federal health insurance program available to specific groups:

- ◆ People age 65 and older
- ◆ Those under age 65 who have been on Social Security disability for 24 months. (No wait is required if diagnosed with ALS or Lou Gehrig's disease.)
- ◆ Those who have end-stage renal disease (permanent kidney failure).

As shown below, Medicare is made up of Part A and Part B.



Most get Medicare Part A free. Everyone pays a monthly premium for Part B. How much you pay depends on your modified adjusted gross income.

2020 Part B Monthly Premium If Your 2018 Modified Adjusted Gross Income is		Premium You Pay
File Individual Tax Return	File Joint Tax Return	
\$87,000 or less	\$174,000 or less	\$144.60*
\$87,001 - \$109,000	\$174,001-\$218,000	\$202.40
\$109,001 - \$136,000	\$218,001 - \$272,000	\$289.20
\$136,001 - \$163,000	\$272,001 - \$326,000	\$376.00
\$163,001 - \$500,000	\$326,001 - \$750,000	\$462.70
Greater than \$500,000	\$750,001 or more	\$491.60.

\*If you are paying less than \$135.50 in 2019, your 2020 Part B premium will increase by the amount your Social Security benefit increases up to \$144.60.

Approval of covered services for Medicare benefits is usually based on what is **medically necessary**. Under Part A, the health care providers are not allowed to charge more than what Medicare approves. Part B does allow "excess charges" for some services. The maximum excess charge allowed for most services is 15% more than Medicare's approved amount. Medicare pays most of the health care costs for those eligible, but significant gaps can leave large bills to pay. The Medicare Benefit Chart on the next page shows Medicare's benefits and the amounts for which you are responsible.

# Medicare Benefits Chart 2020

**Part A Hospital Insurance - Covered Services** (Hospital deductibles and coinsurance amounts change each year. The numbers shown in this chart are effective for 2020.)

Services	Benefit	Medicare Pays	You Pay (Other insurance may pay all or part)
<b>Hospitalization*</b> Semiprivate room, general nursing, misc. services	First 60 days	All but \$1408	\$1408 (Part A deductible)
	61st to 90th day	All but \$352 per day	\$352 per day
	91st to 150th day	All but \$704 per day	\$704 per day
	Beyond 150 days	Nothing	All charges
<b>Skilled Nursing * Facility Care</b>	First 20 days	100% of approved	Nothing if approved
	21st to 100th day	All but \$176.00 per day	\$176.00 per day
	Beyond 100 days	Nothing	All costs
<b>Home Health Care</b> Medically necessary skilled care, therapy	Part-time care	100% of approved	Nothing if approved
<b>Hospice Care</b> for the terminally ill	As long as doctor certifies need	All but limited costs for drugs & respite care	Limited costs for drugs & respite care
Blood	Blood	All but first 3 pints	First 3 pints

## Part B - Medical Insurance - Covered Services

Services	Benefit	Medicare Pays	You Pay (Other insurance may pay all or part)
<b>Medical Expense</b> Physician services & medical supplies	Medical services in and out of the hospital	80% of approved (after \$198 deductible**)	20% of approved (after \$198 deductible**) plus excess charges
<b>Outpatient Hospital Treatment</b>	Unlimited if medically necessary	Amount based on a fee schedule (after \$198 deductible**)	Coinsurance or co- payment amount which varies according to the service (after \$198 deductible**)
<b>Clinical Laboratory</b>	Diagnostic tests	100% of approved	Nothing if approved
<b>Home Health Care</b> Medically necessary skilled care, therapy	Part-time care	100% of approved	Nothing if approved
<b>Durable Medical Equipment (DME)</b>	Prescribed by Doctor for use in home	80% of approved (after \$198 deductible**)	20% of approved (after \$198 deductible**) plus excess charges
Blood	Blood	All but first 3 pints	First 3 pints

\*Costs based on a benefit period.

\*\*A single \$198 deductible per year for all Part B services.

## Ten Standard Medicare Supplement Plans

Ten Standard Medicare Supplement Plans										Medicare Eligible Before 2020	
Basic Benefits	Plan A	Plan B	Plan D	Plan G*	Plan K	Plan L	Plan M	Plan N	Plan C	Plan F*	
<b>Part A Hospital</b>											
Day 61-90 Coinsurance	X	X	X	X	X	X	X	X	X	X	
Day 91-150 Coinsurance	X	X	X	X	X	X	X	X	X	X	
365 more days – 100%	X	X	X	X	X	X	X	X	X	X	
Part A Hospice coinsurance	X	X	X	X	50%	75%	X	X	X	X	
Part B Coinsurance or Copay	X	X	X	X	50%**	75%**	X	X****	X	X	
Parts A & B Blood	X	X	X	X	50%	75%	X	X	X	X	
<b>Additional Benefits</b>	<b>A</b>	<b>B</b>	<b>D</b>	<b>G</b>	<b>K</b>	<b>L</b>	<b>M</b>	<b>N</b>	<b>C</b>	<b>F</b>	
<b>Skilled Nursing Facility</b>											
Coinsurance Day 21-100			X	X	50%	75%	X	X	X	X	
Part A Deductible		X	X	X	50%	75%	50%	X	X	X	
Part B Deductible									X	X	
Part B Excess				X						X	
Foreign Travel Emergency			X	X			X	X	X	X	
Out-of-pocket annual limit					\$5,880***	\$2,940***					

X = Supplement pays 100%    50% and 75% = the amount the supplement pays

\* Plans F and G have an option called high deductible Plan F or high deductible Plan G. The deductible is \$2340 in 2020.

\*\* Plans K and L pay 100% of the Part B coinsurance for preventive services.

\*\*\* Plans K and L pay 100% of your cost for Part A and B after the annual out-of-pocket limit is reached.

\*\*\*\*Exceptions: You pay up to \$20 for an office visit and up to \$50 for an emergency room visit before the plan pays. The emergency room co-pay will be waived if you are admitted to the hospital.

**Standardized Medicare Supplement Plans Available - Annual Premiums**

Insurance Company	All Applicants											Only those Medicare eligible before 2020			Comments*
	Age	A	B	D	G	G (HD)	K	L	M	N	C	F	F (HD)		
AARP/UnitedHealthcare Insurance Co. 1-800-523-5800 aarpmedicaresupplement.com (Smoker rates differ; HH disc. Rates for females are lower)	65	\$1,100	\$1,543		\$1,482		\$560	\$1,166		\$1,341	\$1,892	\$1,899		Pre-X: 3 Months	
	70	\$1,208	\$1,694		\$1,628		\$615	\$1,280		\$1,473	\$2,078	\$2,086		GI: None	
	75	\$1,983	\$2,782		\$2,673		\$1,010	\$2,102		\$2,419	\$3,412	\$3,425		C NA	
	80	\$1,983	\$2,782		\$2,673		\$1,010	\$2,102		\$2,419	\$3,412	\$3,425		\$0 S	
Aetna Health Ins. Co. 1-800-264-4000 Aetnaseniorproducts.com (Smoker rates differ; HH disc. Rates for females are lower)	65	\$1,181	\$1,343		\$1,270	\$591				\$965		\$1,473		Pre-X: None	
	70	\$1,254	\$1,425		\$1,348	\$627				\$1,080		\$1,563		GI: None	
	75	\$1,473	\$1,674		\$1,584	\$736				\$1,275		\$1,837		C AA	
	80	\$1,737	\$1,972		\$1,866	\$868				\$1,498		\$2,164		\$20 S	
American National Life Ins. Co of TX 1-888-350-1488 slaico.com Smoker rates differ; HH disc.; (Rates for females are lower)	65	\$1,251			\$1,374					\$1,138		\$1,802	\$593	Pre-X: None	
	70	\$1,374			\$1,505					\$1,251		\$1,979	\$659	GI: None	
	75	\$1,590			\$1,731					\$1,449		\$2,295	\$762	C AA	
	80	\$1,806			\$1,985					\$1,665		\$2,629	\$866	\$0 S	
Americo Financial Life & Annuity Ins. Co. 800-231-0801 americo.com (Smoker rates differ; HH disc.; Rates for females are lower)	65	\$1,726			\$1,546					\$1,200		\$2,036		Pre-X: None	
	70	\$1,862			\$1,676					\$1,297		\$2,190		GI: None	
	75	\$2,141			\$1,979					\$1,535		\$2,549		C AA	
	80	\$2,345			\$2,254					\$1,762		\$2,880		\$0 Z	
Assured Life Association 1-855-394-1850 assuredlife.org (Smoker rates differ; Rates for females lower)	65	\$2,127	\$2,438	\$2,486	\$2,496					\$1,056	\$3,014	\$3,171		Pre-X: None	
	70	\$2,515	\$2,879	\$2,947	\$2,959					\$1,151	\$3,572	\$3,759		GI: None	
	75	\$2,790	\$3,233	\$3,332	\$3,345					\$1,377	\$4,031	\$4,242		C AA	
	80	\$2,965	\$3,488	\$3,628	\$3,641					\$1,573	\$4,379	\$4,607		\$25 Z	

\*Comments: Pre-X = Pre-existing Condition(s) Waiting Period; GI= Guaranteed Issue Plans Available; C= Automatic Crossover Claims Filing; IA=Issue Age Premium Basis; AA=Attained Age Premium Basis; NA-Premium Not Based on Age; S= Statewide premium; Z=Premiums for Des Moines Zip Code Area; \$ = One Time Policy Fee; HH disc. = household discount - eligibility requirements vary by company.