



Opus Private Client, LLC

**Medicare Consultations
Program**

Greenberg Traurig

Medicare Consultations Overview

As a resource to the employees and dependents of Greenberg Traurig, the Medicare Consultations Program will help address the following questions:

- When does it makes sense to apply for the different Parts of Medicare?
- How does my decision to apply for Medicare impact my current health plan?
- How does my current group health insurance compare to making Medicare my primary coverage?
- When I do apply for Medicare, what are my options in regards to “Medigap” coverage and Part D prescription plans?
- What kind of assistance is provided to me in the application process for Medicare?

At age 65 – You Decide

- The first of the month on the month you turn age 65, you are eligible for Medicare.
- You have the option to remain on the group health insurance plan with no changes or transition to Medicare as your primary coverage.
- If you stay on the group health plan, you will have what Medicare considers to be “creditable” coverage. Therefore, you will not be assessed any late enrollment penalties or waiting periods when you apply for Medicare at a later date.
- When you drop the group plan at any time (voluntarily or involuntarily) you will have a Special Enrollment Period to take out Medicare Part A and Part B as well as any “Medi-gap” policy or Part D prescription drug plan

Original Medicare – Medicare Part A and Medicare Part B

- **Medicare Part A**

- ⦿ Medicare Part A is your Hospital coverage
- ⦿ There is no monthly premium for Medicare Part A.

- **Medicare Part B**

- ⦿ Medicare Part B is your Medical coverage. It generally covers 80% of your medical costs. In addition, a physician can charge 15% above Medicare's allowable amount.
- ⦿ There is a monthly premium for Part B. This premium is means tested—the higher your income, the higher your monthly premium.
- ⦿ This premium is paid to the government.

Medicare Income Chart 2024

Modified Adjusted Gross Income	Monthly Part B Premium per person	Monthly Medicare Part D Surcharge (IRMAA) per person
\$103,000 or less for an Individual \$206,000 or less for a Couple	\$174.70	\$0
\$103,000 to \$129,000 for an Individual \$206,000 to \$258,000 for a Couple	\$244.60	\$12.90
\$129,000 to \$161,000 for an Individual \$258,000 to \$322,000 for a Couple	\$349.40	\$31.30
\$161,000 to \$193,000 for an Individual \$322,000 to \$386,000 for a Couple	\$454.20	\$53.80
\$193,000 to \$500,000 for an Individual \$386,000 to \$750,000 for a Couple	\$559.00	\$74.20
\$500,000 and above for an Individual \$750,000 and above for a Couple	\$594.00	\$81.00

How does the Social Security Administration set my Part B Premium

When you apply for Medicare Part B, the Social Security Administration will look at your tax returns from two years ago to set your monthly premium. If your income has dropped an income level, you can appeal by submitting a Life-Changing Event Form (SSA-44 form.) This form may need to be filed for multiple years.

If you do nothing following a drop in income, your premiums will remain at the higher level for two years longer than they should.

NOTE: If you are collecting Social Security, the premiums will be deducted from your monthly benefit. If you are not taking Social Security, you will be billed quarterly or have them drafted monthly from a checking account.

Medicare Part C – Medicare Advantage Plans

- ⦿ Medicare Advantage Plans are an alternative to Original Medicare.
- ⦿ Medicare Advantage plans are administered by private insurance companies. You assign your Part A and B benefits to the advantage plan and they are paid by the government to provide your coverage.
- ⦿ You still must pay your Medicare Part B premiums. There is usually no additional monthly premium (or a very low monthly premium) to enroll in an Advantage plan.
- ⦿ Medicare Advantage plans have provider networks. There will be very limited, if any, coverage for services received outside of the provider network. These plans are often referred to as Medicare HMOs or PPOs.
- ⦿ There may be extra benefits such as vision and dental coverage.
- ⦿ During the annual Open Enrollment Period, you have the option to change Advantage Plans.

Medicare Part D – Prescription Drugs

- ⦿ Medicare Part D provides coverage for prescriptions filled at the pharmacy or via mail order. Prescriptions received at a doctor's office or hospital are covered under Medicare Part B.
- ⦿ Medicare Part D plans are administered by private carriers. The plan designs are not standardized, but they must meet the minimum benefits set by CMS. The premiums, rates, and formularies vary greatly between the different plans. There are dozens of options in the Part D market.
- ⦿ During the Annual Enrollment Period between October 15th to December 7th, you can change your plan effective January 1.
- ⦿ In addition to the monthly plan premium, there is a means-tested surcharge (IRMAA) for higher incomes.

Medicare Part D – Changes in 2025 due to the Inflation Reduction Act

- ⦿ **Maximum Out of Pocket Reduced** – The total out of pocket cost that a Part D participant will have at the pharmacy in 2025 will be \$2,000.
- ⦿ **Coverage Gap or “Donut Hole” Eliminated** – There will no longer be a coverage gap where a participant is required to pay 25% of the total costs of a medication.
- ⦿ **Part D Plan Premium Increases** – Given the mandates to lower the participant’s out of pocket costs, most Part D plans have seen significant increases in their monthly premium.
- ⦿ **Medicare Advantage Plans** – The changes to the prescription coverage will be the same with Medicare Advantage plans. However, it does not appear that they will have increased monthly premiums.

Initial Enrollment Period

- **You can sign up for Medicare Part A and Part B with the Social Security Administration during the 7-month period that:**
 - ⦿ Starts 3 months before the month you turn 65
 - ⦿ Includes the month you turn 65
 - ⦿ Ends 3 months after the month you turn 65
- **During your Initial Enrollment Period, you can sign up for either Part A alone or both Part A and Part B online. Here's the website to enroll:**

www.ssa.gov/benefits/medicare

Initial Enrollment Period – Signing up for Medicare Part A

If you plan on staying on the group health plan, it makes sense to enroll in Medicare Part A for the following reasons:

- ⦿ You will get a Medicare ID number which will make it easier to enroll down the road when you are ready for Medicare Part B.
- ⦿ The coverage will be secondary to the group health plan and may cover some services in a hospital.
- ⦿ There is no monthly premium for Part A.

If you do not enroll in Medicare Part A during your Initial Enrollment Period, you will not be penalized. It just requires an extra step when you are ready to leave the group health plan.

The Impact of Medicare Part A on a Health Savings Account

- ⦿ If you are enrolled in any Part of Medicare, you are excluded from making any additional contributions to your Health Savings Account.
- ⦿ Although there is no monthly premium for Medicare Part A, you are not required to enroll in it when you turn 65. If you are already enrolled in Part A, it is not an arduous process to drop the coverage.
- ⦿ When you begin taking Social Security monthly benefits, you are automatically enrolled in Medicare Part A and cannot drop it. When you apply for Social Security or Medicare Part B after age 65, your Part A effective date will be backdated six months from your application date. Therefore, you should plan to stop making HSA contributions accordingly.

Special Enrollment Period

If you have creditable employer group health insurance, you can sign up for Medicare Part A and Part B at any time. The Special Enrollment Period to sign up without a waiting period or late enrollment penalty when you drop employer coverage is 8 months:

Here is the process to sign up for Medicare during a Special Enrollment Period:

- ④ You complete the Medicare Part A and Part B application (CMS-18-F-5 form) or the Medicare Part B Only application (CMS – 40B form)
- ④ GT Benefits completes a Request for Employment Form (CMS-L564 form)
- ④ Forms are faxed into your local Social Security Office. I typically review the forms and fax them to the local office for you.

Medicare Supplemental or a Medicare Advantage?

Once you have Medicare Part A and Part B, the biggest decision that you need to make is to either take out a Medicare Supplemental policy or enroll in a Medicare Advantage plan.

- ⦿ **Medicare Supplemental Key Features** – Supplemental plans requires that you pay an additional monthly premium to the carrier, but they do not restrict you to a network of doctors. You are required to purchase a stand-alone prescription drug plan. There are no extra benefits such as dental or vision.
- ⦿ **Medicare Advantage Key Features** – Advantage plans have either a \$0 monthly premium or a very low monthly premium. They do require that you stay within a network of doctors to receive the maximum reimbursement. Prescription coverage is usually bundled into the plan. There are often ancillary benefits such as dental or vision.

Medicare Supplemental Policies

All Supplemental Plans have standardized plan designs (no differences from carrier to carrier) and given a “letter” designation.

- ⦿ **Plan G** – This is the most comprehensive Supplemental plan. Your only out of pocket cost is the Medicare Part B deductible that is currently \$240. If a doctor charges more than what Medicare allows (called the Part B 15% excess), Plan G will cover these costs. Plan F used to be the most comprehensive plan, but is not available to anyone who turned age 65 after January 1, 2020.
- ⦿ **Plan N** - You are responsible for the Part B deductible of \$240 and copays of \$20 in a doctor's office and \$50 in an emergency room. Plan N does not cover the Part B 15% excess.
- ⦿ **High Deductible Plan G** - With a high deductible Plan G, your total out of pocket maximum is \$2,800. It has the same benefits of Plan G, but after the \$240 deductible, you will be responsible for co-insurance equal to 20% of your costs until your total out of pocket maximum of \$2,800 is reached.

Medicare Supplemental Underwriting

During the six months after your Part B effective date, all Supplemental plans are guaranteed acceptance.

- ⦿ **After Six Months from your Part B effective date** – Medicare Supplemental carriers can ask you health questions and deny your application or give you a higher rate based on your health.
- ⦿ **Guaranteed Acceptance States** – There are a few states that do not have underwriting ever (NY, CT, MA, MN) and few others that have limited opportunities to enroll without underwriting.
- ⦿ **Relocation** – If you move states, you can take your policy with you and be given the rates of your new location.

What should I be doing now?

It is never too early to start figuring out how things will be covered once you are on Medicare.

- ⦿ Every time you see a provider, you should ask them if they will see you if you are on Medicare and have a Medicare Supplemental Policy. Then ask if they will see you if you are enrolled in a Medicare Advantage plan.
- ⦿ Check to see if something is covered by Medicare. Here is the link to the Official Medicare.gov website where you can check if any test, item, or service is covered: www.medicare.gov/coverage

What else should I be doing now?

Prepare now to be a “shopper” for prescriptions under Medicare Part D .

- ⦿ Learn how to use the Part D Plan Finder tool on Medicare.gov. This tool allows you to review the entire Part D market and know exactly how your prescriptions will be covered with every carrier in the market and at any pharmacy. www.medicare.gov/plan-compare
- ⦿ If something is not covered or is very expensive, know your options in advance. Speak with your doctor about potential alternatives. If there are no alternatives, you can have your doctor complete a Formulary Exception Form in advance of your Medicare Part D plan effective date.
- ⦿ Consider filling prescriptions outside of insurance through discount programs such as www.goodrx.com or a manufacturer’s program.

How do concierge doctors work with Medicare?

The fees for concierge doctors are not reimbursed by Medicare or any Supplemental Plans.

- ⦿ If you are receiving care from a concierge doctor and they refer you to a lab or hospital that sees Medicare patients, those charges will be covered.
- ⦿ If Medicare does not pay anything, the Supplemental plan will not pay anything. The carrier never makes a decision—they only pay if Medicare pays.

How does COBRA and Medicare work?

It is generally speaking a bad idea to sign up for COBRA when you are Medicare eligible.

- ⦿ Once you are Medicare-eligible, the carrier will pay claims with the assumption that you have both Medicare Part A and Part B—even if you don't have Part A and Part B.
- ⦿ Paying the full cost of COBRA and the Part B premium rarely makes sense economically.
- ⦿ Dropping COBRA does not make you eligible for a Special Enrollment Period and could subject you to a late enrollment penalty and waiting period. The 8-month Special Enrollment Period starts on your last day of employment even if you pick up COBRA.

Contact Information

Don't go it alone. Calling too soon is always better than too late.

To set up an individual consultation, please reach out to James Ryan via email at jryan@opus-pc.com or at 917-502-1523.











































































































































































































































