

# 2023 MEDICARE 101

AN EDUCATIONAL WEBINAR FOR  
LONG BEACH CITY COLLEGE



By: Raymond Martin & Elliott Martin

[www.MartinMedicare.com](http://www.MartinMedicare.com)

800-464-4941

CA # 0G00753

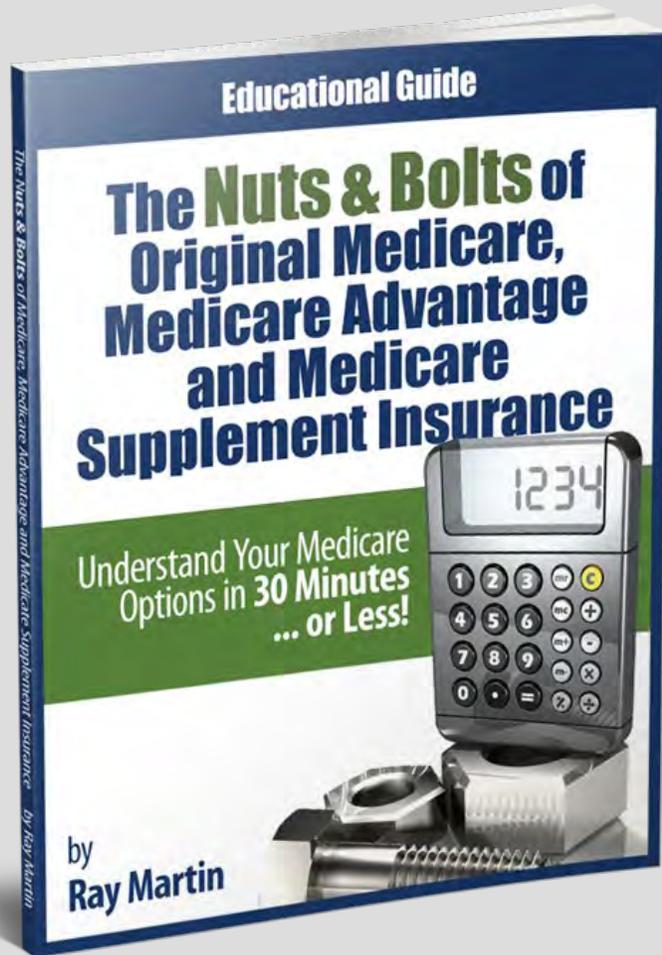
# ABOUT MARTIN & ASSOCIATES INSURANCE SERVICES, INC.

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# THE NUTS & BOLTS OF MEDICARE

BY RAYMOND MARTIN

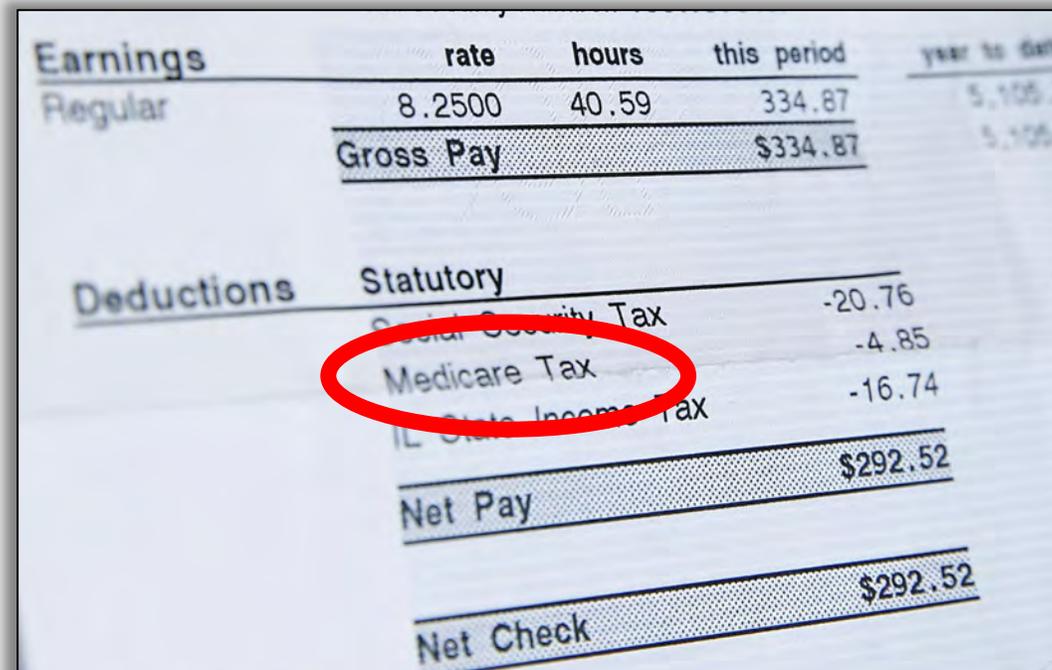


## WHAT YOU'LL LEARN

- What are the “Gaps” in Medicare
- Medicare Deadlines
- How to Choose a MediGap Plan
- Difference Between Original Medicare and Medicare Advantage
- **Request a Free Copy!!**
- **[www.FreeMedicareBook.com](http://www.FreeMedicareBook.com)**

# WHAT WE'LL COVER

Your Original Medicare Benefits  
(what you've paid your taxes for)



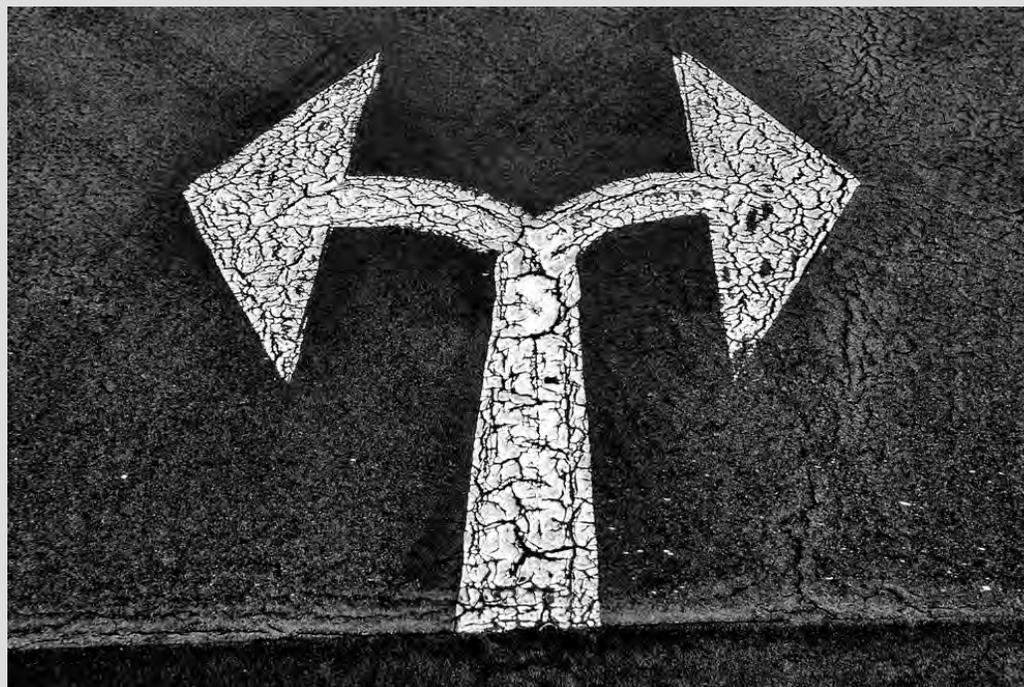
The image shows a close-up of a pay stub. A red circle is drawn around the 'Medicare Tax' row in the 'Deductions' section. The pay stub includes columns for 'rate', 'hours', 'this period', and 'year to date'. The 'Earnings' section shows a 'Regular' rate of 8.2500 for 40.59 hours, resulting in a 'Gross Pay' of \$334.87. The 'Deductions' section lists 'Social Security Tax' (-20.76), 'Medicare Tax' (-4.85), and 'IL State Income Tax' (-16.74). The 'Net Pay' is \$292.52, which matches the 'Net Check' amount.

Earnings		rate	hours	this period	year to date
Regular		8.2500	40.59	334.87	5,105.7
<b>Gross Pay</b>				<b>\$334.87</b>	5,105.7
Deductions		Statutory			
	Social Security Tax			-20.76	
	Medicare Tax			-4.85	
	IL State Income Tax			-16.74	
<b>Net Pay</b>				<b>\$292.52</b>	
<b>Net Check</b>				<b>\$292.52</b>	

# WHAT WE'LL COVER

## Your Two Options

### Medicare Supplement vs. Medicare Advantage



# WHAT WE'LL COVER

## Part D Rx Plans

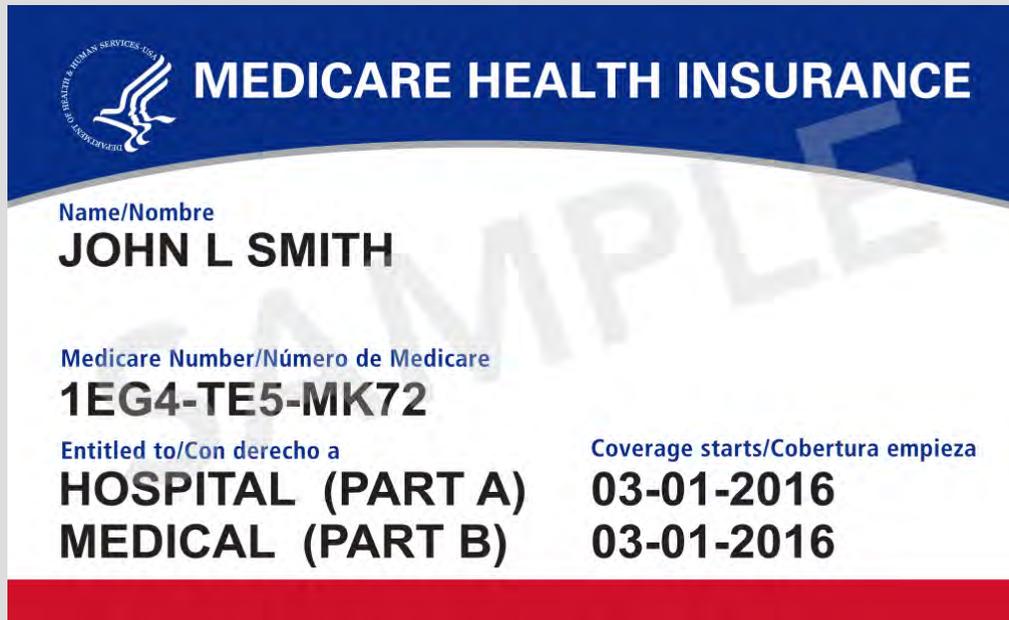


# WHAT WE'LL COVER

## Medicare's Penalties to Avoid



# ORIGINAL MEDICARE?



- Medicare is Health Insurance For:
  - People 65 or Older
  - People Under 65 who are disabled
  - People of any Age with End-Stage Renal Disease (ERSD)
- Part A (Hospital) and Part B (Medical)
- AKA Straight Medicare or Traditional Medicare

# THE HISTORY OF MEDICARE

- Signed into Law in 1965 (The Great Society)
- Catastrophic Illness
- Entitlement Program not Welfare
- The first person enrolled into Medicare was??



Harry S. Truman



# HOW TO ENROLL

- Enrollment Done Through Social Security Admin
  - Online [www.SSA.gov/MedicareOnly](http://www.SSA.gov/MedicareOnly)
  - Call 800-772-1213
  - Walk Into Local Office



# WHEN TO ENROLL



- No Employer Insurance? - Initial Enrollment Period (7 Months)
  - 3 Months Before 65<sup>th</sup> Birthday Month
  - 65<sup>th</sup> Birthday Month
  - 3 Months After 65<sup>th</sup> Birthday Month
- Continuing to Work Past 65? – Special Enrollment Period
  - Up to 3 Months Before Medicare is Needed
  - No more than 8 months after employer coverage ended

# WANT TO STAY ON EMPLOYER INSURANCE?

- Two Questions to Ask Yourself

- Does the Employer Have 20 or More Employees? **Yes**
- Is your current Rx Coverage considered “Creditable Coverage?” **Yes**

- If yes to both, you can enroll in Part A (\$0/mo.) and delay Part B until you retire.

- HSA Considerations

- Cannot Have Part A or B to Remain Eligible for HSA
- Stop Contributions 6 months prior to applying for Medicare

# WHAT DOES ORIGINAL MEDICARE COST?

- Part A - \$0/mo. (if paid into Soc. Sec. 40 Qtrs.)
- Part B - \$164.90/mo.
  - Will be higher for high income earners
  - Always Looking Back 2 Years
  - Modified Adjusted Gross Income
  - Taken out of Soc. Sec. Check if Receiving Check

# PART B PREMIUMS FOR 2023

If your yearly income in 2021 (for what you pay in 2023) was			You pay each month (in 2023)
File individual tax return	File joint tax return	File married & separate tax return	
\$97,000 or less	\$194,000 or less	\$97,000 or less	\$164.90
above \$97,000 up to \$123,000	above \$194,000 up to \$246,000	Not applicable	\$230.80
above \$123,000 up to \$153,000	above \$246,000 up to \$306,000	Not applicable	\$329.70
above \$153,000 up to \$183,000	above \$306,000 up to \$366,000	Not applicable	\$428.60
above \$183,000 and less than \$500,000	above \$366,000 and less than \$750,000	above \$97,000 and less than \$403,000	\$527.50
\$500,000 or above	\$750,000 or above	\$403,000 or above	\$560.50

# LIFE CHANGING EVENT FORM

- Reduction in Pay or Work Hours
- Death of a Spouse
- Marriage
- Divorce
- Loss of Pension Income
- Loss of Income-Producing Property

## Medicare Income-Related Monthly Adjustment Amount - Life-Changing Event

If you had a major life-changing event and your income has gone down, you may use this form to request a reduction in your income-related monthly adjustment amount. See page 5 for detailed information and line-by-line instructions. If you prefer to schedule an interview with your local Social Security office, call 1-800-772-1213 (TTY 1-800-325-8778).

Name	Social Security Number
------	------------------------

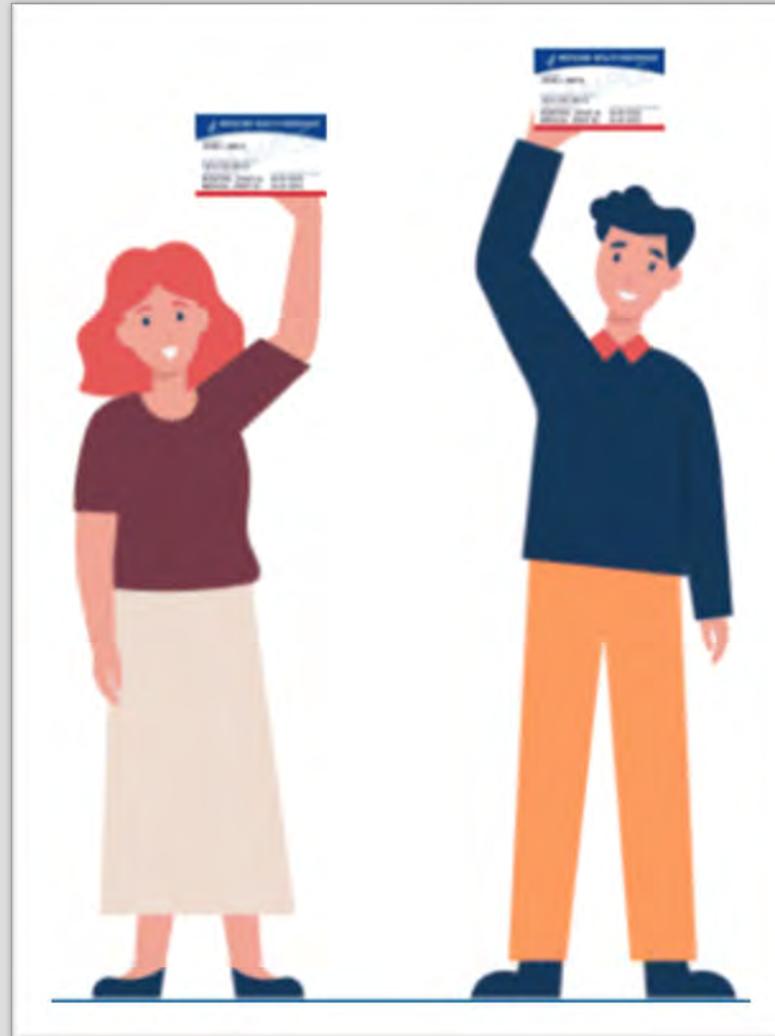
You may use this form if you received a notice that your monthly Medicare Part B (medical insurance) or prescription drug coverage premiums include an income-related monthly adjustment amount (IRMAA) and you experienced a life-changing event that may reduce your IRMAA. To decide your IRMAA, we asked the Internal Revenue Service (IRS) about your adjusted gross income plus certain tax-exempt income which we call "modified adjusted gross income" or MAGI from the Federal income tax return you filed for tax year 2015. If that was not available, we asked for your tax return information for 2015. We took this information and used the table below to decide your income-related monthly adjustment amount.

The table below shows the income-related monthly adjustment amounts for Medicare premiums based on your tax filing status and income. If your MAGI was lower than \$85,000.00 (or lower than \$170,000.00 if you filed your taxes with the filing status of married, filing jointly) in your most recent filed tax return, you do not have to pay any income-related monthly adjustment amount. If you do not have to pay an income-related monthly adjustment amount, you should not fill out this form even if you experienced a life-changing event.

If you filed your taxes as:	And your MAGI was:	Your Part B monthly adjustment is:	Your prescription drug coverage monthly adjustment is:
Single, head of household, (Qualifying widow(er) with dependent child, or divorced filing separately (and you did not live with your spouse at tax year)*	\$1,000.01 - \$107,000.00 \$107,000.01 - \$170,000.00 \$170,000.01 - \$180,000.00 More than \$180,000	\$33.00 \$133.00 \$214.00 \$284.00	\$12.00 \$38.00 \$64.20 \$78.00
Married, filing jointly	\$170,000.01 - \$214,000.00 \$214,000.01 - \$280,000.00 \$280,000.01 - \$330,000.00 More than \$330,000	\$33.00 \$133.00 \$214.00 \$284.00	\$12.00 \$38.00 \$64.20 \$78.00
Divorced, filing separately (and you lived with your spouse during part of that tax year)*	More than \$85,000	\$284.00	\$78.00

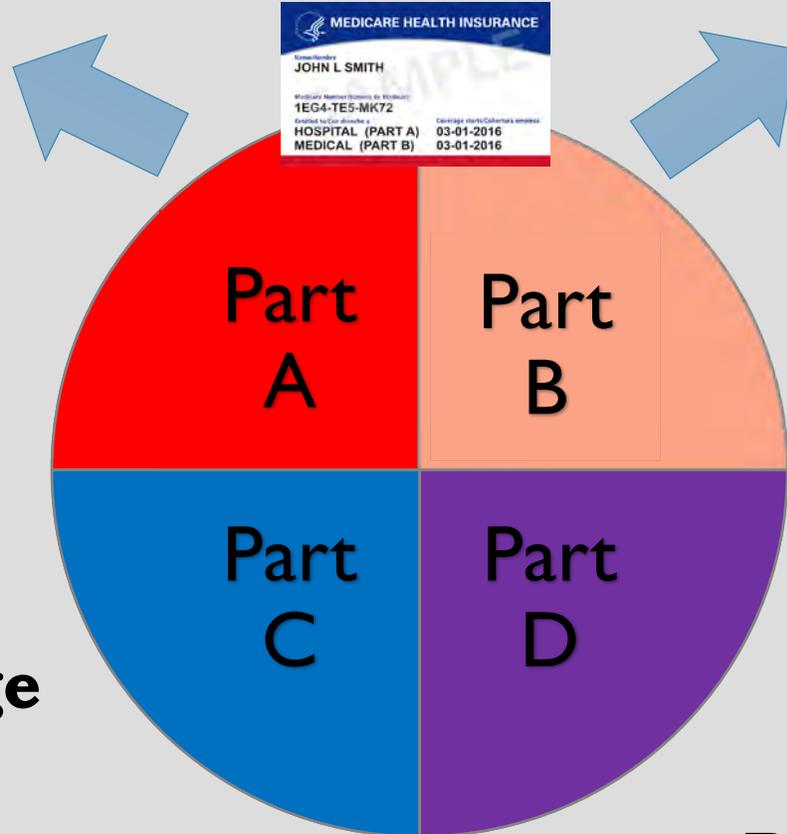
\* Let us know if your tax filing status for the tax year was Married, filing separately, but you lived apart from your spouse at all times during that tax year.

# SO, WHAT ARE THE BENEFITS?



# ORIGINAL MEDICARE “FEE FOR SERVICE”

**Inpatient Hospital  
Skilled Nursing  
Hospice  
Home Health**



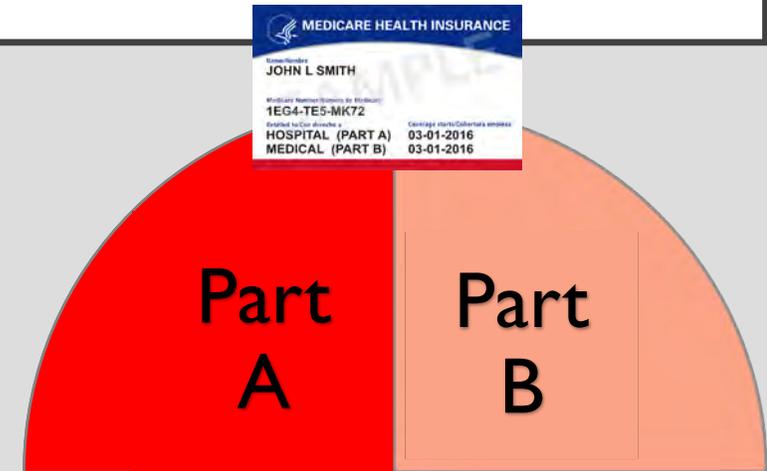
**Doctors  
Specialists  
Diagnostic Tests  
X-Rays, MRI, Lab  
Chemotherapy  
Outpatient Surgery  
Covid-19 Testing  
Diabetic Supplies**

**Medicare Advantage**

**Prescription Drug Plans**

# ORIGINAL MEDICARE

- Freedom of Choice
- Nationwide Access to Doctors, Specialists and Hospitals  
(Contracted with Original Medicare)
- No Network Restrictions
- But... “Gaps” in Coverage

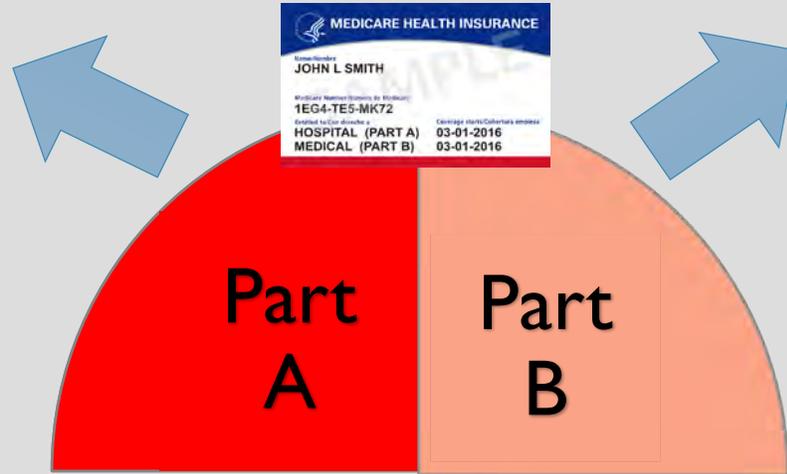


# GAPS IN ORIGINAL MEDICARE

**\$1,600 Deductible**  
**Days 1-60**

**\$400/Day**  
**Days 61-90**

**\$800/Day**  
**Days 91+**



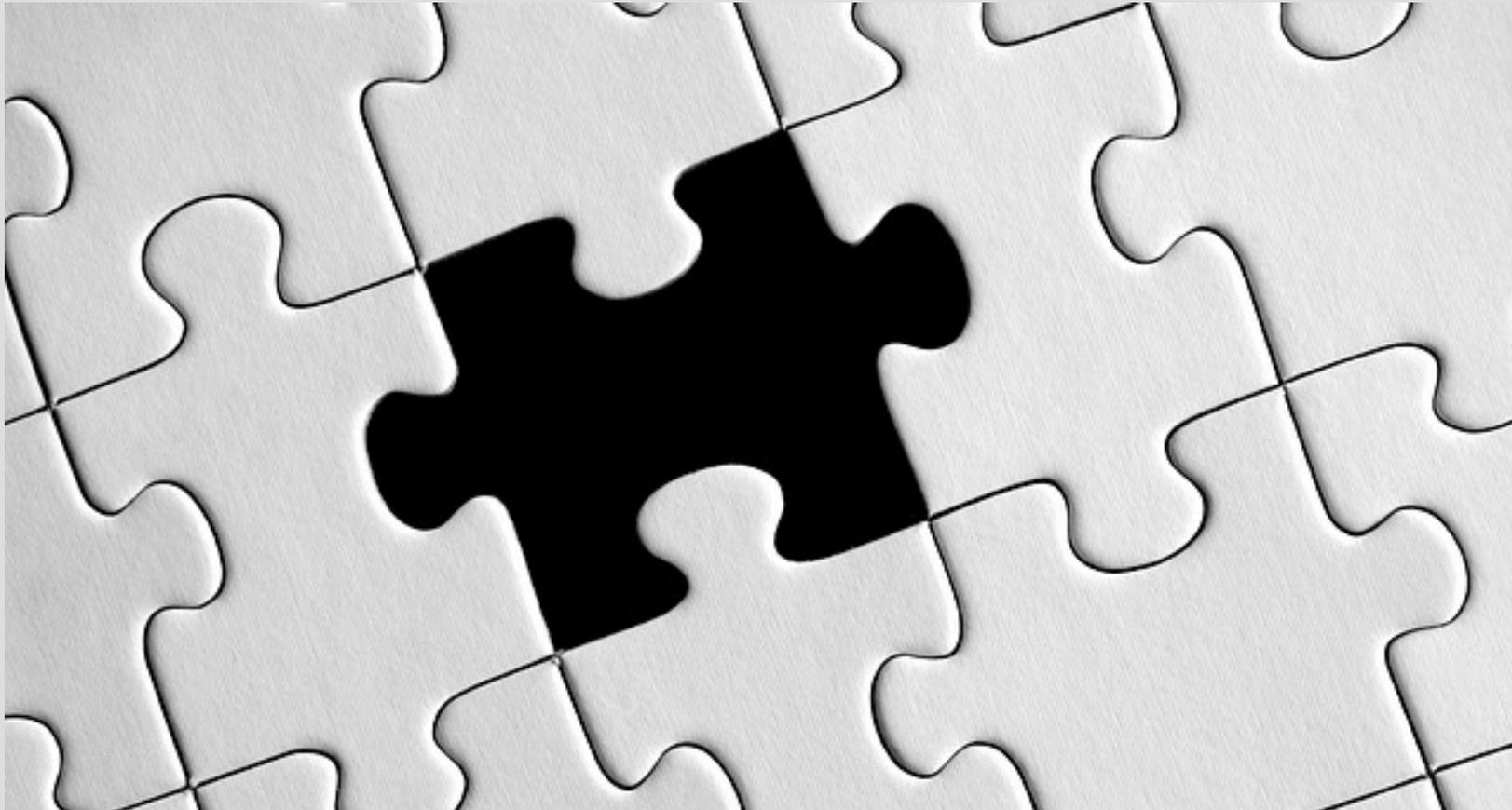
**\$226 Deductible/Year**

**80% - Medicare Covers**

**20% - Patient Responsibility**  
**NO CAP!**

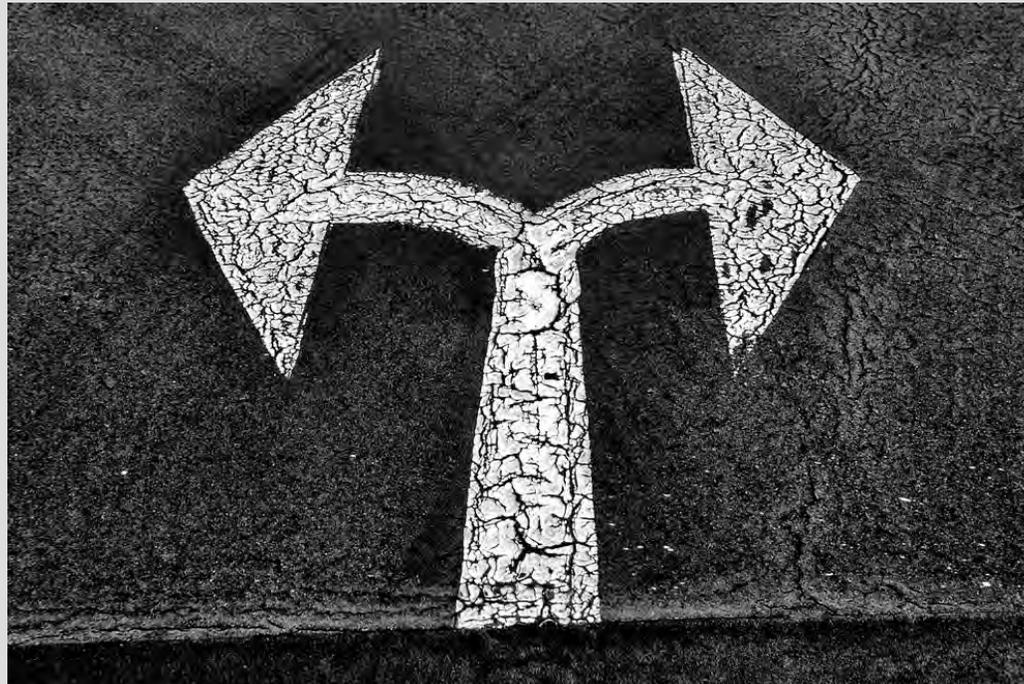
\$1,484 deductible each benefit period	=	\$1,600
\$400/day from day 61 to 90	=	\$11,600
\$800/day from day 91 to 150	=	\$47,200
<b>TOTAL HOSPITAL BILL</b>	=	<b>\$60,400</b>
<i>(Medicare Only Coverage)</i>		

# HOW DO WE FILL IN THOSE GAPS?



# OPTION I:

## Medicare Supplement + Part D



# MEDIGAP/MEDICARE SUPPLEMENT INSURANCE



- Standardized Plans Across Country: A, B, D, F, **G**, K, L M and N
- Offered by Private Insurance Companies
- Different Levels of Gap Coverage
- Plan G – Most Popular and Most Comprehensive
  - \$226 Part B Deductible – Only Out-of-Pocket cost
  - Plan F – Not available for those turning 65 in 2020 and after
- Rule of Thumb: If Medicare Pays, Supplement Pays
- Guarantee Issue Periods

# PLAN **G** MEDICARE SUPPLEMENT



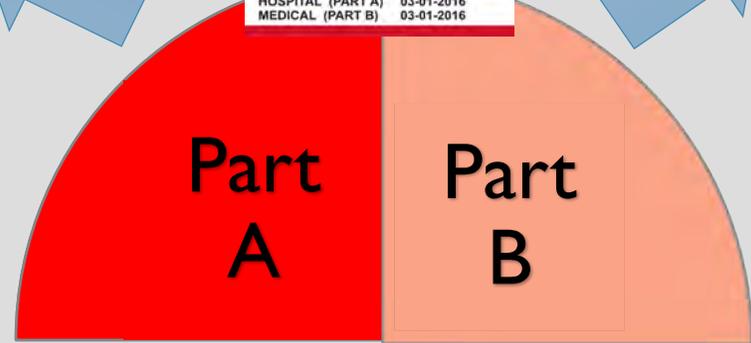
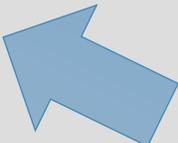
**\$1,600 Deductible**  
**Days 1-60**



**\$400/Day**  
**Days 61-90**



**\$800/Day**  
**Days 91+**



**\$226 Deductible/Year**

**80% - Medicare Covers**



**20% - Patient Responsibility**  
**NO CAP!**

\$1,484 deductible each benefit period = \$1,600  
\$371/day from day 61 to 90 = \$11,600  
\$742/day from day 91 to 150 = \$47,200  
TOTAL HOSPITAL BILL = **\$60,400**

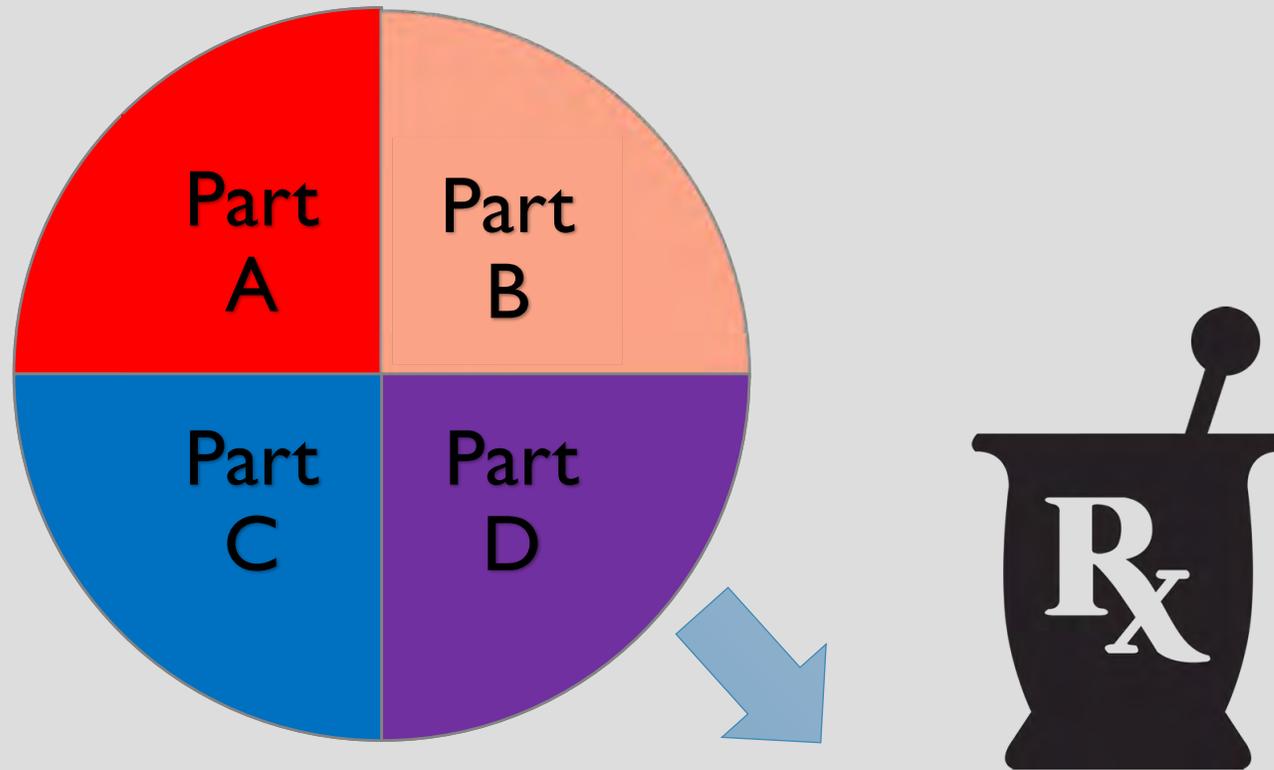
(Medicare Only Coverage)



## SAMPLE COST BREAKDOWN

- Part A = \$0/mo. (if worked 40 qtrs.)
- Part B = \$164.90/mo. (Unless high income earner)
- Plan **G** = \$141/mo. (LA/OC – Age 65)
- Still Need to Add Part D (Rx Plan)

# MEDICARE PART D



**Prescription Drug Plans**

# PART D – PRESCRIPTION DRUG COVERAGE

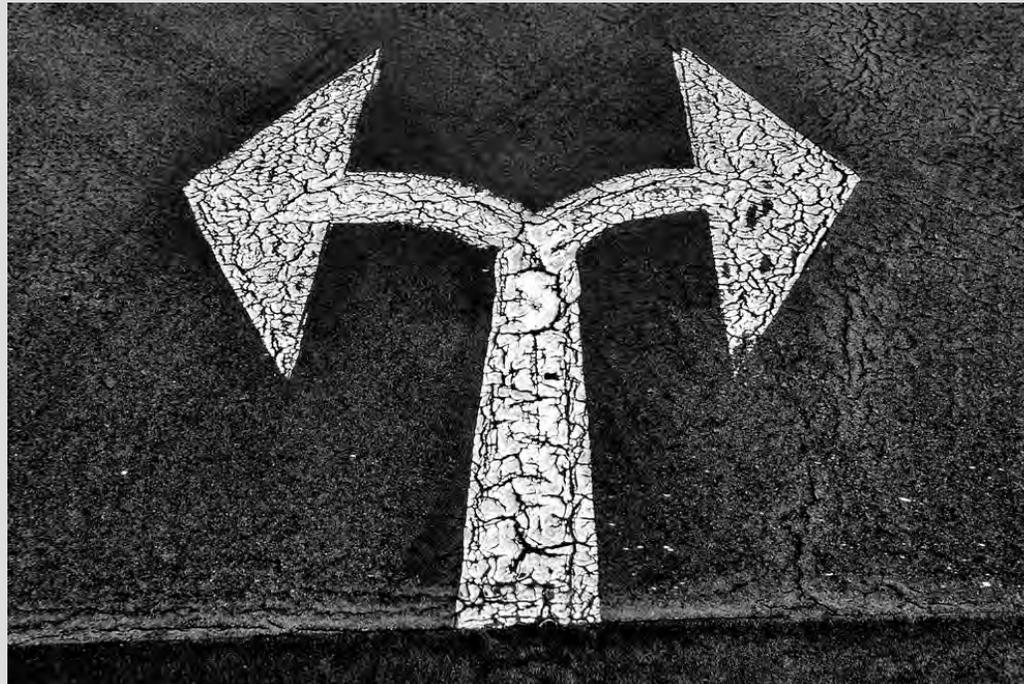
- Offered by Private Insurance – 3 Levels of Plans
- Overlooked by Centers for Medicare Services
- Premiums Range - \$4.50/mo. – over \$100/mo.
- 26 Plans in California – Different Formularies
- Medicare.gov Search Tool
- Donut Hole - \$4,660 | Catastrophic - \$7,400
- Annual Enrollment Period – Oct. 15<sup>th</sup> – Dec 7<sup>th</sup>
- Inflation Reduction Act Changes for Future
  - Shingles Vaccine
  - Insulin Limit of \$35/mo. Co-Pay
  - Out-of-Pocket Caps in Future Years

# SAMPLE COST BREAKDOWN

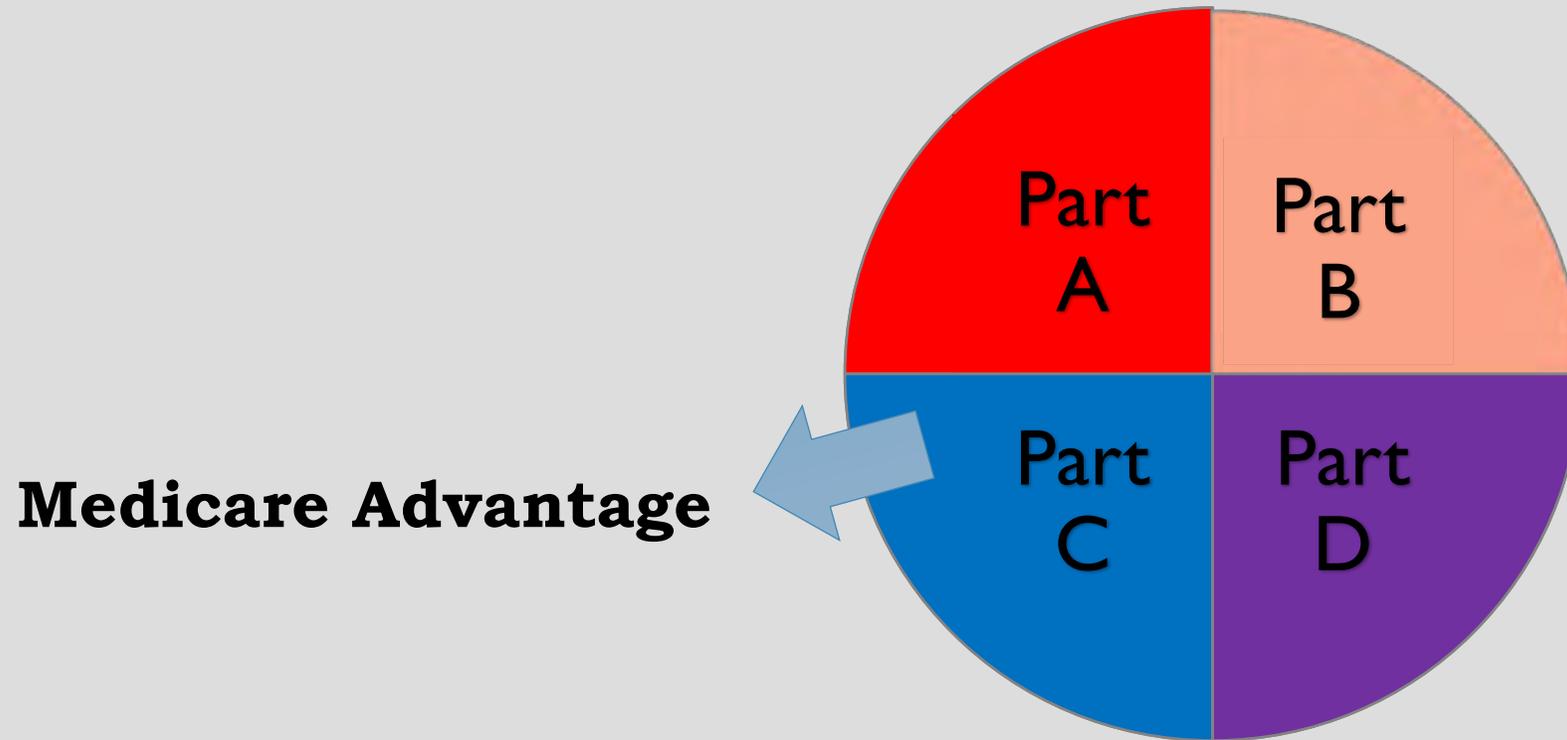
- Part A = \$0/mo. (if worked 40 qtrs.)
- Part B = \$164.90/mo. (Unless high income earner)
- Plan **G** = \$141/mo. (LA and OC at age 65)
- Part D = \$33/mo. (Average Premium)
  
- **Total** = **\$338.90/mo.** (Usually will have \$20 - \$25 Welcome to Medicare Discount)

# OPTION 2:

## Medicare Advantage

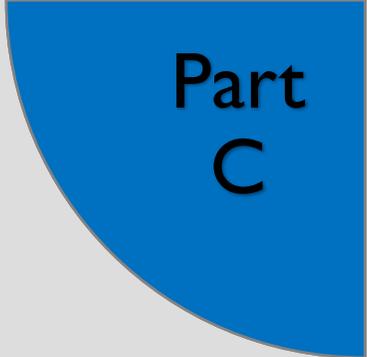


# MEDICARE PART C



# PART C – MEDICARE ADVANTAGE

- Mostly HMOs, Some PPOs (LA/OC)
- Offered by Private Insurance Companies
- \$0/mo. (Still must pay Part B Premium)
- Includes Rx Coverage
- Primary Care Doctor – Medical Group
- Replaces Original Medicare A and B – Gov't Subsidized
- Co-Pays As Services Used
- MOOP - \$499 - \$7,550
- Costs Can Change Year to Year



Part  
C

## SAMPLE COST BREAKDOWN

- Part A = \$0/mo. (if worked 40 qtrs.)
- Part B = \$164.90/mo. (Unless high income earner)
- Part C (Medicare Advantage) = \$0/mo. (most plans)
- Part D (Usually Included) = \$0/mo.
- Total = \$164.90/mo. + co-pays for medical and Rx

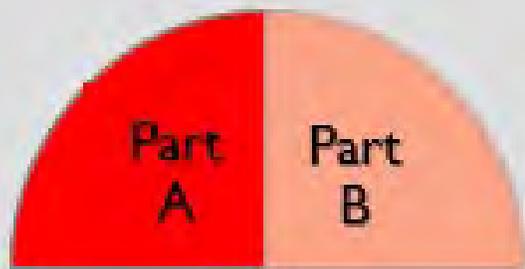
# DO HEALTH ISSUES MATTER?

- Pre-Existing Conditions DO NOT Apply when first eligible for Medicare
- Guarantee Issue when Coming off Employer Group Insurance
  - When do they matter?
    - Trying to go from MAPD to MediGap
    - When Changing MediGap to MediGap
- Loopholes
  - Knox Keene
  - Birthday Rule! (California Only)

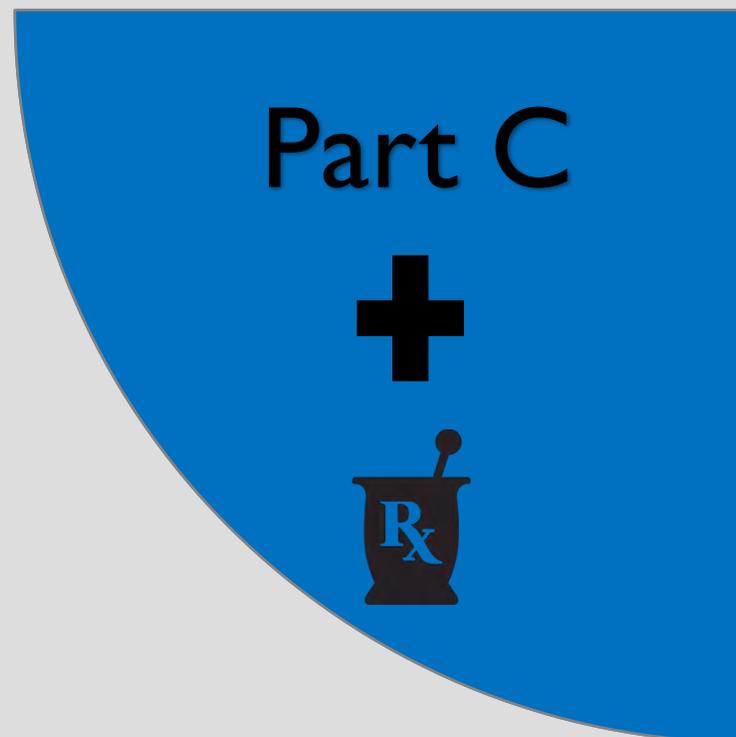


# HOW DO YOU WANT TO GET MEDICARE COVERAGE?

Original Medicare



Medicare Advantage with Part D (MAPD)



Medicare Supplement



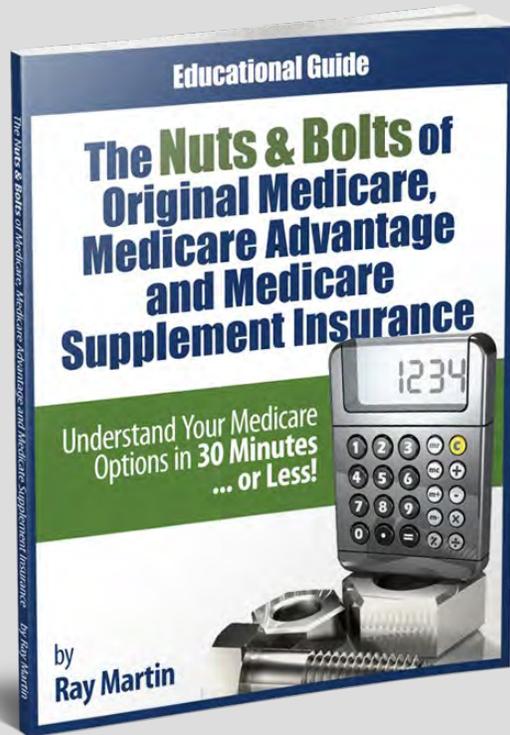
Part D – Stand Alone

OR



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BY RAYMOND MARTIN



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# QUESTIONS & ANSWERS



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