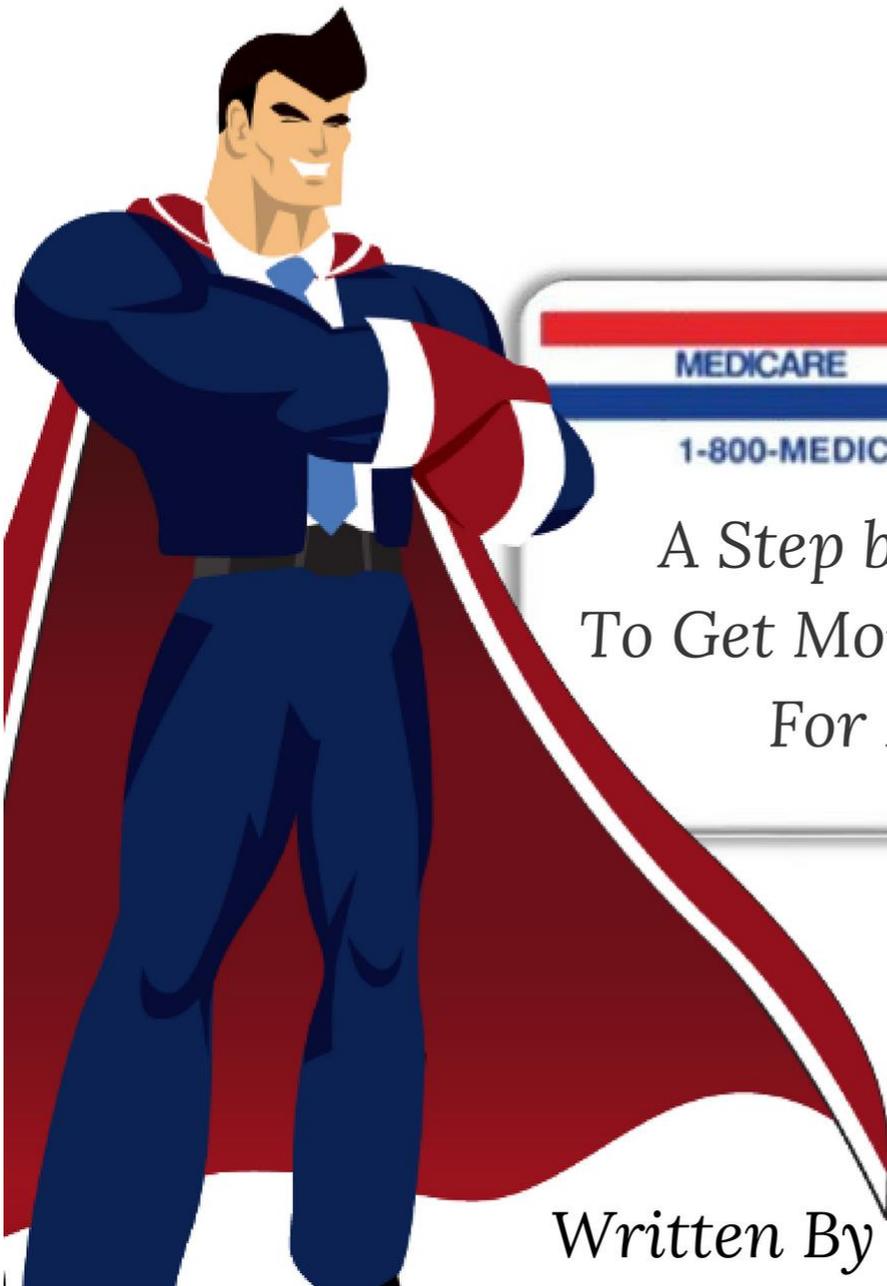


THE STRESS FREE

GUIDE TO MEDICARE



MEDICARE



HEALTH INSURANCE

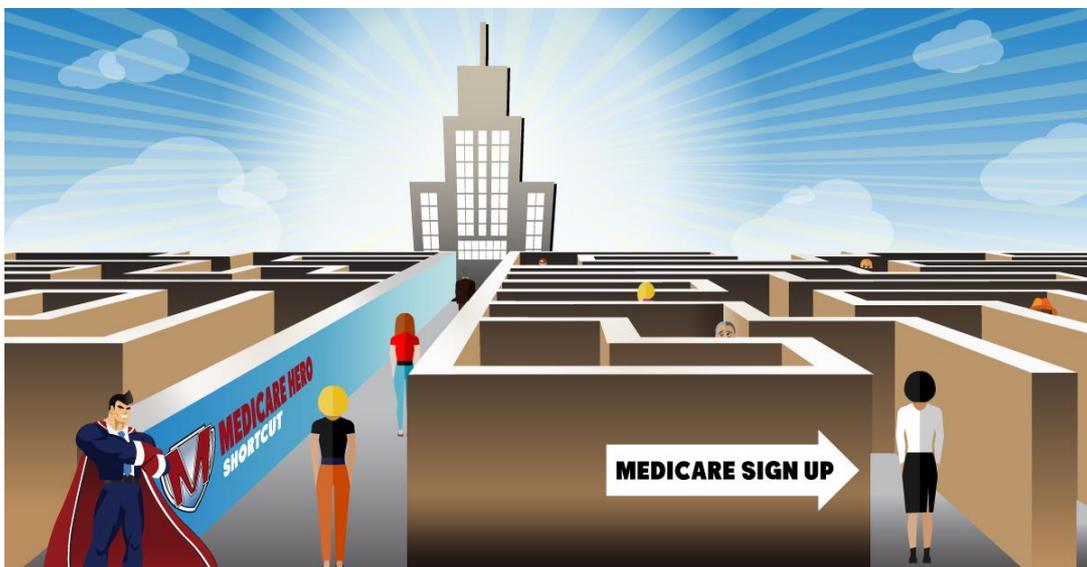
1-800-MEDICARE (1-800-633-4227)

*A Step by Step Guide
To Get More And Pay Less
For Medicare*

Written By Medicare Hero

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Starting on the Right Foot

With the Medicare system as complex as it is, many people enroll in plans that don't cover what they need or they simply end up paying too much.

Over the next 20 years around 10,000 Americans per day will turn 65 and become eligible to apply for their hard-earned Medicare benefits. For most people, enrolling in Medicare will be the first time they have had to select their own health coverage as employers typically choose the coverage available during working years.



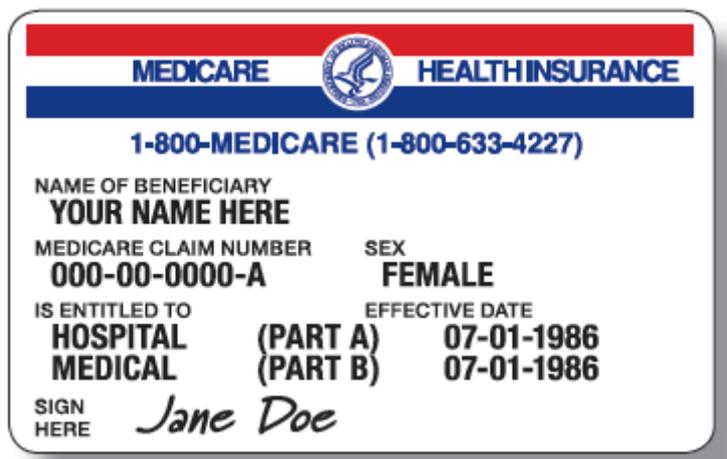
With multiple plan types and hundreds of coverage options available through the Medicare program, selecting the right plan can be confusing and overwhelming to say the least. And with the Medicare system as complex as it is, many people enroll in plans that don't cover what they need or they simply end up paying too much. The decisions you make when first enrolling in Medicare are very important and can have lasting effects on your healthcare coverage and the amount you pay for it.

Medicare Hero is here to help. Think of us as your personal Medicare experts here to guide you through your initial enrollment, plan selection, and beyond! We will provide a wealth of information, guidance, and other resources so you can make confident decisions about your healthcare coverage. Our expert advisors will help you sort through your options to ensure you find the right fit. Even after your enrollment is complete, you will have peace of mind - knowing that your team at Medicare Hero is always by your side.

What is Medicare?

Medicare is a federal health insurance program designed for people who are 65 or older as well as some people under 65 with certain disabilities or those who have end stage renal disease.

Similar to Social Security, Medicare is an entitlement program that most US citizens become eligible for by working and paying taxes for a minimum period of time which is typically 40 quarters (10 years). Most people join the Medicare program after turning 65 years old or when they retire and leave their group health insurance.



The foundation of Medicare coverage is comprised of two parts known as Part A and Part B. Part A of Medicare provides hospitalization insurance while Part B provides Medical insurance for services such as doctors visits, outpatient procedures, x-rays, lab tests, and preventative services. Part A and Part B combined are commonly known as Original Medicare. Together they provide the foundation for your health insurance coverage.

While Original Medicare provides a good base of coverage, additional insurance such as Medicare Supplement plans (Medigap), Medicare Advantage plans, and Part D prescription drug plans are typically added to help fill the gaps in Original Medicare's coverage.

Original Medicare

What is covered by Original Medicare?



The combination of Parts A & B of Medicare become our basic hospitalization and medical coverage while on Medicare. This foundation of coverage is usually complemented by either electing a Medicare Supplement, or Part C Advantage plan.

Medicare Part A

What's covered?

While Medicare Part A is often referred to as hospital insurance since it covers your care while in a hospital. It will also cover some care in nursing facilities, assisted living, home health care, and hospice.

In general, Part A covers:

- Hospital care
- Skilled nursing facility care
- Nursing home care (as long as custodial care isn't the only care you need)
- Hospice
- Home health services
- And more

Medicare Part B

What's covered?

Medicare Part B is medical insurance and covers services such as Doctors, X-rays, lab tests and other outpatient services.

In general, Part B covers:

- Outpatient care
- Lab tests, X-rays, and blood work
- Ambulance services
- Durable medical equipment
- Some outpatient prescription drugs
- Mental healthcare
- And more



Medicare Preventative Services

- Yearly "wellness" visit
- Flu Shots
- Mammogram Screening
- Diabetes Screening
- Glaucoma Tests
- Cardiovascular Screening
- Prostate Cancer Screening
- And many More

Medicare covers many preventative services

Preventative services covered under Medicare Part B are covered at no cost. Often these free services go overlooked and can be a great way to keep yourself in better health and catch problems before they become a bigger issue.

Original Medicare

What you owe when you use your Original Medicare coverage:

	Hospital Part A	+	Doctors Part B	+	Excess Charges
	YOU OWE		YOU OWE		YOU OWE
Days 1-60 Inpatient Hospital Stay	\$1,316.00	+	20%	+	15%
90 Inpatient Hospital Stay (You pay \$329 per day each day 60-90)	\$10,976.00	+	20%	+	15%
Medicare Benefit Period Ends					
150 Inpatient Hospital Stay (You pay \$658 per day on days 91-150 one time Lifetime Reserve Days)	\$50,456.00	+	20%	+	15%
Medicare Coverage Ends!!! Until you're out of the hospital 60 consecutive days - YOU PAY>>>	All Costs	+	All Costs	+	All Costs

Lets take a quick look at the chart above to see what Medicare coverage looks like and what your share of the expenses would be when using your coverage. *Don't worry when you see these costs. We will show you two options for supplemental Medicare coverage to help you avoid these large expenses.*

Part A Expenses

Any expenses you incur while an inpatient in the hospital would fall under Part A of Medicare. You would have to pay a \$1316.00 deductible before your Medicare Part A hospitalization coverage begins.

Part B Expenses

Medicare pays 80% of any Part B expenses. You are responsible for paying the remaining 20%. Medicare Part B covers the most frequently used services such as doctor visits, lab tests, x-rays, and other services received outside of the hospital. One very important thing to remember is there is no cap on your out-of-pocket costs under Medicare Part B, which means if your total bill was \$100,000, you would owe \$20,000 or more as the bill rises.

What Does Medicare Cost?

Medicare Part A: Free!

You usually don't pay a premium for Part A as long as you or your spouse paid Medicare taxes while working for at least 40 quarters. An easy rule of thumb is if you are eligible for Social Security Benefits then you should be eligible for Medicare Part A at no cost. If you need to buy Part A you'll pay up to \$413 each month.

Medicare Part B: Premium based on your income

You pay a premium each month for Medicare Part B based on your income level. Most people will pay the standard premium amount. However if your income is over \$85,000 as an individual or \$170,000 as a couple (if you file a joint tax return) then you may pay a higher premium. *See the chart below to find out what your premium will be in 2017.*

If your yearly income in 2015 (for what you pay in 2017) was			You pay each month (in 2017)
File individual tax return	File joint tax return	File married & separate tax return	
\$85,000 or less	\$170,000 or less	\$85,000 or less	\$134
above \$85,000 up to \$107,000	above \$170,000 up to \$214,000	Not applicable	\$187.50
above \$107,000 up to \$160,000	above \$214,000 up to \$320,000	Not applicable	\$267.90
above \$160,000 up to \$214,000	above \$320,000 up to \$428,000	above \$85,000 and up to \$129,000	\$348.30
above \$214,000	above \$428,000	above \$129,000	\$428.60

Your income is **determined** by using the Modified Adjusted Gross Income Reported on your tax return two years prior to the current year. This number is updated each year so if your income goes up or down your monthly premium will be adjusted accordingly.



Medicare & Group Coverage

If you are turning 65 soon or are over 65 and have group health insurance based on the active employment of either you or your spouse, you have the option of either joining Medicare or keeping your current coverage. We recommend weighing your options to see which coverage will provide you with the best benefits for the lowest premiums. In our experience about fifty percent of the time is it best to stay on group coverage and the other fifty percent of the time it is better to join Medicare. This decision should be based on comparing what you currently pay for your health insurance with what you would pay for Medicare as well as comparing a few of the major benefits such as the deductible and copays.

If your employer has 1-19 employees

- Medicare is primary if you choose to join and your other coverage will pay second.
- It is up to your group insurance company (Such as: Aetna, Blue Cross, Etc..) to decide if they require you to join Medicare or not.
- There is no late enrollment penalty as long as:
 - Your coverage is credible
 - Your coverage is based on the active employment of you or your spouse

If your employer has 20+ employees:

- Your group coverage will be primary and Medicare pays second.
- You are not required to join Medicare as your employer and insurance company must treat all age 65+ employees the same as under 65 employees
- There will be no late enrollment penalty as long as your coverage is credible and based on the active employment of you or your spouse

Medicare and COBRA Coverage

Be very careful if you have COBRA as it is NOT credible healthcare coverage and the Loss of COBRA coverage does NOT create a Special Enrollment Period for Part B.

•If you are already on COBRA and become eligible for Medicare:

- *You should enroll in Part B immediately* because you are not entitled to a Special Enrollment Period (SEP) when COBRA ends
- Your COBRA coverage will usually end on the date you enroll in Medicare
- Your spouse and dependents may keep COBRA for up to 36 months regardless of whether you enroll in Medicare during that time
- You may also be able to keep COBRA coverage once you get Medicare for services that Medicare does not cover such as Dental/ Vision if your insurance company agrees

• If you already have Medicare when you become eligible for COBRA

- You must be allowed to enroll in COBRA, which will pay secondary to Medicare. COBRA may be beneficial if you have generous benefits like low premiums and good RX coverage.

•Part D Coverage

- COBRA RX coverage may be credible. If it is, there is no penalty for delaying your enrollment into a Part D RX plan.
- You MUST enroll in a Part D plan within 63 days of losing credible Part D COBRA coverage to avoid a penalty.

When and How to Apply

Most people become eligible and enroll in Medicare at age 65. If you are still working and wish to stay on your employer's group health insurance you can delay your enrollment into Part B until you retire in the future. While enrollment periods can vary based on your personal situation, *in general it is recommended to begin your enrollment process three months before your Medicare coverage is expected to begin.*

Medicare enrollment is done through Social Security

The Social Security Administration is actually the agency which processes Medicare enrollments and applications. This is because part of the FICA taxes collected by the SSA are what determines eligibility for free Medicare Part A benefits. Therefore all applications for Medicare are submitted to Social Security. The Social Security administration then verifies Medicare eligibility before activating coverage.



Your Initial Enrollment Period When Turning 65

Your initial enrollment period into Medicare begins 3 calendar months before the month you turn 65. This means if you turn 65 on June 25th, you can submit your enrollment paperwork as early as March 1st. Medicare coverage always starts on the first day of the month, so once you have applied your cover will begin the first day of your birth month.

How to know if you will be automatically enrolled in Medicare



If you are receiving Social Security benefits on or before your 65th Birthday you will be automatically enrolled into Part A and Part B of Medicare. You will receive your Medicare card in the mail about 3 months prior to your birth month.

If you are **NOT** receiving Social Security benefits before you turn 65, you will simply need to apply for Medicare online or visit your local Social Security office.

Submitting your Application

4 different ways to apply for Medicare



Apply Online

The most common way for people who are turning 65 to apply for Medicare is with a simple online application located on the Social Security website. The application process is actually very easy and only takes about 5 to 10 minutes. Simply visit the Social Security website at ssa.gov and follow the links to the application.

WWW.SSA.GOV/MEDICARE

Apply By Phone

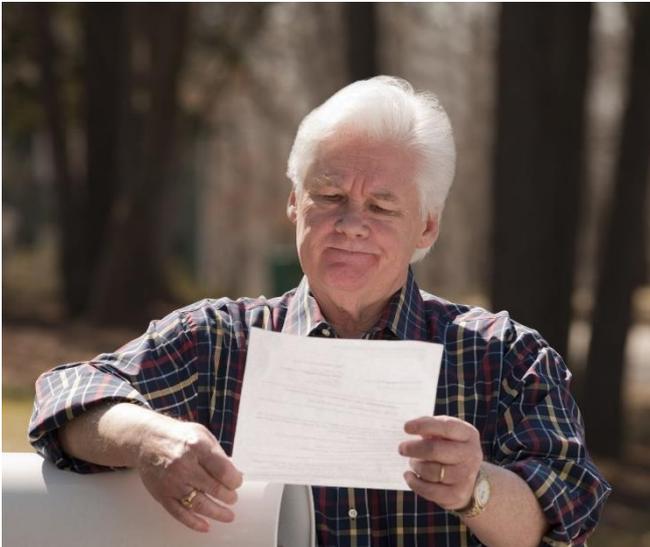
To apply by phone simply contact Social Security at 1-800-772-1213 and let the representative know that you would like to apply for Medicare.

Depending on your personal enrollment situation they may need to mail you some forms to complete. These forms are generally pretty simple but if you have any questions or would like assistance, feel free to give us a call. We help clients with this process every day and are more than happy to help guide you as well.



Submitting your Application

4 different ways to apply for Medicare Continued...



Apply By Mail

Completing a paper application is the best option for those over 65 who have Medicare Part A and wish to apply for Part B. If this applies to you and you are currently leaving credible group coverage there are two forms you will need to complete and mail to your local Social Security office.

Part B Application: CMS 40-B
Proof of Coverage Form: CMS-L564

Apply At The Social Security Office

Applying in person at your local Social Security office is the best option for those who are turning 65 soon and need to get their application processed quickly. Go to www.ssa.gov and search for the office closest to where you live. While you are at the Social Security office completing your application, ask for a printed confirmation showing you have enrolled in Part A and Part B. This confirmation will allow you to go ahead and complete your Medicare Supplement and/ or Part D applications.



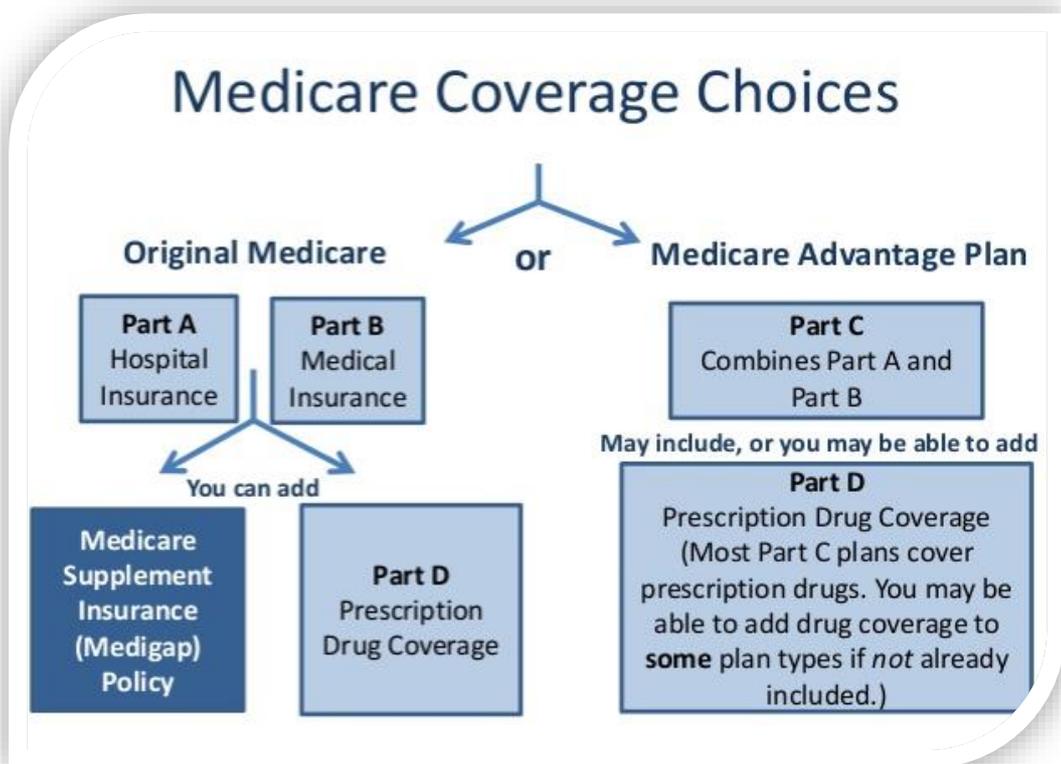
Medicare Hero Super Tip!

Getting started early is one of the best things you can do to ensure a stress free enrollment into Medicare. Starting early allows you time to get your paperwork submitted and approved with enough time to spare to easily handle any issues that may arise along the way.

Selecting Your Path



There are two main ways you can choose to receive your **Medicare coverage**. You can either use the benefits of your Original Medicare coverage and purchase a Medicare Supplement plan to cover the 20% Medicare does not cover **or** you can essentially trade in your Original Medicare benefits and have Medicare purchase you a private health insurance plan (called a Medicare Advantage plan) that is similar to the coverage you may have had during your working years. Both types of coverage have their advantages and disadvantages so it is important to select the coverage that will best provide for your healthcare needs while remaining affordable for your budget.



Selecting how you will receive your Medicare coverage is one of the most important decisions you will make when you first join Medicare!

Medicare Supplement Plans

Medicare Supplement Plans, also known as Medigap policies, are sold by private insurance companies and will pay some or all of the health care costs that Original Medicare (Medicare Part A & B) doesn't cover. These costs can include copayments, coinsurance, deductibles and excess fees. These types of plans help make your annual health care budget very predictable and lower your out-of-pocket spending.



How Do Medicare Supplement Plans Work?

You are still part of Medicare: Medigap plans pay the copays left behind by Medicare, so you must have Part A & B in order to apply for a Supplement Plan.



New To Medicare?
Free pass to any plan you want!

When you are new to Medicare you will have a 6 month open enrollment period during which you can select any Medicare Supplement plan you want without answering health questions!

Fills the gaps in Medicare: Supplement plans are specifically designed to pay some or all of the deductibles, co-pays, coinsurance, and excess fees that Medicare does not cover.

Plans are standardized: The benefits from plan to plan are the same with every insurance company. This means the benefits Plan F provides will be the same no matter which insurance company you choose!

Prices will vary: Plan premiums for new applicants are based on your age, sex, tobacco use, and location. It is important to shop the market for the lowest premiums for you, especially since each insurance company is providing exactly the same benefits!

Individual coverage: Medigap Policies each cover one person. This means you have the flexibility to choose the same insurance company as your spouse or select a different company if it will save you money!



Medicare Supplement (Medigap) plans are designed to fit just like a puzzle piece with original Medicare essentially filling the gaps in your coverage by paying some or all of the copays, deductibles, and coinsurance left behind by Part A and Part B.



How Do Medicare Supplement Plans Work... (Continued)

No networks: With Original Medicare and Medicare Supplement Plans there are no networks! This means you can use any doctor or hospital in the country that accepts Medicare regardless of the insurance company that provides your supplement coverage.

No referrals needed: Medicare supplement plans do not require a referral to see a specialist. You can simply go directly to any specialist in the country who accepts Medicare.

Drug coverage is separate: Another benefit of a Medicare supplement plan is that you have the freedom to choose any drug plan you want independent of your healthcare coverage.

Simple Claims Process: Medicare and your Supplement company work together to pay your healthcare bills so you don't have to!

Guaranteed renewable: Medicare Supplements are guaranteed renewable, which means an insurance company can never cancel your plan due to health conditions as long as you pay your plan premiums.

Important Things To Know

Medicare Supplement Plans are Standardized:

The benefits of Medicare Supplement plans are set by Medicare to ensure all insurance companies offer the *exact same benefits* for each plan! That means Plan F sold by Blue Cross Blue Shied is *Identical* to the Plan F offered by Aetna, Humana, United Healthcare or any other company!

They are designed to make it **EASY** for you to compare prices!

Medicare purposefully named Supplement plans with easy to remember letters such as Plan F and Plan G. They did this because they want it to be EASY for consumers to shop around for the best price! *This is something insurance companies don't want you to know!*

Coverage is identical between companies **EXCEPT THE PRICE!**

Even though the coverage is identical insurance companies are allowed to set their own prices. Prices are based on your age, gender, and where you live among other things. Finding the best priced plan for you all depends on connecting you with the company that offers the lowest rates based on your personal information.

Additionally some brand name companies simply feel they can charge more than others because their customers don't know any better!

	★									
Benefits	A	B	C	D	F	G	K	L	M	N
Part A Hospital Coinsurance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
365 Additional Hospital Reserve Days	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Benefit For Blood	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Part B Co-Insurance	✓	✓	✓	✓	✓	✓	50%	75%	✓	*Co-Pays
Hospice Co-Insurance	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Skilled Nursing Facility Co-Insurance	✗	✗	✓	✓	✓	✓	50%	75%	✓	✓
Part A Deductible	✗	✓	✓	✓	✓	✓	50%	75%	50%	✓
Part B Deductible	✗	✗	✓	✗	✓	✗	✗	✗	✗	✗
Part B Excess	✗	✗	✗	✗	✓	✓	✗	✗	✗	✗
Foreign Travel Benefit	✗	✗	✓	✓	✓	✓	✗	✓	✓	✓
Preventive Care Co-Insurance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Out-of-Pocket Limit	None	None	None	None	None	None	\$4620	\$2310	None	None

Important Things To Know

Which Plans Are the Best?

Out of the 10 Medicare supplement plans available, almost everyone purchases one of the two most comprehensive plans, Plan F and Plan G.

Plan F

Plan F has set the bar for most popular plan sold for decades. This is because it offers the highest level of benefits available and is very easy to understand. Plan F simply turns your Medicare coverage into 100% coverage anywhere your Medicare card is accepted. You will never pay a copay, deductible, or any out of pocket expense for any Medicare covered service. (Rx drugs are separate and will be covered a little later on).

Plan G – The Best Value

As you will notice on the chart below there is only one box that is not checked on Plan G which is the annual Part B deductible of \$183. This means you pay the first \$183 out of pocket each year and then your plan essentially turns into Plan F where everything is 100% covered. As long as you can save more then \$183 dollars in premiums each year with Plan G, it is simply the smarter buy. (Our clients actually save an average of \$400 each year by going with plan G!)

Benefits	<div style="text-align: center; border: 1px solid blue; padding: 2px;">★</div>										
	A	B	C	D	F	G	K	L	M	N	
Part A Hospital Coinsurance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
365 Additional Hospital Reserve Days	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Benefit For Blood	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓	✓
Part B Co-Insurance	✓	✓	✓	✓	✓	✓	50%	75%	✓	*Co-Pays	✓
Hospice Co-Insurance	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓	✓
Skilled Nursing Facility Co-Insurance	✗	✗	✓	✓	✓	✓	50%	75%	✓	✓	✓
Part A Deductible	✗	✓	✓	✓	✓	✓	50%	75%	50%	✓	✓
Part B Deductible	✗	✗	✓	✗	✓	✗	✗	✗	✗	✗	✗
Part B Excess	✗	✗	✗	✗	✓	✓	✗	✗	✗	✗	✗
Foreign Travel Benefit	✗	✗	✓	✓	✓	✓	✗	✓	✓	✓	✓
Preventive Care Co-Insurance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Out-of-Pocket Limit	None	None	None	None	None	None	\$4620	\$2310	None	None	None

Plan F vs Plan G

Choosing the right Medicare Supplement plan can often be a confusing process. Our goal in this chapter is to help you gain some insight into the two most popular Medicare Supplement Plans available, Plan F and Plan G.

Lets start by discussing why these two plans are so popular and the reason most people usually don't pick one of the other eight plans. Plan F, as we have discussed, provides the highest level of coverage available and therefore is also the most expensive. Plan G offers a very small reduction in benefits for a significant savings in premium.

As we go to other plans that further reduce the benefits below Plan G (such as Plan N or Plan D) we begin to see a major reduction in benefits for a very small amount of savings. For this reason most people realize it isn't worth risking large out of pocket expenses to save a few dollars a month.



Comparing Plan F and Plan G is very common for those who are new to Medicare.

Unfortunately most insurance companies don't educate their new members about the savings of Plan G simply because they make more money and agents make a higher commission by enticing these members to pay the higher premium of Plan F.

A Real Life Example:

Shannon S.
Female
Single
Age 65
Dallas Texas
Zip Code: 75093
No Tobacco Use

Plan F monthly premium:\$127
Plan G monthly premium: \$101

**Plan G saves this client
\$312 every year!**



Save Money With These Key Tips!

The first step to saving money is taking the time to understand the difference between these two popular plans. Many people do not realize there is **ONLY ONE** coverage difference between Plans F and G which is the Medicare Part B deductible of \$183 that is not covered by Plan G.

Really that's it!

Both plans offer the exact same networks of doctors and hospitals, cover the exact same services, and provide identical benefits. Plan G simply has a \$183 deductible that you pay out of pocket once each year.

Saving Money With Plan G

In the very common scenario shown above, Shannon would save \$312 in premiums each year with Plan G! Even after paying her deductible she would still save \$129 per year for the exact same coverage!

Turning the tables around in Shannon's case - if she were to select Supplement Plan F she would basically be paying her deductible up front (through the higher monthly premiums) PLUS she is paying the insurance company an extra \$129 each year so that they will pay the deductible for her.

When you rent a car which option for refilling the gas do you choose? Pay for an entire tank up front at \$5.00 per gallon for the convenience of not having to stop at a gas station or do you save the money and simply stop and top off the tank with the few gallons you actually used?

Lower Rate Increases in the Future

The next and most important benefit of Plan G is the likelihood of lower rate increases in the future compared to Plan F. Historically, Plan G has lower rate increases year to year than its counterpart, Plan F.

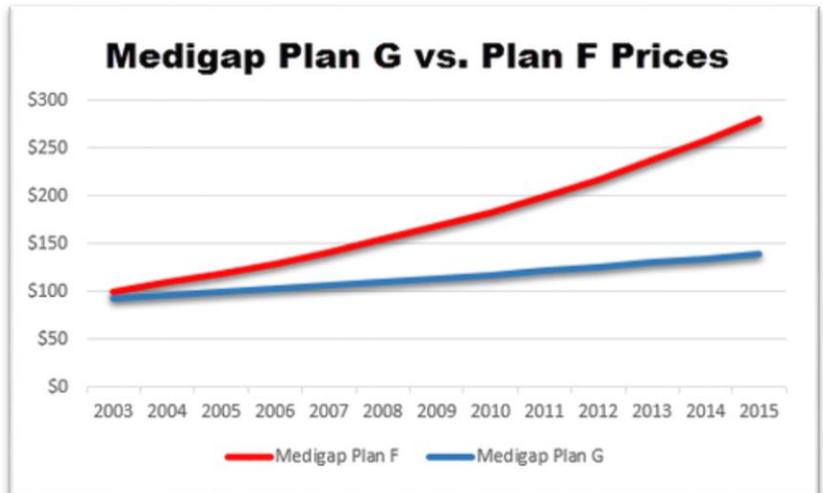
Medicare Changes in 2020

Many People are not aware that Medicare Supplement Plan F will no longer be available to be sold to new Medicare beneficiaries as of January 1st 2020.

Those who already have Plan F will be able to keep their coverage but with each year that passes, the age of those enrolled in Plan F will rise and inevitably so will the rate increases.

As the rates for Plan F begin to increase, those who are healthy enough to qualify for Plan G will likely switch plans in order to lower their premiums, which will only serve to drive plan F rates even higher.

There is much debate about when and how quickly Plan F rates will increase after 2020. In order to best serve our clients we simply recommend avoiding that debate entirely and enrolling in Plan G coverage.



Due To Two Key Factors:

The deductible: When Medicare supplement insurance plans include a deductible people are a little less likely to use the doctor at the beginning of the year and may instead opt to take an over the counter remedy rather than paying their deductible at their doctor's office.

Qualifying for Plan G:

The only way to currently get into Plan G without answering health questions is during your Open Enrollment Period when you are new to Medicare. Beyond that everyone who wants to enroll in Plan G is required to answer some health questions. This means the people on Plan G have a higher chance of being healthy and using the doctor less which results in lower claims and lower premiums overall.

Simply put, selecting Medicare Supplement Plan G over Plan F will save you money this year, provide you with historically lower rate increases next year, and will help you avoid large rate increases that may come for Plan F after 2020.

Medicare Advantage Plans

Medicare Part C, more commonly known as Medicare Advantage plans, are a type of health plan offered through private insurance companies who contract with Medicare to provide you with your Part A (Hospital) and Part B (Medical) benefits. Medicare Advantage plans work much like insurance during our working years with networks for doctors and hospitals, deductibles, and co-pays. In addition to their full Medicare benefits, Medicare Advantage plans may also include vision, dental, drug coverage, and more.



How Do Medicare Advantage Plans Work?

You are still part of Medicare: You must have Part A & B of Medicare to be eligible to enroll in an Advantage plan, and while on the plan you still have all of the rights and protections of Medicare.

Networks for Doctors and Hospitals: Each company has its own network of doctors and hospitals. Be sure to check that your current doctors and hospitals are in network for the plan you are selecting.



Medicare Super Hint!

Some Medicare Advantage plans have premiums as low as \$0 per month, however you must continue to pay your Medicare Part B premium.

Pre-Existing Conditions: You can join a Medicare Advantage plan even if you have a pre-existing condition, with the exception of End- Stage Renal Disease (ESRD).

Follow the Rules: In order to avoid extra costs you must be sure to follow the rules of your plan, such as staying in network, and getting a referral to see a specialist.

Additional Benefits: In addition to standard Medicare benefits, many plans include coverage for Vision, Dental, Drugs, and even gym memberships.

Low Monthly Premiums: Premiums for Medicare Advantage plans are typically fairly low since Medicare contracts with these insurance companies to provide your Part A & B benefits on behalf of Medicare.



COMPARE MEDICARE PLANS

SHOP THE TOP & SAVE!

Important Note

Limitations, copayments and restrictions may apply. Each plan's benefits, formulary, pharmacy network, provider network, premiums and copayments may change on January 1 of each year. Members need to be diligent about reviewing the plan materials sent to them each year in September to see what's changing.

Medicare Advantage Explained...

With a Medicare Advantage plan you will be responsible for co-payments and other out-of-pocket expenses when you use your coverage. Each company sets its own cost-sharing for each covered service. As an example, you might pay a copay for a primary care doctor visit, a higher copay for a specialist, and a percentage of the cost of services such as x-rays or lab tests. When you use Medicare Advantage coverage in the hospital you may pay either a fixed amount per day or a flat amount for the whole stay.

All Medicare Advantage plans must include an annual maximum cap on your out-of-pocket medical costs. The cap can be no higher than \$6,700 per year but some plans have lower out-of-pocket maximums. Think of this as a safety net. If your medical bills add up to \$6,700 in one year, your plan will step in and pay the rest of the cost for the remainder of the calendar year. *Part D Drug costs are not included in this number.*

Medicare Advantage plans may also include extra benefits not provided by Original Medicare such as vision benefits, some limited dental coverage, or gym memberships. It is important to remember the insurance company has the right to change these benefits each year. Medicare Advantage plans also typically include Part D drug coverage.

Weighing Your Options

One of the most important decisions you will make when enrolling in Medicare for the first time is the selection of either a Medicare Advantage or Medicare Supplement plan. While both types of coverage can be good options, it is critical that you select the plan that will work best for your needs and budget.

Supplement (Plan F)	 Medicare Advantage
<u>Monthly Premiums</u> \$85 - \$150	<u>Monthly Premiums</u> \$0 - \$60
<u>Network</u> No Network, you can use any Medicare Doctor or Hospital	<u>Network</u> Networks are usually required (can change mid year)
<u>Out of Pocket Healthcare Expenses</u> None Plan Pays 100%	<u>Out of Pocket Healthcare Expenses</u> Deductibles, co-pays, co-insurance (can change yearly)
<u>Referrals</u> No referrals are required. Go directly to any specialist you wish.	<u>Referrals</u> Referrals to see specialists are usually required.
<u>Coverage Area</u> Full coverage available National Wide	<u>Coverage Area</u> Only emergency services available outside local coverage area
Best option if you most value: Your choice of doctors & hospitals A Predictable healthcare budget	Best option if you most value: Low monthly premiums Don't mind using network doctors

Drug Plans Explained



A Medicare Part D drug plan is insurance regulated by Medicare and sold by private companies to help cover the costs of your prescription medications. Many different insurance companies offer Part D drug plans and it's not uncommon to have 20- 30 different drug plans available where you live.

Each insurance company has the ability to modify certain parts of the coverage they offer including the monthly plan premium, list of covered medications (known as a formulary), as well as the copays and deductibles. While insurance companies do have flexibility in the plan design, they must still comply with federal requirements to ensure minimum essential levels of coverage are met. Additionally each company is required to submit their plan designs to Medicare each and every year for approval.

4 Parts To A Part D Drug Plan

Premium: Each company can set the monthly premium they would like to charge for their plan. Premiums range from about \$20 up to \$100+ per month.

Deductible: You pay the full price of your medications until your deductible has been met for the year and then you will either pay a specified amount or percentage of the cost of the medication.

Formulary: This is the list of medications a plan will cover. Although each company is required to cover a certain number and types of medications, each company's list will vary.

Tiers: Most companies place drugs into 4 or 5 different "tiers". Each tier will have a different cost. Common tiers include preferred generic, generic, preferred name brand, name brand, and specialty.



Warning! Part D Penalty

You may owe a late enrollment penalty if you have a gap in drug coverage of 63 days or more at any point after you turn 65. A 1% per month penalty is assessed for each month you went without coverage.



Shop around for the best drug prices!

Drug prices can change dramatically between insurance companies so be sure to shop around to find the one that covers your medications at the lowest cost. We recommend using the Medicare.gov "Plan Finder" tool which can be found on their website. If you need any assistance you can always give our team at Medicare Hero a call and we'll be happy to assist you.

The 4 stages to a Part D drug plan

- 1. Annual Deductible** – in 2017, the allowable deductible is \$400. Plans may charge the full deductible, a partial deductible, or waive the deductible entirely. You will pay the network discounted price for your medications until you have satisfied the deductible. After that, you enter the Initial Coverage Phase.
- 2. Initial Coverage** – during this stage of Part D drug coverage, you will pay a copay for your medications based on the drug formulary. Each drug plan will separate its medications into tiers. Each tier has a copay amount that you will pay. For example, a plan might assign a \$7 copay for a Tier 1 generic medication. Maybe a Tier 3 is a preferred brand name for a \$40 copay, and so on. The insurance company tracks the spending by both you and the insurance company until together you have spent a total of \$3700 in 2017.
- 3. The Coverage Gap** – after you've reached the initial coverage limit for the year, you enter the coverage gap. During the gap, you will still generally have significant discounts for generic medications. You will pay 40% of the cost of brand name medications, and 51% of generics. (This is so much better than in 2006 when many people had to pay 100% of their drug costs in the gap.) Your gap spending will continue until your total out of pocket drug costs have reached \$4,950 in 2017.
- 4. Catastrophic Coverage** – after you've reached the end of the coverage gap, your plan will kick in to pay 95% of the costs of your formulary medications for the rest of the year. This feature in Part D drug plans helps you limit your potential spending if you have expensive medications.



Income Related Premium Adjustment For Part D plans.

If you have a high income you may pay an extra amount on top of your standard plan premium. Just like with Part B of Medicare, if you make over \$85,000 as an individual or over \$170,000 if you file your taxes jointly then you will pay an Income Related Monthly Adjustment Amount also called an IRMAA. Below is a chart that will tell you the extra amount you may have to pay based on your income.

If your filing status and yearly income in 2015 was			
File individual tax return	File joint tax return	File married & separate tax return	You pay (in 2017)
\$85,000 or less	\$170,000 or less	\$85,000 or less	your plan premium
above \$85,000 up to \$107,000	above \$170,000 up to \$214,000	not applicable	\$13.30 + your plan premium
above \$107,000 up to \$160,000	above \$214,000 up to \$320,000	not applicable	\$34.20 + your plan premium
above \$160,000 up to \$214,000	above \$320,000 up to \$428,000	above \$85,000 up to \$129,000	\$55.20 + your plan premium
above \$214,000	above \$428,000	above \$129,000	\$78.20 + your plan premium

How To Save Money On Your Supplement Plan

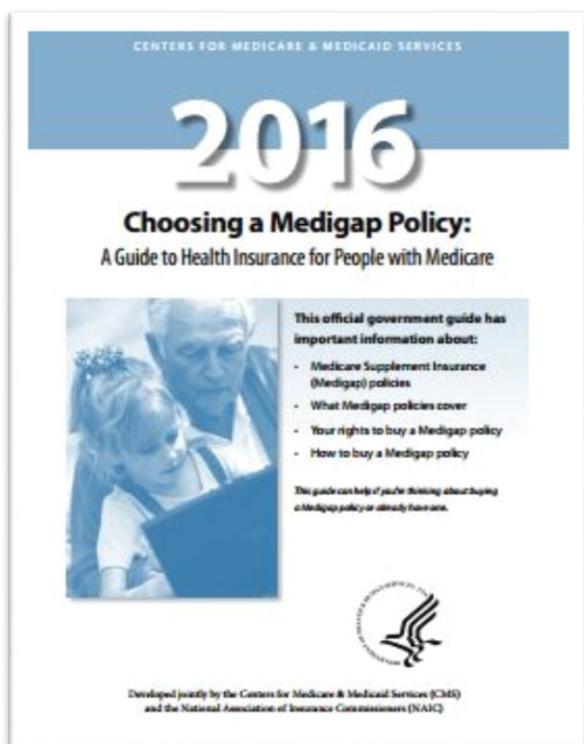
With so many options available for Medicare Supplement Plans it can often feel like a burden simply trying to choose the right one. Luckily when Medicare Supplement plans were originally designed they made it EASY for us to compare what companies are offering.



Remember All Companies Provide Identical Coverage!

Campbell's soup is Campbell's Soup

Just like the same can of soup bought at different prices from Wal-Mart, Target, or your neighborhood grocery store... the EXACT SAME Medicare supplement plan will differ in price depending on which insurance company you select. This means your Medicare Supplement plan will provide the exact same benefits with the exact same doctors no matter which company you select or how much you pay!



The Medigap Buyers Guide is published by the Centers for Medicare and Medicaid services in an effort to better educate Medicare beneficiaries on their Medigap (Medicare Supplement) coverage options. Page 19 of this guide clearly outlines that all insurance companies must offer the exact same coverage for each plan while the premiums they charge are likely to be very different.

So now that we know every insurance company offers the same coverage, let's talk next about how to find the company that is going to offer you the best price!

Shopping for coverage can be hard... But there's an easier way!
Shopping for a Medicare Supplement plan can be frustrating and overwhelming when having to contact each insurance company directly, simply to ask for their prices while receiving numerous confusing sales pitches along the way.

There's A Better Way!

Insurance brokers like Medicare Hero are licensed to provide quotes for several different companies at once. In fact, at Medicare Hero we work with over 20 different insurance companies and can quote you all of their prices in under 5 minutes!

Our Licensed agents can answer all of your questions, guide you through the process of selecting the right plan for you, and give you a side by side rate comparison so you can feel confident that you are saving money and making a great decision about your coverage.

Our services are always Free!

The insurance company *you choose* pays us for helping you to enroll.

Who Offers Medicare Supplement Plans?

There are literally hundreds of companies which offer Medicare Supplement plans! Some of these are name brand insurance companies that you are bound to know of and may even currently have coverage with while others you may have never heard of before. Some of the most popular Medicare Supplement insurers include: Aetna, Humana, AARP United Healthcare, Mutual of Omaha, Cigna, Gerber, Blue Cross Blue Shield (BCBS), Transamerica, Manhattan Life, New Era Life, United Home World, Medico, Equitable, and many more.

How Pricing Works For Those Who Are New To Medicare:

Rates for your Medicare Supplement Plan will be based on your age, gender, location, and in some states whether or not you use tobacco products. Simply entering this information into our comparison software will tell us exactly which company will be the most affordable for you! It can't get easier than that!

How Pricing Works For Those On Medicare and Looking to Switch Plans:

In addition to age, gender, location, and tobacco use, individuals outside of their open enrollment period will also have to answer a few basic health questions in order to qualify for new coverage.

Most companies typically ask about 10 'yes or no' health questions. For those with health concerns it is important to note that each insurance company has different conditions it will accept. We are often even able to find coverage for those who have been previously declined by a different company.

**BATTLING INSURANCE COMPANIES
TO SAVE YOU MONEY!**



Get Your Side By Side Rate Comparison

Now that we know all companies proved the exact same coverage for each plan we need to find the company which will offer you the best price for your coverage. The easiest and fastest way to view all of the companies' rates is to get a side by side rate comparison from an unbiased resource like Medicare Hero.

Give us a call & we'll give you all the rates in under 5 minutes

When you call Medicare Hero we will provide you with the rates each company would charge you based on you age, gender, zip code, and any discounts you may qualify for.

Additionally we will also provide you with rate increase history for each company so you can get low rates today and avoid large increases in the future!

Enrolling made easy!

Once you decide on the plan you want, we can easily complete all of the paperwork for you right over the phone and follow it all the way through the process so you never have to worry about missing a step or filling out a form incorrectly.

Our Services Are Always FREE!

Medicare Hero is a licensed insurance brokerage who contracts with over 20 insurance companies to be able to help you shop for the best coverage. When you decide to enroll the insurance company you choose will pay us for helping you enroll. And don't worry, the price you pay for insurance is exactly the same whether you take advantage of our services or enroll directly with the insurance company. So our help truly is free to you!



Humana



UnitedHealthcare



How To Save Money On Your Advantage Plan

Medicare Advantage plans are sold by many different companies, each offering plans with different premiums, co-pays, networks, as well as other unique benefits. Because of the complex nature of these plans it can often be overwhelming trying to compare your options and find the right coverage. Here are our tips to an easy and stress free enrollment.



The 3 Most Important Things To Look For...

1. Check the Networks

Because each Medicare Advantage plan will have its own network, it is vital to ensure your current doctors work with the plan you select. Do not make the mistake of assuming that if you select a Medicare Advantage plan through the same company you currently have group coverage through that their network will also be the same. As an Example Blue Cross Blue Shield's Group coverage network will be different than the network for their Medicare Advantage Plans.

To ensure your doctors are in network we highly recommend calling your doctor's billing department to ask which plans they are currently accepting and to avoid online tools that show the networks. This is because online tools are frequently out of date and are simply an unreliable resource. If you need help with this research feel free to give our team a call, we are happy to find out which plans will work with your current doctors and present you with the results.

Deciding Between HMO and PPO Medicare Advantage Plans

Just like group health insurance Medicare Advantage plans come in both HMO and PPO versions.

HMO Plans Explained

HMO plans (short for Health Maintenance Organization) typically have lower monthly premiums and lower copays than their counterparts. In order to receive these lower premiums and copays most plans require you to exclusively use in-network doctors and hospitals as well as receive referrals before seeing a specialist. These are the most popular Medicare Advantage plans because they offer low monthly premiums while still providing good coverage.

PPO Plans Explained

PPO plans (Short for Preferred Provider Organization) provide added flexibility by giving you the option of paying less at in-network doctors or using an out-of-network doctor and paying more. Additionally most PPO plans do not require a referral before seeing a specialist. These plans are great for those who are willing to pay a higher monthly premium in order to have more flexibility in their coverage.

2. RX Drug Coverage

Because your Part D RX coverage will be built into the Medicare Advantage plan you select it is critically important to make sure your new plan is not only best for your healthcare services but also offers affordable prices for your medications. Prices for medications vary significantly between companies so this could be a big money saver which is why we have it as number two on our list. In order to compare plans for RX coverage we highly recommend using the Medicare.gov “Plan Finder” tool which we will cover more in detail in the next chapter on “Shopping For Part D Drug Coverage”. Of course you can always give our team a call as well and we can input your medications for you and send you the results to save you time and money.

3. Premiums and Co-pays

Each Medicare advantage plan will have different monthly premiums and co-pays. Once you find a plan that covers your doctors and medications the final step is to see which plan will offer you the lowest monthly premiums and out of pocket expenses when you use your coverage.

The Annual Enrollment Period

The Annual Enrollment Period is a time each year (October 15 - December 7th) when Medicare Beneficiaries can select their new Medicare Advantage or Part D RX coverage for the upcoming calendar year. If you are currently enrolled in a Medicare Advantage or Part D plan you will be automatically re-enrolled in the same plan each year unless you elect to change coverage.



Compare Medicare Advantage Plans The Easy Way!

Let our licensed agents do the hard work for you!

Discover which plans work with your doctors

Simply give us a call and let one of our licensed agents know which doctors you are currently using and we'll do the hard work for you! Your agent will reach out to the doctors office to find out which plans they currently accept.

Find Savings on your RX Medications

Additionally if you will let your agent know the names and dosages of your Medications, they will enter all of your information into the Medicare.gov Plan Finder tool to discover which companies cover your medications at the lowest price.

Compare your best options side by side!

Your licensed agent will put all of this valuable information to use by checking to see which of the plans your doctors accept will cover your Medications for the lowest cost. This will filter down your options to the top 2 or 3 plans that will work best for you which you can easily view in a side by side comparison!

Our Services Are Always FREE!

Medicare Hero is a licensed insurance brokerage that contracts with over 20 insurance companies to be able to help you shop for the best coverage for you. When you decide to enroll the insurance company you choose will pay us for helping you enroll. And don't worry, the price you pay for insurance is exactly the same whether you take advantage of our services or enroll directly with the insurance company! So our help truly is free to you!

How To Save Money On Your Part D Drug Plan

Part D prescription drug plans are sold by many different private insurance companies each offering plans with different premiums and co-pays and covering different medications. Because of the complex nature of these plans it can be overwhelming trying to compare your options and find the right coverage. Here are our tips for easily finding the best coverage for your medications at the lowest cost available.



Here are our top 4 tips for selecting a Part D drug plan:

1. Check your exact medications

Finding the right Part D plans is all about connecting you with the plan that is going to cover your specific medications for the lowest cost possible. Each insurance company covers a list of different medications and covers those medications for different prices. Because of this it is not only important to ensure that your plan covers your specific medications but also to find the plan that covers those medications for the lowest co-pays possible. We'll share our tip for the best tool to use to compare drug plans at the end of this chapter.

2. Paying more doesn't necessarily get you more

Paying a higher monthly premium for your plan does not necessarily mean you will be getting lower copays or save money over a plan with a lower monthly premium. Conversely looking for a low monthly premium isn't generally a good idea. Rather than focusing on premium we highly recommend instead focusing on your total out-of-pocket expenses for the year which would add up all of your expenses into one number which includes monthly premiums, copays and deductibles. By focusing on this total number you will be able to see which plan will save you the most money overall. Again we will show you exactly where to find this number at the end of this chapter.

3. Medicare.gov Plan Finder

The Medicare.gov Plan Finder tool is the best resource for shopping for RX drug coverage. In fact it is so good that it is what we use in our office to help our clients find the best coverage. You can simply input your information and RX drug list and it will show you all of the plans available ordered from least expensive to most expensive for your exact medications. The way it orders the plans is based on your total out-of-pocket expenses for the year, which we spoke about earlier. We generally recommend following the Medicare.gov results as it will help you look past the monthly premiums and other various numbers to find the plan that will actually save you the most over the course of the year.

4. Call 1 (800) - Medicare

In addition to the Medicare.gov plan finder you can also call 1 (800) Medicare and they will also enter your medications into Medicare.gov and tell you right over the phone what your results are for the best plan to cover your Medications. The disadvantage of calling Medicare is that the representatives you speak to are not necessarily Medicare experts but rather are hourly employees who are hired to read the information off to you. If you are looking for expert guidance, please feel free to reach out to our team. We are always happy to help and as always there is no cost to you for our services.

Don't be afraid to ask for help!

Part D plans can be very confusing! In fact we believe it can be the most complicated part of Medicare to understand. Luckily finding an expert you trust to help explain your options and which plan may be best for you can not only save you lots of time and frustration but also help you avoid overpaying for your medications.

You can always reach our team at Medicare Hero at **1-888-321-6361**

The Annual Enrollment Period

The Annual Enrollment Period is a time each year (October 15 - December 7th) when Medicare Beneficiaries can select their new Medicare Advantage or Part D RX coverage for the upcoming calendar year. If you are currently enrolled in a Medicare Advantage or Part D plan you will be automatically re-enrolled in the same plan each year unless you elect to change coverage.

I Need Help!

Finding Help With Medicare

Finding the right help makes all the difference.

Knowing who to trust when it comes to shopping for Medicare coverage can make all the difference. We have put together a brief guide to help you avoid sales people who are trying to sell you a product and instead find a professional who has your best interests in mind. When it comes to Medicare you will typically have three main options for help finding coverage

Captive Insurance Agents

A Captive Agent is one who is employed directly by an Insurance company such as Blue Cross Blue Shield, United Healthcare, Humana, or any company which provides Medicare insurance benefits. These agents are very similar to a car salesman who works for a Ford or Chevrolet dealership. They may be very good at what they do and they might even have a good product but keep in mind, at the end of the day they are only compensated for selling you the one product they have rather than helping you find the one that is right for you.

In order to properly compare your options you will have to meet with a Captive Insurance Agent from each insurance company and then sort through the results yourself to find the right plan for you. This could lead to 5, 6, maybe even 10 individual meetings



Who Is Medicare Hero?



Medicare Hero is a family owned and operated Insurance Brokerage which was founded over 30 years ago. We have a full team of Licensed agents as well as a dedicated customer service staff so any time you need help we'll be right by your side!

**Give us a call at:
1 (888) 321-6361**

Independent Insurance Agents

Rather than being employed directly by an Insurance Company, an Independent Agent is typically self-employed and has contracts with multiple insurance companies and is able to give you a more unbiased approach to selecting the appropriate plan. This approach will likely save you countless hours of research, help you avoid multiple individual meetings, and save you hundreds of dollars on your premiums by simply presenting your options side by side.

While a much better option than the Captive agent, one item to note is that Independent Agents are typically self-employed with little to no support staff. After your initial enrollment, if you were to need help with your coverage it is likely that your agent is either out of town on vacation, busy with other clients, or worst of all has left the industry leaving you to deal directly with your big box insurance company and their 1800 phone tree.

Independent Insurance Brokerage

An Independent Insurance Brokerage like Medicare Hero is essentially a team of independent agents who benefit from the stability and support of a larger company. What does this mean to you as a client? You can speak with a Medicare expert and compare the top insurance companies in one place while having the peace of mind knowing you have a whole team standing behind your insurance rather than just one person working out of their home.

Your Healthcare is one of the most personal and important aspects to your retirement. If you are like most people you probably don't think about your health insurance every day but you know how important it will be to have a reliable expert by your side when the time comes for you to utilize your coverage.



About Medicare Hero

Who are we?

Medicare Hero is a family owned and operated insurance brokerage that specializes in all Medicare related insurance products! Simply put, we are a FREE resource for all Medicare related questions, topics, and insurance products such as Medicare Supplement, Medicare Advantage, Part D drug plans, Dental, Vision, and more!

Why don't we charge for our services?

As a licensed insurance brokerage we have contracts with over 20 of the major insurance companies who pay us to help enroll and provide customer service to their new members. Since we have contracts with so many companies we are able to help you enroll in virtually any plan you choose and we never need to charge you a dime!

What insurance companies do we work with?

Just to name a few.... AARP United Healthcare, Humana, Blue Cross Blue Shield, Aetna, Cigna, Mutual of Omaha, Transamerica, Manhattan Life, New Era, Oxford Life, and many more!

We love helping people with their Medicare coverage!

If you are currently on the Medicare program or turning 65 and about to go on to Medicare, we can help answer your questions, shop the market for coverage, and compare leading insurance companies to help you find the right fit. Our specially designed process was created to help make shopping for Medicare plans simple and easy!

Give us a call today! **1-888-321-6361**

See What Others Are Saying

“Signing up for Medicare is CONFUSING! But the courteous and knowledgeable professionals at Medicare Hero are happy to help with any questions you may have, and all calls are returned promptly. They know what they're doing, so do yourself a favor and let them help you with this. Really.”



Sherry McGee Sanchez reviewed Medicare Hero — **5 stars**
February 16 at 4:01pm

“Extremely helpful in choosing a Medicare advantage plan. There is so much information sent to you and advertisements for healthcare coverage it becomes overwhelming. Medicare Hero helps you understand what works best for you and your situation. No pressure. I highly recommend their services.”



Jo Whitley reviewed Medicare Hero — **5 stars**
February 17 at 7:17pm

“Professional, knowledgeable, so incredibly helpful. You'll get answers to all your questions. Brooke made signing up for Medicare a breeze. Highly recommend!”



Lois Quilici reviewed Medicare Hero — **5 stars**
February 16 at 10:10am

To read more reviews visit us on Facebook at
[Facebook.com/MedicareHero](https://www.facebook.com/MedicareHero)

Medicare Hero

Your Medicare Experts

Learn About Medicare

Expert answers to all of your questions

Shop for Coverage

Medicare Supplement

Medicare Advantage

Part D Drug Plans

Dental

Vision

And More!

Life Time Support For All Clients



Give Us A Call Today!

1 (888) 321-6361

Or visit us online at:

MedicareHero.com