

NRIs – Medicare

What is Medicare?

Medicare program can assist senior citizens in paying most health-care costs like regular doctor's visits, hospital stays, prescription drugs, rehabilitative services including catastrophic illness situations.

The Centers for Medicare & Medicaid Services (CMS), a branch of the U.S. Department of Health and Human Services, administers the Medicare program. (<https://www.medicare.gov/>)

Components of Medicare

This Medicare program has several components.

- **Medicare Part A** helps cover inpatient care in hospitals, care in skilled nursing facilities, hospice, and home health care.
- **Medicare Part B** helps cover doctors' services, hospital outpatient care, home health care, as well as certain preventive health services.
- **Medicare Part C** is an optional "Advantage Plan" giving greater coverage, but requiring payment of additional premiums. Eligible persons may switch to 'Medicare Part C' from standard Medicare, or back, during a short enrollment period in each calendar year.
- **Medicare Part D** helps cover the cost of prescription drugs.

A number of private insurers offer policies to cover expenses not covered by Medicare.

Who is eligible for Medicare?

- Age -- 65 years or above &
Stay – Legal resident of USA for at least 5 years
- Age -- Even under 65 years, if they receive Social Security Disability Insurance (SSDI) benefits.
- People with Special medical conditions may qualify for Medicare irrespective of age.

You may determine your eligibility for Medicare coverage by visiting the federal government's Medicare website and entering your personal information into the federal database.

(<https://www.medicare.gov/>)

Premiums for Medicare

- People of 65 years of age or above who haven't paid (Self or their Spouse) Medicare payroll taxes must pay monthly premiums to enroll in Part A Medicare Program
- **Medicare Part A Premiums Entirely waived:**
If people qualify for Medicare and
 - US Citizens/Green Card Holders of age 65 years or above and the enrollee or their spouse (or qualifying ex-spouse) paid Medicare taxes for at least 10 years
 - Under 65 years, disabled, receiving SSDI or Railroad Retirement Board disability benefits for at least 24 months from date of entitlement (eligibility for first disability payment)
 - Receiving continuing dialysis for end stage renal disease or need a kidney transplant.

How to enroll in Medicare

You can enroll in Medicare Part A and/or Medicare Part B in the following ways:

- Online at www.SocialSecurity.gov.
- By calling Social Security at 1-800-772-1213
- In-person at your local Social Security office.
- If you worked at a railroad, by contacting the Railroad Retirement Board at 1-877-772-5772

When to enroll in Medicare?

Medicare Initial Enrollment Period (IEP)

Total 7 month period -- 3 months before 65th birthday, 3 months after 65th birthday and during 65th birthday month.

Medicare General Enrollment Period

- January 1- March 31, every year.
- May have to pay a late penalty for Medicare Part A and / or Part B if you did not sign up during IEP

Medicare Special Enrollment Period (SEP)

- Can decline Part B when first eligible (IEP) because you are covered by employer sponsored health insurance.

- Switching from employer sponsored health insurance (group health coverage) to Medicare
- No late enrollment penalty during SEP enrollment period
- 8 month period – begins the month that employment ends or group health coverage ends whichever occurs first
- COBRA (Consolidated Omnibus Budget Reconciliation Act of 1985) / Retiree Health coverage / End stage renal disease – not considered for Special Enrollment period

Automatic Enrollment into Medicare

- *If you are receiving retirement benefits:*
 - When you turn 65, you will automatically be enrolled Medicare Part A and Medicare Part B if you sign up for Medicare Part B at the time you sign up for retirement benefits.
 - If you live outside of the 50 United States or D.C. (for example, if you live in Puerto Rico), you will automatically be enrolled in Medicare Part A, but will need to manually enroll in Medicare Part B.
- *If you are receiving disability benefits:*
 - If you are under 65 and receiving certain disability benefits from Social Security or the Railroad Retirement Board, you will be automatically enrolled in Original Medicare, Part A and Part B, after 24 months of disability benefits.
 - If you have amyotrophic lateral sclerosis (also known as ALS or Lou Gehrig's disease), you will automatically be enrolled in Original Medicare in the same month that your disability benefits start.
 - If you have ESRD and had a kidney transplant or need regular kidney dialysis, you can apply for Medicare (Manual enrollment)

Manual enrollment into Medicare:

If you aren't receiving retirement benefits:

- During your IEP with no penalty

- Can delay retirement benefits to apply later and can only enroll in Medicare at the age of 65 years

If you do not qualify for retirement benefits:

- Can still enroll in Medicare Part A and / or Part B during IEP by paying monthly premium
- The cost of your monthly Part A premium will depend on how long you worked and paid Medicare taxes.
- You will still have to pay a Medicare Part B premium.

Medicare Part B late-enrollment penalty:

- Once eligible, you can always enroll for Medicare Part B by paying late penalty.
- There is no need to pay penalty if you have health coverage through an employer health plan or through your spouse's employer plan at the time of eligibility / enrollment. This health coverage must not be COBRA or retiree benefits.
- The penalty could be 10% higher for every full 12-month period of your monthly Part B premium. This premium can last as long as you are enrolled in Medicare.

How to drop Medicare Part B Coverage:

If Medicare coverage did not start

- You received a red, white, and blue Medicare card, follow the instructions that come with the card and send the card back.
- If you sign up for Medicare through Social Security, then contact them to drop Part B coverage.
- If you have health coverage through current employment (either through your work or your spouse's employer), you may decide to delay Medicare Part B enrollment. You may consult your employer's health benefits administrator for further information on Part B.

After Medicare Coverage has started

- Contact Social Security for instructions on how to submit a signed request to drop Part B coverage. Your coverage will end the first day of the month after Social Security gets your request.
- If you keep the Medicare card, you will need to pay Part B premiums.

Medicare Advantage (Part C)

- Offered through private insurance companies.
- You must have Original Medicare, Part A and B, to enroll in a Medicare Part C through a private insurer.
- Can enroll during two enrollment periods, the Initial Coverage Election Period and Annual Election Period.
- During enrollment periods, you can change plans within Part C

Initial Coverage Election Period for Part C:

- Starts as IEP if you are signing up for both Part A and Part B
- Enrollment period ends on the last day of the month before you have both Medicare Part A and Part B, or on the last day of your Medicare Part B Initial Enrollment Period whichever falls later

Annual Election Period for Part C:

- October 15th to December 7th of every year.

Part C Disenrollment Period:

- January 1st to February 14th
- You can also use this period to join a stand-alone Medicare prescription drug plan, since Original Medicare doesn't include prescription drug coverage.

Medicare prescription drug coverage

Prescription drugs are covered by Part C (Advantage Plan) or Part D (Prescription Drug Plan) depending on the plan you enroll

Initial Enrollment Period for Medicare Part D:

- Same as IEP for Medicare Part A & B
- After attaining eligibility, if you go without prescription drug coverage for 63 or more consecutive days you may have to pay a late enrollment penalty.

Medicare Part D Annual Election Period:

- You can either join or drop Medicare Part D during the period of October 15 to December 7 every year.

Medicare Supplement insurance plans (Medigap) enrollment

- Voluntary, additional coverage that helps fills the gaps in coverage for Original Medicare.
- Offered through private insurance companies.
- The best time to enroll in is during your individual Medigap Open Enrollment Period (the six-month period that begins on the first day of the month you turn 65 and have Medicare Part B).
- Need to have Medicare Part B coverage to sign up for Medigap. Your Open enrollment will not start until you have Part B coverage.
- Preexisting health conditions or disabilities are covered without high premium and cannot be rejected if you enroll during Open Enrollment Period.
- If enrolled outside the open enrollment period, you may have to pay higher premium and undergo medical underwriting for preexisting health conditions.

Dual Coverage:

- Coverage through Medicare and also Employer.
- If your employer insurance is the secondary payer, you may need to enroll in Medicare Part B before your insurance will pay.
- If the employer has 20 or more employees, the employer's health plan generally pays first. Medicare will pay based on what the group health plan paid. You'll have to pay any costs Medicare or the group health plan doesn't cover.
- If your employer has fewer than 20 employees, Medicare generally pays first. But, Medicare would generally pay second if both of these apply:
 - Your employer joins with other employers or employee organizations (like unions) to sponsor a group health plan (called a multi-employer plan)
 - Any of the other employers have 20 or more employees

- Generally, if your employer has fewer than 100 employees, Medicare pays first if you're under 65 or you have Medicare because of a disability (other than End-Stage Renal Disease).
- If you go outside your employer plan's network, it's possible that neither the plan nor Medicare will pay.

General Considerations:

Medicare pays first if all of these apply:

- A domestic partner is entitled to Medicare on the basis of age
- A domestic partner has group health plan coverage based on the current employment status of his/her partner.
- Your spouse's employer has at least 20 employees.

Medicare generally pays second:

- When the domestic partner is entitled to Medicare on the basis of disability and is covered by a large group health plan on the basis of his/her own current employment status or the status of a family member (a domestic partner is considered a family member).
- For the 30-month coordination period when the domestic partner is eligible for Medicare on the basis of End-Stage Renal Disease (ESRD) and is covered by a group health plan on any basis.

Medicaid

Some beneficiaries are dual-eligible. This means they qualify for both Medicare and Medicaid. In some states for those making below a certain income, Medicaid will pay the beneficiaries' Part B premium for them (most beneficiaries have worked long enough and have no Part A premium), as well as some of their out of pocket medical and hospital expenses.

For more information, please visit www.prasadthotakura.com

(Dr. Prasad Thotakura, an Indian American community leader, serving the community for over three decades earned the reputation as a 'man with vision and mission', 'leader with compassion and commitment', 'very sensible and ever accessible')