

ND SHIP

State Health Insurance Assistance Program
a service of the North Dakota Insurance Department

MEDICARE OVERVIEW

Presented by:

ND SHIP -

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» ND SHIP (State Health Insurance Program)

- Provides Medicare beneficiaries with **free, unbiased** information to assist in making an informed decision about Medicare plan options and coverage
 - SHIP staff is comprised of 3 full time staff members and 25 volunteer counselors located across the State
- SHIP services are available to North Dakota residents at no-cost
- SHIP Program remains busy year round but sees a noticeable peak during Medicare Part D Open Enrollment
- SHIP can also assist with:
 - Understanding paperwork, bills and statements
 - Claim and appeal process
 - Long term care plan issues



MEDICARE

Health insurance for people:

- 65 and older
- Under 65 with certain disabilities, like ALS (also called Lou Gehrig's disease) without a waiting period
- Any age with End-Stage Renal Disease (ESRD)

NOTE: To get Medicare you must be a U.S. citizen or lawfully present in the U.S. Must reside in the U.S. for 5 continuous years.

»» What agencies are responsible for Medicare?



Social Security

Enrolls most people in Medicare



Office of Personnel Management (OPM)

Handles federal retirees' premiums



Railroad Retirement Board (RRB)

Enrolls both railroad retirees and active employees in Medicare



Centers for Medicare & Medicaid Services (CMS) Forms Medicare policy and administers Medicare coverage, benefits, and payments



What Are the Parts of Medicare?



Part A
(Hospital Insurance)



Part B
(Medical Insurance)



Part D
(Drug coverage)



Medicare Options

Original Medicare

☒ Part A



☒ Part B



You can add:

☐ Part D



You can also add:

☐ **Supplemental coverage**



This includes Medicare Supplement Insurance ([Medigap](#)). Or, you can use coverage from a former employer or union, or [Medicaid](#).

Medicare Advantage (also known as Part C)

☒ Part A



☒ Part B



Most plans include:

☒ Part D



☒ **Some extra benefits**

Some plans also include:

☐ **Lower out-of-pocket costs**



Enrollment in Medicare Part A & B

Enrollment is automatic for people who get:

→ Social Security Benefits

- If you are receiving social security retirement when you turn 65
- If you are under 65 and have a disability and get disability benefits for 24 months

→ RRB Benefits

When enrollment is not automatic:

→ Contact Social Security – Can do this up to 3 months prior to turning 65

→ If Retired from Railroad – Contact Railroad Retirement Board to enroll

Note: The age for Social Security Retirement benefits is 62. Medicare eligibility age is still 65.



When Can You Enroll into Medicare

If you don't already have Medicare:

- Initial Enrollment Period (IEP)
 - First eligible for Medicare (7 month period) – 3 months before turning 65 through 3 months after turning 65
- Special Enrollment Period (SEP)
 - Special circumstances – Ex: had group health insurance, move, change in Medicaid/LIS status, etc.
- General Enrollment Period (GEP)
 - Jan 1 – March 31 each year – coverage begins month after enrollment

If you already have Medicare and want to change how you get your coverage:

- Open Enrollment Period (OEP)
 - Oct 15 – Dec 7 each year - Can make changes to Part D plans and Med Adv plans with new coverage effective Jan 1st
- Medicare Advantage OEP
 - Jan 1 – March 31 each year – Can make changes to your Med Adv plan only with coverage beginning the following month
- Special Enrollment Period (SEP)
 - Special circumstances – Ex: had group health insurance, move, change in Medicaid/LIS status, etc.



PART A (Hospital Insurance) Covers

Part A helps cover:

- Inpatient Care in a Hospital
- Inpatient Care in a Skilled Nursing Facility (SNF)
 - Coverage after a related 3 day inpatient hospital stay
- Blood (inpatient)
- Hospice Care
- Home Health Care



Part A
Hospital Insurance



2025 Part A - What You Pay in Original Medicare

Hospital Inpatient Stay	<ul style="list-style-type: none">▪ \$1,676 deductible for each benefit period.▪ Days 1–60: \$0 coinsurance for each benefit period.▪ Days 61–90: \$419 coinsurance per day of each benefit period.▪ Days 91 and beyond: \$838 coinsurance per each “lifetime reserve day” after day 90 for each benefit period (up to 60 days over your lifetime).▪ Beyond lifetime reserve days: all costs.▪ NOTE: You pay for private-duty nursing, a television, or a phone in your room. You pay for a private room unless it’s medically necessary.
Skilled Nursing Facility (SNF) Stay	<ul style="list-style-type: none">▪ Days 1–20: \$0 for each benefit period.▪ Days 21–100: \$209.50 coinsurance per day for each benefit period.▪ Days 101 and beyond: all costs.
Home Health Care	<ul style="list-style-type: none">▪ \$0 for home health care services.▪ 20% of the Medicare-approved amount for Durable medical equipment (DME).
Hospice Care	<ul style="list-style-type: none">▪ \$0 for hospice care.▪ You may need to pay a copayment of no more than \$5 for each prescription drug and other similar products for pain relief and symptom control while you're at home. In the rare case your drug isn't covered by the hospice benefit, your hospice provider should contact your Medicare drug plan to see if it's covered under Medicare prescription drug coverage (Part D).▪ You may need to pay 5% of the Medicare-approved amount for inpatient respite care.▪ Medicare doesn't cover room and board when you get hospice care in your home or another facility where you live (like a nursing home).
Blood	If hospital gets it from a blood bank at no charge, you have no charge

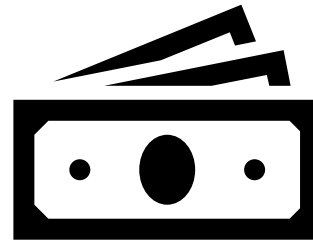


Do I Need to Sign Up for Part A?

Consider:



It's free for most people



You can pay for it if your work history isn't sufficient (there may be a penalty if you delay)



Talk to your benefits administrator if you (or your spouse) are actively working and covered by an employer plan

NOTE: To avoid Internal Revenue Service (IRS) tax penalties, stop contributions to your Health Savings Account (HSA) up to 6 months before Medicare starts.



PART B (Medical Insurance) Covers

PART B helps cover:

- Doctor services
- Outpatient medical and surgical services and supplies
- Clinical lab tests
- Durable Medical Equipment (DME) (like walkers and wheelchairs)
- Diabetic testing supplies and equipment
- Preventive Services (like flu shots and a yearly wellness visit)
- Home health care
- Medically necessary outpatient PT, OT, ST services
- Outpatient mental health care services



2025 Part B Monthly Premiums

- Most people will pay \$185 per month for their Part B premium in 2025
- Premiums may be higher if they didn't choose Part B when they first became eligible or if their income exceeds a certain threshold called IRMAA

» 2025 Part B – What You Pay in Original Medicare

Yearly Deductible	\$257 in 2025
Coinsurance for Part B Services	<ul style="list-style-type: none">▪ 20% for most covered services, like doctor's services and some preventive services, if provider accepts assignment▪ \$0 for most preventive services▪ 20% for outpatient mental health services, and copayments for hospital outpatient services

NOTE: There are programs that may help cover these costs if individuals qualify.



Medigap Policies

- Are sold by private insurance companies
- Fill in gaps in Original Medicare coverage, like copayments, coinsurance and deductibles
- Each standardized Medigap policy under the same plan letter:
 - Must offer the same basic benefits, no matter who sells it
 - May vary in costs
- North Dakota recognizes the federal rule of guaranteed issue for people aging into Medicare, but do not require insurance companies to sell to those under 65.



Medigap Plan Coverage

Medicare Supplement Insurance (Medigap) plans

Benefits	A	B	C	D	F*	G*	K	L	M	N
Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Medicare Part B coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%***
Blood (first 3 pints)	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Part A hospice care coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	100%	100%	50%	75%	100%	100%
Part A deductible		100%	100%	100%	100%	100%	50%	75%	50%	100%
Part B deductible			100%		100%					
Part B excess charges					100%	100%				
Foreign travel emergency (up to plan limits)			80%	80%	80%	80%			80%	80%
							Out-of-pocket limit in 2025**	Out-of-pocket limit in 2025**		
							\$7,220	\$3610		

* Plans F and G also offer a high-deductible plan in some states. With this option, you must pay for Medicare-covered costs (coinsurance, copayments, and deductibles) up to the deductible amount of \$2,870 in 2025 before your policy pays anything. (Plans C and F aren't available to people who were newly eligible for Medicare on or after January 1, 2020.)

** For Plans K and L, after you meet your out-of-pocket yearly limit and your yearly Part B deductible, the Medigap plan pays 100% of covered services for the rest of the calendar year.

*** Plan N pays 100% of the Part B coinsurance, except for a copayment of up to \$20 for some office visits and up to a \$50 copayment for emergency room visits that don't result in inpatient admission.

»» When's the Best Time to Buy a Medigap Policy?

- ➔ Your Medigap Open Enrollment Period begins the month you're 65 or older AND enrolled in Part B for the first time
 - Must also have Medicare Part A to be eligible for Medigap plan
 - 6 month Medigap OEP – gives you guaranteed right to buy a Medigap policy – this cannot be delayed or repeated
 - You have protections – companies MUST sell you a plan if you are in your OEP time frame (Guaranteed Issue)
- ➔ You can also buy a Medigap policy whenever a company agrees to sell you one
 - If later, there may be restrictions and medical underwriting



Medicare Advantage Plans (Part C)

☒ Part A

☒ Part B

Most plans include:

☒ Part D

☒ Some extra benefits

Some plans also include:

☐ Lower out-of-pocket costs

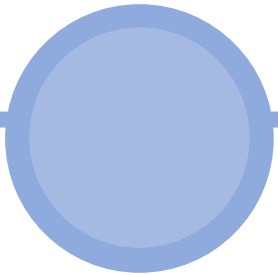


- Another way to get your Medicare Part A (Hospital Insurance) and Part B (Medical Insurance) coverage
- Offered by Medicare approved private companies that must follow rules set by Medicare
- Most Medicare Advantage Plans include drug coverage (Part D)
- In most cases, you'll need to use health care providers who participate in the plans network (some plans offer out-of-network coverage)



How Medicare Advantage Plans Work

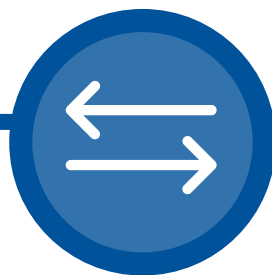
In a Medicare Advantage Plan, you:



Are still in
Medicare with all
**rights and
protections**



Still get **services**
covered by Part A and
Part B



Can't be **charged** more
than Original Medicare
for certain services, like
chemotherapy, dialysis,
and skilled nursing
facility (SNF) care



May choose a plan
that includes **drug
coverage** and/or
extra benefits like
vision, dental or
fitness and
wellness benefits



Can be charged
different **out-of-
pocket costs**



When Can I Enroll in a Medicare Advantage Plan?

What if I have Part A and enroll in Part B during a General Enrollment Period (GEP)?

You can enroll in a Medicare Advantage Plan from January 1–March 31. Coverage begins the following month after you enroll.

If I'm new to Medicare and enroll in a Medicare Advantage Plan, when can I make a change?

Within the first 3 months you have Medicare.

What if I enroll, then change my mind?

You can only make one change to another plan or to Original Medicare during the Medicare Advantage OEP, January 1–March 31. Coverage begins the 1st of the month after the plan gets your request.

Can I enroll during Medicare's yearly Open Enrollment Period (OEP)?

Yes. You can join, switch, or drop your plan during the OEP, October 15–December 7. Coverage begins on January 1.

Will I have a Special Enrollment Period (SEP)?

You might if you move out of your plan's service area, have or lose Medicaid or Extra Help, or move in or out of an institution.



Other Health Plans: Medicare Cost Plans

- ➔ You can join even if you only have Part B
- ➔ If you have Part A and Part B and go to a non-network provider:
 - Your services are covered under Original Medicare
 - You'll pay the Part A and Part B coinsurance and deductibles
- ➔ You can join anytime the plan accepts new members
- ➔ You can leave anytime and return to Original Medicare
- ➔ You can either get your Medicare drug coverage from the Cost Plan (if offered) or you can join a Medicare drug plan



Medicare Drug Coverage (Part D)

- An optional benefit available to all people with Medicare
- Run by private companies that contract with Medicare
- Provided through:
 - Medicare Stand Alone Drug companies
 - Medicare Advantage Plans with drug coverage
 - Some other Medicare health plans



How Part D Works

→ It's optional

- You can choose a plan and join
- May have a lifetime penalty if you join late

→ Plans have formularies (lists of covered drugs), which:

- Must include range of drugs in each category
- Are subject to change – you'll be notified

→ Your out of pocket costs may be less if you use a preferred pharmacy

→ If you have limited income and resources, you may get Extra Help



Part D Late Enrollment Penalty

- ➔ You may have to pay more if you wait to enroll, unless you have:
 - Creditable drug coverage
 - Extra Help
- ➔ You may owe the late penalty if there is a continuous period of 63 days or more after your Initial Enrollment Period in which you go without coverage
- ➔ You'll pay the penalty for as long as you have coverage
 - 1% for each full month eligible and without credible drug coverage
 - Multiply percentage by base beneficiary premium - \$36.78 in 2025
 - Amount changes every year



When to Enroll in a Part D Plan?

Can I join during my 7-month Initial Enrollment Period (IEP)?

Yes. It starts 3 months before the month you turn 65.

Can I sign up, switch, or join during the yearly Open Enrollment Period (OEP)?

Yes. It's from October 15–December 7. Coverage begins January 1.

→ May be able to join at other times

- Medicare Advantage Enrollment Period
- Special Enrollment Period

»» Help for People with Limited Income & Resources





MEDICARE SAVINGS PROGRAM

- Assists individuals with Medicare insurance costs for people with limited monthly income and assets. It may pay for monthly Medicare premiums, annual deductibles and coinsurance costs.
- Administered by the Department of Humans Services
- Limits may change each year



LEVELS OF MSP

→ QMB (Qualified Medicare Beneficiary Program)

- Helps pay for Part A premiums; Part B premiums, deductibles, coins and copays
- 2025 Monthly Income Limit: \$1,325 (Individual); \$1,783 (Married)
- 2025 Resource Limit: \$9,660 (Individual); \$14,470 (Married)
- Medicare providers aren't allowed to bill for services and items Medicare covers including deductibles, coinsurance and copays
- You may get a bill for a small Medicaid copayment, if one applies
- Will also get Extra Help paying for prescription drugs

→ SLMB (Specified Low Income Medicare Beneficiary Program)

- Helps pay for Part B premiums (must have both Part A and Part B)
- 2025 Monthly Income Limit: \$1,585 (Individual); \$2,135 (Married)
- 2025 Resource Limit: \$9,660 (Individual); \$14,470 (Married)
- Will also get Extra Help paying for prescription drugs



LEVELS OF MSP Continued...

→ QI (Qualifying Individual)

- Helps pay Part B premiums (Must have both Part A and Part B)
- 2025 Monthly Income Limit: \$1,781 (Individual); \$2,400 (Married)
- 2025 Resource Limit: \$9,660 (Individual); \$14,470 (Married)
- Must apply each year
- Will also get Extra Help paying for prescription drugs

→ QDWI (Qualifying Disabled Working Individual Program)

- May qualify if have a disability, working and lost Social Security Disability benefits
- Helps pay for Part A only
- 2025 Monthly Income Limit: \$5,302 (Individual); \$7,135 (Married)
- 2025 Resource Limit: \$4,000 (Individual); \$6,000 (Married)



EXTRA HELP

- Federal program that helps pay for some to most of the out-of-pocket costs of Medicare prescription drug coverage
- Also known as Part D Low-Income Subsidy (LIS)
- Helps pay for Part D premiums
- Lowers the cost of prescription drugs
- Gives a SEP (Special Enrollment Period) once per quarter for first nine months of the year to switch between plans
- Eliminates Part D late enrollment penalty if one was accrued
- 2025 Income Limit: \$1,976 (Individual); \$2,664 (Married)
- 2024 Asset Limit: \$17,600 (Individual); \$35,130 (Married)
- 2025 Costs - \$4.90 generic copay; \$12.15 brand name copay



MEDICAID

- Federal and State program that provides health coverage for certain people with limited income and assets
- If someone is eligible for both Medicare and Medicaid they are considered “dually eligible” and can enroll in both
- Medicaid can cover services that Medicare does not like long term care and can also pick up Medicare’s out of pocket costs (deductibles, coinsurances and copayments)



How Medicare works with Medicaid

- ➔ Medicaid provides secondary insurance – For services covered by Medicare and Medicaid, Medicare is the primary payer and Medicaid is payer of last resort.
- ➔ Medicaid can provide premium assistance – In many cases, individuals will be automatically enrolled in a Medicare Savings Program if they are dual covered. If someone is not automatically enrolled in MSP, they may still qualify for one.
- ➔ Medicaid can provide additional cost sharing assistance – Depending on someone's income they may also qualify for the Qualified Medicare Beneficiary (QMB) MSP. If enrolled in QMB, they do not pay Medicare cost sharing (copays, deductibles and coinsurance)
- ➔ If eligible for Medicaid also eligible for prescription drug assistance – Dually eligible individuals are automatically enrolled in the Extra Help program
 - Allows a SEP (Special Enrollment Period) once per quarter during first nine months to switch between plans
 - Eliminates any Part D late enrollment penalty if someone had a penalty

» ND Senior Medicare Patrol (ND SMP)

→ What is SMP?

- A nationwide program that helps seniors prevent, detect & report Medicare fraud.

→ Key Actions:

- Educating seniors on how to spot fraud
- Reporting suspicious activity to authorities

→ Protect Yourself:

- Regularly review your Medicare statements
- Keep your Medicare card and number secure
- **Report any suspicious activities to ND SMP at 1-833-818-0029**





Helpful Resources

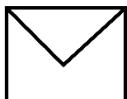
- Medicare - www.medicare.gov
- ND Medicaid – hhs.nd.gov
- Social Security – www.ssa.gov
- Extra Help – ssa.gov/medicare/part-d-extra-help
- Medicare Savings Program – hhs.nd.gov
- MSP Frequently Asked Questions - <https://portal.ct.gov/DSS/Health-And-Home-Care/Medicare-Savings-Program/Medicare-Savings-Program/FAQ>
- Medicare Interactive – www.medicareinteractive.org
- North Dakota Insurance Dept Website – insurance.nd.gov



Contact Us



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