



GREATER NASHVILLE REGIONAL COUNCIL

TENNESSEE STATE HEALTH INSURANCE ASSISTANCE PROGRAM

Medicare Basics

IHS Online

Christine Mather, 10 am, June 18, 2025

Partner Assisting Medicare Beneficiaries



This project was supported by the Administration for Community Living (“ACL”), U.S. Department of Health and Human Services (“HHS”) as part of a financial assistance awards, including SHIP (totaling \$378,089), MIPPA (totaling \$135,847), SMP (grant number 90MPPG0098) with 100 percent of funding by ACL/HHS. The contents are those of the author(s) and do not necessarily represent the official views of, nor an endorsement, by ACL/HHS, or the U.S. Government. The activities of this agency/program [as applicable] are funded in whole or in part by a grant from Tennessee’s State Unit on Aging

What is SHIP?

- SHIP offers **free, unbiased, objective** information on Medicare
- SHIP stands for State Health Insurance Assistance Program.
- States may call their SHIPs different names
- SHIP provides a much-needed tool to negotiate the often confusing maze of Medicare benefits.
- SHIP services are funded through federal grants from the Administration for Community Living (ACL)
- SHIP services are in all 50 states, the District of Columbia, Guam, Puerto Rico, and the U.S. Virgin Islands
- State SHIPs have regional offices and staff (like me at GNRC)
- Counseling is provided with the help of certified volunteers

Ask SHIP for Medicare help

- IHS staff can call or email SHIP counselors in any state with Medicare questions.
- You can refer Medicare beneficiaries to the SHIP in their area.
- SHIP is SHIP in Tennessee, OSHIIP in Ohio, SHINE in Florida, etc.
- You can find information and phone numbers for **all** SHIPs as well as additional resources at www.shiphelp.org



Who SHIP serves

Our Mission is to empower, educate, and assist Medicare-eligible individuals, their families, and caregivers through objective outreach, counseling, and training to make informed health insurance decisions that optimize access to care and benefits.



What is Medicare?

Medicare is a health insurance program for people:

- Age 65 or older
- Under age 65 with certain disabilities
- Any age with End-Stage Renal Disease (ESRD)
- Any age with Lou Gehrig's Disease (ALS)

Medicare is administered by the Centers for Medicare & Medicaid Services

[CMS.gov](https://www.cms.gov)



Why Medicare?

Medicare works with IHS

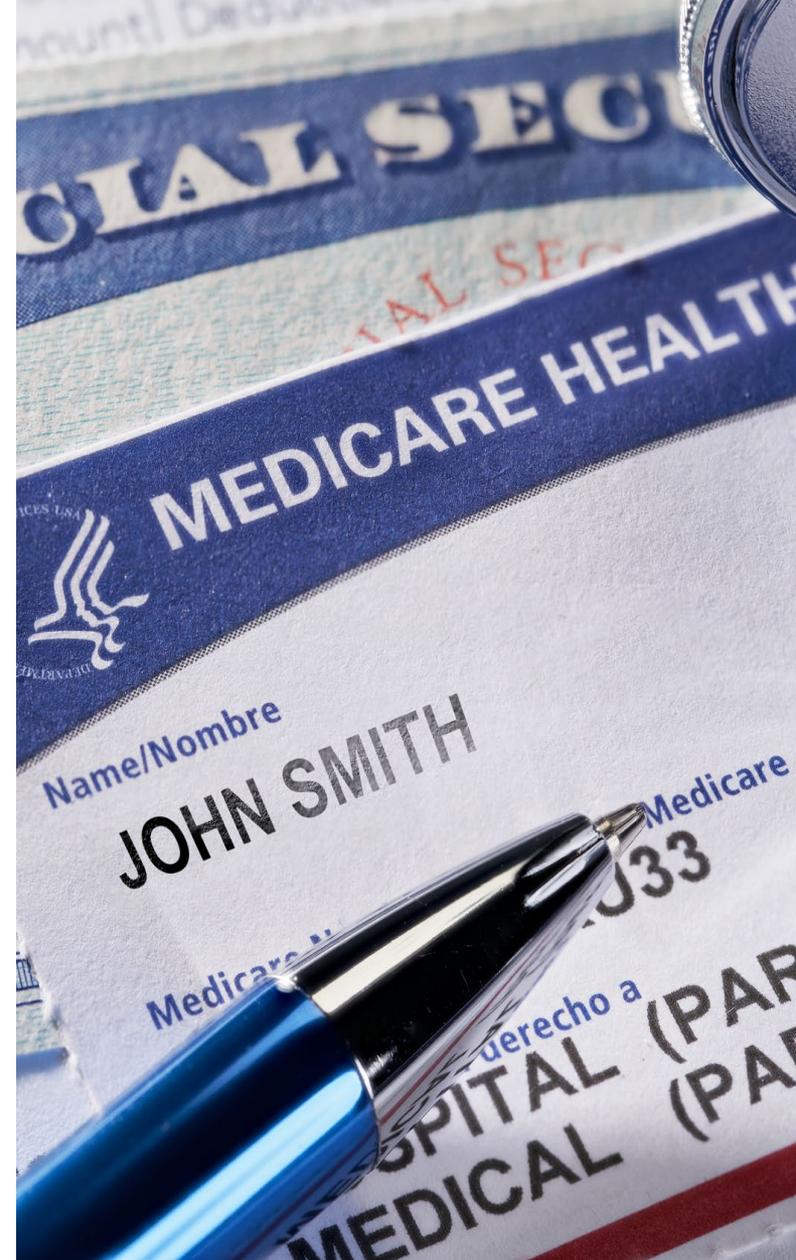
- IHS providers accept Original Medicare
- Medicare may not cost extra (depends on income)

Medicare offers coverage that IHS may not

- Free Preventive care (vaccines, exams, etc)
- Non-IHS Providers accept Medicare
- Advantage Plans may offer additional benefits

Delaying Medicare may cause problems

- IHS is NOT creditable for Medicare Part B
- IHS is creditable for D, but enrollment periods apply.



Initial Enrollment Period

During this seven-month period you may enroll in Part A and/or Part B with NO late enrollment penalties.



Enrollment through the Social Security Administration

Special Enrollment Period (SEP)



You can enroll in Medicare any time after 65 w/ creditable coverage
8-Month period after employer benefits end when you can enroll in:

Usually no late enrollment penalties

- ✓ Part A
- ✓ Part B

During SEP, you can enroll in:

- ✓ Medicare Advantage through Medicare.gov (must have Part A and Part B)
- ✓ Part D (with either A or B) Plan through Medicare.gov must *start* no later than **63 days** from when creditable employer coverage ends
- ✓ You have 6 months from the Part B effective date to buy a Medigap policy (with A & B)

Medicare Enrollment Periods

INITIAL ENROLLMENT

Three months prior to the month they turn 65, the month they turn 65, and three months after the month they turn 65.

Coverage begins:
the 1st of the month of the month they turn 65.

or

the 1st of the previous month if they turn 65 on the first day of the month.

GENERAL ENROLLMENT

January 1 - March 31

If not enrolled during initial enrollment.

Coverage begins **the 1st of the month after the month of enrollment.**

OPEN ENROLLMENT

October 15 - December 7

Allows you to change Part D or Medicare Advantage Plans

Changes effective for January 1st of following year

Original Medicare: What it costs in 2025

Medicare Part A (Hospital Coverage)

- \$0 Premium if you worked 40 quarters and paid into FICA tax
- Deductible \$1,676 per benefit period

Medicare Part B (Medical Coverage)

- \$185 monthly premium if you earn under \$106,000 per year
- Deductible is \$257 for 2025

Medicare Supplemental/Medigap

- Pays Part A deductible and coinsurance and Part B 20% co-insurance
- Cost varies with plan and level of coverage

Medicare Part D (Drugs)

- Average premium is \$36.78 per month
- Copays at the pharmacy when you pick up medications or billed by plan if using Payment Plan option

The Four Parts of Medicare

Medicare A, B, C, D

ORIGINAL MEDICARE (PART A & B)



Part A

Hospital Insurance



Part B

Medical Insurance

MEDICARE ADVANTAGE (PART C)



Part A

Part B



Part D
(Usually)

PRESCRIPTION DRUG COVERAGE (PART D)



Part D

Medicare
prescription drug
coverage

2 Medicare Routes

Option 1: Original Medicare

This includes Part A and/or Part B.



Part A

Hospital Insurance



Part B

Medical Insurance

You can add:



Part D

Medicare prescription drug coverage

You can also add:



Medigap

Medicare Supplement Insurance

Option 2: Medicare Advantage (Part C)

These plans are like HMOs or PPOs and typically include Part D.



Part A

Hospital Insurance



Part B

Medical Insurance



Part D

Medicare prescription drug coverage

Medicare Part A Hospital Coverage

Medicare Part A - Hospital Coverage

- **In-patient** hospital stays
- Skilled nursing care after an **in-patient** stay
- Hospice care
- Blood transfusions

Enrollment through the Social Security Administration

Medicare Part B Medical Coverage

Medicare Part B - Medical Coverage

- Primary Care Services and Specialists
- Outpatient Medical/ Surgical Services & Supplies
- Diagnostic Tests
- Outpatient Therapy
- Outpatient Mental Health Services
- Preventive Services (Screenings, Annual Wellness visits, Vaccines)

Enrollment through the Social Security Administration

Medicare Advantage (Part C)

Medicare Advantage (Part C) Hospital, Medical, and Prescription Coverage

- Medicare Advantage (MA) plans are designed for the relatively healthy who are willing to take part in cost sharing for visits, stays, procedures, etc.
- Plan members must go to network providers for coverage (HMO) or lower costs (PPO)
- Often have lower monthly premiums
- Medicare Advantage plan members still have Medicare and pay the Medicare Part B premium (\$185)

HMO/PPO Based plans

- Provider Networks
- Copays for services
- Some plans offer extra benefits such as: Dental, Vision, Hearing, Fitness Memberships, Discounts on OTC
- These plans do not travel well.

Medicare Advantage Options

HMO

HMO Based plans

- Requires a primary provider
- Referrals for specialists, diagnostic tests and treatments
- Networks can be very limited

HMO POS

- HMO plans that may allow you to get some pre-approved services out-of-network for a higher copayment or coinsurance.

SNP Based plans

- Special HMO plans for very low-income individuals

PPO

PPO Based plans

- You do not have to have a primary provider
- You do not need referrals for specialists, diagnostic tests and treatments
- Ability to see providers outside of your network at higher costs
- This is not the same as having Original Medicare and a Supplement

Medicare Part D

Medicare Part D (Prescription Drug Coverage) is administered by private companies that are approved by Medicare.

Medicare Prescription Drug Plans (PDPs):

You must have Parts A or B and live in the plan's service area

Medicare Advantage Plans with Rx coverage (MA-PDs):

You must have both A and B and live in the plan's service area

For all of these plans you cannot be outside of the US or incarcerated and must be enrolled in a plan to get coverage.

No more coverage gap! Cost for covered drugs now has an annual cap - \$2000 in 2025.

Medigap – Supplementing Medicare

- Supplemental insurance through a **private insurance company**.
- Covers co-insurance, co-pays, Part A deductible.
- Only an option for those on **Original Medicare**, not individuals on a Medicare Advantage plan.

Medigap and Medical Underwriting

- Review of chronic conditions, recent hospitalizations
- Insurance companies can charge higher premiums or deny coverage to you.

Medigap Enrollment period: No medical underwriting for **six months** when you're 65 and first enrolled in Part B (guaranteed issue right). **No** guaranteed issue right for Medigaps during AEP.

How do people decide?

Original Medicare vs. Medicare Advantage

5 factors to consider:

1. What is my personal health history?
2. What is my family's health history?
3. Do I travel?
4. What will my expenses be?
5. What does my IHS cover?

Medicare and Long Term Care

In most cases, Medicare beneficiaries must:

- pay for 100% of their LTC costs or
- get assistance from the Medicaid/TennCare Choices program or their own private LTC insurance.

Exceptions:

When medical care is also needed after a qualifying hospital stay

Some Advantage plans may offer limited home care services

Extra Help

The Low Income Subsidy (LIS) program helps low-income individuals receive “Extra Help” with Medicare Part D prescription drug costs, and is administered through the Social Security Administration.

Part D “Extra Help” Eligibility		
“Extra Help” Income Guidelines		
	Monthly Income	Assets / Resources
Single	\$1,976	\$17,600*
Married	\$2,664	\$35,130*

Gross income must be below 150% of the Federal Poverty Level
*Includes Burial Allowance

LIS helps pay for part D plan premiums, deductibles, and lowers co-pays.

Resources include Stocks, bonds, savings, IRAs, Mutual Funds, etc.

2025 guidelines shown

Medicare Savings Programs

Medicare Savings Programs (MSP) are administered by **Medicaid** and help pay Medicare premiums, deductibles, and co-insurances. There are three different income-based tiers **QMB, SLMB, and QI-1**. **Guidelines differ by state.**

Tennessee guidelines for the TennCare Medicaid MSP shown below. **States differ!**

Qualified Medicare Beneficiary (QMB)			Special Low Income Medicare Beneficiary (SLMB)			Qualified Individual (QI-1)		
QMB Income Guidelines			SLMB Income Guidelines			QI-1 Income Guidelines		
	Monthly Income	Assets / Resources		Monthly Income	Assets / Resources		Monthly Income	Assets / Resources
Single	\$1,325	\$9,960	Single	\$1,585	\$9,960	Single	\$1,781	\$9,960
Married	\$1,783	\$14,470	Married	\$2,135	\$14,470	Married	\$2,400	\$14,470
Gross income must be below 100% of the Federal Poverty Level or less			Gross income must be between 101% and 120% of Federal Poverty Level			Gross income must be between 121% and 135% of Federal Poverty Level. Medicaid recipients are not eligible for QI-1 benefits.		

Important to Know

Part A and B Deferment/Penalty

- Premium Free Part A: **No** penalty.
- Premium Part A: Temporary **10% late enrollment penalty (LEP)** fee assessed for double the years eligible for and not enrolled in Premium Part A.
- Part B: Permanent **10% penalty** fee assessed for every year eligible and did not enroll. IHS is **NOT** creditable coverage for Part B. People with IHS will have a LEP.

Part D Penalty

- Permanent **1% penalty** assessed for every month you were eligible and did not enroll
- IHS **IS** creditable coverage for Part D – no penalty if covered by IHS.

Medicare Number

- Medicare number is no longer someone's Social Security number.
- People can get new Medicare numbers if fraud occurs.

Senior Medicare Patrol (SMP)

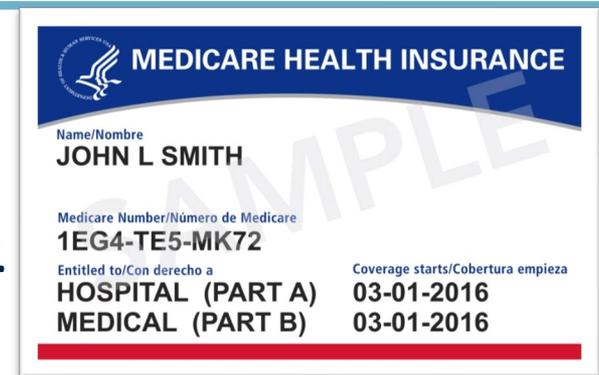
SMP educates Medicare beneficiaries about Medicare Fraud and Medicare Abuse.

Beneficiaries can report Fraud or Abuse to SMP.

Fraud vs. Abuse - The difference is *intent*.

Medicare Fraud is *intentional*. Medicare Abuse is not.

SMP helps everyone watch out for Medicare Scams



TN SMP Hotline: 866-836-7677 | Loni Holloway Hitchcock



Quiz: True or False

1. Medicare Advantage beneficiaries can go to any provider that accepts Medicare.

- A) True
- B) False

2. Medicare fraud and Medicare abuse are the same.

- A) True
- B) False

3. People can have IHS coverage and Medicare.

- A) True
- B) False

4. IHS is creditable coverage for Medicare Part B.

- A) True
- B) False



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Medicare Questions? Call the SHIP Medicare Assistance Hotline: (877) 801-0044



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