



State of Illinois
Illinois Department on Aging



Medicare Basics for State of Illinois Retirees



Presenter:
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Who am I and what is SHIP

- SHIP office specializes in assisting people regarding Medicare

What I'll discuss

- Medicare basics
- How it's different for State of Illinois retirees

Contacts You May Need

Illinois Department of Central Management Services (CMS)

Benefits:

- (800) 442-1300
- (217) 782-2548
- Use option 2, benefits
- <https://www2.illinois.gov/cms/benefits/trail/Pages/default.aspx>

Social Security

- 1-800-772-1213
- www.ssa.gov/onlineservices

Medicare

- 1-800 –Medicare (1-800-633-4227)
- Medicare.gov

Illinois Department on Aging

(800) 252-8966

- Aging.SHIP@illinois.gov <https://www2.illinois.gov/aging/ship>

Medicare Eligibility

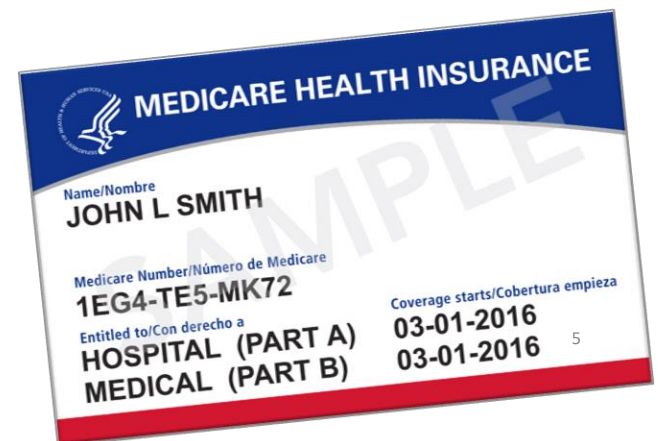
- ☐ People 65 years or older
- ☐ Persons deemed disabled (SSDI/RSDI) by the Social Security Administration
 - become eligible after 24 months
- ☐ End Stage Renal Disease (ESRD)
- ☐ ALS (Lou Gehrig's Disease)



-
- Are a U.S. Citizen; or
 - Legal Resident with 5 years of continuous residence at time of application.

Medicare Enrollment

Social Security retirement and **Medicare** are totally separate programs



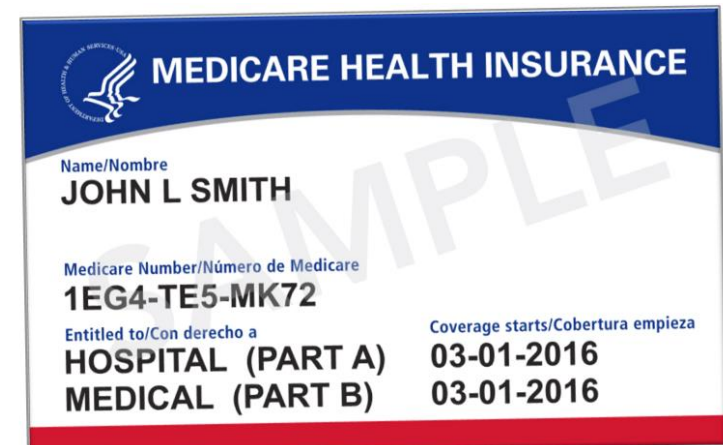
SSA Retirement Versus Medicare

**SSA retirement benefit
as early as age 62**

Can receive SSA retirement as early as age 62	
Full SSA Retirement by Year of Birth	
Year of Birth	Full Retirement Age
1943-1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67



**Medicare eligibility
age is 65**



What Agencies are Responsible for Medicare

Handle Enrollment,
Premiums



Social Security enrolls most people in Medicare



Railroad Retirement Board (RRB) enrolls railroad retirees in Medicare



Federal retirees' premiums are handled by the **Office of Personnel Management (OPM)**

We Handle the Rest

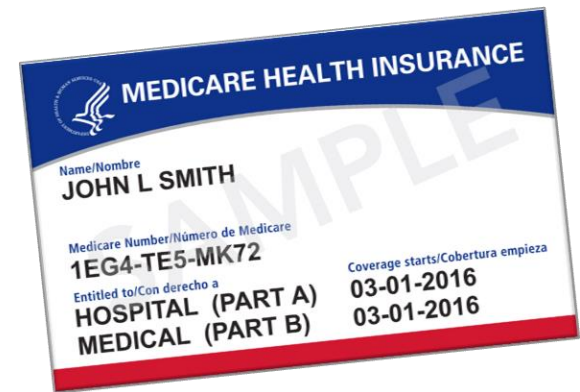


Centers for Medicare & Medicaid Services (CMS) administers the Medicare Program

Automatic Medicare Enrollment

Automatic for those receiving

- Social Security benefits



Initial Enrollment Package

- Mailed 3 months before;
 - 25th month of disability benefits,
or
 - Age 65

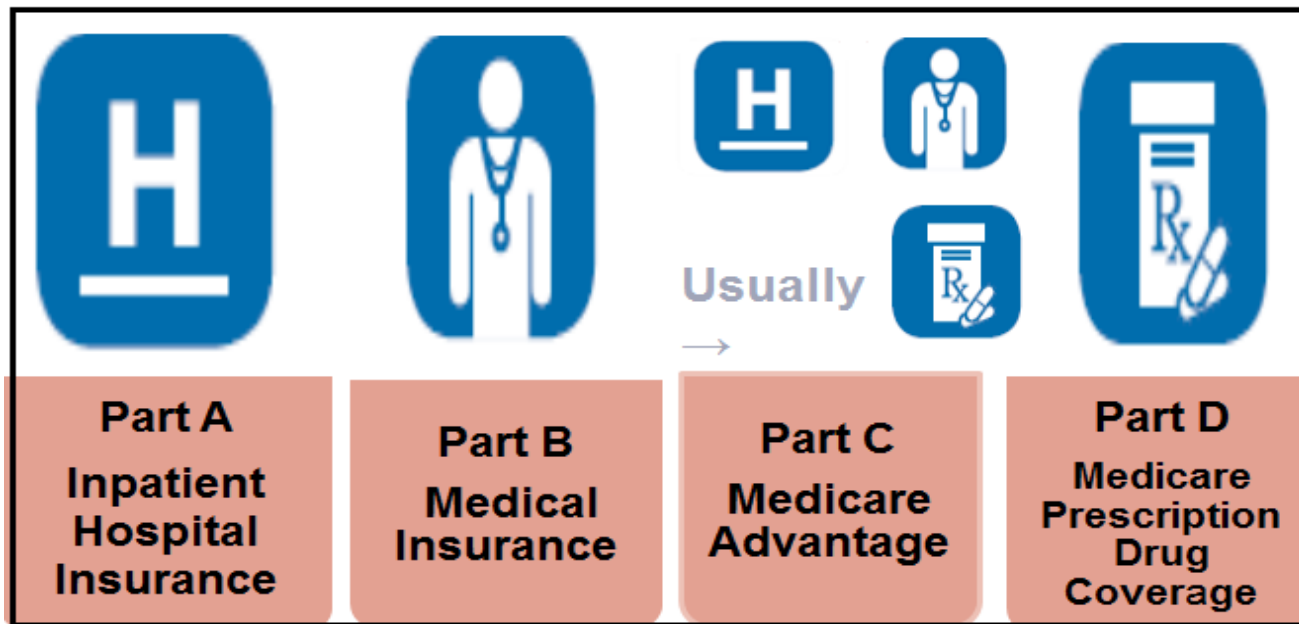


Everyone else must apply via the SSA

Medicare Basics

- ☐ **Part A** – Hospital Insurance
- ☐ **Part B** – Medical Insurance
- ☐ **Part C** – Medicare Advantage – (Managed Care)
 - HMO, PPO, SNP
- ☐ **Part D** – Prescription Drug Coverage

Fee-for-service



2021 Medicare Basic Costs

Monthly Part A and Part B Costs

Part A Costs

Part A Monthly Premium for beneficiaries with 40 quarters of coverage	\$0.00
Part A Monthly Premium for beneficiaries with 30-39 quarters of coverage	\$259.00
Part A Monthly Premium for beneficiaries with less than 30 quarters of coverage	\$471.00

Part B Costs

Part B Monthly Premium	\$148.50
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2021 Medicare Part A

2021 Original Medicare (Part A) Inpatient Hospital Insurance (Without Medigap or Secondary coverage)

Service	Benefit	Medicare Pays	Beneficiary Pays (Per benefit period)
Inpatient Hospitalization Semi-private room and board, general nursing, inpatient drugs and miscellaneous hospital services and supplies (You begin a new Part A benefit period after you have been home for 60 consecutive days.)	First 60 days	All but \$1,484.00	\$1,484.00
	61st to 90th day	All but \$371.00 a day	\$371.00 a day
	Lifetime Reserve Days		
	91st to 150th day (these 60 reserve days may be used only once in your lifetime)	All but \$742.00 a day	\$742.00 a day
	Beyond 150 days	Nothing	All Costs
Skilled Nursing Facility Care (SNF)* (Custodial care not covered)	First 20 days	Full cost of services	Nothing
	21st day through 100th day	All but \$185.50 a day	\$185.50 a day
	Beyond 100 days	Nothing	All costs
Home Health Care (After a prior inpatient hospital stay; up to 100 visits)	Visits limited to medically necessary part-time skilled care of a homebound individual	Full cost of services (See Durable Medical Equipment)	Nothing
Hospice Care Available to terminally ill	Unlimited renewable benefit period	All but limited costs for outpatient drugs and inpatient respite care	\$5.00 for each outpatient prescription drug and 5% of Medicare-approved amount for respite care

*Beneficiary must be hospitalized under Part A inpatient hospital coverage for at least **three consecutive days** for the same illness prior to admission to the Medicare-approved SNF.

Medicare Part B

2021 Original Medicare (Part B): Medical

(Without Medigap or Secondary coverage)

Service	Benefit	Medicare Pays	You Pay
Medical Expenses	Physician's services, some diagnostic tests, physical and speech therapy, ambulance, etc.	80% of approved Amount (after \$203.00 deductible)	\$203.00 deductible* plus 20% of approved amount (plus any charge above approved amount)**
Home Health Care	Visits limited to medically necessary part-time skilled care of a homebound individual	Full cost of services (See Durable Medical Equipment)	Nothing
Outpatient Hospital Services	Medically necessary treatment such as outpatient surgery, diagnostic procedures, emergency room, etc.	A set amount for each specific procedure	Subject to deductible plus copayment or coinsurance for each procedure
Durable Medical Equipment (DME)	Medically necessary equipment and supplies such as walkers, wheelchairs, hospital beds, etc.	80% of approved amount (after \$203.00 deductible)	20% of approved amount plus \$203.00 deductible , plus charges above approved amount unless supplier accepts assignment

* Once you have had \$203.00 of expenses for covered services, the Part B deductible is met for the rest of the calendar year.

** You pay for charges higher than the amount approved by Medicare unless the doctor or supplier agrees to accept Medicare's approved amount as payment in full (accepts assignment). Excess charges for physician services cannot exceed 15% of the Medicare-approved amount.

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**



☒ **Extra benefits**

Some plans also include:

☐ **Lower out-of-pocket costs**

**Any doctor that accepts
Medicare**

**HMO
or
PPO**

Medicare Options

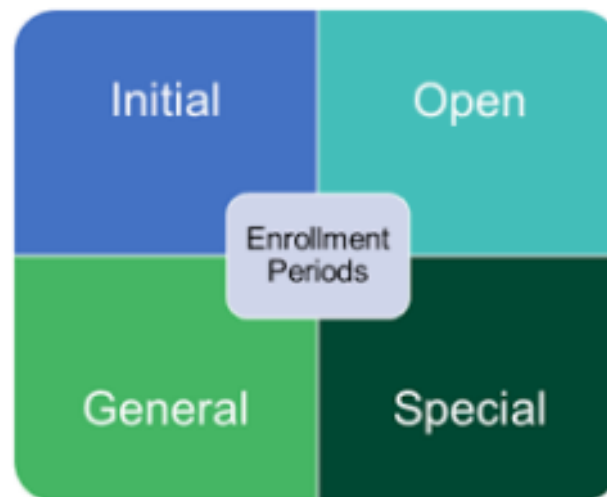
Original Medicare	Medicare Advantage
You can go to any doctor or hospital that takes Medicare , anywhere in the U.S.	In many cases, you'll need to use doctors and other providers who are in the plan's network and service area
In most cases, you don't need a referral to see a specialist.	You may need to get a referral to see a specialist.
For Part B-covered services, you usually pay 20% of the Medicare-approved amount after you meet your deductible. This is called your coinsurance.	Out-of-pocket costs vary —plans may have lower out-of-pocket costs for certain services.

Medicare Options

Original Medicare	Medicare Advantage
You pay a premium (monthly payment) for Part B . If you choose to buy a Medicare drug plan (Part D), you'll pay that premium separately.	You may pay the plan's premium <u>in addition to</u> the monthly Part B premium . (Most plans include drug coverage (Part D)). Plans may have a \$0 premium or may help pay all or part of your Part B premiums.
There's no yearly limit on what you pay out-of-pocket, unless you have supplemental coverage—like Medicare Supplement Insurance (Medigap).	Plans have a yearly limit on what you pay out-of-pocket for Part A- and Part B-covered services. Once you reach your plan's limit, you'll pay nothing for Part A- and Part B-covered services for the rest of the year.
You can get Medigap to help pay your remaining out-of-pocket costs (like your 20% coinsurance). Or you can use coverage from a former employer or union, or Medicaid.	You can't buy and don't need Medigap.

Medicare = Timelines

- ❑ Enrollment and/or Changes in Medicare are limited to certain times.
- ❑ You can't always sign up when you want, so it's important to know when you can enroll in the different parts of Medicare.
- ❑ Medicare has specific types of enrollment periods.

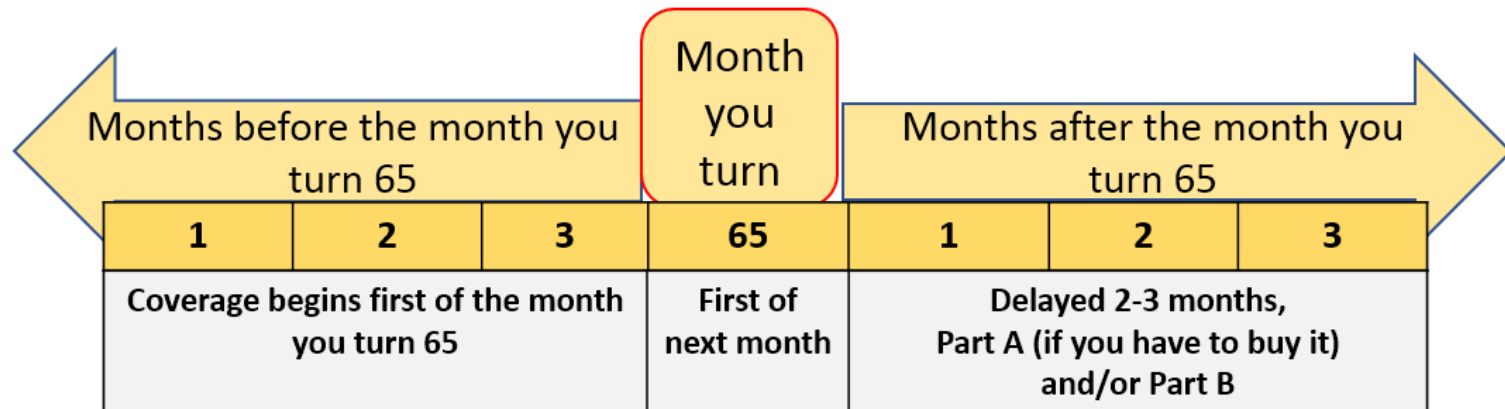


When Can I Sign Up?

Initial Enrollment Period (IEP)

- ❑ The initial enrollment period is a seven-month period when beneficiaries can enroll into Medicare, it is known as the **3-1-3 rule**.
- 3 months prior to the 65th birthday
 - Month of the 65th birthday
 - 3 months after the 65th birthday

7 Month Period



Other Medicare Enrollment Periods

❑ GEP – General Enrollment Period



- Begins **January 1** and ends **March 31** of every year
- Coverage is not effective until July 1 of same year
- **Penalties** for late enrollment usually apply and a delay in coverage occurs

NOTE: If an individual did not enroll in Part B during their Initial Enrollment Period

❑ SEP – Special Enrollment Period

- “Specific and designated circumstances” that allow Medicare beneficiaries to enroll, drop, or change coverage outside of normal enrollment periods

Examples:

- Left active employer group health insurance
- Moved out of the plans service area



Medicare Part B

For higher income individuals			
2021 Part B IRMAA (Income-Related Monthly Adjustment Amount)			
If your 2019 Annual Income is		In 2021 You Pay	
Beneficiaries who file individual tax returns with income:	Beneficiaries who file joint tax returns with income:	Income-related monthly adjustment amount	Total monthly premium amount
Less than or equal to \$88,000	Less than or equal to \$176,000	\$0.00	\$148.50
Greater than \$88,000 and less than or equal to \$111,000	Greater than \$176,000 and less than or equal to \$222,000	59.40	207.90
Greater than \$111,000 and less than or equal to \$138,000	Greater than \$222,000 and less than or equal to \$276,000	148.50	297.00
Greater than \$138,000 and less than or equal to \$165,000	Greater than \$276,000 and less than or equal to \$330,000	237.60	386.10
Greater than \$165,000 and less than \$500,000	Greater than \$330,000 and less than \$750,000	326.70	475.20
Greater than or equal to \$500,000	Greater than or equal to \$750,000	356.40	504.90

Secondary Insurance

Medicare Supplement versus Secondary Insurance

1. A standardized insurance policy, sold by a private insurance company, with coverage **specifically designed to pay the major benefit gaps** in Medicare (deductibles and co-payments, etc.).
2. **Retiree health coverage** (like State of Illinois coverage) pays secondary to Medicare
 - Generally, won't need a Medicare Supplement

What is Medicare Part D

Part D is coverage by private companies, *contracted with Medicare*, to provide prescription drug coverage

- Available to anyone enrolled in Medicare Part A and/or Part B
- Two types of coverage offered:
 - Stand-alone Prescription Drug Plan (**PDP**), or
 - Medicare Advantage Plan (**MA-PD**)
- Plans normally have a monthly premium and a copay or coinsurance for each drug



NOTE:

You are not mandated to get Part D if you have creditable drug coverage from another source (i.e. retiree plan, etc.)

Medicare Part D



For higher income individuals		
2021 Part D IRMAA (Income Related Monthly Adjustment Amount) Based on 2019 income for 2021 amount		
Beneficiaries who file individual tax returns with income:	Beneficiaries who file joint tax returns with income:	Part D income- related monthly adjustment amount
Less than or equal to \$88,000	Less than or equal to \$176,000	\$0.00 + your plan premium
Greater than \$88,000 and less than or equal to \$111,000	Greater than \$176,000 and less than or equal to \$222,000	\$12.30 + your plan premium
Greater than \$111,000 and less than or equal to \$138,000	Greater than \$222,000 and less than or equal to \$276,000	\$31.80 + your plan premium
Greater than \$138,000 and less than or equal to \$165,000	Greater than \$276,000 and less than or equal to \$330,000	\$51.20 + your plan premium

How Medicare is different for State of Illinois Retirees



State of Illinois Retirees

Prior to age 65 coverage

- Yourself and your dependents covered under your health plan
 - Current State health plan

Attainment of age 65

- Yourself and your dependents covered under your health plan
 - Must sign up for Medicare & TRAIL

Total Retiree Advantage Illinois (TRAIL) Program

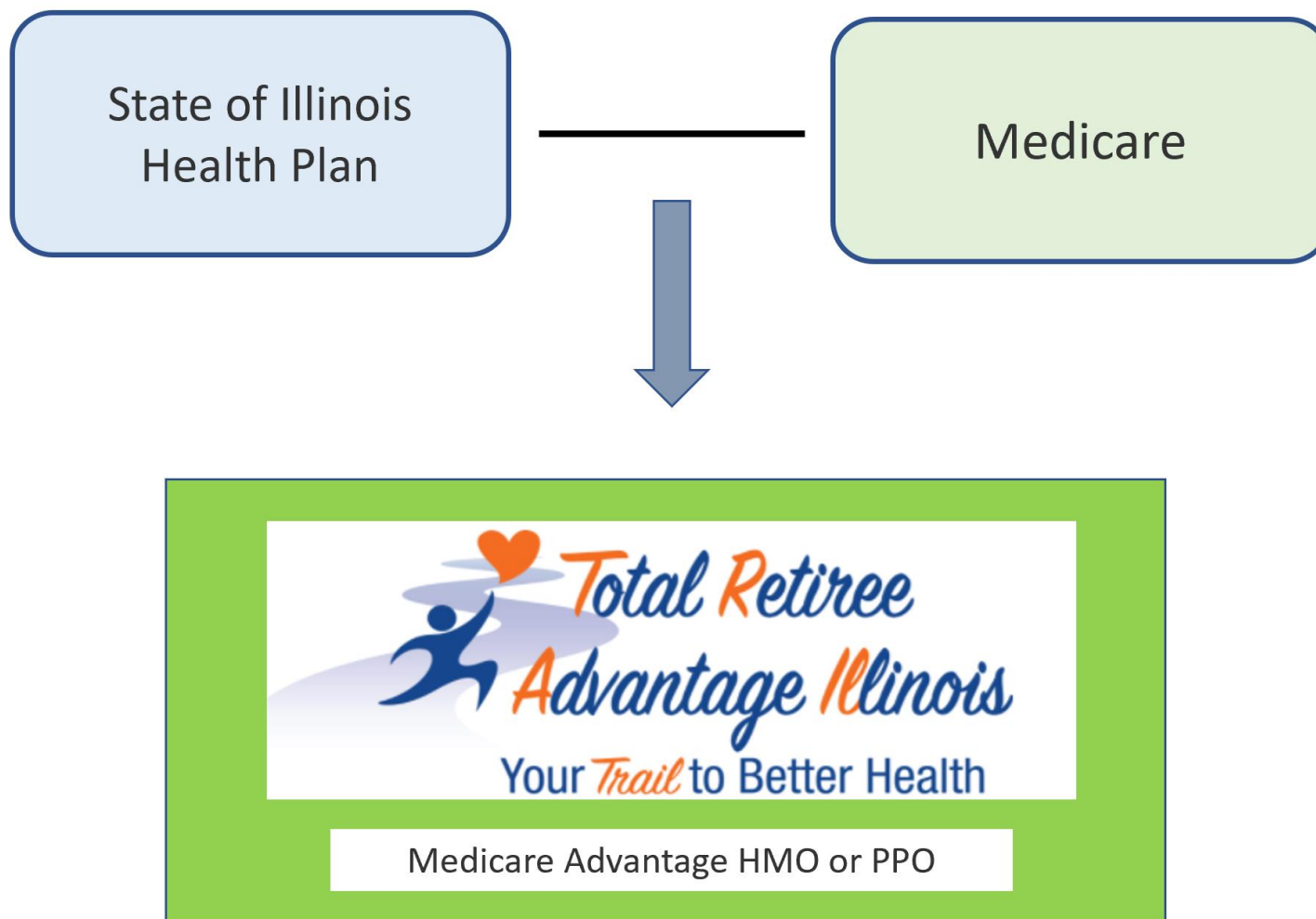


The State of Illinois offers retirees, annuitants and survivors (of the State Employees Group Insurance Program (**SEGIP**), The Teachers' Retirement Insurance Program (**TRIP**) and the College Insurance Program (**CIP**) a healthcare program called ***Total Retiree Advantage Illinois (TRAIL)***.

This program provides Medicare-eligible members and their covered dependents comprehensive medical and prescription drug coverage through TRAIL Medicare Advantage Prescription Drug (**commonly referred to as "MAPD"**) plans.

It's a special contract between State of Illinois health plans & Medicare

Total Retiree Advantage Illinois (TRAIL) Program



It's a special contract between State of Illinois health plans & Medicare

Total Retiree Advantage Illinois (TRAIL) Program

College Insurance Program (CIP) Medicare Retirees and Survivors

This program provides *medical, prescription, vision and dental* insurance benefits for annuitants receiving a monthly benefit or annuity from the State Universities Retirement System (SURS) who prior to retiring, were an *employee of an Illinois community college*

State of Illinois Employees' Group Insurance Program (SEGIP) Medicare Retirees and Survivors

This program provides medical, prescription, vision, dental and life insurance benefits for certain former elected state officials and the employees under their jurisdiction, as well as *retirees, annuitants and survivors of prior employees of state agencies, boards, commissions and universities.*

Teachers' Retirement Insurance Program (TRIP) Medicare Retirees and Survivors

This program provides medical and prescription insurance benefits for annuitants receiving a monthly benefit or annuity from the Teachers' Retirement System (TRS) who prior to retiring, were an *employee of an Illinois school district.*

Total Retiree Advantage Illinois (**TRAIL**) Program

When can/should I sign up?

For members who are Newly-Eligible for Medicare, you will have two opportunities for enrollment:

- **Initial Enrollment (IE)**: which is offered to all Medicare-eligible retirees and their Medicare-eligible dependents within 60-days of the 65th birthday (of the youngest enrollee). Initial enrollment is a one-time offering.
- **Open Enrollment (OE)**: an annual enrollment period held in the fall of each year. This enrollment period is open for Medicare-eligible retirees, survivors and their dependents to change their elections, or for anyone who previously waived or cancelled coverage to re-enroll.

Total Retiree Advantage Illinois (TRAIL) Program

IMPORTANT

Once all members covered under your health plan, become Medicare eligible, remaining in your current retiree health plan is not an option.

- ❑ If you do not complete the online enrollment process or call the MyBenefits Service Center by your enrollment deadline, the State will assume you do not want your TRAIL MAPD health insurance and will terminate your State of Illinois medical and prescription drug coverage

Total Retiree Advantage Illinois (TRAIL) Program

To be eligible for coverage under a Total Retiree Advantage Illinois Medicare Advantage Prescription Drug (MAPD) plan, you and your eligible dependents must:

- Live in the United States or the U.S. Territories, **AND**
- Be retired and enrolled in Medicare Parts A and B, due to age or disability.

During both opportunities for enrollment (IE & OE), retirees and survivors eligible for the TRAIL MAPD Program will receive a **Decision Guide** in the mail, notifying them of their eligibility and the requirement to enroll, or waive coverage, during the TRAIL MAPD Open Enrollment Period.

How to Sign Up or See Benefit Options

MyBenefits Service Center

The State of Illinois offers a web-based online enrollment platform entitled [MyBenefits Service Center](#).

- All plans administered by the State of Illinois, including the State Employees Group Insurance Program (SEGIP), the College Insurance Program (CIP), the Teachers' Retirement Insurance Program (TRIP) and the Local Government Health Plan (LGHP) can utilize this enrollment platform
- You also have the option to call a customer service representative for further assistance or enrollment over the phone, Monday through Friday, 8 a.m. - 6 p.m. CST at [844-251-1777](tel:844-251-1777) or TTY at 844-251-1778.

State of Illinois

Illinois Department of Central Management Services (CMS)

Benefits:

800-442-1300

217-782-2548

Option 1 Premium Collections

Option 2 Group Insurance

Option 1 Benefits & Claim Support

Option 2 Medicare Coordination of Benefits

Option 3 Transactions & Eligibility

TRAIL Medicare Advantage with Prescription Drugs (MAPD)



Example



Member Turning Age 65

January 04, 2021

MARY

BLOOMINGTON, IL 61704-8225

Dear MARY

Member Birth Date: April 03, 1956

Our records indicate you will soon reach the age of 65; therefore, you are eligible to apply for Medicare insurance benefits. Medicare is a federal insurance program separated into Part A (Hospital care) and Part B (Medical care). Part A is premium-free, if Medicare taxes were deducted from your earnings. Part B requires a monthly premium, regardless of Medicare tax contribution.

Retired members who are **eligible** to enroll in Medicare Parts A and B **are required to enroll** in a TRAIL Medicare Advantage Prescription Drug (MAPD) Program, if:

- you do not insure dependents, **OR**
- you cover a dependent(s) also enrolled in Medicare Parts A and B

If you meet the requirement listed above, begin to watch your mail for additional enrollment information approximately 60 days prior to **April**.



TRAIL Medicare Advantage with Prescription Drugs (MAPD)

1

You are required to complete your enrollment in Medicare Part A and B now. You must also provide CMS Medicare COB Unit proof of your Medicare eligibility in order to determine your insurance options. Refer to the attached Medicare Checklist for information on when to apply for Medicare benefits, how to provide the required information and how to enroll in a TRAIL MAPD plan on a timely basis. If you are deemed eligible, failure to elect a TRAIL MAPD plan by August WILL result in loss of your State insurance coverage.

2

If you decide to waive your State insurance coverage you may waive by electing the waive option in the online enrollment or by contacting the MyBenefits Service Center at (844)251-1777. The waive of your coverage will be effective the first day of the month following the date you notify MyBenefits or the date you become Medicare eligible, whichever is later.

If you have any questions about the Medicare requirement, please call your Retirement System or the CMS Medicare COB Unit. All other questions related to the TRAIL MAPD Program should be referred to the MyBenefits Service Center at (844)251-1777 or by visiting the website at MyBenefits.illinois.gov.

Contact Information:

CMS Group Insurance
Medicare COB Unit
(800)442-1300

Or you may email or fax your Medicare card to:
Email: cms.ben.medicarecob@illinois.gov
Fax: (217)557-3973

State Employees' Retirement System
2101 South Veterans' Parkway
PO Box 19255
Springfield, IL 62794-9253
(217)785-7444
(866)321-7625 (TDD/TTY)

TRAIL Medicare Advantage with Prescription Drugs (MAPD)

Page 2



Medicare Checklist

3 Months Before Your 65th Birth Month

- ☐ Contact the Social Security Administration (SSA) and apply for Medicare Parts A and B online by visiting www.ssa.gov/benefits/medicare or by phone at (800) 772-1213. Use the chart to the right to know when to apply.
- ☐ Establish how your Medicare Part B premium will be paid to SSA. This premium is separate from MAPD premium and cannot be deducted from your monthly pension/benefit check.

If SSA determines that you are not eligible for Medicare coverage:

- ☐ Request a statement of Medicare ineligibility from SSA to submit to your Retirement System

Birth Month	Month to Apply for Medicare
January	October
February	November
March	December
April	January
May	February
June	March
July	April
August	May
September	June
October	July
November	August
December	September

TRAIL Medicare Advantage with Prescription Drugs (MAPD)

2 Months Before Your 65th Birth Month*

- ☐ **Receive** your Medicare Card or Statement of Medicare Ineligibility from SSA.
- ☐ Make a legible copy of the front side of your Medicare card or ineligibility statement and **send it to CMS Medicare COB**

***IMPORTANT:** If your birthdate is on the 1st of any month, you must elect coverage 2 months before your 65th birth month to avoid an interruption in coverage. See below on how to complete the enrollment process.

1 Month Before Your 65th Birth Month

- ☐ **Review** the TRAIL Medicare Advantage Initial Enrollment Guide mailed to you from the State of Illinois Department of Central Management Services and MyBenefits. You can also review the materials online at [MyBenefits.illinois.gov](https://mybenefits.illinois.gov), just click on the TRAIL MAPD Enrollment Information tile located on the home page.
- ☐ **Review** the TRAIL Medicare Advantage Enrollment materials mailed to you from the TRAIL insurance carriers available in your residential area.
- ☐ **Choose a TRAIL MAPD plan.** You may elect your plan by visiting the website at [MyBenefits.illinois.gov](https://mybenefits.illinois.gov) or by contacting the MyBenefits Service Center at (844) 251-1777.

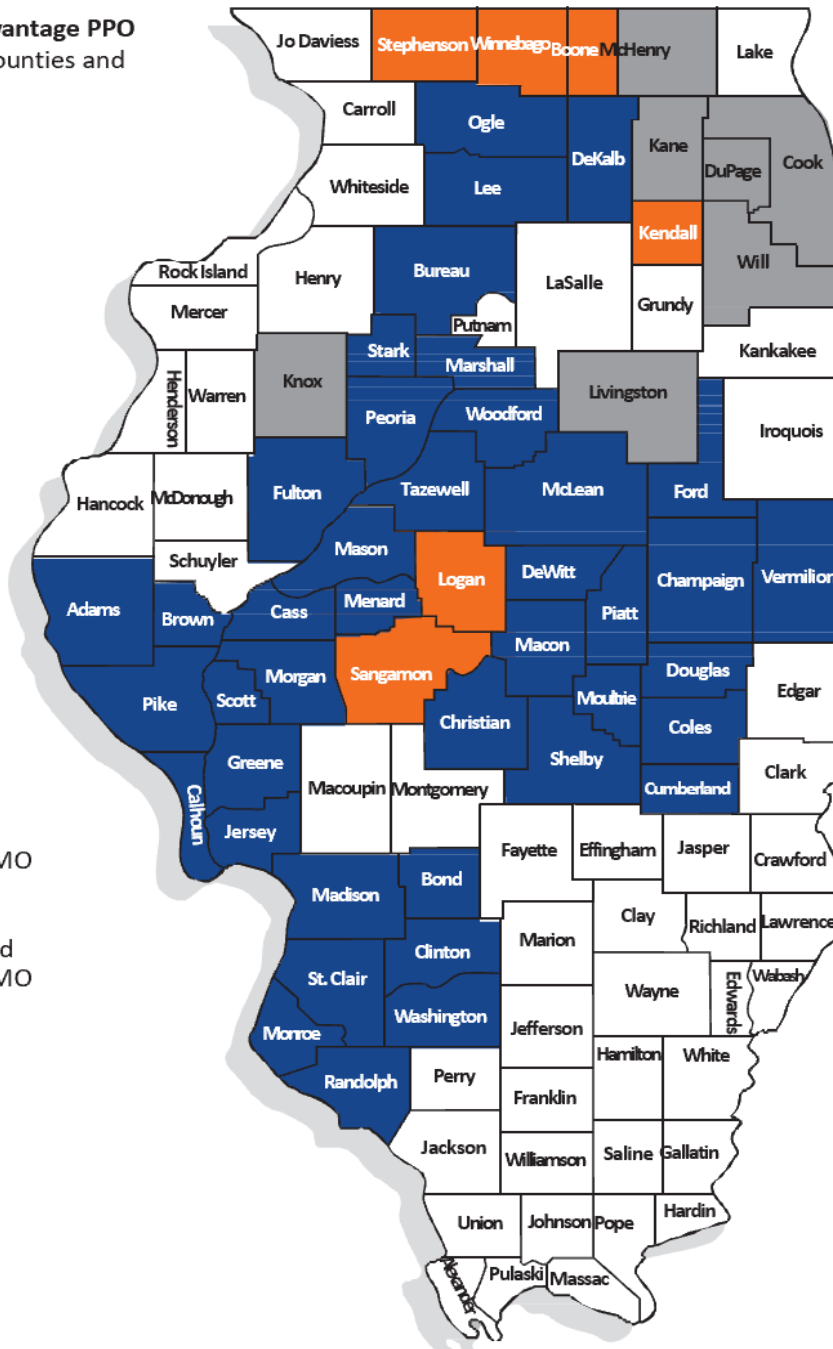
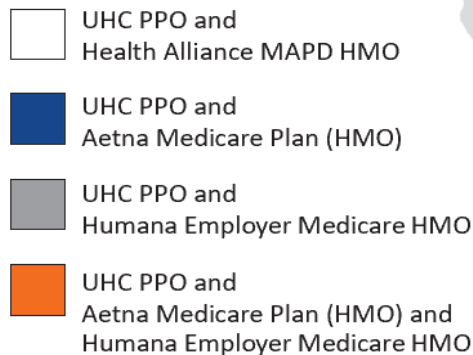
Note: You are required to complete your TRAIL MAPD enrollment. Your current coverage will be terminated as of the date you reach Medicare eligibility.

The UnitedHealthcare Medicare Advantage PPO (UHC PPO) is available in all Illinois counties and throughout the U.S.

Example:

Plan choices by County

UnitedHealthcare PPO,
Aetna Medicare Plan (HMO),
Health Alliance MAPD HMO and
the Humana Employer Medicare
HMO availability is indicated by
the key below:



Example:

Plan choices by County

Total Retiree Advantage Illinois (TRAIL) Program

Total Retiree Advantage Illinois (TRAIL) Program

May waive State healthcare coverage.

Waiving coverage will **terminate** your State medical, prescription and vision coverage.

- Your current dental coverage (if enrolled) and life insurance coverage will remain in effect.
- Members electing to waive coverage, may cancel their dental coverage only during your TRAIL MAPD Enrollment Period.

Total Retiree Advantage Illinois (TRAIL) Program

Note: Members who are currently-enrolled in TRAIL MAPD, and wish to keep your coverage as is, you do not need to do anything during the Open Enrollment Period.

However, if you want to make a change to your current TRAIL MAPD coverage for the upcoming plan year, you may complete your changes online at MyBenefits.illinois.gov or contact [MyBenefits \(toll-free\) 844-251-1777](tel:844-251-1777) during the Open Enrollment Period in mid-October through mid-November.

Note:

No TRAIL elections are allowed to be made prior to the October 15, or after November 15 during the TRAIL Open Enrollment Period.

Total Retiree Advantage Illinois (TRAIL) Program

IMPORTANT

Do not let someone talk you into signing up for another Medicare product (Medicare Advantage plan or Part D drug plan)

- Doing so will automatically terminate your State of Illinois medical coverage
- All changes will be through TRAIL
 - Regular Medicare enrollment periods, like your friends or family have, will not apply

Total Retiree Advantage Illinois (TRAIL) Program

Illinois Central Management Services (CMS) Video Presentation on TRAIL (use link below)

<https://multimedia.illinois.gov/cms/CMS-TRAIL-Enrollment-2021.html>

An Informational Virtual TRAIL MAPD Enrollment seminar is available to give Medicare eligible retirees and survivors an opportunity to learn about the Total Retiree Advantage Illinois (TRAIL)



Contact Information

Illinois Department of Central Management Services (CMS)

Benefits:

(800) 442-1300

(217) 782-2548

Use option 2, benefits

Social Security

- 1-800-772-1213
- www.ssa.gov/online services
- www.ssa.gov/locator



Medicare

- 1-800 –Medicare (1-800-633-4227)
- Medicare.gov

Illinois Department on Aging

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