

Informational Update Vol 15 #7 July 28, 2024

1. Basics of Medicare

When I first went on Medicare, I admit my knowledge of it was quite limited. I knew very little about the various parts of Medicare. What I did know was that Medicare, passed into law in 1965, was a universal health insurance plan that would give me peace of mind in the event I needed to see doctors. Since that time, I learned a great deal about it and have used that knowledge to advise and inform our Medicare-eligible members.

This year we can expect a lot of members to become Medicare-eligible. My experience has shown that many in this group, as well as long-time Medicare-eligible members, were like me initially: unfamiliar with how Medicare works. Consequently, I decided to write about Medicare, giving just the basics at this time.

Medicare is a federal health insurance program in the United States, primarily designed for individuals aged 65 and older, but also available to certain younger people with disabilities and those with End-Stage Renal Disease.

Medicare is divided into four parts: A, B, C, and D.

Part A (Hospital Insurance) – for most people, the premium is \$0

- **Inpatient Hospital Care.** If a doctor has you admitted to a hospital, Part A covers you completely for the first 60 days, partially for the days 31 - 90, and not at all beyond 90. The good news is that the CSA Welfare Fund covers you completely (except for a \$300 deductible, which the CSA Welfare Fund partially covers) for 360 days.

- **Skilled Nursing Facility (SNF) Care.** After a 3 or more day stay in a hospital, you may be sent to a SNF for additional services, which include rehab, administering medicine or changing bandages. Part A covers days 1-20 in full & partially from days 21–100. You pay full after that. Again, there is good news: BlueCross BlueShield covers days 21–100 in full. Unfortunately, you pay in full beyond 100 days.

- Hospice Care. Part A will cover hospice care if a provider certifies the need for such services.

- Home Healthcare. Part A may cover home healthcare if you need skilled care and are home bound. Skilled care generally requires a licensed or medical person to carry out the services.

Part B (Medical Insurance) – covers doctors' services, outpatient care, medical supplies, and preventive services. Part B requires a monthly premium, which can vary based on income. Once again, we have good news: the city reimburses the premium in full.

Part C (Medicare Advantage) – is an alternative to Original Medicare (Parts A & B) that is offered by private insurance companies. These companies must be approved by Medicare. Advantage plans can have different rules, costs, and coverage restrictions compared to Original Medicare.

Part D – helps to cover the cost of prescription drugs and vaccines. Part D plans are offered by private insurance companies approved by Medicare and have separate premiums. For Medicare-eligible members the premium is covered by the High Option Rider, which costs \$120 per month per person, \$240 per family. This amount is deducted from the pension check. Some Medicare-eligible members also pay an additional amount (IRMAA) depending on their income. Unfortunately, the Part D premium is not reimbursable.

Navigating Medicare can be very daunting due to the various parts and coverage options. Fortunately, there are lots of resources you can consult for further information.

2. Question of the Month

Q. I want to apply for 2023 IRMAA but misplaced my 2022 benefit verification SSA letter. How can I get a copy?

A. There are three ways: 1) visit your local Social Security office and request the SSA letter 2) call SSA and ask them to mail you the letter, OR 3) download a copy from the SSA website, www.SSA.gov. This will require your having an online SSA account. If you don't have an account, you can open one on the SSA website by just following the prompts.