



MEDICARE 101

Transit Employees Health & Welfare (TEHW)

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Understanding the basics of Medicare



What is Medicare?

- Medicare is a federally funded health insurance program.
- Medicare was established in 1965.
- Medicare is administered by the Centers for Medicare & Medicaid Services (CMS).
- Medicare includes 4 parts:



PART A
Hospital Insurance



PART B
Medical Insurance



PART C
(Medicare Advantage)
Includes Part A, B
and usually D



PART D
Prescription
Drug Coverage

Original Medicare

Who can join Medicare?

You're eligible to join Medicare if:



You're 65 or older



You have end-stage renal (kidney) disease (ESRD)



You're under 65, but live with a disability

- Must be eligible for Social Security disability
- Requires a 2-year waiting period

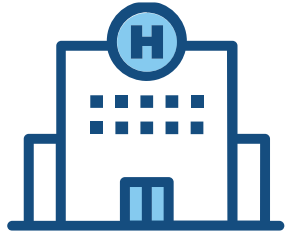


You have amyotrophic lateral sclerosis (ALS)



U.S. citizen or a permanent legal resident who has lived in the United States for at least five years





Part A: Hospital Insurance

What it does:

- Gives you coverage for inpatient hospital care
- Also covers skilled nursing care, hospice care, and home health care

What it costs:

- Most won't have to pay a premium for Part A. To make sure you qualify for premium-free Part A, contact Social Security.
- If you worked less than 10 years, there is a monthly premium up to \$506*, your monthly premium is set by a Medicare formula.

* Amount is for 2023



Part B: Medical Insurance

What it does:

- Helps cover doctors' and other health care providers' services, like lab and radiology
- Outpatient care, durable medical equipment, dialysis, and some preventive care services are also covered

What it costs:

- Your monthly premium is usually deducted from your Social Security or Railroad Retirement Board check.
- Late enrollment penalty (LEP):
 - Your premium increases 10% for each 12-month period that you decline coverage.
 - Not a one-time penalty **but continues throughout enrollment.**
 - Not imposed if you continue to work for — and get your health coverage from — an employer or trust fund of 20 or more.
(You have up to 8 months after your employment ends to enroll.)



Part B: Medical Insurance

2023 Medicare Part B Monthly Premiums*

Your yearly income†		You pay	Your yearly income†		You pay
Single-Standard‡ Married couple-standard‡	\$97,000 or less \$194,000 or less	\$164.90‡	If you're married but file a tax return separately from your spouse		
Single Married couple	\$97,001 - \$123,000 \$194,001 - \$246,000	\$230.80	\$97,000 – or less Standard‡	\$164.90‡	
Single Married couple	\$123,001 - \$153,000 \$246,001 - \$306,000	\$329.70	\$97,001 – less than \$403,000	\$527.50	
Single Married couple	\$153,001 - \$183,000 \$306,001 - \$366,000	\$428.60	Greater than or equal to \$403,000	\$560.50	
Single Married couple	\$183,001 - \$500,000 \$366,001 - \$750,000	\$527.50			
Single Married couple	Above \$500,000 Above \$750,000	\$560.50			

†Modified adjusted gross income as reported on your 2021 IRS tax return.
‡You will pay this Standard amount if you 1) enroll in Part B for the first time in 2023, 2) do not get Social Security benefits, 3) are directly billed for your Part B premiums. See [medicare.gov](https://www.medicare.gov) for complete details.

*Note: The above dollar amounts are for 2023 and may change in 2024.



Part A & B: Enrolling in Medicare When First Eligible

Initial Enrollment Period

- If you're already getting benefits from Social Security, you'll be automatically enrolled in both Part A and Part B starting the first day of the month you turn 65.
- If you **do not** get benefits from Social Security, you'll need to contact Social Security.
- You can enroll over a 7-month period, which starts 3 months before your 65th birthday, known as the **Initial Enrollment Period**.
- You may be able to enroll online at **[socialsecurity.gov](https://www.socialsecurity.gov)**.



Note: Completing the application form and submitting it doesn't automatically enroll you in Medicare Part B. Social Security must first determine if you're eligible.



Part A & B: Late Enrollment Into Medicare

General Enrollment Period

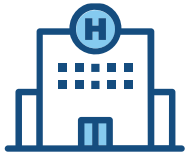
- If you do not sign up for Part A and Part B when you're first eligible, you can sign up between January 1 and March 31 each year. Beginning January 1, 2023, when you sign up during this period, your coverage starts the first day of the month after you sign up.



Special Enrollment Period

- Triggered by certain events, such as loss of employment or retirement, that allow you to enroll in Medicare or change plans.

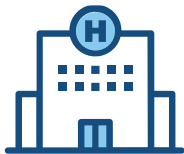
Note: Completing the application form and submitting it doesn't automatically enroll you in Medicare Part B. Social Security must first determine if you're eligible.



Part C: Medicare Coverage Options

Here are some ways you can get Medicare coverage:

- You get an Original Medicare Plan through the Centers for Medicare & Medicaid Services (CMS).
 - You can supplement Original Medicare by enrolling in a MediGap Plan. Premiums for these plans are not covered.
(Note: Kaiser Permanente does not offer MediGap plans.)
- You can sign up for a Medicare Advantage Plan, known as Medicare Part C, through private insurance companies.



Part C: Medicare Advantage

What it does:

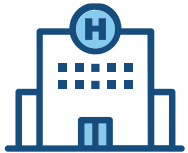
- Combines your benefits from Parts A, B, and sometimes D (prescription drug coverage) in a single plan and are an alternative to Original Medicare*
- Services under a network of providers that you must use for care

What it costs:

- Medicare pays an amount for your coverage each month to private health plans.
- Some plans have additional monthly premiums; in many plans, you pay a copay for covered services.
- If you choose an out-of-network provider, you'll be financially responsible, except in the case of an emergency or urgent care.**

*Except care for some clinical research and hospice care (Original Medicare covers hospice care even if you're in a Medicare Advantage Plan).

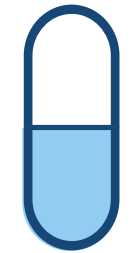
**Out-of-network/non-contracted providers are under no obligation to treat Plan members, except in emergency situations. Please call our customer service number or see your Evidence of Coverage for more information, including the cost-sharing that applies to out-of-network services.



Part C: Medicare Advantage

Types of Medicare Advantage plans:

- Health maintenance organization (HMO) plans
- Point-of-service (HMO-POS) plans
- Preferred provider organization (PPO) plans
- Private fee-for-service (PFFS) plans
- Medical savings account (MSA) plans



Part D: Prescription Drug Coverage

What it does:

- Covers outpatient prescription drugs

To enroll:

- You have two ways of enrolling in Part D:
 1. Through an individual or employer/union Group Medicare Advantage (Part C) plan that includes Part D prescription drug coverage.
 2. A stand-alone Prescription Drug Plan that offers prescription drug coverage only.

Unlike with Parts A and B, you **sign up for Part D directly** with your plan. Part D is not directly offered by Medicare or Social Security.



Part D: Prescription Drug Coverage

Medicare Part D Income Related Monthly Adjustment Amount (IRMAA)

The Part D higher-income premium is in addition to the annual Part B premium adjustment and is determined according to formulas set by federal law.

Based on your 2021 yearly income, your 2023 Part D monthly cost is:

File individual tax return	File joint tax return	In 2023, you pay monthly
\$97,000 or less	\$194,000 or less	No Part D IRMAA Premium
\$97,001 to \$123,000	\$194,001 to \$246,000	\$12.20
\$123,001 to \$153,000	\$246,001 to \$306,000	\$31.50
\$153,001 to \$183,000	\$306,001 to \$366,000	\$50.70
\$183,001 to \$500,000	\$366,001 to \$750,000	\$70.00
above \$500,000	above \$750,000	\$76.40

These amounts may change yearly.

Medicare's Extra Help Program: Low-Income Subsidy

- For Medicare beneficiaries with limited income and resources
- Provides extra help with Part D premiums and outpatient drug copays
 - Degree of help depends on income and resources
- Additional facts about extra help:
 - Apply at Social Security or state Medicaid office
 - Administered by your plan, for CMS
 - You must be enrolled in a Part D plan to get help



High Medicare Star Quality Ratings You Can Depend On*

Kaiser Permanente region	Star rating*
California	★★★★★
Colorado	★★★★★
Georgia	★★★★★
Hawaii	★★★★★
Mid-Atlantic States (MD, VA, D.C.)	★★★★★
Northwest (OR, SW Washington)	★★★★
Kaiser Permanente Washington	★★★★☆

Check out our highly rated* 2023 Medicare health plans at kp.org/medicarestars.

*Every year, Medicare evaluates plans based on a 5-star rating system.

Kaiser Permanente Medicare health plan

- Kaiser Permanente Medicare health plan is a Medicare Advantage plan for people with Medicare.
- Kaiser Permanente Medicare health plan provides services covered by Medicare (including Medicare Part D prescription drug coverage).
- As a Kaiser Permanente Medicare health plan member, you get your Medicare benefits through Kaiser Permanente.
- The Medicare program pays Kaiser Permanente to manage health care for people with Medicare (our Kaiser Permanente Medicare health plan members).



Contact Information

If you have questions about the TEHW Kaiser Permanente Medicare health plan, contact your HR Benefits Department.

Kaiser Permanente Member Services: 1-800-443-0815 (TTY 711)

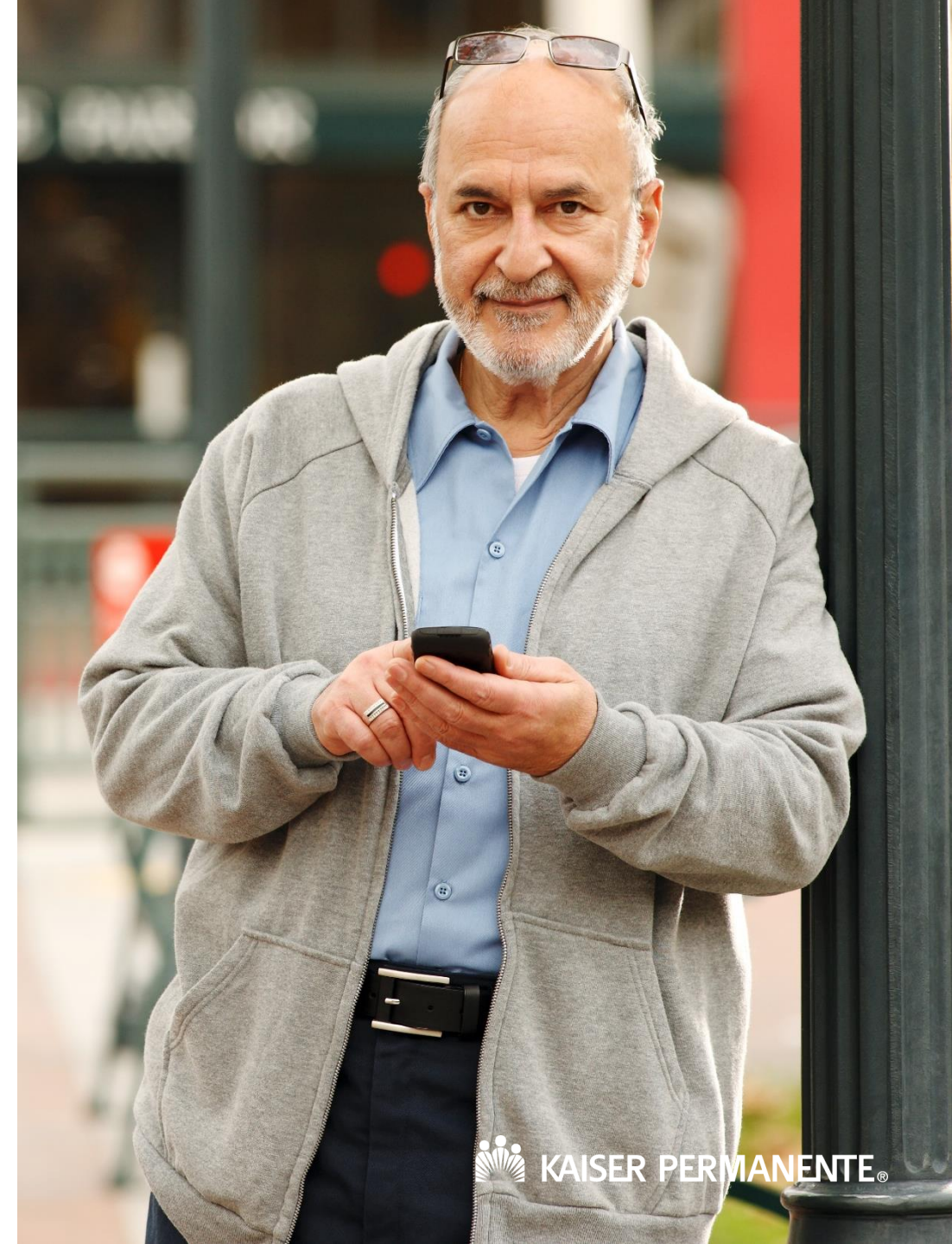
7 days a week, 8 a.m. to 8 p.m.

Social Security: 1-800-772-1213 (TTY 1-800-325-0778)

Monday through Friday, 8 a.m. to 7 p.m.

Medicare: 1-800-MEDICARE (1-800-633-4227) TTY 1-877-486-2048

24 hours a day, 7 days a week.



Questions?

Kaiser Permanente is an HMO plan with a Medicare contract. Enrollment in Kaiser Permanente depends on contract renewal. You must reside in the Kaiser Permanente Medicare health plan service area in which you enroll.