



**Thank you all for joining  
Understanding Medicare Basics.  
We'll be starting shortly.**



***INSURANCE TRUST***  

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*for Delta Retirees*

# **Understanding Medicare Basics**



## *Introducing* **Robert McFillin**

Robert McFillin has over 20 years of experience across Group Health and Government programs. His expertise in retiree health transitions has given him the opportunity to work nationally with hundreds of thousands of beneficiaries, brokers and carriers. He is a nationally respected speaker on the topic of retiree health, requested by corporations, employers and associations across the U.S.

# Let's Explore Medicare

There are many scenarios in which people need help with Medicare.



**I am new to Medicare** — just turning 65, retiring and considering leaving my employer's insurance plan.



**I am Medicare eligible** still actively working and enrolled in my employer health plan and want to know if Medicare is a better option.



**I currently have a Medicare Supplement** or Medicare Advantage plan and want to re-evaluate my coverage.



**I am thoroughly confused** about Medicare. I don't know what to think and I'm worried about all the notices I'm getting.

# New to Medicare?

Let's get to know Medicare plan terms.

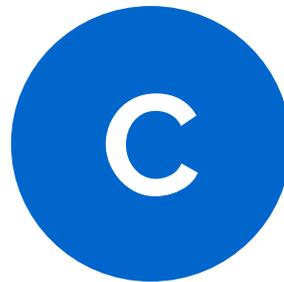
There are four parts of Medicare:



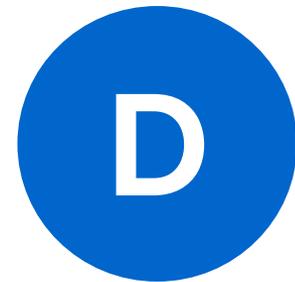
Hospital Care  
Insurance



Doctor Visits /  
Outpatient Care



Medicare  
Advantage



Prescription  
Drug Insurance

# Original Medicare | **Parts A and B**



**Original Medicare** consists of Parts A and B and are administered by the Federal Government.

- To be eligible for Original Medicare, you must be 65 or older, under 65 with a qualifying disability, or have end stage renal disease (ESRD).

## Original Medicare coverage

**If you only have Original Medicare, there are some expenses you must cover on your own.**

- For most people, there is no premium for your Part A hospital coverage. However, before Part A covers your hospital expenses, you must first pay a deductible of \$1600 for each hospital stay. If your stay is longer than 60 days, you will have a per-day copay.
- There is a monthly premium for Part B coverage; the amount depends on your income and will be deducted from your Social Security.
- There is also an annual deductible for Part B. In 2023, that amount is \$226. After you pay the deductible, Medicare covers 80% of the Part B-eligible expenses.
- There is no limit on your annual out-of-pocket costs if you only have Original Medicare coverage.

# Medicare Advantage | Part C



Part C refers to **Medicare Advantage** plans.

- This plan combines Part A and B coverage and may include enhanced coverage for items such as doctor visits and hospital stays, as well as prescription drug coverage and additional benefits.
- Medicare Advantage plans are offered through private insurance companies. To purchase a Medicare Advantage plan, you must be enrolled in Parts A and B and live in the plan's service area

# Medicare Advantage (HMO vs PPO)

Medicare Advantage is available as an HMO or PPO plan.

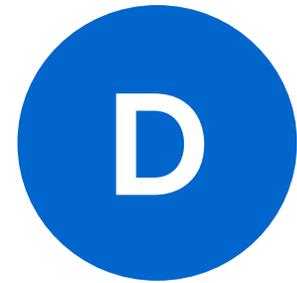
## HMO: Health Maintenance Organization

- You need to use the doctors in the network.
- There are HMO-POS options in some markets, which may allow you to go to a doctor out of the network for a higher copay and/or with a referral.

## PPO: Preferred Provider Organization

- You have the option to use doctors and hospitals outside of the network.
- Using doctors outside of the network may result in your having to pay a higher share of the costs.

# Prescription Drug Coverage | **Part D**



Part D refers to **Medicare prescription drug plans**

Part D plans are offered through private insurance companies. These plans can be purchased as a stand-alone prescription drug plan, or can be included as part of a Part C Medicare Advantage plan.

# Summary of your Medicare options

## Two paths to consider for Medicare coverage:



### Original Medicare

Part A: Hospital Coverage

Part B: Medical Coverage

Part D: Optional plan for  
prescription drug coverage

Optional: Medicare  
Supplement or Medigap  
insurance plan to provide  
coverage for some of the gaps  
in Original Medicare



### Medicare Advantage (Part C)

All-in-one plan that combines  
Part A and Part B coverage as  
well as additional benefits

Most plans include  
prescription drugs

Copay structure, HMO/PPO  
managed care plans

Generally, lower premium

# What is Medicare Supplement Insurance?

## More about Individual Medicare Supplement Insurance

If you chose the **Original Medicare** plan, you may want to purchase **Medicare Supplement Insurance** (often referred to as a Medicare Supplement or a Medigap plan).

- Medicare Supplement plans cover some of the gaps in Original Medicare coverage, such as copayments, deductibles or a portion of the coinsurance expense, and have annual limits on out-of-pocket costs.
- Medicare Supplement plans cover visits to any doctor that accepts Medicare, it is not managed care.
- Individual Medicare Supplement plans do not include Part D (prescription drug coverage); you need to purchase that separately.
- Individual Medicare Supplement plans are sold by private insurance companies, and occasionally offered by former employers on a group basis.

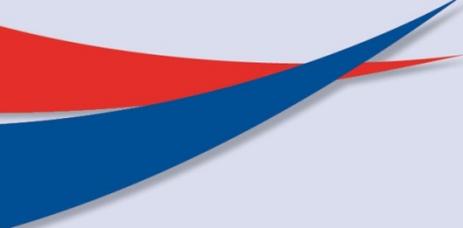
# What is included with Medicare Advantage?

## More about Medicare Advantage Coverage

Covers the same benefits as Original Medicare and may include additional benefits, such as:

- Co-pay structure for doctor visits
- May have lower costs for inpatient hospital stays
- Include prescription drug coverage
- Gym membership discounts, transportation and telehealth options

Medicare Advantage plans also have yearly limits on out-of-pocket costs for covered medical services.



## How to select the right Medicare plan for you

### Questions to ask yourself when considering which Medicare plan to choose:

- Are my doctors in the plan?
- Are my prescriptions covered?
- Are the copays reasonable or lower than my current plans?
- Are the premiums affordable?
- How do I feel about managed care?
- If I travel, is my coverage the same when I travel out-of-state, and is there emergency coverage outside of the country?

# When should I enroll in Medicare?

## Enrolling in Part A, B, C or D?

- If you are not getting Social Security when you turn 65, you need to sign up for Parts A and B by contacting Social Security. You have seven months to enroll in Parts A and B – starting three months before you turn 65 and ending three months after the month you turn 65.
- You have the same seven-month window to enroll in a Part C or Part D plan.
- If you do not enroll when you are first eligible, you may have to pay penalties.

# 2023 Chart

## Medicare Income-Related Monthly Adjustment Amount (IRMAA)

If your yearly income in 2021 (for what you pay in 2023) was:			IRMAA Part B Premiums	IRMAA Part D Premiums
File individual tax return	File joint tax return	File married & separate tax return		
\$91,000 or less	\$182,000 or less	\$91,000 or less	\$164.90	Your premium
above \$91,000 up to \$114,000	above \$182,000 up to \$228,000	Not applicable	\$230.80	\$12.20 + your plan premium
above \$114,000 up to \$142,000	above \$228,000 up to \$284,000	Not applicable	\$329.70	\$31.50 + your plan premium
above \$142,000 up to \$170,000	above \$284,000 up to \$340,000	Not applicable	\$428.60	\$50.70 + your plan premium
above \$170,000 less than \$500,000	above \$340,000 and less than \$750,000	above \$91,000 less than \$409,000	\$527.50	\$70.00 + your plan premium
\$500,000 or above	\$750,000 and above	\$409,000 and above	\$560.50	\$76.40 + your plan premium

- Based on Modified Adjusted Gross Income (MAGI)
- Based on tax returns from 2 years prior
- Part B is required to enroll into a Medicare Advantage or Medicare supplement.
- Deducted or invoiced based on whether the individual receives social security benefits

# What if I currently have an HSA plan?

## The impact Medicare has on an HSA plan

- If you enroll in Medicare Part A and/or B, you can no longer contribute pre-tax dollars to your HSA. This is because to contribute pre-tax dollars to an HSA you cannot have any health insurance other than a HDHP.
- You may continue to withdraw money from your HSA after you enroll in Medicare to help pay for medical expenses, such as deductibles, premiums, copayments, and coinsurances.
- Health coverage from an employer with 20 or more employees pays primary to Medicare, so you may choose to delay Medicare enrollment.
- If you choose to delay Medicare enrollment because you are still working and want to continue contributing to your HSA, you must also wait to collect Social Security retirement benefits.
- Stop contributing to your HSA at least six months before you do plan to enroll in Medicare. When you enroll in Medicare Part A, you receive up to six months of retroactive coverage, subjecting you to a possible tax penalty.

# What if I recently lost my employer coverage?

## Next steps after losing your employer coverage

- Sign up for Part B and Part D as soon as it is needed
- Part B – you have an 8-month special election period to enroll without penalty
- The sooner you enroll in Part B, the sooner your supplemental coverage can begin
- Enrolling in Part B also triggers a 6-month Medigap open enrollment period
- Part D – you only have 63 days to enroll in Part D plan without penalty
- Your plan will begin the first of the month following the month you enroll

## How do I enroll?

### Medicare enrollment is handled by the Social Security Administration

- Can be completed online at [ssa.gov/benefits/medicare](https://ssa.gov/benefits/medicare)
- Completion of a **40B** and a **L564** form will be needed to enroll into Part B if actively working
- Toll Free Number to Social Security **1-800-772-1213**
- Appointments can be made for local offices through the toll-free number

## Who is Insurance Trust for Delta Retirees

- A non-profit, managed by a Board of Directors made up of Delta retirees, supported by professional insurance partners
- ITDR, or “the Trust” for short
- Formed in 2007 with Delta’s support at bankruptcy, to offer high quality healthcare coverage options to the Delta family 65+
- Administered by the ITDR Retiree Service Center in Iowa
- Top notch insurance partners offering the same plans and services across all 50 states and PR: Anthem Blue Cross and Blue Shield, Express Scripts, Delta Dental, EyeMed

## Choose to stay part of the Delta family

### Medicare Plans from Insurance Trust for Delta Retirees

- ✓ Medicare solutions designed with the **Delta family** in mind
- ✓ All 65+ former Delta employees, spouses and former spouses are eligible, **regardless of length of service**
- ✓ **Over 25,000** of your fellow Delta associates have already joined the Insurance Trust
- ✓ Exclusive **group insurance** plan options not available elsewhere
- ✓ Medicare Supplement-type and Medicare Advantage plan choices, packaged with Medicare Part D Prescription Drug plan

# How the Insurance Trust is Different



- ✓ Group insurance means **premiums don't increase based on your age**
- ✓ **Five plan options** - Medicare Supplement-type and Medicare Advantage
- ✓ **Option to change your plan option** each year
- ✓ Options with **low or no out-of-pocket Medical cost** — never see another medical bill
- ✓ **No network restrictions**
- ✓ **Prescription Drug Plan with coverage for 100%** of Medicare-approved drugs is packaged with each Medical plan option
- ✓ Options for **Dental and Vision** coverage
- ✓ Many extras like **Silver Sneakers** and a **Personal Health Advocate**

# ITDR 2023 Medicare Plan Options

from Anthem Blue Cross and Blue Shield



	Annual deductible	Out-of-pocket max
Medicare Supplement-Type Standard Plan	\$300	\$1,500
Medicare Supplement-Type Enhanced Plan	\$0	\$0
Medicare Advantage Standard Plan	\$750	\$2,500
Medicare Advantage Enhanced Plan	\$0	\$2,500
Medicare Advantage Enhanced Plus Plan	\$0	\$1,500

## Supplement-Type Options

**Standard:** most services covered at 10% coinsurance

**Enhanced:** no out of pocket medical cost after premium

## Medicare Advantage Options

**Standard & Enhanced:** most services covered at a copay

**Enhanced Plus:** most services covered at 10% coinsurance

- ✓ You may change your plan option each year at annual enrollment in October.
- ✓ All plans are packaged with Prescription Drug Coverage
- ✓ Many extras, including Personal Health Advocate Support, Silver Sneakers Fitness Membership, \$0 out of pocket virtual doctor visits, Foreign Travel Emergency Coverage.

# ITDR 2023 Medicare Part D Prescription Drug Plan

*from Express Scripts*



- ✓ Coverage for **100% of Medicare's approved drug list**
- ✓ \$150 Brand Drug only deductible, **no deductible on generics**
- ✓ You will always pay the lower of the cost of the drug or the copay
- ✓ **Over 67,000 pharmacies nationwide**, including national chains and locally-owned and operated independent and specialty pharmacies
- ✓ **Extra savings with our Preferred Value Network of 32,000+ pharmacies**, including Walgreens, Walmart, Costco, Safeway, RiteAid, Sam's Club, Kroger, Albertsons, and more

DRUG CATEGORY/TIER	A 31-Day Supply When Your Rx Is Filled At A Pharmacy In Our Preferred Value Network
Generic Drugs	\$15 No deductible applies
Preferred Brand Drugs	\$25
Non-Preferred Brand Drugs	\$50
Specialty Drugs (Including Generic Specialty Drugs)	25% of total cost

# What's Next?



1

**Watch your mail and email** for enrollment-related materials from us starting six months before your 65<sup>th</sup> birthday, and in October for Annual Enrollment

2

## **Enroll in Medicare Part A & B**

You will need your Medicare ID number to enroll in additional coverage to fill Medicare's gaps

3

## **Call our Retiree Service Center at: 877-325-7265**

- **Option 1**, for an enrollment packet or enroll by phone
- **Option 2**, for a Medicare Enrollment Advocate

**[itdr.com/callback](http://itdr.com/callback)**  
**Visit to** schedule a phone appointment

4

Visit **[itdr.com](http://itdr.com)** for additional details on our Future Members page.



**Thank you!**