



Aon Retiree Health Exchange™



Let's do Medicare.  
**TOGETHER.**

Your guide to understanding your health insurance options.



# WELCOME

Medicare is something you've earned, a benefit you count on. Understanding how it works, your plan options and how to be sure you're making the right choice is no easy task, especially on your own.

As one of the nation's leading Medicare advisors, we help you navigate and understand your choices by offering objective and personalized guidance.

## Let's do Medicare. **TOGETHER.**

Aon Retiree Health Exchange is a Medicare marketplace where you can shop for additional health insurance, enroll in coverage, and receive support. You get access to one-stop shopping and time-saving tools that help you choose benefits that cover your needs and fit your budget.

You'll find value in the services offered through Aon, and you won't find lower prices for the plans we offer anywhere else<sup>†</sup>:

- Access national and regional Medicare insurers, all in one place
- Find coverage of all types, including Medicare Advantage, Medicare Supplement, prescription drug, dental, vision and hearing plans\*
- Get help evaluating your options, comparing plans and enrolling in coverage
- Receive personal and unbiased guidance so you can make informed decisions about your benefits
- Count on assistance after you enroll, and in the future as your needs change

**Our services are provided at no additional cost to you. You only pay for the coverage you enroll in.**



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# THINGS TO CONSIDER

before you start



## Your healthcare needs

Make an honest assessment of your overall health. Think about how often you go to the doctor, clinics, hospitals or specialists. Also, consider your budget for health-related expenses, both monthly and annually.



## Your doctors

Do you already have a doctor you prefer or specialists you see? Are you open to different providers if it means lower costs or different benefit options?



## Your prescription drugs

Make a list of your medications and estimate your annual out-of-pocket costs.



## Other insurance needs

Some plans offer additional vision, dental and hearing benefits as well as fitness programs to help you stay healthier. You may save money by choosing a plan that includes these extra benefits.

Everyone says understanding Medicare can be overwhelming. But with Aon by your side, you have professionals who live and breathe Medicare—so you have a shoulder to lean on. We'll break it down and make it simple for you to choose the coverage that's right for your needs.



**TIP**

You must have Original Medicare Parts A and B before enrolling in additional coverage.

# ORIGINAL MEDICARE

## and how to enroll

Medicare is our country's health insurance program for people age 65 or older. People younger than 65 can also qualify for Medicare, including those with disabilities and permanent kidney failure.

Created in 1965 as a government program, Original Medicare started with Part A and Part B. Later, Part C and Part D were added as the needs of Medicare beneficiaries changed.

### To qualify:

- ✓ You must be age 65 or older, a U.S. citizen or a permanent U.S. resident and have lived in the U.S. continuously for five years prior to applying.
- ✓ You can be younger than 65 with a qualifying disability.
- ✓ You have been diagnosed with end-stage renal disease or amyotrophic lateral sclerosis (ALS; also known as Lou Gehrig's disease) at any age.
- ✓ You should be automatically enrolled in Original Medicare if you're already receiving Social Security or Railroad Retirement Board benefits when you become eligible. If you're not receiving either of these benefits, you need to sign up with Social Security to get Original Medicare Parts A and B when you become eligible.

### You can enroll in Medicare in one of 3 ways

①

Visit your local Social Security office

②

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

③

Apply online at [ssa.gov](https://ssa.gov)

If you worked for a railroad but are not receiving benefits, call your local Railroad Retirement Board office or 1-877-772-5772.

### Additional enrollment information:

- If you're still working and covered by employer health insurance when you turn 65, you can sign up for Medicare Part A (hospital coverage) and delay enrolling in Part B. But you must sign up for Part B no later than eight months after you leave your job and lose group coverage. Otherwise, you may pay a lifetime penalty and have a gap in coverage.
- If you miss the Part B initial enrollment period, you must wait to sign up for Part B until the next general enrollment period, January 1 to March 31, with a July 1 coverage effective date.
- It may take up to 60 days to get approved for Original Medicare Part B, and up to three weeks to receive your Medicare card in the mail.

# ORIGINAL MEDICARE

(continued)

## What's covered

Original Medicare Parts A and B help pay for hospital stays and doctor visits, but it doesn't cover everything.

### Part A

- Inpatient hospital care
- Inpatient care in a skilled nursing facility
- Hospice care
- Home healthcare

### Part B

- Medically necessary services (services or supplies to diagnose or treat a condition that meets accepted standards of medical practice)
- Preventive care (healthcare to prevent illness or detect it at an early stage, when treatment is most likely to work best)
- Doctor visits
- Outpatient hospital care
- Durable medical equipment and supplies

## What's not covered

- Most prescription drugs
- Long-term care  
(also referred to as Custodial care)
- Most dental care
- Eye exams related to prescribing glasses
- Dentures
- Cosmetic surgery
- Acupuncture
- Hearing aids and exams for fitting them
- Routine foot care

Even if a service or item is covered, you'll generally have to pay deductibles, coinsurance or copays without any annual limit on those costs.

There is no out-of-pocket maximum for Original Medicare Parts A and B, which means your share of costs is unlimited. Protect your pocketbook by enrolling in an individual Medicare insurance plan.



Once you're enrolled in Medicare, you can make changes during Medicare Open Enrollment, October 15 – December 7.

## PROTECT YOURSELF

with additional coverage



If you're looking for more value and more coverage, consider an individual Medicare plan to help pay for costs not covered by Original Medicare. There are pros and cons, but the added protection can help cover out-of-pocket expenses like copays and deductibles, prescription drugs and other services like hearing, dental or vision. There are three main categories of individual plan coverage:

- **Medicare Advantage (Part C)** combines Part A and Part B, and often includes prescription drug coverage. Some plans may offer additional benefits like coverage for routine vision and dental care.
- **Medicare Supplement (also called Medigap)** helps pay some of the out-of-pocket costs that aren't covered under Original Medicare.
- **Prescription drug plans (Part D)** help pay for covered medications.

# Medicare Advantage

Medicare Advantage plans can be a good value if you're looking for all-in-one medical and drug coverage. Often referred to as Part C, Medicare Advantage plans provide the same hospital and medical benefits as Original Medicare, but with greater financial protection. Many Medicare Advantage plans also include prescription drug coverage.

Aon offers access to quality Medicare Advantage plans with \$0 or low monthly premiums. In most cases, you'll have no deductibles, and you'll have a copay instead of coinsurance for most services.

Medicare Advantage plans have a maximum amount you'll pay out of pocket, which protects you by setting a yearly cap on your cost for health services. Most plans have provider networks, so check that your preferred doctors and facilities are in the plan's network.

Each set of triangles represents a different part of Medicare. Part C (Medicare Advantage) shows a full triangle because it includes Parts A, B and, in many cases, prescription drug coverage (Part D), under one plan.

Depending on the plan, your costs may include:

**Premium**

A fixed, monthly amount you pay for your Medicare plan coverage.

**Copay**

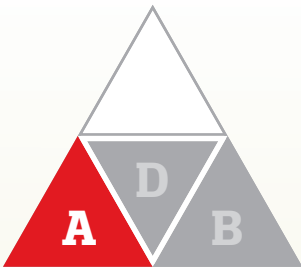
A flat dollar amount (for example, \$20) you pay each time you receive care or fill a prescription.

**Coinsurance**

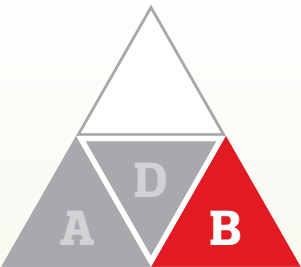
A percentage (for example, 20%) you pay for your care or drugs after you meet your deductible.

**Deductible**

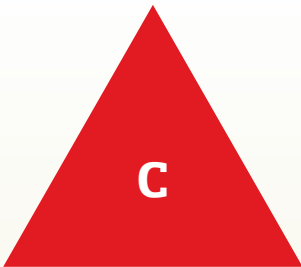
The amount you pay for medical costs before the plan begins to pay its share of your medical costs. Some plans have a separate drug deductible before they start to pay for your prescriptions.



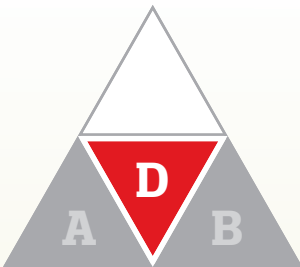
Original Medicare  
**Part A**



Original Medicare  
**Part B**



Medicare Advantage  
**Part C**



Prescription Drug Plan  
**Part D**

- Covers:
- Inpatient hospital care
  - Skilled nursing facility care
  - Hospice care
  - Home healthcare

- Covers:
- Medically necessary services: clinical research, ambulance services, durable medical equipment, mental health services, partial hospitalization, second opinions before surgery
  - Preventive healthcare services
  - Doctor visits
  - Outpatient hospital care

- Covers:
- The same services as Original Medicare Parts A and B
  - May cover prescription drugs
  - May cover dental and vision
  - May cover certain healthcare related services such as transportation, meals and home modifications.

- Covers:
- Prescription drugs



# Medicare Supplement

Also known as Medigap, Medicare Supplement plans help fill “gaps” in coverage that Original Medicare doesn’t cover and can help pay some of the unpaid out-of-pocket healthcare costs, like copays, coinsurance and deductibles. With this option, most people buy two separate plans—a Medicare Supplement plan for medical expenses and a Part D prescription drug plan for medications.

To enroll in a Medicare Supplement plan, you must be enrolled in Original Medicare Parts A and B. You’ll pay a monthly premium in addition to your monthly Medicare Part B premium. If you choose a Medicare Supplement plan, and you want coverage for prescriptions, you must enroll in a separate prescription drug plan.

Even if you have health problems, all standardized Medicare Supplement plans are guaranteed renewable, meaning insurance companies can’t cancel your plan if you’re making your premium payments. This also means your policy will automatically renew every year.



If you have a Medicare Supplement plan, you can change plans anytime, subject to underwriting. You don’t have to wait until Open Enrollment. If you want to keep your plan, it will automatically renew every year.



# Types of Medicare Supplement plans

Medicare Supplement has a variety of plans to choose from. Each plan provides different benefits, so it's important to compare before deciding. The monthly premium for your plan is based on the coverage offered and the insurance company you choose.

Note: Plans C and F aren't available to people newly eligible for Medicare on or after January 1, 2020. If you were eligible before this date, or if you already have or were covered by Plan C or F (or the Plan F high deductible version) before January 1, 2020, you can keep your plan if you wish.

Coverage	A	B	D	G <sup>1</sup>	K <sup>2</sup>	L <sup>2</sup>	M	N <sup>3</sup>	Medicare eligible before 2020 only	
									C	F <sup>1</sup>
<b>Medicare Part A coinsurance and hospital costs</b> (up to 365 days after Medicare benefits are used up)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Medicare Part B coinsurance</b>	✓	✓	✓	✓	50%	75%	✓	✓	✓	✓
<b>Blood</b> (first three pints)	✓	✓	✓	✓	50%	75%	✓	✓	✓	✓
<b>Medicare Part A hospice care coinsurance or copayments</b>	✓	✓	✓	✓	50%	75%	✓	✓	✓	✓
<b>Skilled nursing facility care coinsurance</b>			✓	✓	50%	75%	✓	✓	✓	✓
<b>Medicare Part A deductible</b>		✓	✓	✓	50%	75%	50%	✓	✓	✓
<b>Medicare Part B deductible</b>									✓	✓
<b>Part B excess charges</b>				✓						✓
<b>Foreign travel emergencies</b> (up to plan limits)			80%	80%			80%	80%	80%	80%

(A ✓ indicates areas where the plan pays 100% of the benefit cost.)

<sup>1</sup> Plans F and G also offer a high-deductible plan in some states. With this option, you must pay for Medicare-covered costs (coinsurance, copay, and deductibles) up to the deductible before your policy pays anything.

<sup>2</sup> For Plans K and L, after you meet your out-of-pocket yearly limit and your yearly Part B deductible, the Medicare Supplement plan pays 100% of covered services for the rest of the calendar year.

<sup>3</sup> Plan N pays 100% of the Part B coinsurance, except for a copay of up to \$20 for some office visits and up to a \$50 copay for emergency room visits that don't result in inpatient admission.

Medicare Supplement plans are standardized differently in Massachusetts, Minnesota and Wisconsin. Visit our website to review the plans available in your area or discuss your options with a licensed Benefits Advisor.\*\*

For details on deductibles and costs, visit [medicare.gov](https://www.medicare.gov)





## Prescription Drug Plans

Prescription drug plans (Part D) can help reduce your costs for medications and can help you manage your healthcare budget by providing predictable drug costs. Remember: Original Medicare doesn't cover most prescription drugs.

The federal government sets guidelines that all Part D prescription drug plans must meet. Each plan has a list of drugs that it covers (known as a formulary). Before choosing a Part D prescription drug plan, review its formulary to make sure your drugs are covered. Plans also have different costs, so check the annual deductible, premiums, copays and coinsurance to ensure you have the appropriate coverage to cover your costs.

- Medicare Part D coverage is not automatic. You must enroll for coverage to begin.
- If you have other prescription drug coverage, such as Veterans Affairs (VA) coverage, you may not need additional drug coverage. Discuss any other coverage you have with a Benefits Advisor.
- Part D charges a late enrollment penalty if you don't sign up when you're first eligible—unless you qualify for an exception. The penalty is a fee set by Medicare that gets added to your premium, and you pay it for as long as you have Part D.



# Medicare Part D

## HOW IT WORKS

Out-of-pocket drug costs			
\$0 —————→ \$7,050			
Deductible phase	Initial coverage phase	Out-of-pocket gap	Catastrophic phase
\$0 – \$445 Your cost: 100%	\$446 – \$4,130 Your cost: varies	\$4,131 – \$7,050 Your cost: 25%	\$7,051 + Your cost: \$0 or negligible

- Deductible phase**

You'll pay the full cost for your first \$445 in covered prescription drug charges for the year before your drug plan begins to pay its share of costs.
- Initial coverage phase**

After satisfying your \$445 deductible, you'll pay a copayment or coinsurance for each covered drug (as defined by your plan) and the plan pays its share. The initial coverage continues until your total combined costs for covered drugs (what you and the insurance company have paid) reaches \$4,130.
- Out-of-pocket gap**

After you've spent \$4,130 in combined costs for the year, you pay 25% of the cost for covered brand-name and generic drugs until the total combined costs (paid by you and the plan) reach the \$7,050 threshold.
- Catastrophic phase**

Once your total out-of-pocket expenses (not counting payments from the insurance company) reach \$7,050 for the year, a \$0 copay or negligible coinsurance applies for any remaining prescriptions until year end. Note that there's a difference between combined costs (what you and the insurance company pay) and your own out-of-pocket costs. See below for details.

### Drug-related costs that count toward your total out-of-pocket costs:

- Covered drug costs subject to your annual deductible
- Coinsurance and copays you paid
- Manufacturer discounts received on brand-name drugs

### Drug-related costs that do not count toward your out-of-pocket costs:

- Plan premiums
- Pharmacy dispensing fees (if any)
- Costs of drugs not covered under your plan

These values are accurate as of July 2021. For the most current amounts, please visit [medicare.gov](https://www.medicare.gov)





## Let's recap **YOUR OPTIONS**

### Option 1

PART A PART B

Original Medicare

### Option 2

PART A PART B + MED SUPP

Original Medicare plus a Medicare Supplement plan

### Option 3

PART A PART B + PART D

Original Medicare plus a Medicare prescription drug plan

### Option 4

PART A PART B + MED SUPP + PART D

Original Medicare plus Medicare Supplement and prescription drug plans

### Option 5

MA

Medicare Advantage plan with drug coverage

### Option 6

MA + PART D

Medicare Advantage plan plus a prescription drug plan

You cannot have a Medicare Advantage plan and a Medicare Supplement plan at the same time.



## GET HELP finding the right coverage

Our Benefits Advisors can help you explore your options, understand the differences between plans and help you enroll—at no additional cost to you. You only pay the costs of the plans you choose.

In addition, our online plan recommendation tool will save you time sorting through options. It's built on powerful algorithms that use information you provide about your doctors, prescription drugs and health needs to give each plan a score that's tailored to you. The higher the score, the better the match.

### With our plan recommendation tool, you can:

- Quickly sort through a wide range of options because each plan is scored based on your needs
- Find plans that cover your prescription drugs and your preferred doctors and hospitals
- Find plans that include vision and dental coverage or buy a stand-alone plan
- Get access to a variety of well-known carriers
- Compare the total estimated out-of-pocket cost between Medicare Advantage and Medicare Supplement plus Part D prescription drug plan to see if the difference impacts you
- Enroll online

# How to **GET STARTED**



**1** Create an Aon account online or use your Aon ID to activate your account

**2** Shop and compare plans

**3** Enroll



You get the convenience of 24/7 one-stop shopping, plus information you need to make informed decisions about your healthcare coverage.

When you're ready to shop and enroll, be sure to:

- ✓ Create a list of things you need from your new coverage
- ✓ Have your Medicare ID card available
- ✓ Gather all legal documents if a Power of Attorney will be signing any enrollment forms on your behalf
- ✓ Log in and enter your personal information, doctors and medications

## **After you enroll**

Once your application has been submitted, the insurance company will contact you to verify your enrollment (as required by the Centers for Medicare & Medicaid Services). Carefully review the insurance cards and plan information you receive.

After you enroll, if you have an issue regarding a bill or have a coverage question, call your insurance company directly.

If you need to change your plan after your initial enrollment, please call an Aon Benefits Advisor. We can also help with Medicare questions, insurance claims, access to care and other issues.

**Why take on Medicare alone when you have concierge service and expertise from Aon? We'll do the work for you so you can be confident in your healthcare decisions. You can depend on excellent service and value—the cornerstone of Aon for more than a century.**



Aon plc (NYSE:AON) is a leading global professional services firm providing a broad range of risk, retirement and health solutions. Our 50,000 colleagues in 120 countries empower results for clients by using proprietary data and analytics to deliver insights that reduce volatility and improve performance. For further information on our capabilities and to learn how we empower results for clients, please visit [aon.com](http://aon.com).



Aon Retiree Health Exchange is an official partner of the National Council on Aging (NCOA). Since 2014, Aon has met NCOA's stringent Standards of Excellence for Medicare Brokerage Services. Aon Retiree Health Exchange and NCOA partner to provide comprehensive education and decision support services to help Medicare beneficiaries make informed and confident choices about their healthcare coverage.



The Better Business Bureau gives Aon an A+ rating for quality and competency in assisting seniors through guidance, resources and enrollment expertise in Medicare health insurance plans. Accredited since July 10, 2017.

While every attempt is made to keep this information correct and up to date, nothing contained herein is to be construed as a guarantee and/or medical, legal, tax or other professional advice. We take no responsibility or liability for any actions taken as a result of using the information presented in this booklet. We will not be liable as a company or as individuals for damages, losses or other expenses incurred as a result of reading this material or for any other reason. This guide is not intended to replace information available to all Medicare recipients in the Medicare & You handbook. For the most up-to-date information, visit [medicare.gov](http://medicare.gov).

<sup>†</sup>We sell our plans at the premium set by the insurance companies, which is the same price they offer.

\*Plans may not be available in all areas.

\*\*Licensed Insurance Agent

Aon Retiree Health Exchange is available through Aon Hewitt Health Market Insurance Solutions Inc., a third party marketing organization (TMO), retained to promote or sell a plan sponsor's Medicare products on the plan sponsor's behalf who holds the contract with the Federal government.

Aon Hewitt Health Market Insurance Solutions, Inc. is contracted to represent insurance plans in your state. California Agency License Number: OE97576, Arkansas Agency License Number: 100102657, DBA in North Dakota: Aon Hewitt Health Insurance Agency Solutions, Inc., Fictitious Name in New York: Aon Hewitt Health Insurance Agency Solutions.

Medicare has neither reviewed nor endorsed this information.

