

1. What is Medicare?

Medicare is the US Federal Government Health Insurance Program for eligible beneficiaries.

2. How to Enroll in Medicare

- a. You must be 65 or older to be eligible for Part A and Part B. Also, if you have been receiving Social Security disability for 24 months you are eligible for Medicare regardless of age.
 - If you're already getting benefits from Social Security, you'll automatically get Part A and Part B starting the first day of the month you turn 65. If you're under 65 and have a disability, you'll automatically get Part A and Part B after you get disability benefits from Social Security for 24 months.
 - If you're automatically enrolled, you'll get your red, white, and blue Medicare card in the mail 3 months before your 65th birthday or 25th months of disability benefits. If you do nothing, you'll keep Part B and will have to pay Part B premiums through your Social Security benefits. You can opt out of Part B if you are on a group plan through an employer or a spouse's plan without incurring a penalty.

You can also visit www.Medicare.gov or call Social Security at 1-800-772-1213

3. What are Your Medicare Options?

When you first enroll in Medicare and during certain times of the year, you can choose how you get your Medicare coverage. There are 2 main ways to get Medicare:

- a) **Original Medicare.** Original Medicare includes Medicare Part A (Hospital Insurance) and Part B (Medical Insurance).
 - **If you want drug coverage,** you can join a separate Part D plan.
 - **Supplemental Coverage** (Medigap) can be purchased to help pay your out-of-pocket costs in Original Medicare (like your 20% coinsurance).
 - Can use any doctor or hospital that takes Medicare, anywhere in the U.S.

b) **Medicare Advantage** (also known as Part C)

- Medicare Advantage is an “all in one” alternative to Original Medicare. These “bundled” plans include Part A, Part B, and usually Part D.
- Plans may have lower out-of-pocket costs than Original Medicare.
- In most cases, you’ll need to use doctors who are in the plan’s network.
- Most plans offer extra benefits that Original Medicare doesn’t cover— like vision, hearing, dental, and more.

b) Preferred Provider Organization (PPO) plan

- PPO plans have network doctors, other health care providers, and hospitals, but you can also use out-of-network providers for covered services, usually for a higher cost. You are always covered for emergency and urgent care in or out of network.
- Prescription drugs are covered, in most cases. If you want Medicare drug coverage, you must join a PPO plan that offers prescription drug coverage.
- You do not need to choose a primary care doctor.
- You do not have to get a referral to see a specialist, in most cases.
- Because certain providers are “preferred” (as the name suggests), you can save money by using them.
- National PPO’s charge in-network co-pays, if you use Network providers any place in the United States.
- Some plans include Dental, Vision, Hearing, and Gym membership.

5. Medicare Supplement Insurance (Medigap) Policies

- Original Medicare pays for much, but not all, of the cost for covered health care services and supplies.
- Medicare Supplement Insurance policies, sold by private companies, can help pay some of the remaining health care costs for covered services and supplies, like copayments, coinsurance, and deductibles.
- Medicare Supplement Insurance policies are also called Medigap policies. Some Medigap policies also offer coverage for services that Original Medicare doesn't cover, like medical care when you travel outside the U.S.
- Generally, Medigap policies don't cover long-term care (like care in a nursing home), vision or dental care, hearing aids, eyeglasses, or private-duty nursing.
- Medigap policies are standardized Every Medigap policy must follow federal and state laws designed to protect you, and they must be clearly identified as "Medicare Supplement Insurance." Insurance companies can sell you only a "standardized" policy identified in most states by letters A through D, F, G, and K through N.
- All policies offer the same basic benefits, but some offer additional benefits so you can choose which one meets your needs.
- Starting January 1, 2020, Medigap plans sold to people who are new to Medicare won't be allowed to cover the Part B deductible. Because of this, Plans C and F won't be available to people who are newly eligible for Medicare on or after January 1, 2020.
- If you already have either of these 2 plans (or the high deductible version of Plan F) or are covered by one of these plans before January 1, 2020, you'll be able to keep your plan.

5. Medicare Supplement Insurance (Medigap) Policies – continued

- You must have Part A and Part B.
- You pay the private insurance company a monthly premium for your Medigap policy in addition to your monthly Part B premium that you pay to Medicare.
- A Medigap policy only covers one person. Spouses must buy separate policies.
- Also, if you join a Medigap policy and a Medicare Prescription Drug Plan offered by the same company, you may need to make 2 separate premium payments for your coverage. However, you can have a drug plan from a different company.
- It’s important to compare Medigap policies since the costs can vary between insurance companies for exactly the same coverage, and premiums may go up as you get older.

How do I compare Medigap policies?

This chart shows basic information about the different benefits that Medigap plans cover. If a percentage appears, the Medigap plan covers that percentage of the benefit, and you must pay the rest. If a box is blank, the plan doesn't cover that benefit.

| Medicare Supplement Insurance (Medigap) Plans | | | | | | | | | | |
|--|------|------|------|------|------|------|-------------------------------|---------|------|-------------|
| Benefits | A | B | C | D | F* | G* | K | L | M | N |
| Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used) | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Medicare Part B coinsurance or copayment | 100% | 100% | 100% | 100% | 100% | 100% | 50% | 75% | 100% | 100% *** |
| Blood (first 3 pints) | 100% | 100% | 100% | 100% | 100% | 100% | 50% | 75% | 100% | 100% |
| Part A hospice care coinsurance or copayment | 100% | 100% | 100% | 100% | 100% | 100% | 50% | 75% | 100% | 100% |
| Skilled nursing facility care coinsurance | | | 100% | 100% | 100% | 100% | 50% | 75% | 100% | 100% |
| Part A deductible | | 100% | 100% | 100% | 100% | 100% | 50% | 75% | 50% | 100% |
| Part B deductible | | | 100% | | 100% | | | | | |
| Part B excess charge | | | | | 100% | 100% | | | | |
| Foreign travel emergency (up to plan limits) | | | 80% | 80% | 80% | 80% | | | 80% | 80% |
| | | | | | | | Out-of-pocket limit in 2023** | | | |
| | | | | | | | \$6,940 | \$3,470 | | |

* Plans F and G also offer a high-deductible plan in some states (Plan F isn't available to people new to Medicare on or after January 1, 2020.) If you get the high-deductible option, you must pay for Medicare-covered costs (coinsurance, copayments, and deductibles) up to the deductible amount of \$2,700 in 2023 before your policy pays anything, and you must also pay a separate deductible (\$250 per year) for foreign travel emergency services.

**Plans K and L show how much they'll pay for approved services before you meet your out-of-pocket yearly limit and your Part B deductible (\$226 in 2023). After you meet these amounts, the plan will pay 100% of your costs for approved services for the rest of the calendar year.

*** Plan N pays 100% of the Part B coinsurance, except for a copayment of up to \$20 for some office visits and up to a \$50 copayment for emergency room visits that don't result in an inpatient admission.

6. Medicare Prescription Drug Coverage (Part B)

a) **How does Medicare prescription drug coverage (Part D) work?**

Medicare prescription drug coverage is an optional benefit. Medicare drug coverage is offered to everyone with Medicare. Even if you don't use prescription drugs now, you should consider joining a Medicare drug plan. If you decide not to join a Medicare drug plan when you're first eligible, and you don't have other creditable prescription drug coverage or get Extra Help, you'll likely pay a late enrollment penalty if you join a plan later. Generally, you'll pay this penalty for as long as you have Medicare prescription drug coverage.

b) **There are 2 ways to get Medicare prescription drug coverage:**

- Medicare Prescription Drug Plans. These plans (sometimes called "PDPs") add drug coverage to Original Medicare, some Medicare Cost Plans, some Medicare Private Fee-for-Service (PFFS) plans, and Medicare Medical Savings Account (MSA) plans. You must have Part A and/or Part B to join a Medicare Prescription Drug Plan.

Medicare Advantage Plans or other Medicare health plans that offer Medicare prescription drug coverage. You get all of your Part A, Part B, and prescription drug coverage (Part D), through these plans. Medicare Advantage Plans with prescription drug coverage are sometimes called "MA-PDs." Remember, you must have Part A and Part B to join a Medicare Advantage Plan, and not all of these plans offer drug coverage.
