



Medicare

Medicare offers different options to obtain health care coverage for people age 65 or older or people (any age) receiving Social Security Disability Insurance for at least two years. Learn more about the different parts of Medicare coverage and the steps to enroll.

Medicare Coverages

(refer to [medicare.gov](https://www.medicare.gov) for a complete list of coverages)



PART A Hospital Insurance*

- Inpatient care in hospitals.
- Medical care in a skilled nursing facility (not custodial care).
- Hospice care.
- Certain home health care expenses.
- Premium-free for most people.



PART B Medical Insurance*

- Medically necessary services (such as doctors and labs) to diagnose and treat conditions.
- Outpatient care.
- Certain home health care expenses.
- Durable medical equipment.
- Many preventive services.
- Premiums can be deducted from Social Security benefits.



PART C Medicare Advantage HMO or PPO

- Medicare Advantage plans are offered by private companies approved by Medicare, and Medicare pays the companies to cover your Medicare benefits, thereby providing a way to reduce out-of-pocket expenses.
- Medicare Advantage plans must cover all the services that original Medicare (Parts A and B) covers.
- Most offer extra coverages, like vision, hearing, and dental.
- Usually includes Medicare prescription drug coverage (Part D).
- Plans have a yearly limit on out-of-pocket costs.
- Cannot have Medigap with Medicare Advantage.



PART D Prescription Drug Coverage

- Helps cover the cost of prescription drugs.
- Run by private insurance companies following Medicare rules.
- May help lower prescription drug costs.
- Participants can enroll in or leave the plan each year. (Individuals should review the insurance company's drug formulary since coverage can change each year.) Coverage is not government mandated, so it can differ between carriers.



Medigap Supplemental Insurance

- Medigap plans have standardized sets of benefits (each carrier offers the same government-mandated basic benefits for each type of plan).
- Can help pay coinsurance and deductibles.
- Must have Medicare Parts A and B to enroll in Medigap.
- There is a monthly premium.
- Cannot have double drug coverage in both Medigap and Medicare Part D.
- Best time to buy Medigap is within six months of age 65 or older and if enrolled in Medicare Part B. Insurability is not guaranteed after the initial enrollment period.

Common Items Not Covered Under Medicare

- Most dental care.
- Eye examinations for glasses.
- Dentures.
- Hearing aids.
- Long-term care, also called custodial care. Help with daily activities such as bathing and dressing are not considered medical care.

Health Savings Account (HSA) and Medicare

- HSA funds can be used tax-free for Medicare premiums and out-of-pocket costs (but not for Medigap premiums).
- You cannot contribute to an HSA when covered by Medicare.

*In general, Medicare coverage is not unlimited, and there are typically copayments and deductibles that can vary by plan. (over, please)

Enrollment Steps for Medicare








STEP 1: Decide if you want original Medicare or a Medicare Advantage plan, such as a health maintenance organization (HMO) or a preferred provider organization (PPO), both of which are available through private insurance companies that contract with Medicare.

Both have provider networks, and PPOs let you see out-of-network providers, but using those providers may result in higher coinsurance or copayments.

STEP 2: Decide if you want prescription drug coverage (Part D).

STEP 3: Decide if you want supplemental coverage (Medigap), which is only available with original Medicare.

Medicare Options

Option 1: Original Medicare This includes Part A and Part B	Option 2: Medicare Advantage or Part C These plans are like HMOs or PPOs
 PART A Hospital Insurance	 PART C Medicare Advantage HMO or PPO
+	=
 PART B Medical Insurance	 PART A Hospital Insurance
+	+
You can add:  PART D Prescription Drug Coverage	 PART B Medical Insurance
You can also add:  Medigap Medical Supplement Insurance	and usually has:  PART D Prescription Drug Coverage

When to Enroll in Medicare

If you are already getting benefits from Social Security three months before your 65th birthday, you should automatically be enrolled in Medicare. If not, that's when you should do your research and prepare to enroll.

■ Seven-Month Initial Enrollment Period

Enroll anytime from three months before through the three months after the month you turn 65.

■ Annual Enrollment Period (October 15 to December 7)*

Medicare plan enrollees can:

- Switch to/from:
 - Original Medicare to Medicare Advantage.
 - One Medicare Advantage plan to another that does/does not offer drug coverage.
 - One Medicare drug plan to another.
- Join/drop a Medicare prescription drug plan.

* No changes to Medigap coverage can be made during this time.

■ If you didn't sign up during the initial enrollment period:

- Sign up during the **General Enrollment Period** (January 1 to March 31). Coverage won't start until July 1 of that year, and you may have to pay a higher premium for late enrollment.**

■ Special Enrollment After Age 65

If you didn't sign up for Medicare Part B at 65 because of coverage under your current employer's (greater than 20 employees) health plan (or your spouse's),** then sign up:

- Anytime you're still covered by the group health plan.
- or
- Up to eight months after the employment or coverage ends, whichever happens first.

**Exception to late-enrollment penalties are specific to Medicare Part B.

COBRA coverage, retiree health plans, and individual health coverage (such as through the Health Insurance Marketplace) aren't considered coverage based on current employment.

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