# NAVIGATING MEDICARE

Provided by

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**Not connected with or endorsed by the United States government or the federal Medicare program.**

# Medicare is complicated.

**But it doesn't have to be stressful.**

This guide is designed to help you understand the basics. It will help you navigate the different parts of Medicare, understand what is and isn't covered and decipher the differences and similarities in Medicare Advantage and Medicare Supplement. You'll also learn about prescription drug coverage.

After reviewing the guide, if you have any questions about Medicare—whether you're enrolling for the first time or reviewing your current coverage—we're here to help. Call Medicare Direct Connect to speak with a Licensed Insurance Agent. Our team specializes in Medicare and can help you find a plan that fits both your needs and your budget.

No fee. No pressure. No obligations.

Medicare Direct Connect is here to help.

**To speak to a Licensed Insurance Agent, call 310.414.9524**

## LET'S START WITH THE BASICS

## WHAT IS MEDICARE?

Medicare is health insurance provided by the government for people age 65 or those with certain disabilities.

## WHO IS ELIGIBLE?

In general, those who are eligible for Part A (hospital insurance) and Part B (medical insurance) include individuals who are 65 and have worked 10 years in this country or who have a spouse who has, or individuals who are under 65 and have received Social Security disability benefits for 24 months. If you are receiving Social Security, you are likely already enrolled in Part A and Part B when you turn 65.

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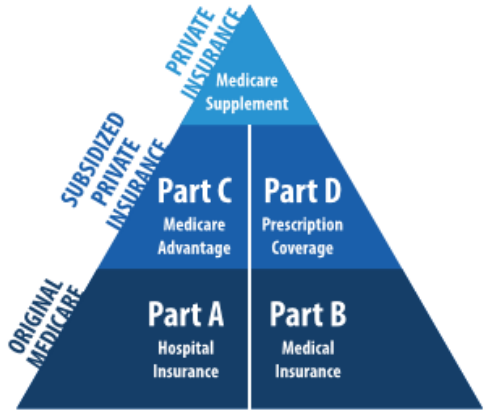
# MEDICARE HAS FOUR PARTS




## Part A (Hospital Insurance)

Covers inpatient hospital services (such as lab tests and surgeries) and supplies (such as wheelchairs and walkers) considered medically necessary to treat a disease or condition, if you're admitted. Includes inpatient hospital room and board, skilled nursing care, hospice and some home health care costs.

**Cost:** Most people do not pay a premium for Part A. There are deductibles and co-pays that can change each year.

## Part B (Medical Insurance)

Covers medically necessary outpatient doctor visits, outpatient surgery, physical therapy, durable medical equipment (such as crutches, wheelchairs and home oxygen supplies), ambulance services and preventative services (such as flu shots and screenings for diabetes and cancers).

**Cost:** Everyone pays a monthly, income-tested premium for Part B — the more you make, the more you pay. Premiums and deductibles can change each year.

## Part C (Medicare Advantage Plans)

A type of Medicare health plan offered by a private insurance company that contracts with Medicare to provide all Part A and Part B benefits. May also offer extra coverage. Always covers emergency and urgently needed care. May include Part D Prescription Drug coverage (making it an MA-PD plan).

**Cost:** Medicare Advantage plans may charge a premium in addtion to Part B Premium. Premiums vary by plan type and geography, and often include prescription drug coverage at no extra cost. Deductibles, co- pays and co-insurance vary by plan and can change each year.

## Part D (Prescription Drug Plans)

Provides outpatient prescription drug coverage. Can be purchased on a standalone basis or be included with a Medicare Advantage plan in an MA-PD plan.

**Cost:** Everyone pays a monthly, income-tested premium for Part D — the more you make, the more you pay. Premiums and deductibles vary by plan and geography and can change each year.

## Medicare Supplement Plans (Or Medigap)

Plans that can help pay some of the health care costs that Original Medicare doesn't cover such as co-payments, co-insurance and deductibles. Provided by private insurance companies.

**Cost:** Once accepted, a monthly premium (which can vary by plan type, geography and other variables) is required.

# MEDICARE DOESN'T COVER EVERYTHING

**You could be responsible for paying for certain items and services. Some not covered by Parts A and B include:***

- Long-term care
- Dentures
- Acupuncture
- Most dental care
- Cosmetic surgery
- Routine foot care
- Eye examinations related to prescribing glasses
- Hearing aids and exams for fitting them

**Medicare Supplement plans generally do not cover these costs*

# WHEN DO I FIRST ENROLL IN ORIGINAL MEDICARE?

You have a seven-month enrollment period to sign up for Original Medicare (Part A and/or Part B). This is called your initial enrollment period, and it starts three months before the month you turn 65, includes your birth month and concludes three months after the month you turn 65.

**If you do not enroll in Original Medicare during your initial enrollment period or do not provide proof of insurance under another eligible plan, you may pay a penalty.**

# TURNING 65?

Find your birth month to find your Original Medicare initial enrollment period:

### JANUARY
the October before your birthday – the April after your birthday

### FEBRUARY
the November before your birthday – the May after your birthday

### MARCH
the December before your birthday – the June after your birthday

### APRIL
the January before your birthday – the July after your birthday

### MAY
the February before your birthday – the August after your birthday

### JUNE
the March before your birthday – the September after your birthday

### JULY
the April before your birthday – the October after your birthday

### AUGUST
the May before your birthday – the November after your birthday

### SEPTEMBER
the June before your birthday – the December after your birthday

### OCTOBER
the July before your birthday – the January after your birthday

### NOVEMBER
the August before your birthday – the February after your birthday

### DECEMBER
the September before your birthday – the March after your birthday

# WHAT IF I STILL HAVE EMPLOYER COVERAGE AVAILABLE?

If you have insurance through your or your spouse's current job, in most cases you should at least enroll in Part A, as it's free for most people.

To decide whether to take Part B, for which everyone pays a monthly premium, you should ask your benefits manager or human resources department how your employer insurance works with Medicare and confirm this information with the Social Security Administration (SSA) and Medicare. Be aware that when you qualify for Medicare, your employer insurance may start to work differently for you when you enroll in Original Medicare. You will need to figure out whether paying for both types of coverage will be useful in offsetting your health care costs.

# WHEN DO I FIRST ENROLL IN MEDICARE ADVANTAGE OR MEDICARE SUPPLEMENT?

This varies, depending on a lot of factors. Because there are so many variables, learning about your Medicare options a good year or more before your 65th birthday protects you from missing the enrollment deadlines, allows you to coordinate with any group coverage you may have and prevents gaps in coverage.

**Medicare Advantage**

If you think you may want a Medicare Advantage plan instead of Original Medicare, you may want to make that decision during your initial enrollment period (the seven-month period around your 65th birthday.) However, you will have other opportunities to change your coverage later. (See pages 16 and 17.)

**Medicare Supplement (Medigap)**

If you think you may want to add a Medicare Supplement plan to Original Medicare, the best time to buy one is during your Medigap initial enrollment period.

**Even if you have health problems, you can buy any Medicare Supplement policy for the same price as people with good health during your initial enrollment period.**

After that, companies may require medical underwriting to decide whether to accept your application and how much to charge you for the policy.

You can sign up for a Medicare Supplement health insurance plan up to six months before your 65th birthday (three months in WI or NY). (You cannot, however, enroll in Original Medicare, Medicare Advantage or a Part D Prescription Drug plan until three months before your 65th birthday.)

**Part D Prescription Drug Coverage**

The best time to add Medicare Part D Prescription Drug coverage may be when you're first eligible, because you likely will pay a late enrollment penalty if you join later. You may avoid the penalty if you have other creditable prescription drug coverage or if you get Extra
Help, a Medicare program for people with limited income.