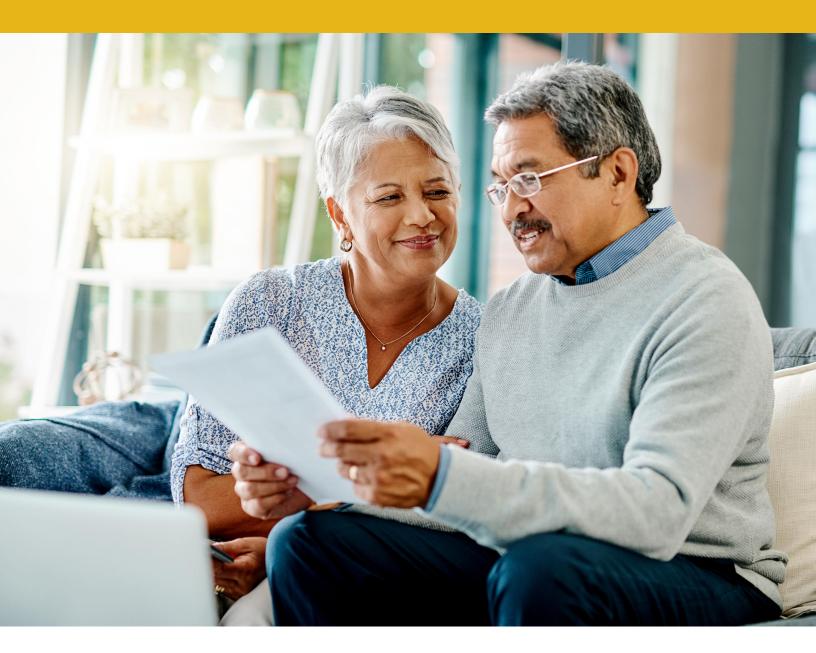
# **GUIDE TO MEDICARE**

What You Need to Know Before Enrolling in Medicare



Over 65 million Americans depend on Medicare to cover their health care expenses.



# The Parts of Medicare

Medicare covers a wide variety of drugs and therapies through Original Medicare Part A, Part B, Part C and Part D.



## **Original Medicare Part A**

Covers drugs administered in a hospital or nursing facility.

Example: Part A covers the cost of medication needed to recover from hospital procedures, like a hip replacement.



## **Original Medicare Part B**

Covers drugs administered in a doctor's office or a hospital or outpatient setting.

Example: Part B covers chemotherapy for someone getting weekly infusions at the doctor's office.

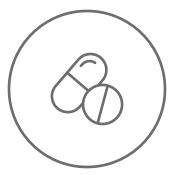


#### **Medicare Part C**

Also known as Medicare Advantage (MA)

Covers everything typically covered by Part A & Part B.

Most MA plans also include Part D prescription drug coverage (MAPD Plans).



#### **Medicare Part D**

Covers prescription drugs.

Part D plans must cover at least two drugs in each of the six therapeutic categories: antidepressants, antipsychotics, anticonvulsants, immunosuppressants, antiretrovirals, and antineoplastics.

# What Is a Medicare Supplement?

Medigap (Medicare Supplement Insurance) for Original Medicare.

Medicare Supplement Insurance, also known as **Medigap policies**, help cover the gaps left behind by Original Medicare Part A & Part B. Medigap will pay for copayments, coinsurance and deductibles. Additionally, people with Original Medicare Part A & Part B see a benefit when purchasing a Medigap policy to **supplement their Medicare benefits**. Medigap policies will not work with Medicare Advantage plans. The enrollee must switch back to Original Medicare Part A & Part B to have a Medigap policy. Furthermore, an employer or union may pay for additional insurance that a Medicare policy does not cover.

Medicare Supplement policies **F, G, K, L, M and N** offer a variety of benefits. While the benefits of each policy with the same letter designation are the same, some companies charge more than others.

# Medicare Supplement Medigap

#### **Doctor Bills**

Your doctor provides medical services and bills Medicare.

## **Medicare Pays**

Medicare pays the approved portion of the bill and sends the excess amount to the insurance company.

# **Medigap Pays**

Your Medigap plan pays the excess amount left over, according to the policy terms.

# What Is a Medicare Advantage?

A Medicare Advantage plan is a private health insurance plan approved by Medicare. Members get their care from a network of doctors and hospitals. You may opt to get your Part A, B and D benefits from a Medicare Advantage plan instead of traditional Medicare. These Medicare private insurance plans usually have an HMO or PPO network of doctors.

## **Explaining Medicare Advantage**

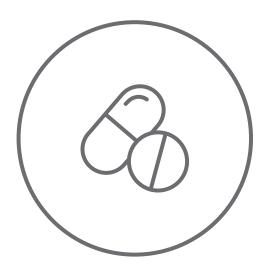
Medicare Advantage is required to offer the same coverage as Original Medicare Part A & Part B. By joining one of these plans, you direct Medicare to pay the Advantage plan a set monthly amount for your care. In return, the plan will deliver all your Part A & Part B services.

You must continue to pay your Medicare Part B premium while enrolled in an Advantage plan. You must be enrolled in both Medicare Parts A and B and live in the plan's service area. Medicare Advantage plans are NOT Medigap policies. They work differently because they pay instead of Medicare, not after Medicare.

### **Medicare Part D plans**

Medicare Part D Prescription Drug plans is insurance for medication needs. You will pay a monthly premium to an insurance carrier, then use the insurance carrier's network of pharmacies to purchase your prescription medications. Instead of paying full price, you will pay a copay or percentage of the drug's cost.

You can enroll in a standalone Part D prescription drug plan that goes alongside Original Medicare benefits, or you can choose a Part D drug plan that is built in to a Part C Medicare Advantage plan.



# Insurance Information for Medicare Beneficiaries

There has never been a better time for Medicare eligibles who are selecting health care plans. There may be more options and benefits available.

**Each person's situation is different.** No matter your health or financial situation, there are a **variety of services available to you**. For some programs, it is important to enroll at a specific time. It is also important to select an option that not only works for your **current situation**, but also anticipates your **future needs**.