



# Medicare at a Glance

## Who runs the Medicare Program?

The Centers for Medicare & Medicaid Services (CMS) is the Federal agency that runs Medicare. CMS is part of the U.S. Department of Health and Human Services.

## What is Medicare?

Medicare is health insurance for people age 65 or older, under age 65 with certain disabilities, and any age with End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant).

Medicare has the following parts:

- Part A (Hospital Insurance)
- Part B (Medical Insurance)
- Part C (Medicare Advantage Plans, like an HMO or PPO)
- Part D (Medicare prescription drug coverage)

## What is Medicare Part A?

Medicare Part A helps cover inpatient care in hospitals. This includes critical access hospitals and inpatient rehabilitation facilities. It also helps cover hospice care and home health care, and skilled nursing facilities (not custodial or long-term care). You must meet certain conditions to get these benefits.

**Cost:** You usually don't pay a monthly premium for Part A coverage if you or your spouse paid Medicare taxes while working.

If you aren't eligible for premium-free Part A, you may be able to buy Part A if you meet the citizenship or residency requirements, and you are age 65 or older. You may also be able to buy Part A if you are under age 65, disabled, and your premium-free Part A coverage ended because you returned to work.



## What is Medicare Part B?

Medicare Part B helps cover medically-necessary services like doctors' services, outpatient care, and other medical services. Part B also covers some preventive services. These include a one-time "Welcome to Medicare" physical exam, bone mass measurements, flu and pneumococcal shots, cardiovascular screenings, cancer screenings, diabetes screenings, and more.

**Cost:** Most people pay the standard Part B premium (\$96.40 in 2009) each month. Some people may pay a higher premium based on their income. Your monthly premium will be higher than the standard premium if you are single (file an individual tax return), and your yearly modified adjusted gross income is more than \$85,000 (in 2009), or if you are married (file a joint tax return) and your yearly modified adjusted gross income is more than \$170,000 (in 2009). Your modified adjusted gross income is your adjusted gross (taxable) income plus your tax exempt interest income. These amounts change each year.

## What isn't covered by Medicare Part A and Part B?

Medicare doesn't cover everything. For example, Medicare doesn't cover cosmetic surgery, health care you get while traveling outside of the United States (except in limited cases), hearing aids, most hearing exams, long-term care (like care in a nursing home), most eyeglasses, most dental care and dentures, and more. Some of these services may be covered by a Medicare Advantage Plan (like an HMO or PPO).

## What is Medicare prescription drug coverage?

Medicare offers prescription drug coverage (Part D) for everyone with Medicare. This coverage may help you lower your prescription drug costs and help you protect against higher costs in the future. It can give you greater access to drugs that you can use to prevent complications of diseases and stay well. To get Medicare drug coverage, you must join a plan run by an insurance company or other private company approved by Medicare.

**Cost:** Each plan can vary in cost and drugs covered. If you join a Medicare drug plan, you usually pay a monthly premium. If you decide not to join a Medicare drug plan when you are first eligible, you may pay a penalty if you choose to join later. If you have limited income and resources, you might qualify for extra help paying your Part D costs. For more information about extra help with prescription drug costs and how to apply, visit [www.socialsecurity.gov](http://www.socialsecurity.gov) or call Social Security at 1-800-772-1213. TTY users should call 1-800-325-0778.



## What are my Medicare health plan choices?

You can choose different ways to get your Medicare health coverage. Most people get their health care coverage through Original Medicare or a Medicare Advantage Plan (like an HMO or PPO). Your costs vary depending on your coverage and the services you use.

- **Original Medicare.** Original Medicare, which provides Medicare Part A and Part B coverage, is a fee-for-service plan managed by the Federal government. This means you are usually charged a fee for each health care service or supply you get. For some services, you will pay an amount called a deductible before Medicare pays its part. Then, when you get a Medicare-covered medical supply or service, Medicare pays its share of the cost of the supply or service, and you pay your share, called the coinsurance or a copayment. You can also join a Medicare Prescription Drug Plan to get Part D coverage.
- **Medicare Advantage Plans.** Medicare Advantage Plans are health plan options that are approved by Medicare and run by private companies. These plans are part of Medicare, and sometimes called “Part C.” They provide all your Part A and Part B-covered services. Medicare Advantage Plans may offer extra coverage and most include Medicare prescription drug coverage (usually for an extra cost). You may need a referral to see a specialist. In some plans, you can only see doctors who belong to the plan or go to certain hospitals to get covered services.

In addition to Original Medicare or a Medicare Advantage Plan, you may be able to join other types of Medicare health plans.

For help comparing your plan choices, visit [www.medicare.gov](http://www.medicare.gov) and select “Compare Health Plans and Medigap Policies in Your Area” or “Compare Medicare Prescription Drug Plans.” You can also call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

## When can I make changes to my coverage?

You can make changes to your Medicare health or prescription drug coverage between November 15—December 31 each year. If you are eligible for a Medicare Advantage Plan, you can also join a Medicare Advantage Plan between January 1—March 31 each year. Depending on your situation, there may be other times when you can change your Medicare health or prescription drug coverage.



## **Can I have other types of health insurance?**

Yes. You may already have health care coverage such as employer or retiree coverage or another type of health insurance. There are times when your other coverage or health insurance must pay before Medicare pays. Talk to your benefits administrator to see how your other coverage or health insurance works with Medicare.

If you have Original Medicare, you might also want to buy a Medigap (sometimes called “Medicare Supplement Insurance”) policy. A Medigap policy sold by private insurance companies, can help pay some of the health care costs (“gaps”) that Original Medicare doesn’t cover, like copayments, coinsurance, and deductibles.

## **How can I get help to pay health care and prescription costs?**

There are programs that help millions of people with Medicare save money each year. If you have limited income and resources, your state may help pay Medicare premiums and, in some cases, may also pay Medicare deductibles and coinsurance. Help is also available paying prescription drug costs. Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

## **Where can I get more information?**

Medicare is here for you 24 hours a day, every day:

- Visit [www.medicare.gov](http://www.medicare.gov).
- Call 1-800-MEDICARE.

You can also get free personalized health insurance counseling from your State Health Insurance Assistance Program (SHIP). Call 1-800-MEDICARE to get the telephone number.