



# 12 Top Questions about Medicare

Get quick, simple answers to your questions about Medicare. Learn about hospital and medical benefits, costs, supplemental insurance, eligibility requirements, and more.

## 1. What is Medicare?

Medicare is a government program that provides health insurance to people 65 years of age or older, people under 65 years of age with certain disabilities, and people who have end-stage renal disease.

Signed into law in 1965 by President Lyndon Johnson, Medicare is America's largest health insurance program.

## 2. What are Medicare Benefits?

Medicare insurance and its benefits are comprised of four parts, including:

- Part A: Hospital Insurance
- Part B: Medical Insurance
- Part C: Medicare Advantage Plans
- Part D: Prescription Drug Coverage

Each of the four parts of Medicare coverage pays for specific services if certain conditions are met. Medicare insurance does not cover all health care expenses and Medicare health plans do not pay the full cost for most approved services.

## 3. What is Covered by Hospital Insurance (Medicare Part A)?

Medicare's hospital insurance helps to cover inpatient care in hospitals, such as diagnostic tests and physician fees. This part of Medicare coverage also covers inpatient

rehabilitation facilities, long-term care hospitals, skilled nursing facilities, home health care services, and hospice care.

Most people who are eligible for Medicare receive hospital insurance without paying monthly premiums.

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## **4. What is Covered by Medical Insurance (Medicare Part B)?**

Medical insurance helps to cover standard medical expenses, such as primary medical care, outpatient surgery, and other medical services not covered under Medicare Part A. Medicare's medical insurance also covers some preventive health services.

You must be eligible for Medicare Part A to also be eligible for Medicare Part B. This part of Medicare coverage requires payment of a monthly insurance premium.

See #9 below: Medicare Supplemental Insurance

## **5. What are Medicare Advantage Plans (Medicare Part C)?**

Medicare Advantage Plans are provided by private insurance companies that have contracted with Medicare to provide health care services.

A Medicare Advantage Plan includes the three parts of the Medicare program: hospital care, medical care and prescriptions. It typically covers most health care costs and offers low or no deductibles. Coverage may be limited to a specific health care network or geography.

You may choose one of several Medicare supplemental plans that best fits your needs. Plans include Health Maintenance Organizations, Preferred Provider Organizations, Private Fee-For Service, Medicare Special Needs Plans, and Medical Savings Account Plans.

All Medicare Advantage Plans are required to offer Medicare's original services and benefits. Each Medicare supplemental plan, however, has different rules based on the specific insurance provider.

## **6. What is Prescription Drug Coverage (Medicare Part D)?**

Medicare's Prescription Drug Coverage, provided by private insurance companies, includes brand-name and generic prescription drugs. All Medicare recipients are eligible to receive this coverage by enrolling in a Medicare Drug Plan, a Medicare Advantage Plan, or other Medicare Health Plan.

Most prescription drug costs are covered by Medicare plans. A monthly premium and annual deductible pay for the coverage. Financial assistance with Medicare is available to those with a limited income by contacting Social Security.

## **7. Does Medicare Cover Preventive Medicine?**

Medicare plans cover a variety of preventive services, such as flu shots, mammograms, and glaucoma tests. Some preventive medicine services are available only once, such as a one-time physical exam. Some preventive screenings and tests are available only to those at high risk or with a physician referral, such as diabetes screenings. Most Medicare preventive medicine is covered only within a specified time frame, such as every 12 months.

Medicare preventive services may be cost-free or require that you pay 20% of the Medicare-approved amount.

See #9 below: Medicare Supplemental Insurance

## **8. Who is Eligible to Receive Medicare?**

You are eligible to receive Medicare if you are a U.S. citizen age 65 or older, under 65 years of age with certain disabilities, or have permanent kidney failure (also referred to as end stage renal disease). Most people who meet these criteria are eligible for free Medicare Hospital Insurance (Part A).

Social Security is responsible for making the final decision on Medicare eligibility, and Medicare coverage.

## **9. What is Medicare Supplemental Insurance?**

Because Medicare plans provide basic insurance coverage, it may not be sufficient to cover all health care costs. You may want to consider a Medicare supplemental plan.

Medigap, as the name implies, is Medicare's supplement insurance that can help to bridge the "gap" between what Medicare covers and does not cover. Medigap is provided by private insurance companies. It is not part of Medicare.

Medigap plans typically help pay for some Medicare deductibles, co-payments and co-insurance. A separate prescription insurance plan must be purchased with Medigap.

Medicare supplemental insurance plans include more deductibles than Medicare Advantage Plans; however, this supplemental insurance is widely accepted.

Twelve different standardized policies comprise Medigap, each one offering a specific set of basic and additional benefits. Each insurance company can decide which of the 12 Medigap policies to offer. Therefore, coverage and costs may vary significantly between insurance policies.

## **10. How Do I Apply for Medicare?**

If you currently receive Social Security benefits, you are automatically enrolled in Medicare at the age of 65.

If you do not currently receive Social Security benefits, you must apply for Medicare benefits through your local Social Security office. An application for coverage must be submitted during the open enrollment period—beginning three months before the applicant’s birthday and ending seven months later.

The recipient, upon approval, is enrolled in Medicare Part A and Part B. The recipient then has the option to add Medicare, Part C or Part D.

## **11. How Much Does Medicare Cost?**

Medicare health insurance is not free. Even though Medicare benefits are extensive, they do not provide full coverage. The cost will vary based on type of Medicare Health Plan, your income, and other factors.

Medicare Part A (Hospital Insurance) is free to most Medicare plan recipients who have paid taxes.

Medicare Part B (Medical Insurance) requires payment of a monthly premium. This amount is often taken directly out of your Social Security check. An annual deductible is also required to receive this insurance.

Medicare Part D (Prescription Drug Coverage) also requires payment of a monthly premium and annual deductible.

For low income beneficiaries, Medicare costs for some Medicare health plans may be waived or covered by Social Security.

## **12. Where can I find more information about Medicare? [www.medicare.gov](http://www.medicare.gov)**