



Securing today  
and tomorrow

# Medicare





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# Medicare

This booklet provides basic information about what Medicare is, who's covered, and some of the options you have for choosing Medicare coverage. For the latest information about Medicare, visit the website or call the toll-free number listed below.

<b>Medicare</b>	Website: <a href="http://www.Medicare.gov">www.Medicare.gov</a> Toll-free number: <b>1-800-MEDICARE</b> (1-800-633-4227) TTY number: <b>1-877-486-2048</b>
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## What is Medicare?

Medicare is our country's health insurance program for people age 65 or older. People younger than age 65 with certain disabilities, or permanent kidney failure, or amyotrophic lateral sclerosis (Lou Gehrig's disease), can also qualify for Medicare. The program helps with the cost of health care, but it doesn't cover all medical expenses or the cost of most long-term care. You have choices for how you get Medicare coverage. If you choose to have original Medicare coverage, you can buy a Medicare supplement policy (called Medigap) from a private insurance company to cover some of the costs that Medicare does not.

A portion of the payroll taxes paid by workers and their employers cover most Medicare expenses. Monthly premiums, usually deducted from Social Security checks also cover a portion of the costs.

The Centers for Medicare & Medicaid Services is the agency in charge of the Medicare program. But, you apply for Medicare at Social Security, and we can give you general information about the Medicare program.

### **Medicare has four parts**

- Medicare Part A (hospital insurance) helps pay for inpatient care in a hospital or skilled nursing facility

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(following a hospital stay). Part A also pays for some home health care, and hospice care.

- Medicare Part B (medical insurance) helps pay for services from doctors and other health care providers, outpatient care, home health care, durable medical equipment, and some preventive services.
- Medicare Part C (Medicare Advantage) includes all benefits and services covered under Part A and Part B. Some plans include Medicare prescription drug coverage (Medicare Part D) and other extra benefits and services.
- Medicare Part D (Medicare prescription drug coverage) helps cover the cost of prescription drugs.

You can get more details about what Medicare covers from *Medicare & You* (Publication No. CMS-10050). To get a copy, call the toll-free number or go to the Medicare website, [www.medicare.gov](http://www.medicare.gov).

## **A word about Medicaid**

You may think Medicaid and Medicare are the same, but they're two different programs. Medicaid is a state-run program that provides hospital and medical coverage for people with low income. Each state has its own rules about who's eligible, and what Medicaid covers. Some people qualify for both Medicare and Medicaid. For more information about the Medicaid program, contact your local medical assistance agency or social services office.

## **Who can get Medicare?**

### **Medicare Part A (hospital insurance)**

People age 65 or older, who are citizens or permanent residents of the United States, are eligible for Medicare Part A. You're eligible for "Part A" at no cost at age 65 if:

- You receive or are eligible to receive Social Security benefits; or
- You receive or are eligible to receive railroad retirement benefits; or
- Your spouse (living or deceased, including divorced spouses) receives or is eligible to receive Social Security or railroad retirement benefits; or
- You or your spouse worked long enough in a government job through which you paid Medicare taxes; or
- You are the dependent parent of a fully insured deceased child.

If you don't meet these requirements, you may be able to get Medicare Part A by paying a monthly premium. Usually, you can purchase this coverage only during designated enrollment periods.

***NOTE:*** *Even though Social Security's full retirement age is no longer 65, you should sign up for Medicare three months before your 65th birthday. You can apply on our website at [www.socialsecurity.gov](http://www.socialsecurity.gov).*

Before age 65, you are eligible for Medicare Part A at no cost if:

- You've been entitled to Social Security disability benefits for 24 months; or
- You receive a disability pension from the railroad retirement board and meet certain conditions; or
- You receive Social Security disability benefits because you have Lou Gehrig's disease (amyotrophic lateral sclerosis); or
- You worked long enough in a government job through which you paid Medicare taxes, and you've been entitled to Social Security disability benefits for 24 months; or
- You're the child or widow(er) age 50 or older, including a divorced widow(er), of someone who's worked long enough in a government job through which Medicare taxes were paid, and you meet the requirements of the Social Security disability program; or
- You have permanent kidney failure and you receive maintenance dialysis or a kidney transplant and
  - You're eligible for or receive monthly benefits under Social Security or the railroad retirement system; or
  - You've worked long enough in a Medicare-covered government job; or
  - You're the child or spouse (including a divorced spouse) of a worker (living or deceased) who has worked long enough under Social Security or in a Medicare-covered government job.

### **Medicare Part B (medical insurance)**

Anyone who's eligible for Medicare Part A at no cost can enroll in Medicare Part B by paying a monthly premium. Some people with higher incomes will pay a higher monthly Part B premium. For more information,



read *Medicare Premiums: Rules for Higher-Income Beneficiaries* (Publication No. 05-10536), or visit [www.socialsecurity.gov/medicare/mediinfo.html](http://www.socialsecurity.gov/medicare/mediinfo.html).

If you're not eligible for Part A at no cost, you can buy Part B, without having to buy Part A, if you're age 65 or older and you're:

- A U.S. citizen; or
- A lawfully admitted noncitizen, who has lived in the United States for at least five years.

You can only sign up for Part B during designated enrollment periods. If you don't enroll in Part B when you're first eligible for it, you may have to pay a late enrollment penalty for as long as you have Part B coverage. Read Signing up for Medicare on page 8.

### **Medicare Part C (Medicare Advantage plans)**

If you receive your Part A and Part B benefits directly from the government, you have original Medicare. If you receive your benefits from a Medicare Advantage organization or other private company approved by Medicare, you have a Medicare Advantage plan. Many of these plans provide extra coverage and may lower your out-of-pocket costs.

If you have Medicare Parts A and B, you can join a Medicare Advantage plan. With these plans, you can't have a Medigap policy, because Medicare Advantage plans cover many of the same benefits a Medigap policy covers. This includes benefits like extra days in the hospital after you've used days that Medicare covers.

Medicare Advantage plans include:

- Medicare coordinated-care plans;
- Medicare preferred provider organization plans;
- Medicare private fee-for-service plans; and
- Medicare specialty plans.

If you decide to join a Medicare Advantage plan, you use the health card that you get from your Medicare Advantage plan provider for your health care. Also, you might have to pay a monthly premium for your Medicare Advantage plan because of the extra benefits it offers.

You can enroll in a Medicare Advantage plan during your initial enrollment period (as explained under Signing up for Medicare on page 8), the first time you're eligible for Medicare. You can also enroll during the annual Medicare open enrollment period from October 15 – December 7 each year. The effective date for the enrollment is January 1 of the upcoming year. There are also special enrollment periods for some situations.

### **Medicare Part D (Medicare prescription drug coverage)**

Anyone who has Medicare Part A or Part B is eligible for Part D (Medicare prescription drug coverage). Part D benefits are available as a stand-alone plan or built into Medicare Advantage. The drug benefits work the same in either plan. Joining a Medicare prescription drug plan is voluntary, and you pay an extra monthly premium for the coverage. Some beneficiaries with higher incomes will pay a higher monthly Part D premium. For more information, read *Medicare Premiums: Rules for Higher-Income Beneficiaries* (Publication No. 05-10536), or visit **[www.socialsecurity.gov/medicare/mediinfo.html](http://www.socialsecurity.gov/medicare/mediinfo.html)**.

If you don't enroll in a Medicare drug plan when you're first eligible, you may pay a late enrollment penalty if you join a plan later. You'll have to pay this penalty for as long as you have Medicare prescription drug coverage. However, you won't pay a penalty if you have *Extra Help* (see below), or another creditable prescription drug plan. To be creditable, the coverage must pay, on average, at least as much as Medicare's standard prescription coverage.

You can enroll during your initial enrollment period (as explained under Signing up for Medicare on page 8), the first time you're eligible for Medicare. You can also enroll during the annual Medicare open enrollment period from October 15 – December 7 each year. The effective date for the enrollment is January 1 of the upcoming year. There are also special enrollment periods for some situations.

## Help for some low-income people

If you can't afford to pay your Medicare premiums and other medical costs, you may be able to get help from your state. States offer programs for people entitled to Medicare who have low income. Some programs may pay for Medicare premiums and some pay Medicare deductibles and coinsurance. To qualify, you must have Medicare Part A and have limited income and resources.

You can go online to get more information about these programs from the Centers for Medicare & Medicaid Services website. Visit **[www.medicare.gov](http://www.medicare.gov)** and find the tab titled, "Your Medicare Costs" and find "Get help paying costs." You can also visit **[www.medicare.gov/publications](http://www.medicare.gov/publications)** to read *Get Help With Your Medicare Costs: Getting Started* (Publication No. CMS-10126).

Only your state can decide if you qualify for help under these programs. To find out, contact your state or local medical assistance (Medicaid) agency, social services, or welfare office.

You may also be able to get *Extra Help* paying for the annual deductibles, monthly premiums, and prescription co-payments related to the Medicare prescription drug program (Part D). You may qualify for *Extra Help* if you have limited income (tied to the federal poverty level)

and limited resources. These income and resource limits usually change each year, and you can contact us for the current numbers.

You automatically qualify and don't need to apply for *Extra Help* if you have Medicare and meet one of the following conditions:

- Have full Medicaid coverage;
- Have Supplemental Security Income (SSI); or
- Take part in a state program that pays your Medicare premiums.

For more information about getting help with your prescription drug costs, call Social Security's toll-free number or visit our website. You can also apply online at [www.socialsecurity.gov/extrahelp](http://www.socialsecurity.gov/extrahelp).

## Signing up for Medicare

### When should I apply?

If you're already getting Social Security benefits, or railroad retirement checks, we'll send you information a few months before you become eligible for Medicare. If you live in one of the 50 states, Washington, D.C., the Northern Mariana Islands, Guam, American Samoa, or the U.S. Virgin Islands, we'll automatically enroll you in Medicare Parts A and B. However, because you must pay a premium for Part B coverage, you can choose to turn it down.

**NOTE:** *Residents of Puerto Rico or foreign countries won't receive Part B automatically. They must elect this benefit.*

If you're not already getting benefits, you should contact Social Security about three months before your 65th birthday to sign up for Medicare. You can sign up for Medicare even if you don't plan to retire at age 65.

After you enroll in Medicare, you'll receive a red, white, and blue Medicare card showing whether you have Part A, Part B or both. Keep your card in a safe place so you'll have it when you need it. If your card is lost or stolen, you can apply for a replacement card online by setting up a *my* Social Security account at [www.socialsecurity.gov/myaccount](http://www.socialsecurity.gov/myaccount), or call Social Security's toll-free number. You'll also receive a *Medicare & You* handbook (Publication No. CMS-10050) that describes your Medicare benefits and plan choices.

## **Other enrollment situations**

You should also contact Social Security about applying for Medicare if:

- You're a disabled widow or widower between age 50 and age 65, but haven't applied for disability benefits because you're already getting another kind of Social Security benefit;
- You're a government employee and became disabled before age 65;
- You, your spouse, or your dependent child has permanent kidney failure;
- You had Medicare Part B in the past, but dropped the coverage;
- You turned down Medicare Part B when you first got Part A; or
- You or your spouse worked for the railroad industry.

## **Initial enrollment period for Part B**

When you first become eligible for Medicare Part A, you have a seven-month period (your initial enrollment period) in which to sign up for Part B. If you're eligible at age 65, your initial enrollment period begins three months before your 65th birthday, includes the month you turn age 65, and ends three months after that birthday. If you're eligible

for Medicare based on disability or permanent kidney failure, your initial enrollment period depends on the date your disability or treatment began.

**NOTE:** *If you don't enroll in Part B when you're first eligible for it, you may have to pay a late enrollment penalty for as long as you have Part B coverage. Also, you may have to wait to enroll, which will delay this coverage.*

## **When does my enrollment in Part B become effective?**

If you accept the automatic enrollment in Medicare Part B, or if you enroll during the first three months of your initial enrollment period, your coverage will start with the month you're first eligible. If you enroll during the last four months, your coverage will start from one to three months after you enroll.

The following chart shows when your Medicare Part B becomes effective:

<b>If you enroll in this month of your initial enrollment period</b>	<b>Then your Part B Medicare coverage starts</b>
One to three months before you reach age 65	The month you reach age 65
The month you reach age 65	One month after the month you reach age 65
One month after you reach age 65	Two months after the month of enrollment
Two or three months after you reach age 65	Three months after the month of enrollment

## General enrollment period for Part B

If you don't enroll in Medicare Part B during your initial enrollment period, you have another chance each year to sign up during a "general enrollment period" from January 1 through March 31. Your coverage begins on July 1 of the year you enroll. **However, you may have to pay a late enrollment penalty for as long as you have Part B coverage. Your monthly premium will go up 10 percent for each 12-month period you were eligible for Part B, but didn't sign up for it.**

## Special enrollment period for people leaving Part C

If you're in a Medicare Part C (Medicare Advantage plan), you can leave that plan and switch to original Medicare from January 1 through February 14. If you use this option, you also have until February 14 to join a Medicare Part D (Medicare prescription drug plan). Your coverage begins the first day of the month after the plan gets your enrollment form.

## Special enrollment period for people covered under an employer group health plan

If you're 65 or older and covered under a group health plan, either from your own or your spouse's **current employment**, you may have a "special enrollment period" in which to sign up for Medicare Part B. This means that you may delay enrolling in Medicare Part B without having to wait for a general enrollment period and paying the penalty for late enrollment. There are limits, so we strongly advise you to contact the Centers for Medicare & Medicaid Services (CMS) for more information. The CMS contact information is on page 1 of this booklet. The rules allow you to:

- Enroll in Medicare Part B any time while you have a group health plan based on current employment; or

- Enroll in Medicare Part B during the eight-month period that begins the month after the employment ends or the group health coverage ends, whichever happens first.

You can't enroll using a special enrollment period if your employment or the employer-provided group health plan coverage ends during your initial enrollment period.

When you enroll in Medicare Part B while you're still in the group health plan, or during the first full month when you are no longer in the plan, your coverage begins either:

- On the first day of the month you enroll; or
- By your choice, on the first day of any of the following three months.

If you enroll during any of the remaining seven months of the "special enrollment period," your Medicare Part B coverage begins on the first day of the following month.

If you don't enroll by the end of the eight-month period, you'll have to wait until the next general enrollment period, which begins January 1 of the next year. You may also have to pay a late enrollment penalty for as long as you have Part B coverage, as described previously.

If you get Social Security disability benefits and have coverage under a large group health plan from either your own or a family member's current employment, you may also have a special enrollment period. If so, you have premium rights similar to those for current workers age 65 or older. For more information, contact the Centers for Medicare & Medicaid Services.

**NOTE:** *COBRA and retiree health coverage don't count as current employer coverage.*



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## Choices for receiving health services

Medicare beneficiaries can have choices for getting health care services.

You can get more information about your health care choices from the following publications:

- *Medicare & You* (Publication No. CMS-10050) — CMS mails this guide to people after they enroll in Medicare and sends them an updated version each year after that.
- *Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare* (Publication No. CMS-02110) — This guide describes how other health insurance plans supplement Medicare and offers some shopping hints for people looking at those plans.

To get a copy of these publications, visit [www.medicare.gov/publications](http://www.medicare.gov/publications), or call the toll-free number, **1-800-MEDICARE (1-800-633-4227)**. If you're deaf or hard of hearing, call TTY **1-877-486-2048**.

## If you have other health insurance

Medicare Part A (hospital insurance) is free for almost everyone. You have to pay a monthly premium for Medicare Part B (medical insurance). If you already have other health insurance when you become eligible for Medicare, is it worth the monthly premium cost to sign up for Part B?

The answer varies with each person and the kind of other health insurance you have. Although we can't give you "yes" or "no" answers, we can offer information that can help you decide. We can also advise if you'll be subject to a late enrollment penalty if you delay signing up.

## **If you have a private insurance plan**

Get in touch with your insurance agent to see how your private plan fits with Medicare Part B. This is especially important if you have family members who have coverage under the same policy. And remember, just as Medicare doesn't cover all health services, most private plans don't either. In planning your health insurance coverage, keep in mind that most nursing home care isn't covered by Medicare or private health insurance policies. One important word of caution: For your own protection, **do not cancel any health insurance you now have until your Medicare coverage begins.**

## **If you have insurance from an employer-provided group health plan**

By law, group health plans of employers with 20 or more employees have to offer current workers and their spouses who are age 65 (or older) the same health benefits as younger workers.

If you or your spouse are still working and covered under an employer-provided group health plan, talk to the personnel office before signing up for Medicare Part B.

## **If you have a Health Savings Account (HSA)**

If you have an HSA when you sign up for Medicare, you can't contribute to your HSA once your Medicare coverage begins. If you contribute to your HSA after your Medicare coverage starts, you may have to pay a tax penalty. If you'd like to continue contributing to your HSA, you shouldn't apply for Medicare, Social Security, or Railroad Retirement Board (RRB) benefits.

**NOTE:** *Premium-free Part A coverage begins six months before the date you apply for Medicare (or Social Security/RRB benefits), but no earlier than the first month*

*you were eligible for Medicare. To avoid a tax penalty, you should stop contributing to your HSA at least six months before you apply for Medicare*

## **If you have health care protection from other plans**

If you have TRICARE (insurance for active-duty, military retirees, and their families), your health benefits can change or end when you become eligible for Medicare. This applies for any reason, regardless of age or place of residence. If you're retired from the military or are a military retiree's family member, you must enroll in Part A and Part B when first eligible to keep TRICARE coverage. You can find a military health benefits adviser at [www.milconnect.dmdc.mil](http://www.milconnect.dmdc.mil), or call the Defense Manpower Data Center, toll-free at **1-800-538-9552** (TTY **1-866-363-2883**) before you decide whether to enroll in Medicare medical insurance (Part B).

If you have health care protection from the Indian Health Service, Department of Veterans Affairs, or a state medical assistance program, contact those offices to help you decide if it's to your advantage to have Medicare Part B.

***IMPORTANT:*** *If you have VA coverage and don't enroll in Part B when you're first eligible, you may have to pay a late enrollment penalty for as long as you have Part B coverage. Also, you may have to wait to enroll, which will delay this coverage.*

For more information on how other health insurance plans work with Medicare, visit [www.medicare.gov/publications](http://www.medicare.gov/publications) to view the booklet *Medicare and Other Health Benefits: Your Guide to Who Pays First* (Publication No. CMS-02179), or call the Medicare toll-free number, **1-800-MEDICARE (1-800-633-4227)**. If you're deaf or hard of hearing, call TTY **1-877-486-2048**.

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## Contacting Social Security

There are several ways to contact Social Security, including online, by phone, and in person. We're here to answer your questions and to serve you. For more than 80 years, Social Security has helped secure today and tomorrow by providing benefits and financial protection for millions of people throughout their life's journey.

### Visit our website

The most convenient way to conduct Social Security business from anywhere at any time, is to visit **[www.socialsecurity.gov](http://www.socialsecurity.gov)**. There, you can:

- Create a *my* Social Security account to review your *Social Security Statement*, verify your earnings, print a benefit verification letter, change your direct deposit information, request a replacement Medicare card, get a replacement SSA-1099/1042S, and more;
- Apply for Extra Help with Medicare prescription drug plan costs;
- Apply for retirement, disability, and Medicare benefits;
- Find copies of our publications;
- Get answers to frequently asked questions; and
- So much more!

### Call us

If you don't have access to the internet, we offer many automated services by telephone, 24 hours a day, 7 days a week. Call us toll-free at **1-800-772-1213** or at our TTY number, **1-800-325-0778**, if you're deaf or hard of hearing.

If you need to speak to a person, we can answer your calls from 7 a.m. to 7 p.m., Monday through Friday. We ask for your patience during busy periods since you may experience a higher than usual rate of busy signals and longer hold times to speak to us. We look forward to serving you.

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