

EDUCATIONAL: WADING THROUGH MEDICARE

Medicare is a federal government program that provides health insurance for people age 65 and older, people under age 65 with certain disabilities, and people with permanent kidney failure requiring dialysis or a kidney transplant. The Medicare program is made up of several "parts" that offer various benefits, including hospital insurance (Part A), medical insurance for doctors' services (Part B), and prescription drug coverage (Part D). Today we will be going through the most popular questions asked about Medicare.

1. Who Is Eligible for Medicare Benefits?

If you get benefits from Social Security or the Railroad Retirement Board, you are automatically eligible for Medicare starting the first day of the month you turn 65. If you are under 65 you are eligible to receive Part A benefits under the following circumstances:

- You have been receiving Social Security Disability Insurance for more than two years.
- You have permanent kidney failure (end-stage renal disease requiring ongoing dialysis or a kidney transplant).
- You have been diagnosed with Lou Gehrig's disease.

2. What Does Medicare Part A Cover?

Medicare Part A, also known as the Hospital Insurance program, helps cover the costs of care in the following facilities:

- Inpatient care in hospitals, Inpatient care in a skilled nursing facility, Inpatient rehabilitation facility, Hospice care services, some home health care services, Inpatient mental health and psychiatric care

3. Do I Have to Pay a Premium for Medicare Part A?

If you are eligible for Medicare you will not have to pay a monthly premium for Part A if you or your spouse paid Medicare payroll taxes while working. If you and your spouse did not work or did not pay enough Medicare payroll taxes you may not be eligible for premium-free Part A. However, you may be able to purchase Part A by paying a monthly premium, which is up to \$461 in 2010. Your local Social Security office should be contacted 3 months before your 65th birthday to sign up.

4. What Does Medicare Part B Cover?

Medicare Part B is also known as the Medical Insurance program. In general, Part B covers two types of services:

Medical services – healthcare that you may need to diagnose and treat a medical condition. Medicare will only pay for services that they define as being medically necessary.

Preventive services – healthcare to prevent illness (such as a flu shot) or help detect an illness in an early stage so it can be managed before getting worse (such as screening for colon cancer).

Under Part B, Medicare helps pay for durable medical equipment such as oxygen equipment, wheelchairs, walkers, and other medically necessary equipment that your doctor prescribes to use in your home.

5. What Is the Medicare Part D Coverage Gap?

Most Medicare drug plans have a coverage gap, also known as the “doughnut hole.” This means that after you and your drug plan have spent a certain amount of money for covered medications, you have to pay all out-of-pocket costs for your drugs (up to a limit). Your yearly deductible, your co-insurance or co-payments, and what you pay in the coverage gap all count toward this limit.

6. What Is a Medigap Policy?

Original Medicare (Part A and Part B) pays for many, but not all, health-related services and medical supplies. You can purchase an insurance policy to cover the “gaps” that are not paid for by Medicare, such as co-payments, coinsurance, and deductibles. Some Medigap policies also will pay for certain health services outside the United States and additional preventive services not covered by Medicare. Medigap insurance (also known as Medicare Supplement Insurance) is voluntary and you are responsible for the monthly or quarterly premium. Medicare will not pay any of your costs to purchase a Medigap policy.

7. What Is a Medicare Advantage Plan?

Medicare Part C, also known as the Medicare Advantage program, allows you to choose a health plan offered by a private insurance company that is approved by Medicare.

Medicare Advantage plans include:

- Managed Care Organizations (such as a PPO or HMO)
- Private Fee-for-Service Plans

Medicare Advantage plans receive payments from Medicare to provide you with the benefits covered by Medicare, including Part A and Part B. Most Medicare Advantage plans include Part D drug coverage and many offer extra coverage, such as vision and hearing care, dental services, and wellness programs.

8. What Happens to Medicare Under Health Reform?

The Affordable Care Act makes several changes to Medicare that most likely will improve your benefits and your access to primary care services. Some significant changes included:

- Coverage Gap Savings: In 2011, you will be able to get a 50% discount on brand-name drugs and a 7% discount on generic drugs in the coverage gap. There will be additional savings in the coverage gap each year until it's completely closed by 2020.
- Preventive Care: Beginning in 2011, Medicare will pay for an annual checkup, including a physical examination and a total elimination of cost sharing for appropriate preventive services and screenings.

9. I Will Soon Be 65, What Are My Medicare Choices?

You have two main choices for how you get your Medicare:

- Original Medicare includes Part A Hospital Insurance and Part B Medical Insurance), you will also have the option to enroll in a Part D Prescription Plan. You will also need to decide if you want to purchase Medicare Supplement Insurance (Medigap) to pay for the “gaps” in Medicare coverage.
- Medicare Advantage Plan, gives you the option to select a plan that includes prescription drug coverage. If you have a Medicare Advantage Plan, you do not need Medigap coverage.

10. What Does "Medically Necessary" Mean?

Medicare will only pay for services or supplies that are considered to be medically necessary.

- Are proper and needed for diagnosis, or treatment of your medical condition.
- Are provided for the diagnosis, direct care, and treatment of your medical condition.
- Meet the standards of good medical practice in the medical community of your local area.
- Are not mainly for the convenience of you or your doctor.

11. Why Are Preventive Services Important?

Medicare pays for certain healthcare services to prevent illness (such as a flu shot) or help detect an illness in an early stage so it can be managed before getting worse (such as screening for colon cancer). Your doctor can tell you what tests you need and how often you need them.

12. What Diabetic Supplies Does Medicare Cover?

Medicare covers some diabetes supplies, including:

- Blood glucose test strips, blood glucose monitor, lancet devices and lancets, and glucose control solutions for checking the accuracy of test strips and monitors.

Medicare may limit how much or how often you get these supplies. Regular Medicare does not cover insulin. You will have to pay 100% for insulin (unless used in an insulin pump), syringes, and needles, unless you have enrolled in a Medicare Part D prescription drug plan or have a Medicare Advantage plan with drug coverage.

13. Does Medicare Cover Dental Services?

Medicare does not cover routine dental care or most dental procedures such as cleanings, fillings, tooth extractions or dentures. Medicare Part A may pay for some dental services that you get when you are in the hospital. Some Medicare Advantage plans may include dental benefits as an added benefit. Check with your Medicare Advantage plan directly to see what dental services are covered, if any.

14. Does Medicare Cover Eye Health Services?

Medicare covers services for the diagnosis and treatment of eye disease both in your doctor's office and the hospital. This includes the treatment of glaucoma and the removal of cataracts. Medicare does not cover the cost of a routine eye refraction or the cost of eyeglasses or contact lenses. However, following cataract surgery with an intraocular lens, Medicare will help pay for cataract glasses, contact lenses, or intraocular lenses provided by an ophthalmologist.

15. I Lost My Medicare Card. How Can I Get a New One?

If you have Original Medicare (Part A and Part B), call Social Security at 1-800-772-1213, or visit www.socialsecurity.gov/medicarecard. When you request a replacement Medicare card online or on the phone, you will need:

Your name as it appears on your most recent Social Security card

Your Social Security Number

Your date of birth

You should receive your replacement Medicare card in the mail in about 30 days. You can also visit your local Social Security office. If you are enrolled in a Medicare Advantage Plan and lost your card, call your plan's customer service number for a replacement.

16. What If I Need a Drug That Isn't on the Formulary or Costs Too Much?

According to Medicare, if you need a drug that is not on your Part D formulary, or that is on the list but you think it should be covered for a lower copayment, you can do the following:

Contact the plan and ask for an exception. You will probably have to provide information from your doctor about why you need the drug your plan won't cover.

If your plan denies the exception, you can appeal. Your Part D plan must give you information on how to appeal.

17. My Part D Prescription Plan Has a Drug Formulary with Tiers. What Does It Mean?

Drugs on a Part D formulary are usually grouped into tiers, and your copayment is determined by the tier that your medication is on. A typical Part D drug formulary includes three tiers.

Tier 1 has the lowest co-payment and usually includes generic medications.

Tier 2 has a higher co-payment than tier 1 and usually includes preferred brand name medications.

Tier 3 has the highest co-payment and usually includes non-preferred brand name medications. Your plan may place a medication in tier 3 because there is a similar drug on a lower tier of the formulary that may provide you with the same benefit at a lower cost.

18. Does Medicare Cover Me When I Travel Outside the United States?

The Original Medicare Plan generally doesn't cover health care while you are traveling outside the U.S. and its territories. Some Medigap policies Foreign Travel Emergency health care coverage when you travel outside the U.S.

Some Medicare Advantage plans may provide worldwide coverage benefits for health care needs when you travel outside the United States. Before traveling outside the country, check with your Medicare Advantage plan regarding travel benefits.

If you know that you will not have Medicare-related coverage when you travel, you may want to consider purchasing a temporary travel health insurance policy.

19. I Can't Afford My Medicare and Drug Coverage Premiums. What Can I Do?

You have several options if you need help with medical and drug costs, such as premiums, deductibles, and other out-of-pocket expenses. These options include: Medicaid, Medicare Savings Program, Extra Help and Low-Income Subsidy State Pharmaceutical Assistance Program, Pharmaceutical Assistance Program

20. Where Can I Get Answers to My Questions About Medicare?

You can get some of your Medicare questions answered at the Medicare Support Center. www.Medicare.gov

Contact Medicare

The Centers for Medicare & Medicaid Services (CMS) is a branch of the U.S. Department of Health and Human Services. CMS is the federal agency that administers the Medicare program and monitors the Medicaid programs offered by each state. English and Spanish-speaking Customer Service Representatives (CSRs) are available that can provide information about Medicare coverage and costs, health plan options, and your Medicare claims. Also, they can check your eligibility for certain preventive services, give referrals to helping agencies and partners such as State Medicaid agencies, help you find a participating Medicare provider, help you find and compare hospitals, home health agencies, nursing homes, and dialysis facilities in your area, etc.

CMS Contact Information:

Phone:

1-800-MEDICARE (1-800-633-4227) 24 hours, 7 days a week, including some federal holidays.

TTY/TDD:

Call 1-877-486-2048. However, the interactive phone system is available 24 hours every day of the year.

Mailing Address:

Centers for Medicare & Medicaid Services, 7500 Security Boulevard, Baltimore MD 21244-1850.

OTHER HELPFUL INSURANCE INFO:

Senior Health Insurance Counseling Program (SHIP) is a non-profit organization helping to inform the public about Medicare and other senior health insurance issues. SHIP Helpline is 1-800-763-2828 or go to their website at <http://www.ok.gov/oid/>. Click the “Consumers” tab. Then click “Medicare Information”.

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RESOURCES:

The Centers for Medicare & Medicaid Services (CMS)

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Medicare Support Center