

TEN FACTS YOU MUST KNOW WHEN GOING ON MEDICARE

Medicare is complex and can be confusing.

When you first go on Medicare you are required to make decisions and choices that can impact your health and finances the rest of your life.

It is very important that you understand how Medicare works and the implications of the Medicare selections you make.

MEDICARE FACT #1

When you are first eligible to go on Medicare, by law you can enroll in any Medicare Supplement available in your area without having to divulge any past or present health conditions you may have.

After you have been on Medicare for at least six months, you may be required to disclose your past or present health conditions when applying for a Medicare Supplement and you may be declined for coverage due to your health.

The savvy thing to do is enroll in a Medicare Supplement that will cover all or most of your share of Medicare costs when you are first eligible so you can make sure you have the coverage you need the rest of your life.

MEDICARE FACT #2

Medicare Part A covers hospitals and rehabilitation in a skilled nursing facility.

Because you and your spouse's history of having paid into Medicare in the form of a payroll deduction, there is no charge for Medicare Part A.

If you only have Medicare without a Medicare Supplement, you will pay a deductible of \$1316 if you are an in-patient in the hospital.

If you go into a skilled nursing facility for rehabilitation you will pay nothing for days 1-20 and then \$164.50 per day for days 21-100.

Most Medicare Supplements will pay 100 percent of your share of Medicare costs under Medicare Part A.

MEDICARE FACT #3

Medicare Part B covers all Medicare-covered medical services other than what is covered under Medicare A. Examples include doctor's office visits, x-rays and labs, sophisticated diagnostic testing such as MRIs and CT scans, physical therapy, as well as, some drugs that are administered in a medical facility such as injections to relieve arthritis pain or chemotherapy.

For most people beginning Medicare in 2017, Medicare Part B has a monthly premium of \$134. This amount is deducted from your Social Security check every month. If you are not collecting Social Security you will receive a quarterly bill of \$402 every three months.

Medicare Part B covers 80 percent of your medical costs for Medicare Part B – covered expenses after an annual deductible of \$183.

MEDICARE FACT #4

Medicare Part D helps you with the charges associated with prescription medications. Most states have 20 or more Medicare Part D plans from which to choose. The right policy for you will depend on your specific list of medications.

Medicare provides a PlanFinder tool on www.Medicare.gov. You can enter your medications and the PlanFinder tool will tell you which of the Medicare Part D drug plans in your state will provide your medications to you at the lowest overall cost including monthly premium, annual deductible (if any) and drug co-pays.

MEDICARE FACT #5

Medicare Advantage plans provide your benefits through a managed care network of doctors and hospitals. They are private, for-profit, health plans that require you to leave regular Medicare. While, Medicare Advantage plans can save you money if you are relatively healthy; they can cost much more than regular Medicare combined with a Medicare Supplement if you become sick.

A Medicare Advantage plan can reject the care and treatment recommendations made by your doctor. A Medicare Advantage plan also does not provide full coverage when you are travelling outside of your network (or home) area.

Finally, choosing a Medicare Advantage plan may prevent you from ever being eligible for a Medicare Supplement that pays much of your costs regardless of your health.

A Medicare Advantage plan can cost you thousands of dollars in unexpected health care cost every year and can also limit your access to the care you need when you need it most.

MEDICARE FACT #6

If you will be continuing to work when you turn 65 and have health insurance through your employer, you have the option of deferring Medicare until the time you leave your employer coverage without penalty.

In most cases, it is not necessary and is not a good decision to enroll in Medicare Part B while you still have employer coverage.

MEDICARE FACT #7

If you have a Medicare Supplement combined Medicare, you can go to any doctor or hospital anywhere in the country that accepts Medicare. Medicare combined with your Medicare Supplement will pay almost all your health care costs. You do not need to worry about having to pay thousands of dollars in unplanned costs because you become ill.

If you have a serious health condition and believe a special provider such as Mayo Clinic will give you the greatest chance for the best health outcome, you can go there and Medicare and your Medicare Supplement will pay the cost.

As an added benefit, your Medicare Supplement will also provide coverage for medical emergencies if you are traveling outside of the United States for up to \$50,000.

MEDICARE FACT #8

Your effective date for Medicare will be the 1st day of the month in which you turn 65. For example, if your birthday is September 11, 1952, your effective date will be September 1, 2017. This is the effective date if you choose to go on Medicare when first eligible due to turning 65.

There is one exception to this rule. If your birthday falls on the 1st day of the month, your effective date will be the 1st day of the previous month. For example, if your birthday is September 1, 1952, your Medicare effective date will be August 1, 2017.

In most states, you can enroll in a Medicare Supplement up to six months before your effective date for the coverage to take effect when your Medicare begins.

MEDICARE FACT #9

If you are collecting Social Security, within four months of your Medicare effective date (the 1st day of the month in which you turn 65), you will automatically be enrolled in Medicare A & B. In this case, you will receive your Medicare card in the mail around 3-1/2 months before the first day of the month in which you turn 65. The card will be in a white 4 x 6 envelope with the return address of “Center for Medicare and Medicaid Services”

If you are not collecting Social Security 4 month prior to your Medicare effective date, you will need to enroll either by visiting your local Social Security office or enrolling at www.socialsecurity.gov.

MEDICARE FACT #10

Even if you only take inexpensive generic medications or no medications at all, you need a Medicare Part D drug plan. The reason for this is after you first go on Medicare, you can only enroll for the first time in a Medicare Part D drug plan during the Annual Enrollment Period from October 15-December 7. Your drug plan will take effect on January 1 of the following year. Due to this, if you do not have a Medicare Part D plan and you are prescribed something expensive early in the calendar year, you will be responsible for the full cost of the medication for the rest of the year. Many medications can cost \$400-500 per month or more. Some new cancer medications which are covered under Medicare Part D can cost more than \$10,000 per month.

In addition, if you do not enroll in Medicare Part D drug plan when first eligible and enroll in one later, you will be responsible to pay a penalty in the form of a higher monthly premium the rest of your life.

For More Assistance with your Medicare planning,
please call 1-800-945-1953