

Medicare

The Medicare Program

Medicare is a health insurance program for:

- People age 65 or older.
- People under age 65 with certain disabilities.
- People with End-Stage Renal Disease (permanent kidney failure requiring dialysis or a kidney transplant).

The Original Medicare Has Two Parts

Part A

Hospital Insurance. ([see Medicare Part A](#))

Most people pay for Part A through their payroll taxes when they are working.

Part B

Medical Insurance. ([see Medicare Part B](#))

Most people pay monthly for Part B.

You can elect to participate in a Medicare Advantage Plan Part C and Medicare Prescription Drug Coverage Part D

Medicare Advantage Plans ([see Medicare Part C](#))

You can choose different ways to get the services covered by Medicare. Depending on where you live, you may have different choices. In most cases, when you first get Medicare, you are in the Original Medicare Plan. Or, you may want to consider a Medicare Advantage Plan (like an HMO or PPO) that provides all your Part A, Part B, and often Part D (Medicare Prescription Drug) coverage. You make a choice when you are first eligible for Medicare. Each year you can review your health and prescription needs and switch to a different plan in the fall.

Medicare Advantage Plans are health plan options that are approved by Medicare but run by private companies. They are part of the Medicare Program, and sometimes called "Part C." When you join a Medicare Advantage Plan, you are still in Medicare. As long as you have both Part A and Part B, items covered by Part A and Part B are covered whether you have the Original Medicare Plan, or you belong to a Medicare Advantage Plan (like an HMO or PPO).

Part D ([see Medicare Part D](#))

Prescription Drug Coverage

Medicare Prescription Drug Plans are offered by insurance companies and other private companies approved by Medicare.

Medicare Health Plans

Today's Medicare is about choice. Your health plan choices include:

- The Original Medicare Plan
- Medicare + Choice Plans, including:
 - Medicare Managed Care Plans
 - Medicare Private Fee-for-Service Plans
 - Medicare Preferred Provider Organization Plans

Medicare + Choice Plans are available in many areas.

The Medicare health plan that you choose affects many things like cost, benefits (some have extra benefits like prescription drugs), doctor choice, convenience, and quality.

What is Medicare Part A?

[Medicare Part A](#) (Hospital Insurance) helps cover your inpatient care in hospitals, including critical access hospitals, and skilled nursing facilities (not custodial or long-term care). It also helps cover hospice care and some home health care. You must meet certain conditions.

Cost

- Most people do not pay a monthly Part A premium because they paid Medicare taxes while working.
- If you don't get premium free Part A and if you buy Part A, you'll pay up to \$411 each month in 2016. If you pay a late enrollment penalty, this amount is higher.

Medicare Part A Helps Cover Your Medically Necessary:

Hospital Stays

Semiprivate room, meals, general nursing, and other hospital services and supplies. This includes inpatient care you get in critical access hospitals and mental health care. This doesn't include private duty nursing, or a television or telephone in your room. It also doesn't include a private room, unless medically necessary. Inpatient mental health care in a psychiatric facility is limited to 190 days in a lifetime.

Skilled Nursing Facility Care

Semiprivate room, meals, skilled nursing and rehabilitative services, and other services and supplies (after a related 3-day inpatient hospital stay).

Home Health Care

Part-time or intermittent skilled nursing care and home health aide services, physical therapy, occupational therapy, speech-language therapy, medical social services, durable medical equipment (such as wheelchairs, hospital beds, oxygen, and walkers), medical supplies, and other services.

Hospice Care

For people with a terminal illness, includes drugs for symptom control and pain relief, medical and support services from a Medicare-approved hospice, and other services not otherwise covered by Medicare. Hospice care is usually given in your home. However, Medicare covers some short-term hospital and inpatient respite care (care given to a hospice patient so that the usual caregiver can rest).

Blood

Pints of blood you get at a hospital or skilled nursing facility during a covered stay.

What is Medicare Part B?

[Medicare Part B](#) (Medical Insurance) helps cover your doctors' services and outpatient hospital care. It also covers some other medical services that Part A doesn't cover, such as some of the services of physical and occupational therapists, and some home health care. Part B helps pay for these covered services and supplies when they are medically necessary.

Cost

Most people will continue to pay the same premium they paid last year. The 2016 Medicare Premium for Part B is \$104.90 per month. In some cases, this amount may be higher if you didn't sign up for Part B when you first became eligible. The cost of Part B may go up 10% for each 12-month period that you could have had Part B but didn't sign up for it, except in special cases. You will have to pay this extra amount as long as you have Part B.

Medicare Part B Helps Cover Your Medically Necessary:

Medical and Other Services

Doctors' services (not routine physical exams), outpatient medical and surgical services and supplies, diagnostic tests, ambulatory surgery center facility fees for approved procedures, and durable medical equipment (such as wheelchairs, hospital beds, oxygen, and walkers). Also covers second surgical opinions, outpatient mental health care, and outpatient occupational and physical therapy including speech-language therapy. (These services are also covered for long-term nursing home residents).

Clinical Laboratory Services

Blood tests, urinalysis, some screening tests, and more.

Home Health Care

Part-time or intermittent skilled nursing care and home health aide services, physical therapy, occupational therapy, speech-language therapy, medical social services, durable medical equipment (such as wheelchairs, hospital beds, oxygen, and walkers), medical supplies, and other services.

Outpatient Hospital Services

Hospital services and supplies received as an outpatient as part of a doctor's care.

Blood

Pints of blood you get as an outpatient or as part of a Part B covered service.

What is the Original Medicare Plan?

The Original Medicare Plan is a "fee-for-service" plan. This means you are usually charged a fee for each health care service or supply you get. This plan, managed by the Federal Government, is available nationwide. If you are in the Original Medicare Plan, you use your red, white, and blue Medicare card when you get health care. If you are happy getting your health care this way, you don't have to change. You will stay in the Original Medicare Plan unless you choose to join a Medicare + Choice Plan.

Your costs in the Original Medicare Plan

What you pay out-of-pocket depends on:

- Whether you have Part A and Part B
- Whether your doctor or supplier agrees to accept "assignment"
- How often you need health care
- What type of health care you need
- Whether you choose to get services or supplies not covered by Medicare. In this case, you would pay for these services yourself.
- Whether you have other insurance