



Welcome to Medicare

Important
decisions after
signing up for
Medicare

Medicare Plan Choices

With Medicare you have choices in how you get your coverage. Before you make any decisions, it's helpful to understand Medicare Part A and Part B.

Medicare Part A (Hospital Insurance)

covers hospital inpatient care, skilled nursing facility care, home health, and hospice care.

Medicare Part B (Medical Insurance) covers doctors' services, outpatient care, durable medical equipment (like wheelchairs), and preventive services (like screenings, shots, and yearly "Wellness" visits).



Decision 1: Should I sign up for Part B if I haven't already?

If you signed up for Part B, skip to Decision 2 on page 8. If you didn't sign up for Part B, read this section carefully. **There are risks for not signing up for Part B:**

- You may pay all of the costs for doctors' services, outpatient care, medical supplies, and preventive services.
- You'll have to wait until the General Enrollment Period (January 1–March 31 each year) to sign up if you decide you want Part B later. Your coverage won't start until July 1 of that year.
- You may have to pay a late enrollment penalty for as long as you have Part B. (The penalty amount increases the longer you go without Part B coverage.)

Whether it's best for you to sign up for Part B depends on your situation. Below through page 7 covers common situations and explains the risks for not signing up for Part B.

Common Situations

If you're still working and have coverage through your employer, or your spouse (or a family member, if you're disabled) is still working and you're covered through his or her employer:

- You may need to sign up for Part B right away if your employer has less than 20 employees. Check with your benefits administrator to see if they require you to enroll in Part B. If your employer has 20 or more employees, you can sign up for Part B later during a Special Enrollment Period without a late enrollment penalty if:
 - You're 65 or older, you or your spouse is currently working, and you're covered by an employer or union group health plan based on that current employment.
 - You're under 65 and disabled, you or a family member is currently working, and you're covered by an employer or union group health plan based on that current employment. (If the group health plan coverage is based on the current employment of a family member, the employer must have 100 or more employees.)

Decision 1: (continued)

If you're eligible for a Special Enrollment Period, you can sign up for Part B:

- Anytime while you're covered by the employer or union group health plan based on current employment.
- For up to 8 months after the group health plan coverage or the employment ends, whichever happens first.

If you're retired and have coverage through a former employer, or you have COBRA or VA coverage:

- You may need both Part A and Part B to get full benefits from this coverage, and your current coverage might not pay your medical costs once you're eligible for Medicare.
- You're also not eligible for a Special Enrollment Period when this coverage ends. This means:
 - You'll have to wait until the General Enrollment Period (January 1–March 31 each year) to sign up for Part B, and your coverage would start July 1 of that year.
 - In most cases, you'll have to pay a late enrollment penalty each time you pay your premium for as long as you have Part B coverage.

If you have coverage through the Health Insurance Marketplace for individuals or families:

You should consider signing up for Part B and stopping your Marketplace plan when your Medicare starts.

- You won't be eligible for premium tax credits or cost-sharing reductions for a Marketplace plan once you're considered eligible for Part A coverage, and you might have to pay back any credits you got for coverage after that time when you file your taxes.
- If you choose to enroll in Part B later, you won't be eligible for a Special Enrollment Period, so you'll have to wait to sign up. Also, you may have to pay a late enrollment penalty for as long as you have Part B coverage. See page 2.
- Plans may not be allowed to renew your Marketplace coverage (for you and your family) at the end of the year you become eligible for Medicare. This means you could have a gap in your coverage starting on January 1.

Decision 1: (continued)

If you have employer coverage through the Marketplace (sometimes called Small Business Health Options Program or “SHOP” coverage):

- You may be able to wait until you stop working or no longer have SHOP coverage to enroll in Part B under a Special Enrollment Period without a penalty. See pages 3–4. Visit [HealthCare.gov](https://www.healthcare.gov) and [Medicare.gov](https://www.medicare.gov) to learn more.

If you have coverage through a private insurance plan, (not through the Health Insurance Marketplace or an employer):

- If you get Part B, Medicare will pay its part of the costs for any health care services you get, and then any amount Medicare doesn't cover can be submitted to your private plan.
- If you choose to enroll in Part B later, you won't be eligible for a Special Enrollment Period, so you'll have to wait to sign up. Also, you may have to pay a late enrollment penalty for as long as you have Part B coverage. See page 2.

If you have TRICARE coverage (insurance for active-duty military, military retirees, and their families) or CHAMPVA coverage:

- You must have Part B to keep your coverage. However, if you're an active-duty service member or the spouse or dependent child of an active-duty service member, you don't have to get Part B right away.

If you have Medicaid:

- You should sign up for Part B.
- Medicare will pay first, and Medicaid will pay second. Your state may also help pay for your Medicare premiums. See page 13.

If you don't have other medical coverage:

- You should sign up for Part B, so you have coverage for things like doctors' services or preventive services.
- Be aware of the risks for not signing up for Part B. See page 2.



Decision 2: How should I get my Medicare coverage?

There are two main options for how to get your Medicare coverage:

1. Original Medicare

or

2. Medicare Advantage Plan

Original Medicare

Original Medicare is coverage managed by the federal government. You usually don't pay a monthly premium for Part A coverage if you or your spouse paid Medicare taxes while working for a certain amount of time. The standard Part B premium amount for 2018 is \$134 or higher, depending on income.

If you have Original Medicare, you:

- Can see any doctor who's enrolled in Medicare and accepting new patients.
- Don't need referrals.
- Generally pay a portion of the cost for each covered service.
- Can join a Medicare Prescription Drug Plan (Part D) to get drug coverage.
- Can buy a Medicare Supplement Insurance (Medigap) policy to pay costs that Original Medicare doesn't cover.

When you enroll in Medicare Parts A and B, you'll have Original Medicare unless you enroll in a Medicare Advantage Plan.

Medicare Advantage Plans (Part C)

Medicare Advantage Plans (like HMOs or PPOs) are offered by private companies approved by Medicare. You must have both Medicare Part A and Part B to join.

It may be more cost effective for you to join a Medicare Advantage Plan because your cost sharing is lower (or included).

You can join a Medicare Advantage Plan when you first become eligible for Medicare. This period is the 3 months before you turn 65 to 3 months after the month you turn 65.

Medicare Advantage Plans:

- Include Part A, Part B, and usually Part D (prescription drug) coverage.
- May offer extra benefits like vision, hearing, or dental.
- Usually have you pay a monthly premium (in addition to your Part B premium) and a copayment or coinsurance amount for covered services.
- Have provider networks. This means you may pay lower costs for covered services as long as you see doctors or go to hospitals that belong to the plan's network.
- May ask you to get referrals to see specialists.

Visit [Medicare.gov/find-a-plan](https://www.Medicare.gov/find-a-plan) to find out which plans are available in your area, or call 1-800-MEDICARE (1-800-633-4227). TTY users can call 1-877-486-2048.



Decision 3: Do I need Medicare prescription drug coverage?

If you don't have prescription drug coverage, or the coverage you have isn't at least as good as Medicare (called creditable coverage), you should consider enrolling in a Medicare Prescription Drug Plan (also called Part D).

If you need prescription drug coverage, you have to sign up for it. You can get drug coverage by joining a Medicare Prescription Drug Plan or a Medicare Advantage Plan that includes drug coverage.

You have up to 3 months after your Medicare coverage starts to join a Part D plan. If you don't join a Medicare drug plan when you're first eligible for Medicare, you may have to pay a monthly Part D late enrollment penalty if you join a plan later. And, the penalty goes up the longer you wait to enroll.

Visit [Medicare.gov/find-a-plan](https://www.Medicare.gov/find-a-plan) to find out which plans are available in your area, or call 1-800-MEDICARE (1-800-633-4227). TTY users can call 1-877-486-2048. You can also look at your "Medicare & You" handbook that you'll get in the mail soon.

Things to consider when choosing a plan

You should compare the different costs and coverage of Original Medicare, the Medicare Advantage Plans, and Medicare Prescription Drug Plans in your area and make sure you understand any rules and limits that apply for each option.

If you want to join a Medicare Advantage Plan or Medicare Prescription Drug Plan, visit [Medicare.gov](https://www.Medicare.gov) or contact the plan directly to join.

If you don't join a plan when you're first eligible, generally, you can join or change plans during Open Enrollment which runs from October 15 – December 7 each year. If you make a change during this period, your new coverage will begin January 1 of the following year. There are other times you can enroll based on certain situations. Your enrollment generally lasts for a calendar year.



Decision 4: Do I need a Medicare Supplement Insurance (Medigap) policy?

Original Medicare pays for much, but not all, of the cost for health care services and supplies. If you choose Original Medicare, you may be able to buy a Medicare Supplement Insurance (Medigap) policy from a private company to help pay some of the health care costs that Original Medicare doesn't cover. **You need both Part A and Part B to buy a Medigap policy.**

Medigap policies:

- Can cover costs like coinsurance, copayments, and deductibles.
- May offer coverage for services that Original Medicare doesn't cover, like medical care when you travel outside the U.S.

Tip: If you buy a Medigap policy during the 6-month period that starts when you turn 65 and are enrolled in Part B, you can buy any Medigap policy sold in your state, even if you have health problems.

Visit [Medicare.gov](https://www.Medicare.gov) to learn more and compare Medigap policies in your area. You can also call 1-800-MEDICARE (1-800-633-4227). TTY users can call 1-877-486-2048.

Help for People with Limited Income and Resources

You may be able to get help paying for some of your health care and prescription drug costs.

- **Medicaid and Medicare Savings Programs** — States have programs that pay Medicare costs for people with limited income and resources. Visit [Medicare.gov](https://www.Medicare.gov) to learn more. You can also call 1-800-MEDICARE (1-800-633-4227) to get the number for your state Medicaid office. TTY users can call 1-877-486-2048.
- **Extra Help with Part D prescription drug costs**—If you have limited income and resources, you may qualify to get help paying your drug costs. To apply for this program, visit [socialsecurity.gov/i1020](https://www.socialsecurity.gov/i1020), or call Social Security at 1-800-772-1213. TTY users can call 1-800-325-0778.
- **Supplemental Security Income (SSI)**— SSI is a monthly benefit paid by Social Security to people with limited income and resources who are disabled, blind, or 65 or older. For more information, call Social Security.

Note: If you live in a U.S. Territory, there are different programs to help you pay your Medicare costs. Call your local Medical Assistance (Medicaid) office to learn more.

You have the right to get Medicare information in an accessible format, like large print, Braille, or audio. You also have the right to file a complaint if you feel you've been discriminated against. Visit <https://www.medicare.gov/about-us/nondiscrimination/accessibility-nondiscrimination.html> Medicare.gov/about-us/nondiscrimination/accessibility-nondiscrimination.html, or call 1-800-MEDICARE (1-800-633-4227) for more information. TTY users can call 1-877-486-2048.

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