

What Is Medicare?

If you are 65 or older, and you are considered Medicare eligible, below you will find useful information explaining your Medicare benefits.

What Is Medicare?

Medicare is the nation's largest health insurance program, providing medical coverage to nearly 40 million Americans. It is a federal program administered by the Centers for Medicare & Medicaid Services (CMS).

Who Is Eligible for Medicare?

Typically, you are eligible for Medicare if you are 65 years or older (you may be eligible to receive benefits prior to age 65 if you have a qualifying disability or end-stage renal disease). The Social Security Administration automatically will send you information regarding Medicare Part A and an application for Medicare Part B three months before your 65th birthday if you are receiving Social Security benefits. At that time, you can apply for Medicare Part B benefits. If you do not receive the application for Medicare coverage, then you can request one.

How Medicare Works

Medicare coverage is available through the Original Medicare Plan (Parts A and B) or a Medicare Advantage Plan (Part C). Optional prescription drug coverage is provided under Medicare Part D. Private insurance companies also offer Medigap supplement plans, based on a federal model, that require competing plans to duplicate covered services but vary in price.

Original Medicare Parts A and B are "fee-for-service" plans, meaning you are charged a fee for each health care service or supply you receive. You may go to any doctor or specialist who accepts Medicare and is accepting new Medicare patients or to any Medicare-participating hospital or other facility. If you go to a doctor, specialist, hospital or other facility that does not accept Medicare, Medicare will not pay for the service.

The ABC and D's of Medicare

The Medicare Plan is composed of four parts:

Part A – Hospital Insurance

Medicare Part A covers inpatient hospital care, skilled nursing care, home health care, and hospice care. You are automatically enrolled in Part A. There is no monthly premium if you or a spouse paid Medicare taxes while working for at least ten years.

Part B – Medical Insurance

Medicare Part B covers outpatient care, such as doctor office visits, lab, X-ray, durable medical equipment, and mental health services that are not covered by Part A. Enrollment in Part B is optional, and most beneficiaries pay a monthly premium. Part B does *not* cover dental services, prescription drugs, eye exams or wellness programs.

Part C – Medicare Advantage Plans

A Medicare Advantage plan allows your medical coverage, although regulated by Medicare, to be provided by and administered through a health care organization or insurance carrier instead of the government. You can enroll in a Medicare Advantage plan if you are eligible for Medicare Part A and enrolled in Medicare Part B.

Part D – Medicare Prescription Drug Coverage

Medicare Prescription Drug Coverage (Part D) is available to all Medicare beneficiaries through optional enrollment. Part D covers the cost of part or, in some cases, almost all of members' prescription drug costs. Members pay a monthly premium. Part D covers both generic and brand name drugs.

You can get more information about what Medicare covers from *Medicare & You* (Publication No. CMS-10050). To get a copy, call the Medicare toll-free number, 800-MEDICARE (800-633-4227), or go to www.medicare.gov.