

The ABCDs of Medicare – 2016

ORIGINAL/TRADITIONAL MEDICARE			TWO OPTIONS	MEDICARE ADVANTAGE (PART C)		
1. Fee-for-service. 2. Doctors, specialists & hospitals of choice. 3. No out-of-pocket limit. 4. Part D plan is purchased. 5. Has 20% coinsurance for Part B. 6. Standard Part B premium is paid. 7. May combine with Medigap.			7-POINT COMPARISON	1. Managed care (HMO, PPO, other). 2. Doctors & hospitals of network (specialist referral required). 3. Out-of-pocket limit. 4. Part D included in most cases. 5. Part B copayments (may include coinsurance). 6. May have additional premium for Part B. 7. Can't combine with Medigap.		
Part A: Hospital Insurance (automatic)	Part B: Medical Insurance (voluntary / penalty / creditable)	Part D: Prescription Drugs Ins. (voluntary / penalty / creditable)	THREE PARTS	Part A: Hospital Insurance	Part B: Medical Insurance	Part D: Prescription Drugs Ins.
Inpatient care (admit) Skilled nursing facility care Hospice Home health care	Doctor services Outpatient care Durable Medical Equipment Preventive services	Coverage for prescription drugs Through private insurance companies	COVERAGE	Inpatient care (admit) Skilled nursing facility care Hospice (through Original Medicare) Home health care	Doctor services Outpatient care Durable Medical Equipment Preventive Services	Included in most cases (if not, a plan may be purchased)
No - in most cases (FICA) / May be purchased	Yes -\$121.80 (\$104.90 majority) (\$ tested) / SS COLA	Yes - varies (\$ tested)	PREMIUM	Same as in Traditional	Yes -\$121.80 (\$ tested) / Additional premium may apply / Other services may be offered	No, in most cases
Yes - \$1,288 per benefit period	Yes - \$166	Some do, others don't	DEDUCTIBLE	No (read policy)	No (read policy)	Some do, others don't / (read policy)
No - days 1-60 Yes -\$322/day for days 61-90 Yes -\$644/day (reserve: 91-150)	No	Yes (varies)	COPAYMENT	Yes – \$/day/episode (read policy)	Yes / Some services could have coinsurance (0%-20%) / (read policy)	Yes (read policy)
No	Yes (20%) / Assignment	Yes (25% / 100% / 5%)	COINSURANCE	No (read policy)	No (read policy)	(read policy)

MEDICARE & OTHER INSURANCE COVERAGE:

Medigap -Supplemental Insurance- (only in Traditional) – pays for deductibles, copayments and coinsurance for Parts A and B; 6-month protection against preexisting conditions). / Other insurance coverage (both in Traditional and in Advantage) – employer retiree health care, union health coverage, veteran's benefits, military retiree benefits (TRICARE), Federal Employee Health Benefits Program (FEHB), and long-term care insurance; Medicare functions as primary insurance in some cases and as secondary in others.

MEDICARE SAVINGS PROGRAMS & EXTRA HELP:

(Both Traditional and Advantage) - based on income. / Medicare Savings Programs – QMB (\$1,001, individual / \$1348, couple), pays premium for Part B (and Part A if not free), and deductibles, copayments and coinsurance. SLMB (\$1,001-\$1,197, individual / \$1,348-\$1,613, couple), pays for Part B premium. QI-1 (\$1,197-\$1,345, individual / \$1,613-\$1,813, couple), pays for Part B premium. / Extra Help – Low Income Subsidy – LIS – (\$1,491, individual / \$2,011, couple), assists with Part D costs (premium, deductible and copays, there is no coverage gap (doughnut hole), resource limit may apply (\$13,640, individual / \$27,250 couple).

ELIGIBILITY & ENROLLMENT PERIODS (INITIAL, SPECIAL, GENERAL, AND OPEN):

Eligibility – 65+ and 40 credits (spouse may be eligible); younger if disabled (after 2 yrs.); any age with end-stage renal disease. / Initial Enrollment – 7 months starting with the third month before the month of 65th birthday, or 25th month of receiving disability benefits. / Special Enrollment – for those who did not enroll due to having creditable coverage (upon losing employment or coverage, they have up to 8 months to enroll without a penalty). / General Enrollment (applies to Parts A and B) – January 1 to March 31 if initial enrollment was missed; penalty may apply; must enroll in Part D by end of June; all coverage starts July 1. / Open Enrollment (applies to Parts C and D) – for changes, usually between October 15 and December 7 (between Jan. 1 and Feb. 14 you are allowed to change from Advantage to Original; also once a year at any time to a 5-star Advantage plan (applies also to Part D) - switch may involve Part D plan).

RESOURCES:

Social Security: www.socialsecurity.gov; 1-800-772-1213 / Medicare: www.medicare.gov; 1-800-MEDICARE (1-800-633-4227)
State Health Insurance Assistance Program (SHIP): www.shiptalk.org; 1-800-677-1116 / AARP: www.aarp.org/medicareQA; 1-888-OUR-AARP (888-687-2277)

Part D 2016 Drug Coverage

Stage 1

Initial
Coverage

\$0 - \$3,310

Includes:

Deductible
Copayment
Coinsurance
Plan's share

*Premium not
included*

Coinsurance

75% - Insurance
25% - You

Stage 2

No Coverage
"Doughnut Hole"

55% disc. -
brand

\$3,310 - \$4,850

42% disc. -
generic

**CLOSES
BY 2020**

Coinsurance

0% - Insurance
100% - You

Stage 3

Catastrophic
Coverage

\$4,850+

Coinsurance

95% - Insurance
5% - You

THE ABCDs OF MEDICARE

(educational chart 2016)

MEDICARE HEALTH INSURANCE	
SOCIAL SECURITY ACT	
NAME OF BENEFICIARY	JOHN D. DOE
MEDICARE CLAIM NUMBER	123-45-6789A
SEX	MALE
IS ENTITLED TO	EFFECTIVE DATE
HOSPITAL INSURANCE (PART A)	1/1/95
MEDICAL INSURANCE (PART B)	1/1/95
SIGN HERE	<i>John D. Doe</i>

Community Educators Program

AARP Arizona

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