# The ABCDs of Medicare – 2016

**Original/Traditional Medicare**

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Inpatient care (admit)</td>
<td>Doctor services</td>
<td>Coverage for prescription drugs</td>
</tr>
<tr>
<td>Skilled nursing facility care Hospice</td>
<td>Outpatient care</td>
<td>Through private insurance companies</td>
</tr>
<tr>
<td>Home health care</td>
<td>Durable Medical Equipment Preventive services</td>
<td></td>
</tr>
<tr>
<td><strong>No - in most cases (FICA) / May be purchased</strong></td>
<td>Yes - $121.80 ($104.90 majority) ($tested) / SS COLA</td>
<td>Yes - varies ($tested)</td>
</tr>
<tr>
<td>Yes - $1,288 per benefit period</td>
<td>Some do, others don’t</td>
<td></td>
</tr>
<tr>
<td>No - days 1-60</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Yes - $322/day for days 61-90</td>
<td>Yes (varies)</td>
<td></td>
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<tr>
<td>Yes - $644/day (reserve: 91-150)</td>
<td>No</td>
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**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](http://www.socialsecurity.gov); 1-800-MEDICARE (1-800-633-4227)
- State Health Insurance Assistance Program (SHIP): [www.shiptalk.org](http://www.shiptalk.org); 1-800-677-1116 / AARP: [www.aarp.org/medicareQA](http://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*

**Stage 2**
No Coverage “Doughnut Hole”

-$3,310 - 4,850

*55% disc. - brand*

*$4,850+

*42% disc. – generic*

**Closes by 2020**

**Stage 3**
Catastrophic Coverage

**Coinsurance**
- 75% - Insurance
- 25% - You

**Coinsurance**
- 0% - Insurance
- 100% - You

**Coinsurance**
- 95% - Insurance
- 5% - You

**THE ABCDs OF MEDICARE**
*(educational chart 2016)*

*Community Educators Program*

*AARP Arizona*
*(rev. 2016-0100)*