



Understanding Medicare

Explore your options.
Make your best choice.

 **Kelsey-Seybold Clinic**[®]
Changing the way health cares.[™]



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Medicare

doesn't have to be a mystery.

Joining Medicare is not only an important decision, but for many, it can also be complicated.

Kelsey-Seybold is here to help. In this guide, we cover the basics of Medicare and simplify available options so that you can choose the plan and benefits that best fit your healthcare needs.

Our goal is to provide the information you need to make a confident, informed decision.



What is Medicare?

Medicare is a health insurance program provided by the government for people 65 or older. You may be eligible to get Medicare earlier if you have a disability, End-Stage Renal Disease (ESRD), or ALS (also called Lou Gehrig’s disease). It’s part of Social Security and is designed to protect the health and well-being of those who use it.

There are four parts to Medicare, and each part covers specific services.

- Parts A and B make up “Traditional” or “Original” Medicare.
- Parts C and D are offered by private insurance companies who are contracted with Medicare.



PART A – Hospital Insurance

Part A helps cover inpatient care in hospitals, skilled nursing facilities, hospice care, and home health care.



PART B – Medical Insurance

Part B helps cover services from doctors, outpatient care, medical equipment, and preventive services.



PART C – Medicare Advantage

Part C combines Parts A and B and often Part D (prescription drug benefits) into a single plan. These plans cover all the medical services covered by Traditional Medicare plus additional services such as vision, hearing, dental, and more that are not covered by Medicare.



PART D – Prescription Drug Coverage

Part D helps cover the cost of prescription drugs, including many shots and vaccines.

Read more about parts A, B, C, and D of Medicare on the next four pages.



Part A

Hospital coverage

Medicare Part A is offered by the federal government to help you pay for inpatient care in a hospital or medical facility.

Enrolling

You are eligible to enroll in Medicare on the first day of the month that you turn 65. For most, enrollment is possible three months before the month they turn 65 and three months after.

Social Security recipients are automatically enrolled. If you're not receiving Social Security benefits, you'll need to sign up.

What's covered

Part A covers inpatient care in Medicare-certified hospitals and other facilities and includes:

- Inpatient care at hospitals and rehabilitation facilities
- Skilled nursing facilities following a hospital stay
- Hospice care services
- Home healthcare services

What's not covered

While in the hospital, Part A does not cover:

- Doctor services
- Personal in-hospital costs
- Prescription drugs
- Custodial care

What it costs

Premium

Most people do not pay a premium for Part A. You have likely earned Traditional Medicare Part A coverage through the taxes you've paid through the years. However, you will still have to pay for deductibles, copayments, and coinsurance charges that are associated with Part A services.

If you do not receive Social Security benefits, you can purchase Part A coverage. Contact Social Security for more information.

Deductible

There is a deductible that must be met before Part A starts covering costs for hospital stays.

Coinsurance

There is a small coinsurance cost for inpatient care for hospice patients.

Copay

After a certain number of days in a hospital, a copay is owed. This amount increases for longer hospital stays.

To check for specific information about deductibles, copays, and coinsurance, visit [medicare.gov](https://www.medicare.gov).

Who is eligible for Part A?

If you are 65 or older, you get Part A without paying a premium if:

- You get retirement benefits or are eligible for these benefits (and have not yet filed for them) from Social Security or the Railroad Retirement Board (RRB)
- You or your spouse worked for at least 10 years and paid Medicare taxes

How do I enroll?

Call Social Security at 1-800-772-1213
(TTY 1-800-325-0778)
7 a.m. to 7 p.m., Monday – Friday
or visit [ssa.gov](https://www.ssa.gov).

Part B

Medical coverage

Medicare Part B is coverage from the federal government to help you pay for some medical services that aren't covered in Part A.

Enrolling

You must have Part A Medicare to enroll in Part B. In most cases, you must also sign up for Part B coverage during your initial enrollment period or your special enrollment period. If you don't, you may have to pay a late enrollment penalty for as long as you have Medicare coverage. The penalty is permanent.

Social Security recipients are automatically enrolled. If you're not receiving Social Security benefits, you'll need to sign up.

What's covered

Part B helps pay for:

- Physician consultations
- Outpatient hospital care
- Lab costs (blood work and X-rays)
- Certain diagnostic screenings
- Some skilled nursing care
- Medical equipment such as wheelchairs

What's not covered

- Vision, dental, and hearing (only covered in specific instances)
- Care outside of the U.S.

What it costs

Premium

Most people pay a monthly premium for Part B, usually deducted from their Social Security checks. Premiums are set each year by the Centers for Medicare & Medicaid Services (CMS). Your yearly income affects how much you'll have to pay.

Deductible

There is a deductible that must be met before Part B starts covering costs for medical care.

Coinsurance

After the deductible is met, Part B usually pays about 80% of Medicare-allowable rates.

Copays

Medicare Part B does not usually have a copay.

To check for specific information about deductibles, copays, and coinsurance, visit [medicare.gov](https://www.medicare.gov).

Who is eligible for Part B?

If you are 65 or older, you can buy Part B from the federal government. If you already receive benefits from Social Security or RRB, you may be already enrolled.

How do I enroll?

Call Social Security at 1-800-772-1213
(TTY 1-800-325-0778)

7 a.m. to 7 p.m., Monday – Friday
or visit [ssa.gov](https://www.ssa.gov).

Part C

Medicare Advantage

Part C (Medicare Advantage plans) are Medicare-approved plans provided through private health plans to cover extra costs. Medicare Advantage plans include both Part A and Part B coverage, plus additional benefits. Most plans also include prescription drug coverage for no additional premium.

Enrolling

Upon eligibility for Medicare, you may join a Part C (Medicare Advantage plan). You are not automatically enrolled.

You can join, switch, or drop a Medicare Advantage plan at these times:

- When you're first eligible for Medicare
- At any time you qualify for extra help
- Annually during the Medicare Annual Enrollment Period

What's covered

In addition to services covered by Parts A and B of Original Medicare, Medicare Advantage plans may also cover:

- Dental services
- Vision services
- Hearing services and allowances for hearing aids
- Emergency and urgent care
- Health and wellness programs
- Medicare Part D prescription drug coverage
- Transportation

What it costs

Premium

Monthly premiums vary from plan to plan, but most plans offer zero premium. Just make sure you continue to pay your Medicare Part B premium.

Deductible

Some Part C plans have deductibles and others do not.

Copays and coinsurance

Copays and coinsurance will also vary from plan to plan.

Who is eligible for Part C?

In most cases, you can join a Medicare Advantage plan if:

- You have Original Medicare (Parts A and B)
- You live in the plan's service area
- You enroll when the plan is accepting new members

How do I enroll?

Sign up directly with the plan of your choice or through Medicare. Medicare will send your enrollment to the health plan you have selected.

Part D

Prescription drug coverage

Part D is offered by Medicare-approved private companies and covers some of the costs for prescription drugs.

There are two ways to get Part D coverage – as a standalone Medicare Part D prescription drug plan or when Part D is included in a Medicare Advantage plan.

1. Standalone plan with Original Medicare

These plans add drug coverage to Original Medicare, some Medicare Cost plans, some Private Fee for Service plans, and Medical Savings Account plans. You must have Medicare Part A (hospital insurance) and/or Medicare Part B (medical insurance) to join a separate Medicare drug plan.

2. Included in a Medicare Advantage plan

With a Medicare Advantage Plan that includes drug coverage, you get all of your Part A and Part B benefits plus many others like vision, hearing, and dental. Remember you must have Part A and Part B to join a Medicare Advantage Plan, and not all plans offer drug coverage.

Enrolling

If you have Medicare Part A, Part B, or both, you can enroll in a Part D prescription drug plan in one of the two ways noted above:

- When you're first eligible for Medicare
- At any time you qualify for extra help
- Annually during the Medicare Annual Enrollment Period

What's covered

Medications covered by your Part D plan vary based on the plan's formulary, which is a list of medications covered by the plan and approved by CMS. If you currently take one or more prescription drugs, be sure those drugs are included in the formulary for the plan you are considering.

All Part D prescription drug plans, including Medicare Advantage plans that offer Part D, must provide coverage that is equal to or better than the standard Part D benefits.

What it costs

Premium

The monthly premium varies by plan.

Deductible

Some Part D plans have a deductible, others do not. Plans that include a Part D deductible require you to pay for your prescriptions before the plan starts to pay its share. Once you reach your deductible, you'll then pay only your copay or coinsurance.

Copays and coinsurance

Copays and coinsurance will also vary from plan to plan. When you meet certain dollar limits on Part D drug expenses, you'll move through the different Part D coverage stages and pay different copays and coinsurance amounts.

Who is eligible for Part D?

Anyone enrolled in Medicare Part A or B is eligible for Medicare Part D.

How do I enroll?

If you enroll in a Part C Medicare Advantage plan that includes Part D coverage, you do not need a separate Part D plan. You only need a standalone Part D plan if your Medicare plan does not include drug coverage.

Medicare Choices

Simply put, you have two major options for Medicare coverage.

ORIGINAL MEDICARE

Parts A and B with or without additional insurance policies

- Original Medicare includes Medicare Part A (hospital insurance) and Part B (medical insurance).
- If you need drug coverage, you should join a separate Medicare drug plan (Part D). You may be penalized at a later date if you do not have continuous drug coverage.
- To help pay your out-of-pocket costs in Original Medicare (like your 20% coinsurance), you can also shop for and buy supplement coverage (a Medigap policy).
- You can use any doctor or hospital that accepts Medicare, anywhere in the U.S.



Part A



Part B



You should add:



Part D



You can also add:



Supplement coverage

This includes Medicare Supplement Insurance (Medigap). Supplement plans generally have an additional monthly premium whether you use any services or not — or you can use coverage from a former employer or union, or Medicaid.

MEDICARE ADVANTAGE

Part C – all-in-one policy

- Medicare Advantage is an “all-in-one” alternative to Original Medicare. These “bundled” plans include Part A, Part B, and usually Part D.
- Plans may have lower out-of-pocket costs than Original Medicare.
- In many cases, you’ll need to use doctors who are in the plan’s network.
- Most plans offer extra benefits that Original Medicare doesn’t cover — like vision, hearing, dental, and more.



Part A



Part B



Most plans include:



Part D



Extra Benefits

Some plans also include:



Lower out-of-pocket costs



Timing Matters

When it comes to enrolling in Medicare, “time is money.” Part A is automatic. However, if you don't get Part B when you're first eligible, your monthly premium may go up 10% for each 12-month period you could have had Part B but didn't sign up. You should sign up for Part B unless you are still working and/or have other coverage, such as through a spouse's employer.

Annual Reviews and Enrollment Periods

Over time, your Medicare needs may change. That's why it's important to review your coverage needs each year. During the Annual Enrollment Period every year (October 15 – December 7), you can change to the plan that best fits your needs.

Extra Help

If you have limited resources, you may qualify for assistance to help cover your healthcare and prescription drug costs. Call the toll-free Medicare phone number that's listed on the back cover of this Guide.



Simple steps for choosing the Medicare Plan that's right for you.

Now that you have a clearer idea of your options, here are some tips to help you get started.

STEP 1 Research

This Medicare overview is just one of many resources available to you. Additional helpful information can also be found at:

- Official Medicare website www.medicare.gov
- Texas Department of Aging and Disability Services www.hhs.texas.gov

STEP 2 Assess Your Health

Think about your current needs as well as any possible future health issues that may arise.

Take stock of your health and lifestyle, then ask yourself some important questions.

- How is your overall health? Are you in relatively good health or facing health challenges?
- What are the costs of prescription medicines you take?
- How often do you have medical appointments?
- Do you often travel out of the country?
- How much do you usually spend on medical costs?
- What can you afford? What if you face unexpected costs?
- Does your former employer contribute to your medical or prescription costs?
- Do you qualify and receive "extra help" from the government?

STEP 3 Customize a Plan

Do you want Traditional Medicare? Can you afford extra premiums for prescription drug coverage (Part D) and a Medigap (Supplement) plan?

Or do you want a Medicare Advantage plan as an "all-in-one" alternative to Original Medicare? These "bundled" plans include Part A, Part B, and usually Part D, as well as other benefits like vision, dental, and hearing.

STEP 4 Get Extra Help

For those who qualify, extra help can be an option to help pay for prescription drugs. If you don't automatically qualify for extra help, you can apply through the Social Security Administration at www.ssa.gov.

Ready to enroll?

Here's what you need to know.

- Medicare is available as soon as you turn 65 and are eligible. For most, enrollment opens three months before the month you turn 65, and continues through your birthday month, and the three months after it.
- On the first day of the month you turn 65, you are automatically eligible to receive Medicare Parts A and B coverage.

For example:

- If you turn 65 on June 15th, your Medicare goes into effect on June 1st.
- If you turn 65 on June 1st, your Medicare goes into effect on May 1st.
- Social Security recipients are automatically enrolled. If you do not receive Social Security benefits, you must sign up.
- While eligible at 65, you are not automatically signed up for a Part C (Medicare Advantage) plan. You must enroll on your own.

Should you need to switch to a different plan, remember these important dates.

Annual Enrollment Period

October 15 – December 7

If you're already a Medicare beneficiary, this is when you can sign up for a plan, switch plans, or leave a plan. You can also sign up for a Medicare Advantage plan when you first become eligible for Medicare.

Medicare Advantage Open Enrollment Period

January 1 – March 31

If you're already enrolled in a Medicare Advantage plan, this is when you can switch to another Medicare Advantage plan or change back to Traditional Medicare.

5-Star Plans – Ready when you are!

Medicare Advantage plans rated 5 stars by Medicare (for quality and member satisfaction) offer year-round enrollment, giving you greater flexibility for when you can change your Medicare coverage.

If you wish to continue seeing your

Kelsey-Seybold physicians after you are enrolled in Medicare, it's important to note that medical services for Medicare beneficiaries will only be provided through Medicare Advantage plans contracted with Kelsey-Seybold Clinic.



Key Terms

Premiums

The periodic payment to Medicare, an insurance company, or a healthcare plan for health or prescription drug coverage.

Deductible

What you pay for healthcare or prescriptions before Traditional Medicare, your prescription drug plan, or other insurance begins to pay.

Copay

An amount you pay as your share of the costs for medical services or supplies, like a doctor's visit, outpatient visit, or prescriptions. A copay is usually a set amount.

Coinsurance

An amount you may be required to pay as your share of the cost for services. This is usually a percentage (for example, 20%).

Helpful Resources

We want you to fully understand your choices and options.

Medicare

Call 1-800-MEDICARE, or 1-800-633-4227
(TTY 1-877-486-2048)

24 hours a day, 7 days a week

Visit www.medicare.gov *

Social Security

Call 1-800-772-1213 (TTY 1-800-325-0778)

7 a.m. to 7 p.m., Monday – Friday

Visit www.ssa.gov *

Texas Department of Aging and Disability Services

Call 1-855-937-2372

8 a.m. to 7 p.m., Monday – Friday

Visit www.hhs.texas.gov *

Kelsey-Seybold Clinic

Call 713-442-7526 (TTY 711)

8 a.m. to 8 p.m., Monday – Friday

For objective advice or to learn about the Medicare Advantage plans that contract with us, visit www.kelsey-seybold.com/medicare

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