



# Medicare Made Easy



# What kind of coverage do I really need?

Medicare is not **one size fits all**. There are lots of choices, and important differences among the choices. It is important for you to compare your needs to what's out there and find the best match. We'll help you get started by giving you some important questions to ask yourself:

**How's your health?** Are you in good health, or do you have chronic conditions?

**Do you take prescription drugs?** Which ones? How much are you spending on them? Are your drugs covered under the plan's formulary?

**What doctors do you see?** Who, where, for what kind of care? How often do you see your doctors? Do you need a referral? Are you willing to change doctors if it means lower health care costs?

**How does health care fit into your budget?** How much can you afford each month? How much will you be able to spend a year on your share of the costs? Do you want to have a plan that covers as many financial gaps as possible?

**Did asking yourself these important questions bring up more questions?** Call a licensed CareSource agent at 1-844-768-2015 to discuss your options and get some answers today.



## **DO YOU KNOW** why they're called *Parts*?

It's simply the term Congress used to label sections of the law that created Medicare. They could have called it *chapter* or *section* – but they chose *part*.

# How exactly does Medicare work?

## PART A

### **Hospital Coverage** (Original Medicare)

- Covers hospital and nursing home stays
- Government-provided
- Responsible for deductible + copayments



## PART B

### **Medical Coverage** (Original Medicare)

- Covers doctor visits + outpatient care
- Government-provided, paid premium
- Patient covers deductible + copayments



## PART D

### **Prescription Drug Coverage**

- Voluntary enrollment
- For drugs not covered with Original Medicare
- Private insurance coverage (paid premium)



## PART C

### **Medicare Cost Plans** (private insurance)

- Covers all Part A + Part B benefits
- Often includes Part D benefits
- Can provide services Medicare does not cover

**Questions? We're here to help.**

Call toll-free **1-844-768-2015**

(TTY 1-800-750-0750 or 711)

Oct 1 – Feb 14: 7 days a week, 8 a.m. – 8 p.m.

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# What's covered by Original Medicare?

**PART A** helps cover inpatient hospital stays and skilled nursing services plus additional skilled care.



Semi-private room



Hospital meals



Skilled nursing



Special unit care (i.e. ICU)



Inpatient drugs, supplies & equipment



Inpatient lab tests, x-rays & radiation



Operating & recovery room services



Select blood transfusions



Rehabilitation services



In-home skilled health care

**PART B** helps cover the cost of doctor visits and additional medically necessary care and services.



Doctor's visits



Ambulatory surgery center services



Outpatient medical services



Some preventive care



Clinical laboratory services



X-rays, MRIs, CT scans, EKGs



Some diagnostic screenings



Durable home-use medical equipment



Emergency room services



**DID YOU KNOW** the list of covered drugs can change?

Check your plan's formulary each year during the Annual Enrollment Period (AEP) and make sure your drugs are still there. If not, consider changing plans.

# What do some of these terms mean?

**Coinsurance** Cost sharing where costs are split on a percentage basis. For example, Part B may pay 80%, and you would pay 20%.

**Copayment (copay)** Cost sharing where you pay a pre-set, fixed amount for each service. For example, in a Medicare Part D plan, you might pay \$7 for each prescription you receive.

**Coverage Gap** A yearly limit on what your Medicare prescription drug plan will pay. After reaching it, you'll pay out of your own pocket for drugs up to a certain out-of-pocket limit – then your plan kicks back in.

**Deductible** Cost sharing where you pay a pre-set, fixed amount first, before your Medicare plan starts to pay.

**Formulary** A list of the prescription drugs that are covered by a Medicare Part D plan and their cost to you.

**Out-of-Pocket Maximum Limit** A limit that Medicare Advantage plans set on the amount of money you will have to spend out of your own pocket in a plan year.

**Premium** A fixed amount you have to pay to participate in a plan or program. With private insurance, it's the price you pay for a policy – usually as a monthly payment.

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# So, what does this look like in real life?

Medicare covers thousands of medical treatments and procedures and decides how much it is willing to pay for each (the *Medicare-approved amount*). Most doctors agree to take Medicare's payment of the *Medicare-approved amount* as full payment. This is called *accepting assignment*. If your doctor *accepts assignment*, your share is limited to just 20% of the Medicare-approved amount.

**Meet Lynda.** She just visited a doctor who *accepts Medicare assignment*.

Doctor visit	\$300
Medicare-approved	\$220
Medicare (80%)	\$176
Coinsurance (20%)	\$44

**LYNDA PAYS \$44**

**Meet Kathy.** She just visited a doctor who *doesn't accept Medicare assignment*.

Doctor visit	\$300
Medicare-approved	\$220
-5% reduction	\$209*
+15% doctor markup	\$240**

Medicare (80%)	\$167
Coinsurance (20%)	\$42
Excess charge (15%)	\$31

**KATHY PAYS \$73**

\*5% reduction of the Medicare-approved amount for doctors that don't take the Medicare-assignment as full payment.

\*\*Doctors can charge up to an additional 15% of the reduced Medicare-approved amount. This is less than the actual cost of \$300, but more than the full Medicare-approved amount.



**DID YOU KNOW** the average Medicare beneficiary spends \$7,110 per year for out of pocket medical expenses?\*

Make sure you get the most coverage for your Medicare dollar.

(\*[medicare.gov/find-a-plan/staticpages/medigap-out-of-pocket-costs.aspx](https://www.medicare.gov/find-a-plan/staticpages/medigap-out-of-pocket-costs.aspx))

# How does Medicare Advantage provide me MORE?

## What is Medicare Advantage? Am I eligible?

Medicare Advantage, sometimes referred to as *Part C*, is a offered by commercial insurance companies approved by Medicare. If you join a plan, you'll have the Part A and Part B coverage just like Original Medicare, but usually with added benefits provided by the insurance company.

## How can I get dental and vision coverage?

Original Medicare does not offer dental and vision coverage. In order to get these benefits, you can register for a Medicare Advantage plan with a commercial insurance company. Plans vary, so be sure to do your homework

## What is Medicare Part D, and how does it work?

To get Medicare *Part D* coverage, you must join a plan run by a commercial insurance company approved by Medicare. *Part D* coverage can be included with Medicare Advantage plans, too. Plans can vary in cost and drug coverage. Most plans have their own list of covered drugs placed into different tiers. Drugs in each tier have a different cost.

## Does the Annual Election Period affect me?

The Annual Election Period runs from October 15 - December 7 and is for those that want to sign up for, unenroll or make changes to their existing Medicare coverage. New to Medicare this year? No problem – you can use this time to adjust your coverage.

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