

General Medicare Information

Medicare is a federal health insurance program for people age 65 and older, certain people with disabilities under age 65, and people of any age who have permanent kidney failure. A person receiving Social Security Disability Insurance (SSDI) becomes entitled to Medicare after 24 months of eligibility for SSDI. There are four parts to Medicare: Parts A, B, C and D. Medicare Parts A and B fall under the Original Medicare Plan. Medicare C and D were added later.

What is Medicare Part A?

Medicare Part A helps to cover costs for inpatient care in hospitals and skilled nursing facilities; home healthcare; and hospice care in some instances. Part A coverage starts automatically after the 24-month waiting period. Coverage for inpatient hospitalization includes: a semi-private room, meals, nursing care and other healthcare services. It does not include private duty nursing, a private room unless medically necessary, or a television or phone in your room.

If you are not sure if you have Part A coverage, look at your red, white and blue Medicare card. If you have Part A coverage, "Hospital (Part A)" is printed in the lower left hand corner of your card. Most people do not pay a premium for Part A coverage; however, there may be deductibles and co-insurance associated with Part A services.

What is Medicare Part B?

Medicare Part B helps to cover the costs of doctor visits; clinic services; laboratory services; home healthcare in some instances; and some preventative services.

This coverage is optional and costs anywhere from \$96.40 to \$110.50 per month in 2010 if your income is \$85,000 or less. If your income is above \$85,000 (single) or \$170,000 (married couple), then your Part B premium may be higher than \$110.50 per month. If you decline Part B coverage and later want that coverage,

there may be a penalty you will need to pay each month in addition to the premium. Also, many county programs require you to take Medicare Part B in order to be eligible for other kinds of assistance. You should carefully research the impact of turning down Part B coverage with your county office and Social Security.

In addition to the premium for Medicare Part B, you are required to pay a deductible and some co-insurance for coverage. Generally, you are asked to pay a \$155 deductible before Medicare Part B covers anything. For most services you are required to pay up to 20% of the Medicare-approved amount of the service or item as your co-insurance and 50% of most outpatient mental health care costs. The costs for some services and the percentage you need to pay may vary. **If you have limited income, your county may be able to help you pay some or all of these costs as well as the Part B premium.**

What is Medicare Part C?

In an effort to manage costs, increase coverage, and allow choice, Medicare offers special plans that can be elected in place of the Original Medicare Plan (Parts A and B). The Medicare Advantage plans (previously called Medicare + Choice) are run by private companies and help cover additional services like dental care, dentures, hearing aids, eye care and some prescription drug coverage.

The premiums, deductibles and copayments may be different for these programs than for the Original Medicare Plan. All Medicare Advantage plans must offer the same coverage as the Original Medicare Plan and have the option to provide additional services. They can limit the doctors you are able to see and can require that you only see providers in their plan. For all programs, you may be asked to pay premiums, deductibles and co-payments or co-insurance. The costs may be less than the Original Medicare Plan or may be more. Some Medicare Advantage plans offer

coverage similar to Medigap or Medicare Supplement policies at a much lower cost.

What is Medicare Part D?

The Medicare Part D program provides beneficiaries with assistance paying for prescription drugs. To receive Medicare Prescription Drug coverage (Part D), you must be enrolled in a Prescription Drug Plan. You receive your medications through one of the pharmacies that have a contract with the Prescription Drug Plan you choose.

Prescription Drug Plans can have different formularies or lists of medications they cover. If a Plan wants to change the medications they cover, they must give you 60 days' notice. You can ask for an exception and appeal the Plan's decision if you don't agree with it.

The Medicare Prescription Drug Program does not cover any of the medications listed below. If you need them, you will have to pay out of your own pocket, unless you also have Medical Assistance or other insurance that covers them. The medications that are not covered are: benzodiazepines (some of the anti-seizure, anti-spasm, anti-anxiety medications); barbiturates; certain vitamins, minerals, or over-the-counter drugs; or certain drugs used to treat coughs or colds or to promote weight gain.

Choosing a Plan—what do I need to do?

For assistance in choosing a Prescription Drug Plan:

- Call Minnesota's Linkage Line at 1-866-333-2466 (TTY 1-800-627-3529)
- Consult the Medicare website, www.Medicare.gov.
- Review your 2009 "Medicare and You Handbook"
- Call Medicare at 1-800-633-4227 (TTY: 1-877-486-2048)

Before you call or go on-line to get information about Prescription Drug Plans:

- Make a list of your medications including: the name of each medication; dosage; how often you take it; whether you take it orally or by injection; and how much it costs under your current plan.
- Have your Medicare card in front of you.

For more information about Medicare Part D see factsheets # 15 and # 16.

What is Extended Medicare?

Most individuals with disabilities who work will continue to receive at least 93 consecutive months (over 7 years) of Medicare after the completion of their nine-month trial work period, even if they no longer receive an SSDI payment due to their earnings.

You do not pay a premium for Part A. If you are receiving an SSDI payment, your Part B premium is often withheld from your monthly SSDI check. If you no longer receive an SSDI payment each month, you will receive a quarterly bill from Medicare for your Part B premiums. You must then send your premium payment directly to Medicare. Medical Assistance or Medical Assistance for Employed Persons with Disabilities may be able to reimburse your Medicare costs.

Is there any chance I wouldn't get Extended Medicare?

Once you are eligible for Medicare, your Medicare coverage can continue for at least 93 consecutive months, unless you medically recover.

What happens after Extended Medicare ends?

Social Security will give you the option to purchase Medicare. Some individuals with low incomes and limited resources may be eligible for state assistance with the cost.

For more information, call the MN Work Incentives Connection:



Answers, Choices, Possibilities

651-632-5113 or 1-800-976-6728
(TTY: 651-632-5110 or Minnesota Relay – 711)