



Revised June 2015

# What's Medicare?

## Medicare is health insurance for:

- People 65 or older
- People under 65 with certain disabilities
- People of any age with End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant)

## What are the different parts of Medicare?

### Part A (Hospital Insurance) helps cover:

- Inpatient care in hospitals
- Skilled nursing facility (SNF) care
- Hospice care
- Home health care

Usually, you don't pay a monthly premium for Part A coverage if you or your spouse paid Medicare taxes while working. This is sometimes called premium-free Part A. If you aren't eligible for premium-free Part A, you may be able to buy Part A, and pay a premium.

### Part B (Medical Insurance) helps cover:

- Services from doctors and other health care providers
- Outpatient care
- Home health care
- Durable medical equipment (DME)
- Some preventive services

Most people pay the standard monthly Part B premium.

**Note:** You may want to get coverage that fills gaps in Original Medicare coverage. You can choose to buy a Medicare Supplement Insurance (Medigap) policy from a private company.

## What are the different parts of Medicare? (continued)

### **Part C (Medicare Advantage):**

- Includes all benefits and services covered under Parts A and B
- Usually includes Medicare prescription drug coverage (Part D) as part of the plan
- Run by Medicare-approved private insurance companies
- May include extra benefits and services for an extra cost

### **Part D (Medicare prescription drug coverage):**

- Helps cover the cost of prescription drugs
- Run by Medicare-approved private insurance companies
- May help lower your prescription drug costs and help protect against higher costs in the future

**Note:** If you have limited income and resources, you may qualify for help paying for your health care and prescription drug costs. For more information, visit [socialsecurity.gov](https://www.socialsecurity.gov), call Social Security at 1-800-772-1213, or contact your local State Medical Assistance (Medicaid) office.

# What's Medicaid?

Medicaid is a joint federal and state program that helps with medical costs for some people with limited income and resources. Medicaid may also cover services not normally covered by Medicare (like long term supports and services and personal care services). Each state has different rules about eligibility and applying for Medicaid. If you qualify for Medicaid in your state, you automatically qualify for Extra Help paying your Medicare prescription drug coverage (Part D).

**You may be eligible for Medicaid if you have limited income and are any of these:**

- 65 or older
- A child under 19
- Pregnant
- Living with a disability
- A parent or adult caring for a child
- An adult without dependent children (in certain states)
- An eligible immigrant

In many states, more parents and other adults can get coverage now. If you were turned down in the past, you can try again and may qualify now.

**When you enroll, you can get the health care benefits you need, like:**

- Doctor visits
- Hospital stays
- Long-term services and supports
- Preventive care, including immunizations, mammograms, colonoscopies, and other needed care
- Prenatal and maternity care
- Mental health care
- Necessary medications
- Vision and dental care (for children)

You should apply for Medicaid if you or someone in your family needs health care. If you aren't sure whether you qualify, a qualified caseworker in your state can look at your situation. Contact your local or state Medicaid office to see if you qualify and to apply. To get information about your state's Medicaid program, visit [HealthCare.gov/do-i-qualify-for-medicaid](https://www.healthcare.gov/do-i-qualify-for-medicaid).

## Dual eligibility

Some people who are eligible for both Medicare and Medicaid are called “dual eligibles.” If you have Medicare and full Medicaid coverage, most of your health care costs are likely covered.

You can get your Medicare coverage through Original Medicare or a Medicare Advantage Plan (like an HMO or PPO). If you have Medicare and full Medicaid, Medicare covers your Part D prescription drugs. Medicaid may still cover some drugs and other care that Medicare doesn't cover.

For more information on Medicaid, visit [HealthCare.gov/do-i-qualify-for-medicaid](https://www.healthcare.gov/do-i-qualify-for-medicaid). If you have questions about Medicare, visit [Medicare.gov](https://www.medicare.gov), or call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.





Revised April 2015

## What's a Medicare Advantage Plan?

You can get your Medicare benefits through Original Medicare, or a Medicare Advantage Plan (like an HMO or PPO). If you have Original Medicare, the government pays for Medicare benefits when you get them. Medicare Advantage Plans, sometimes called “Part C” or “MA Plans,” are offered by private companies approved by Medicare. Medicare pays these companies to cover your Medicare benefits.

If you join a Medicare Advantage Plan, the plan will provide all of your Medicare Part A (Hospital Insurance) and Medicare Part B (Medical Insurance) coverage. This is different than a Medicare Supplement Insurance (Medigap) policy (discussed on page 3).

### What do I need to know about Medicare Advantage Plans?

#### There are the different types of Medicare Advantage Plans:

- **Health Maintenance Organization (HMO) plans**—In most HMOs, you can only go to doctors, other health care providers, or hospitals in the plan’s network, except in an urgent or emergency situation. You may also need to get a referral from your primary care doctor for tests or to see other doctors or specialists.
- **Preferred Provider Organization (PPO) plans**—In a PPO, you pay less if you use doctors, hospitals, and other health care providers that belong to the plan’s network. You usually pay more if you use doctors, hospitals, and providers outside of the network.
- **Private Fee-for-Service (PFFS) plans**—PFFS plans are similar to Original Medicare in that you can generally go to any doctor, other health care provider, or hospital as long as they accept the plan’s payment terms. The plan determines how much it will pay doctors, other health care providers, and hospitals, and how much you must pay when you get care.
- **Special Needs Plans (SNPs)**—SNPs provide focused and specialized health care for specific groups of people, like those who have both Medicare and Medicaid, live in a nursing home, or have certain chronic medical conditions.
- **HMO Point-of-Service (HMOPOS) plans**—These are HMO plans that may allow you to get some services out-of-network for a higher copayment or coinsurance.

## What do I need to know about Medicare Advantage Plans?

### **There are the different types of Medicare Advantage Plans: (continued)**

- **Medical Savings Account (MSA) plans**—These plans combine a high-deductible health plan with a bank account. Medicare deposits money into the account (usually less than the deductible). You can use the money to pay for your health care services during the year. MSA plans don't offer Medicare drug coverage. If you want drug coverage, you have to join a Medicare Prescription Drug Plan. For more information about MSAs, visit [Medicare.gov/publications](https://www.Medicare.gov/publications) to view the booklet "Your Guide to Medicare Medical Savings Account Plans."

### **Who can join a Medicare Advantage Plan?**

You must have Medicare Parts A and B and live in the plan's service area to be eligible to join. People with End-Stage Renal Disease (permanent kidney failure) generally can't join a Medicare Advantage Plan.

### **How much do Medicare Advantage Plans cost?**

In addition to your Part B premium, you usually pay one monthly premium for the services included in a Medicare Advantage Plan. Each Medicare Advantage Plan has different premiums and costs for services, so it's important to compare plans in your area and understand plan costs and benefits before you join.

### **What do Medicare Advantage Plans cover?**

Medicare Advantage Plans must cover all of the services that Original Medicare covers except hospice care. Original Medicare covers hospice care even if you're in a Medicare Advantage Plan. In all types of Medicare Advantage Plans, you're always covered for emergency and urgent care. Medicare Advantage Plans must offer emergency coverage outside of the plan's service area (but not outside the U.S.). Many Medicare Advantage Plans also offer extra benefits such as dental care, eyeglasses, or wellness programs.

Most Medicare Advantage Plans include Medicare prescription drug coverage (Part D). In addition to your Part B premium, you usually pay one monthly premium for the plan's medical and prescription drug coverage.

Plan benefits can change from year to year. Make sure you understand how a plan works before you join.

# What's a Medigap Policy?

Original Medicare pays for many, but not all, health care services and supplies. A Medigap policy is private insurance that helps supplement Original Medicare. This means it helps pay some of the health care costs that Original Medicare doesn't cover (like copayments, coinsurance, and deductibles). These are "gaps" in Medicare coverage. If you have Original Medicare and a Medigap policy, Medicare will pay its share of the Medicare-approved amounts for covered health care costs. Then your Medigap policy pays its share. A Medigap policy is different from a Medicare Advantage Plan (like an HMO or PPO) because those plans are ways to get Medicare benefits, while a Medigap policy only supplements the costs of your Original Medicare benefits. **Note:** Medicare doesn't pay any of your costs for a Medigap policy.

All Medigap policies must follow Federal and state laws designed to protect you, and policies must be clearly identified as "Medicare Supplement Insurance." Medigap insurance companies in most states can only sell you a "standardized" Medigap policy. Each standardized Medigap policy must offer the same basic benefits, no matter which insurance company sells it. All plans offer the same basic benefits but some offer additional benefits. You can choose which plan meets your needs.

**Note:** In most states, standardized policies, or plans, are identified by the letters A, B, C, D, F, G, K, L, M, and N, and each type of plan generally contains the same benefits in all states. In Massachusetts, Minnesota, and Wisconsin, benefits will be labeled differently, but the policies are still standardized within each state.

## Other things to know about Medigap policies

### Who can buy a Medigap policy?

Generally, you must have Medicare Parts A and B to be able to buy a Medigap policy. The best time to buy a Medigap policy is on the first day of the month in which you're 65 or older and enrolled in Part B. This time period, called your Medigap Open Enrollment Period, ends 6 months later. During this period, an insurance company can't refuse to sell you a policy or charge you more because of your health. If you're under 65, you won't have this Open Enrollment Period until you turn 65, but state law might give you a right to buy a policy before then. **Note:** A Medigap policy covers only one person. Spouses must each have their own policy.

## Other things to know about Medigap policies (continued)

### **How much do Medigap policies cost?**

You pay a monthly premium to the private health insurance company that sells you the policy. The premiums will be different for plans with different benefits (for example, Plan A compared to a Plan F), but will also differ among insurance companies selling the **same** plan. Therefore, it's very important to compare policies and their costs. **Note:** If you buy Plan K, L, or N, you'll pay part of the Part B coinsurance and copayments, which may result in lower premiums for some Medigap Plans. Also, plans called "Medicare SELECT" may cost less because they'll only provide benefits if you use specific hospitals or doctors.

### **Where can Medigap policies be used?**

Unless the policy is a "Medicare SELECT" policy, a Medigap policy can be used in any U.S. state or territory, so you don't need to buy a new one if you move.

### **Do Medigap policies cover prescription drugs?**

New Medigap policies don't offer prescription drug coverage. If you want prescription drug coverage, you must get a stand-alone Medicare Prescription Drug Plan that works with Original Medicare, or you can leave Original Medicare and join a Medicare Advantage Plan that offers drug coverage.

### **How do Medigap claims work?**

You get a Medicare Summary Notice (MSN) every 3 months from Medicare that lists your health insurance claims information. It'll tell you if Medicare paid the claim and if it's been sent to your Medigap insurance company. You should compare your MSN to any statement you get from the Medigap insurance company and any bill you get from a provider.

### **Can my Medigap policy be cancelled?**

Any Medigap policy is guaranteed renewable even if you have health problems. This means the insurance company can't cancel your Medigap policy as long as you pay the premium.





## **What do I need to know about Medicare Advantage Plans & Medigap policies?**

If you already have a Medicare Advantage Plan, it's illegal for anyone to sell you a Medigap policy unless you're disenrolling from your Medicare Advantage Plan to go back to Original Medicare.

If you have a Medigap policy and you're switching from Original Medicare to a Medicare Advantage Plan, you don't need and can't use the Medigap policy. You may choose to drop your Medigap policy, but you should talk to your State Health Insurance Assistance Program and your current Medigap insurance company first, because you may not be able to get your Medigap policy back.

### **Where can I get more information?**

- Visit [Medicare.gov](https://www.Medicare.gov) for more information on plan types and to find plans that are available in your area.
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.







# 2015 Income and Resource Limits

This chart shows countable income and resource limits for various assistance programs. Each program has its own criteria for what is counted as income or resources and what is excluded.

| <b>Program</b>  | <b>Income Limit</b>                 | <b>Resource Limit</b>               |
|---|-------------------------------------|-------------------------------------|
| <b>SSA Extra Help Full Subsidy</b>                    | Single \$1,344*<br>Married \$1,813* | Single \$8,780<br>Married \$13,930  |
| <b>SSA Extra Help Partial Subsidy</b>                 | Single \$1,491*<br>Married \$2,012* | Single \$13,640<br>Married \$27,250 |
| <b>Medicaid</b>                                       | Single \$1,001<br>Married \$1,348   | Single \$2,000<br>Married \$3,000   |
| <b>QMB-Qualified Medicare Beneficiary</b>             | Single \$1,491<br>Married \$2,012   | Single \$7,280<br>Married \$10,930  |
| <b>SLMB-Specified Low-Income Medicare Beneficiary</b> | Single \$1,688<br>Married \$2,278   | Single \$7,280<br>Married \$10,930  |
| <b>QI-Qualified Individual</b>                        | Single \$1,835<br>Married \$2,477   | Single \$7,280<br>Married \$10,930  |
| <b>SSI-Supplemental Security Income</b>               | Single \$753<br>Married \$1,120     | Single \$2,000<br>Married \$3,000   |

The above amounts are subject to change each year when new Cost of Living Allowances (COLA) and Federal Poverty Level (FPL) are announced.

\*SSA's Extra Help income limits do not affect beneficiaries who are deemed eligible for Extra Help because they receive SSI, Medicaid, QMB, SLMB or QI benefits. Therefore, beneficiaries with SLMB or QI status are deemed eligible for Extra Help even though their incomes are above SSA's Extra Help limits shown above.

(JW Revised 1-29-2015)

## 2015 Medicare Costs at a Glance

Hospital Insurance (Part A)    Medical Insurance (Part B)    Prescription Drug Insurance (Part D)

**Part A premium**    Most members don't pay a monthly premium; if buying Part A members pay \$224 - \$407 each month

**Part A deductible**    Members pay \$1,260 deductible for each benefit period

**Part A**    Days 1-60: members pay \$0 co-insurance for each benefit period

**co-insurance**

benefit period    Days 61-90: Members pay \$315 co-insurance per day of each

day" after    Days 91 and beyond: \$630 co-insurance per each "lifetime reserve

over    day 90 for each benefit period (up to 60 days

member's lifetime)

Beyond lifetime reserve days: Members pay all costs

**Part B premium**    Most members pay \$104.90 per month

**Part B deductible**    Members pay \$147 per year

**Part B co-pay**    Members pay 20 percent

**Part D premium**    Base amount \$33.13 per month

**Part D deductible**    Varies by plan

**Part D co-pay**    Varies by plan



LOCAL HELP FOR PEOPLE WITH MEDICARE

# MEDICARE MONEY SAVINGS PROGRAMS

SHIP State Office: 1 (800) 452-4800

## Money Savings Programs for People with Medicare

Did you know that there are money saving programs available to help Medicare beneficiaries? Listed below are three programs available in Indiana. If you have any questions about eligibility or need assistance with filing an application, call the State SHIP Office to find Enrollment Centers near you: (800) 452-4800.

### Medicare Savings Program (MSP)

#### What could MSP pay for?

- Standard Part B Premium: \$104.90
- Part A Premium (If you have worked less than 10 years and must pay a premium)
- Part B Deductible: \$147
- Part A Hospital Deductible: \$1260/ benefit period
- Copayments for services (doctor, hospital, skilled nursing facility, etc...)

#### Who is eligible?

|                                    |        | Income  | Assets*  |
|------------------------------------|--------|---------|----------|
| Qualified Medicare Beneficiary     | Single | \$1,491 | \$7,280  |
|                                    | Couple | \$2,012 | \$10,930 |
| Specified Low-income Beneficiary** | Single | \$1,688 | \$7,280  |
|                                    | Couple | \$2,278 | \$10,930 |
| Qualified Individual**             | Single | \$1,835 | \$7,280  |
|                                    | Couple | \$2,477 | \$10,930 |

\* Assets include resources such as checking and savings accounts, certificates of deposit, cash value of life insurance, stocks and bonds. Some things you own do not count towards your asset limit, such as your home and furnishings, your car, burial plots, and at least \$1,500 in life insurance.

\*\* SLMB and QI only assist with Part B Premiums

#### How do you apply?

- Applications are processed by the Division of Family Resources
- Notification of approval or denial will be offered within 45 days
- Applications are available at:
  - Local Enrollment Centers (call Indiana SHIP Office at 1 (800) 452-4800 for locations)
  - Your local Division of Family Resources office

# Extra Help

## What does Extra Help assist with?

- Monthly Part D premiums
- Annual deductible
- Reduces co-pays
- No Coverage Gap
- No late enrollment penalties
- Automatic Special Enrollment Period for selecting Part D coverage (can change once a month)

## Who is eligible?

|                 |        | Income  | Assets   |
|-----------------|--------|---------|----------|
| Full Subsidy    | Single | \$1,344 | \$8,780  |
|                 | Couple | \$1,813 | \$13,930 |
| Partial Subsidy | Single | \$1,491 | \$13,640 |
|                 | Couple | \$2,012 | \$27,250 |

\* Assets include resources such as checking and savings accounts, certificates of deposit, cash value of life insurance, stocks and bonds. Some things you own do not count towards your asset limit, such as your home and furnishings, your car, burial plots, and, at least \$1,500 in life insurance.

## How do you apply?

- Contact a Local Enrollment Center (call Indiana SHIP Office at 1 (800) 452-4800 for locations)
- Apply online at <https://secure.ssa.gov/i1020/start> (fastest way to apply)
- Request an application from the Social Security Office

## Hoosier Rx

Indiana's State Pharmaceutical Assistance Program (SPAP), Hoosier Rx, can help pay the monthly Part D premium, up to \$70 per month, for members enrolled in a Medicare Part D Plan working with Hoosier Rx. To apply for Hoosier Rx, call 1-866-267-4679 or SHIP 1-800-452-4800.

## To be eligible for Hoosier Rx you must.....

- Be an Indiana resident, 65 years old or older.
- Have a yearly income of \$17,892 or less for a single person, or \$24,144 or less for a married couple living together. Assets are not considered.
- Have applied for the "Medicare Extra Help" through Social Security to pay for your Medicare Part D plan, and received either a "Notice of Award" or "Notice of Denial" from Social Security.



LOCAL HELP FOR PEOPLE WITH MEDICARE

# MEDICARE MONEY SAVINGS PROGRAMS

SHIP State Office: 1 (800) 452-4800