

UNDERSTAND MEDICARE SUPPLEMENTS

in 4 Easy Steps



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Step #1: Learn the Medicare Basics

The two main parts of Medicare are Part A and Part B.

Part A covers _____

You typically get Part A at _____ cost to you.

Part B covers _____

The standard monthly cost for Part B is _____

My "go-to" resource for everything Medicare is _____

You can also find a summarized list of all the most important resources at AllySeniorBenefits.com/resources.

Basic Medicare Costs

When you are admitted to the hospital, you pay _____

The Part B deductible is _____

(This means you pay the first \$ _____ of your medical expenses in a calendar year).

After you pay the Part B deductible, you pay _____% of medical expenses.

_____ services are covered at 100% with no deductible under Medicare Part B.

What you should know about the providers you see on Original Medicare:

On Original Medicare you don't have _____ restrictions.

You don't need a referral to see a _____.

Notes/Questions:

Step #2: Learn what a Medicare Supplement REALLY is.

Medicare Plan Options

The two plan types you usually hear about are:

_____ AND _____

A True Medicare Supplement is a _____

A Medigap policy fills the _____ in Original Medicare.

A _____ is not a Medicare Supplement, but is actually a Part of Medicare (Part C) and a different way to receive your Medicare Benefits.

On a Medicare Advantage plan, you receive your Medicare Benefits through _____

A _____ policy is an “add-on” policy to your Original Medicare, and it covers the gaps.

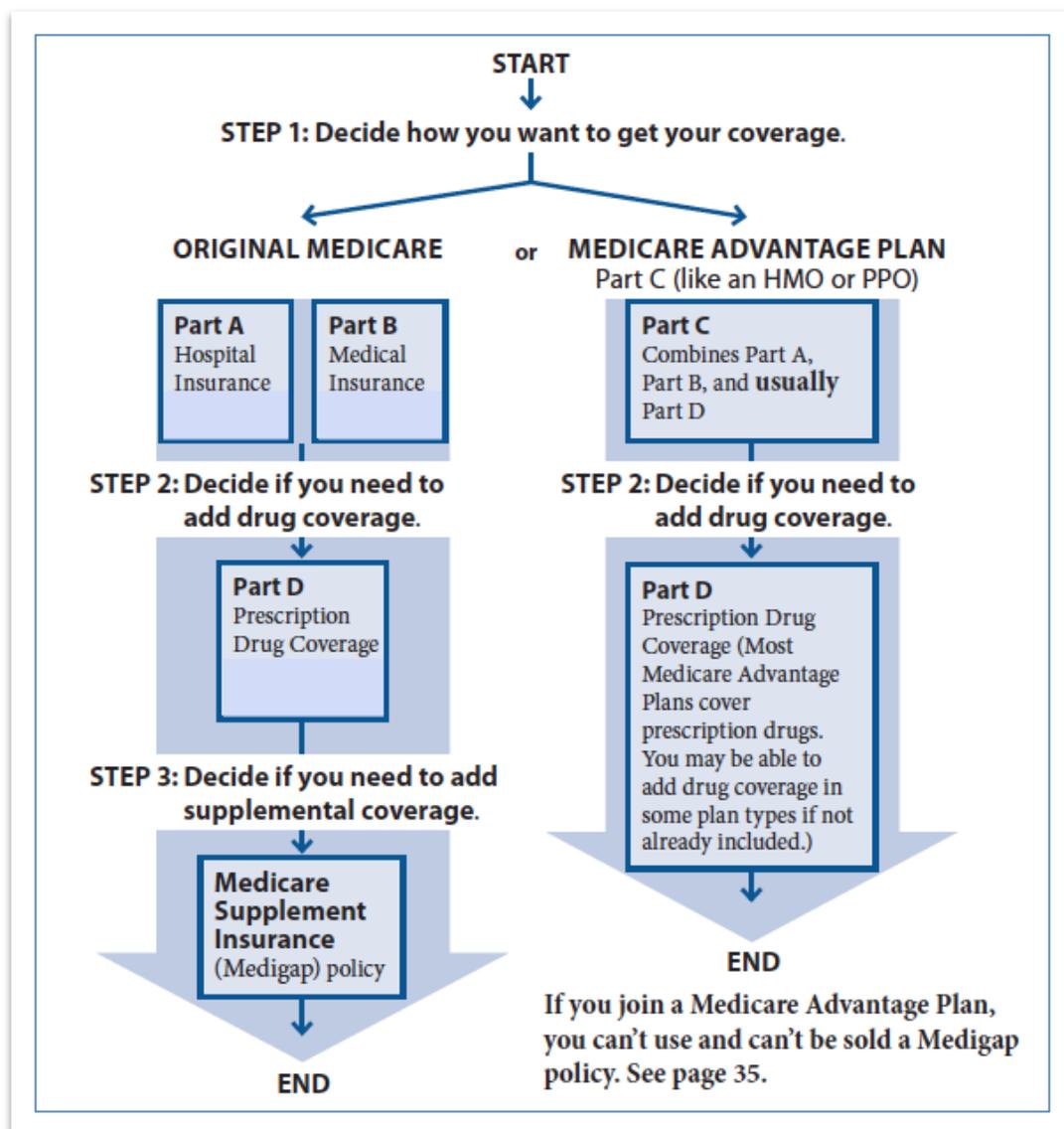
Notes/Questions:

Your Medicare Choices Chart

(source: Choosing a Medigap Policy publication from CMS)

Drug coverage under Medicare is Medicare Part _____.

(Medigap policies do not include drug coverage).



Step #3 Answer the question, Do I REALLY need a supplement?

In this step we dive deeper into the services that Medicare covers and what your potential out-of-pocket costs could be.

One of the most important, simplest reasons to supplement your Medicare is that Medicare does NOT have an _____ spending limit.

Medicare Part A: What your expenses *could* be if you were admitted to the hospital long-term:

The Part A deductible of \$1288 covers the first _____ days in a benefit period.

After _____ days in the hospital, the daily cost is \$322 per day.

Benefit Period (definition from Medicare.gov):

The way that Original Medicare measures your use of hospital and skilled nursing facility (SNF) services. A benefit period begins the day you're admitted as an inpatient in a hospital or SNF. The benefit period ends when you haven't received any inpatient hospital care (or skilled care in a SNF) for 60 days in a row. If you go into a hospital or a SNF after one benefit period has ended, a new benefit period begins. You must pay the inpatient hospital deductible for each benefit period. There's no limit to the number of benefit periods.

Beyond 90 days in a Benefit Period, you have _____ lifetime reserve days.

You pay _____ per day for lifetime reserve days.

(If you go over 90 days in a benefit period and you've used up all your lifetime reserve days, you are responsible for all hospital costs).

Skilled Nursing is care that's needed for additional recovery after being discharged from the hospital.

Skilled nursing is \$0 for the first _____ days.

Skilled nursing is \$161 per day for _____ days

After _____ days you are responsible for the full cost of Skilled Nursing.

Medicare Part B: What Your Expenses Could Be

Medicare Part B covers all the services that are needed to diagnose or treat your medical conditions, including Labs, X-Rays, CT Scans, MRIs, and more.

_____ are any procedures you have done at a surgical center and get sent home the same day.

Common therapies for cancer that are covered under Medicare Part B are _____ and _____ .

Emergency Room services (ER), Ambulance, Mental Health Care, and Durable Medical Equipment such as crutches and wheelchairs are also covered under Medicare Part B.

Recap:

After the deductible of _____ on **Medicare Part B**, you're responsible for _____% of the cost.

Step #4 What plan is right for me?

Medigap Policy VS. Medicare Advantage Plan

A Medigap Policy is going to cost an extra monthly premium over and above your _____.

A Medicare Advantage Plan is typically low or no additional monthly premium aside from your _____.

Medicare Part D – Prescription Drug Plan

You must purchase a drug plan separately when you have a _____ policy.

_____ Plans typically includes your drug plan at no extra cost.

The **Medigap** plans don't cover anything extra such as _____ and _____.

Medicare Advantage plans *sometimes* cover extras such as _____ and _____.

Medicare Advantage plans sound good, but what AREN'T the insurance companies telling you?

Copays

_____ policies have extremely predictable copays, or no copays at all.

_____ plans are unpredictable because the copays vary and may change every year.

Freedom

With a _____ policy you have the freedom to see any provider in the U.S. that accepts Medicare.

_____ are typically HMOs. You must follow the plan rules and only see doctors within the limited plan network.

Joining/Switching Plans

You may apply for or drop a Medigap Policy any time of year, but must qualify based on _____.

Medicare Advantage enrollment is locked-in for a year. In most cases you can't make changes until _____.

When you first become eligible for Medicare, you have guaranteed acceptance into a Medigap plan. This is your **Medigap Open Enrollment** which is the first _____ months you're enrolled in Medicare Part B.

If you don't sign up for a Medigap plan when you're first eligible, you may never again _____ for a Medigap plan

Notes/Questions

Quiz: What Plan is Right for You?

This quiz helps you focus on the differences between Medicare Supplements (Medigap) and Medicare Advantage Plans, and allows you reflect on what is most important to you.

Instructions: Checkmark the statements in each list that **resonate the most with you**. When you're done, count the number checked in each list. The list with the most check-marks might be the best fit for you. (This is just a suggestion, and a starting point in your search. This is in NO way meant to replace professional assistance from a licensed agent, Medicare representative, or State SHIP counselor).

List #1: Medicare Supplements (Medigap): Do any of these statements resonate with you?

- It's worth it to pay more for the freedom to go to doctors and specialists of my choice.
- I dislike the restriction of networks.
- I should probably get a Medigap Policy during my Medigap Open Enrollment because I want to guarantee predictable coverage and freedom as I age.
- It's important that I can go directly to a specialist without a referral.
- I like knowing I may receive care from any doctor or hospital in the U.S. that accepts Medicare.
- I'd rather pay a higher premium each month, knowing I will have little, or no out-of-pocket expenses when I do get sick.
- I don't mind having a separate prescription plan, with additional premium.

List #2 Possible characteristics of Medicare Advantage Plans: Do any of these statements resonate with you?

- As long as my doctor and favorite hospital are in-network, I wouldn't mind an HMO.
- I like managed care, even though referrals are required, because my primary doctor chooses my specialists and I feel I'm taken care of.
- A zero, or low monthly premium is very important to me, even though my monthly copays and coinsurance might be unpredictable.
- I don't mind doctor or hospital copays, and can accept some financial risk.
- I like having all my benefits under one plan, including prescriptions.
- I realize that beyond my Medigap Open Enrollment, I might never again qualify for a Medigap policy if I get sick. That's OK, because I probably wouldn't want one anyway.
- I'm willing to accept the risk that my plan's provider networks and costs could change every year.

By Pamela Turner

AllySeniorBenefits.com

pam@allyseniorbenefits.com

888.520.8683

(These worksheets are complete and up-to-date for 2016. Sources: Medicare.gov and the official U.S. government Medicare & You Handbook).