

## Medicare in Focus

For coverage that meets your needs

# Frequently Asked Questions (FAQs)



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# Medicare FAQs: Beyond the Basics

## Q What role does Social Security play in my Medicare enrollment?

**A** If you are receiving Social Security benefits, you will automatically be enrolled in Original Medicare's Part A (hospital insurance) and Part B (medical insurance) as soon as you are first eligible.<sup>1,2</sup> Your application for Social Security retirement or disability benefits will serve as your application for Original Medicare as well.<sup>3</sup> You will receive a packet of information about Original Medicare a few months before you turn 65 years old or at your 25th month of receiving Social Security disability payments. At this time, you can choose to keep or decline Part B coverage.<sup>2</sup>

If you are turning 65 but are not yet receiving Social Security benefits, you have a time frame of 7 months to sign up for Medicare (3 months before your birthday, during your birthday month, and 3 months after your birthday).<sup>2</sup>

Most people receiving Social Security benefits **do not get a bill for their Medicare premium** because it is deducted directly from their Social Security benefit payment.<sup>4</sup>

## Q Is there someone who can help me decide which type of Medicare plan to choose?

**A** [Click here](#) to **contact your local State Health Insurance Assistance Program (SHIP)** for free personalized health insurance counseling. The staff can help guide you in areas concerning<sup>5</sup>:

- **Your Medicare rights**
- **Comparison of different plans**
- **How Medicare works with other insurance plans**
- **Billing**
- **Medical care and/or treatment**
- **Out-of-pocket costs**

You can also discuss your options with others who are already enrolled in Medicare and have gone through the plan selection process, such as family, friends, and other loved ones.

If signing up for Medicare supplemental insurance (Medigap), Medicare Part D, or Medicare Advantage, you may want to speak to a licensed insurance agent or broker. It is important to understand which plans the agent or broker is certified to sell.<sup>6,7</sup>

Typically, an agent or broker has a reason to sell you an insurance plan because they are paid a commission. Agents and brokers do not sell Original Medicare.<sup>6</sup>

You can [click here](#) to reach out to a licensed Medicare agent.

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# Medicare FAQs: Beyond the Basics (cont'd)

## Q What is Medigap insurance, and how do I know if I need it?

**A Medicare supplemental insurance (Medigap)** is extra coverage you can buy from a private health insurance company to help pay your out-of-pocket costs when you're enrolled in Original Medicare.<sup>8</sup> It typically covers the remaining cost of health care services and supplies that Original Medicare does not cover.<sup>9</sup> There is a **6-month open enrollment period for Medigap**, which starts the first month you have Medicare Part B when you are 65 years or older. At this time, you can enroll in any Medigap policy without being denied because of any pre-existing health issues.<sup>8</sup>

Since a Medigap policy is a supplement to Original Medicare, you cannot enroll in it if you have Medicare Advantage, which is an alternative to Original Medicare.<sup>10</sup> Although separate from Medicare Advantage, some Medigap plans offer similar benefits to Medicare Advantage policies like vision, dental, and hearing coverage.<sup>11,12</sup>

## Q What is the difference between Medicare Advantage and Medigap?

**A Medicare Advantage, also known as Part C**, is insurance coverage you receive from private health plans instead of directly from the government. With this type of plan, your monthly payments may be low, but you could end up paying more in copayments, deductibles, and other out-of-pocket costs. There is a set limit on out-of-pocket costs, which is updated yearly. Additionally, you may only be able to go to providers in the plan's network, and you may have to get a referral from your primary care physician to see a specialist. With a Medicare Advantage plan, you may be able to get coverage for services not provided by Original Medicare, such as vision, dental, hearing, fitness classes, and medically necessary transportation.<sup>13</sup>

Every year, you will have the opportunity to switch Medicare Advantage plans or to go back to Original Medicare during the **Annual Open Enrollment Period (October 15 – December 7)** or the **Medicare Advantage Open Enrollment Period (January 1 – March 31)**.<sup>13</sup>

Medigap is additional insurance that can be purchased from private insurance companies in each state. It can only be purchased if you have an Original Medicare plan. Medigap premiums vary depending on the type of coverage needed. A Medigap policy can help make your out-of-pocket costs more predictable and affordable because you could be reimbursed for some or all of your Medicare Part A and Part B copayments and deductibles. You can also get coverage for services not covered by Original Medicare, such as emergency health care during international trips. Medigap plans do not cover prescription medications, so you may want to purchase a separate Medicare drug plan (Part D).<sup>13</sup>

It is not easy to switch Medigap plans, and the best time to buy a policy is during the **six-month Medigap Open Enrollment Period**, which begins the first month you have Medicare Part B and you are 65 years or older.<sup>13</sup>

FAQs continued on next page



# Medicare FAQs: Beyond the Basics (cont'd)

**Q** How does Medicare cover medications that are administered in my doctor's office?

**A** **Medicare Part B covers medications** that you usually get at the doctor's office or in hospital outpatient settings. Examples include injectable and infused medications, transplant or immunosuppressive medications, and some cancer medications.<sup>14</sup>

Medicare Part D covers most other prescription medications not covered by Part B. When you join a plan, check its drug list, called a formulary, to see which medications are covered. This plan is included in most Medicare Advantage plans or can be added to Original Medicare.<sup>9,14</sup>

**Q** What are out-of-pocket costs? How do these costs differ between Original Medicare and Medicare Advantage?

**A** **An out-of-pocket cost is an amount you are responsible for paying beyond the amount Medicare covers.**<sup>15</sup>

With Original Medicare, you will usually pay 20% of the Medicare-approved amount for Part B-covered services after you meet your deductible. There is no yearly set limit on what you will pay out-of-pocket, but you can choose to buy Medigap (supplemental coverage) to help cover these costs.<sup>16</sup>

With a Medicare Advantage plan, the out-of-pocket costs vary depending on the service and you may have to pay an additional premium.<sup>16</sup> In 2024, the out-of-pocket maximum for Medicare Advantage (Part C) plans is \$8,850 for approved services, but individual plans can set lower limits if they wish.<sup>15</sup> With a Medicare Advantage plan, you cannot buy Medigap.<sup>16</sup>

**Q** What are Medicare Advantage and Part D Star Ratings?

**A** **Medicare Advantage and Part D Star Ratings are published each year** to measure the quality of health and drug services received by people enrolled in Medicare Advantage and Medicare Part D. This rating system helps members compare the quality of different Medicare Advantage and Medicare Part D plans, so they can make the best choice for their health needs.<sup>17</sup>

You can switch from your current plan to a 5-star Medicare Advantage or Part D plan one time during a special enrollment period between **December 8 and November 30** of the following year. If you are already enrolled in a plan with a 5-star overall rating during this special enrollment period, you may switch to a different plan of equivalent rating.<sup>18</sup>

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