



Getting Started with Medicare



Lesson 1

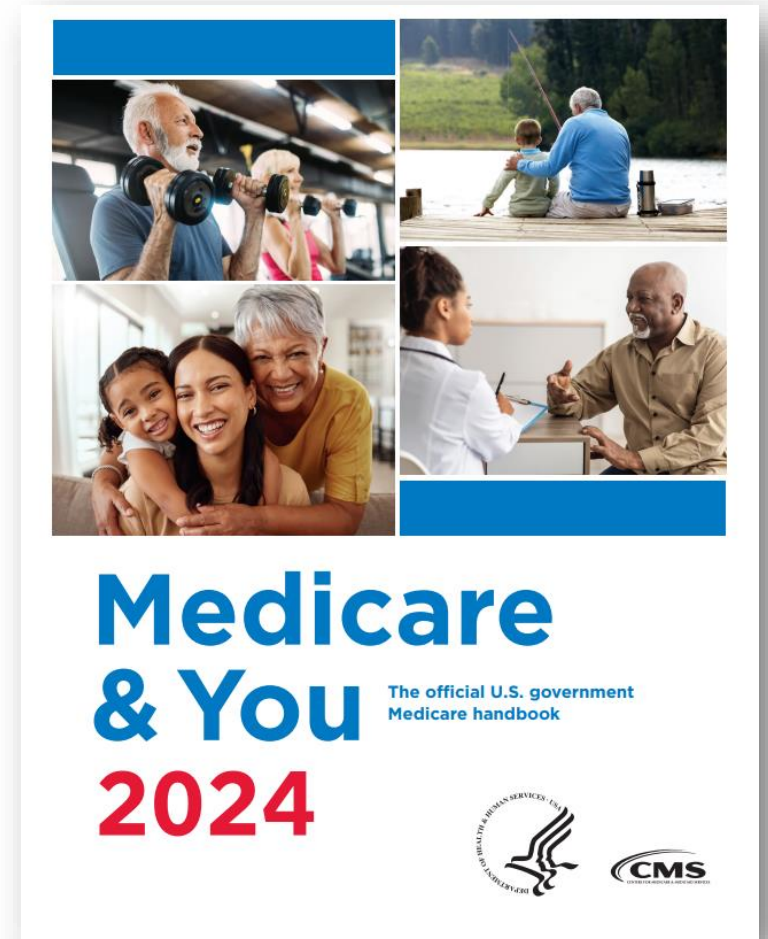
What's Medicare?

Medicare

Health insurance for:

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

★ **NOTE:** To get Medicare you must be a U.S. citizen or lawfully present in the U.S. Must reside in the U.S. for 5 continuous years.



CMS Product No. 10050

What Agencies Are Responsible for Medicare?



Social Security
Enrolls most people in Medicare



Railroad Retirement Board (RRB)
Enrolls both railroad retirees and active employees in Medicare



Office of Personnel Management (OPM)
Handles federal retirees' premiums



Centers for Medicare & Medicaid Services (CMS)
Forms Medicare policy and administers Medicare coverage, benefits, and payments

What Are the Parts of Medicare?



Part A
(Hospital Insurance)



Part B
(Medical Insurance)



Part D
(Drug coverage)

Your Medicare Options

Original Medicare

Part A



Part B



You can add:

Part D



You can also add:

Supplemental coverage



This includes Medicare Supplement Insurance (Medigap). Or, you can use coverage from a current or former employer or union, or Medicaid.

Medicare Advantage (also known as Part C)

Part A



Part B



Most plans include:

Part D



Some extra benefits

Some plans also include:

Lower out-of-pocket costs

Automatic Enrollment: Medicare Part A & Part B

Enrollment is automatic for people who:

- Get Social Security or RRB Benefits
- Are under 65, have a disability, and getting disability benefits from Social Security or certain disability benefits from the RRB for 24 months

Look for your “Get Ready for Medicare” package

- Mailed 3 months before:
 - Your 65th birthday
 - Your 25th month of disability benefits
- Includes a letter, booklet, and Medicare card



Some People Must Take Action to Sign Up for Medicare



To apply for Medicare 3 months before you turn 65, contact Social Security at [SSA.gov](https://www.ssa.gov).



If you retired from a railroad, contact your local Railroad Retirement Board at 1-877-772-5772; TTY: 1-312-751-4701



★ **NOTE:** The age for full Social Security retirement benefits is increasing. Medicare eligibility age is still 65.

Your Medicare Card

- Lists Medicare Part A (shown as HOSPITAL), Part B (shown as MEDICAL) along with the date your coverage begins
- To accept Part B, keep your card (and carry it when you're away from home)
- To refuse Part B, follow the instructions in the “Get Ready for Medicare” booklet



Need a replacement card?

- Visit [Medicare.gov/account](https://www.Medicare.gov/account) to log into your secure Medicare account and print an official copy
- Call **1-800-MEDICARE** (1-800-633-4227) (TTY: 1-877-486-2048)

When to Sign Up or Make Changes to Your Medicare Coverage

If you don't already have Medicare:

- Initial Enrollment Period (IEP)
- Special Enrollment Period (SEP)
- General Enrollment Period (GEP)

If you already have Medicare and want to change how you get your coverage:

- Open Enrollment Period (OEP)
- Medicare Advantage OEP
- Open Enrollment Period for Institutionalized Individual (OEPI)
- Special Enrollment Period (SEP) (in certain circumstances)

Initial Enrollment Period (IEP)

7-Month Period



If you sign up for Part A and/or Part B before you turn 65, your coverage starts the 1st day of your birthday month.



If you sign up the month you turn 65 or during the last 3 months of your IEP, your coverage begins the 1st day of the month after you sign up.

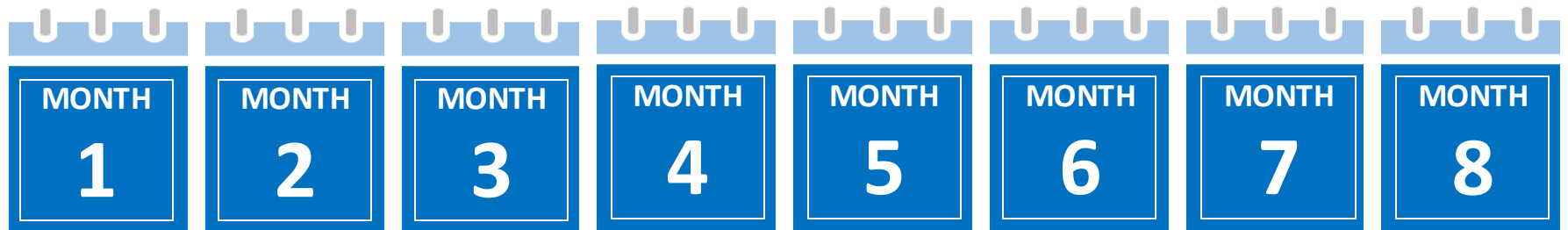
If you're under 65 and have a disability, you'll automatically get Part A and Part B after getting 24 months of disability benefits, either from Social Security or certain disability benefits from the RRB.

- ★ **NOTE:** Your 6-month Medigap Open Enrollment Period (OEP) begins the month you're 65 or older and enrolled in Part B (must also have Part A) and lasts at least 6 months (may be longer in your state).

Special Enrollment Period (SEP)

Continues for 8 Months after GHP Coverage Ends

Starts after Medicare IEP if you have GHP coverage based on current employment



You can sign up for Part A (if you have to pay for it) and/or Part B:

- ✓ Anytime you're still covered by the GHP
- ✓ During the 8-month period that begins the month after the employment ends or the coverage ends

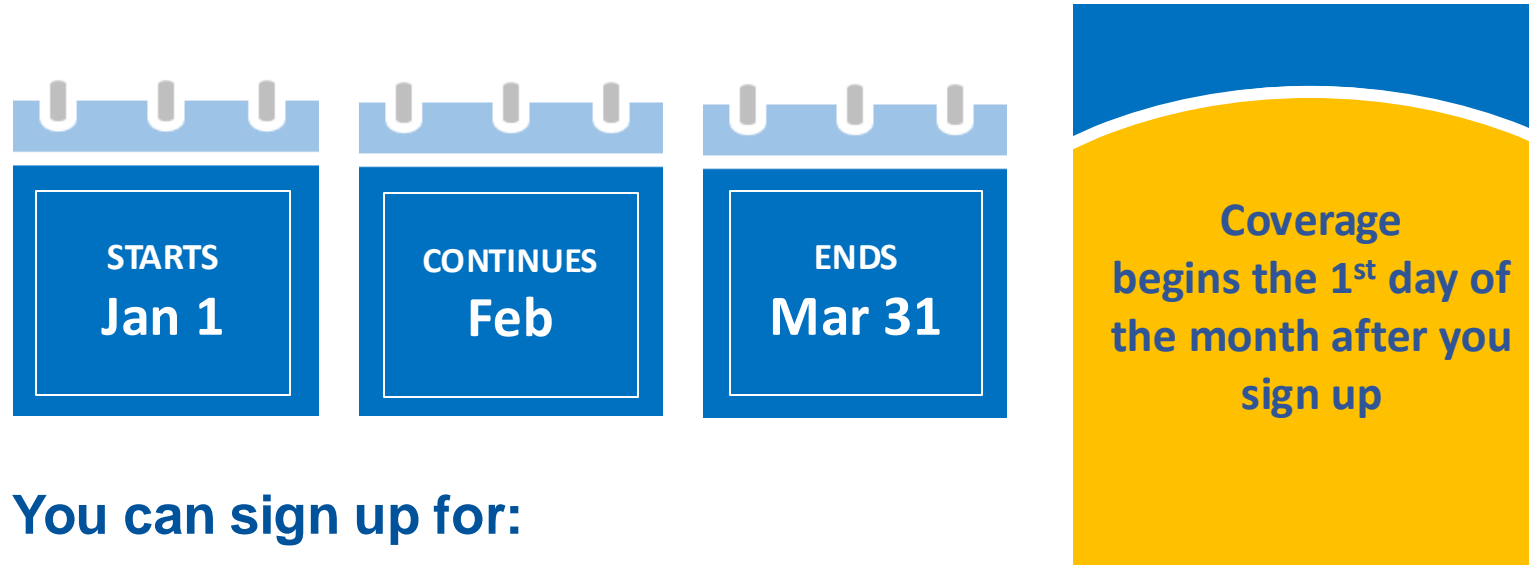
Usually, no late enrollment penalties



★ NOTE: You have 6 months from the Part B effective date to buy a Medigap policy (must have Part A and Part B).

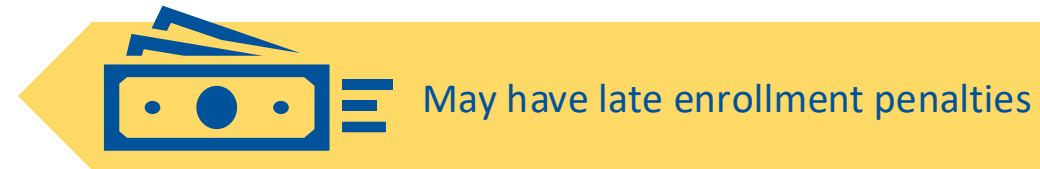
General Enrollment Period (GEP)

3-Month GEP each year



You can sign up for:

- Part A (if you have to buy it)
- Part B
- Part D (when you sign up for Part B)



Yearly Open Enrollment Period (OEP) for People with Medicare

7-Week Period



- 7-week period each year where you can join, drop, or switch Medicare Advantage Plans or Medicare drug plans
- This is a time to review health and drug plan choices

Medicare Advantage Open Enrollment Period

OR



**Annual
Medicare Advantage OEP**
January 1–March 31



**Newly Eligible
Medicare Advantage OEP**
1st 3 months of entitlement to
Medicare Part A and Part B

You can:

- Switch to another Medicare Advantage Plan, with or without drug coverage
- Drop your Medicare Advantage Plan and return to Original Medicare. If you do:
 - You can join a Medicare drug plan
 - Coverage begins the 1st of the month after you join the plan

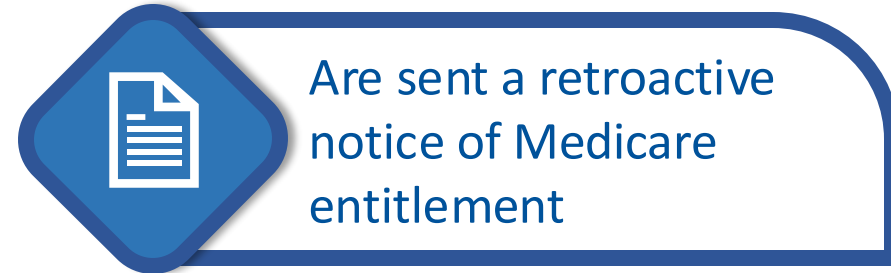
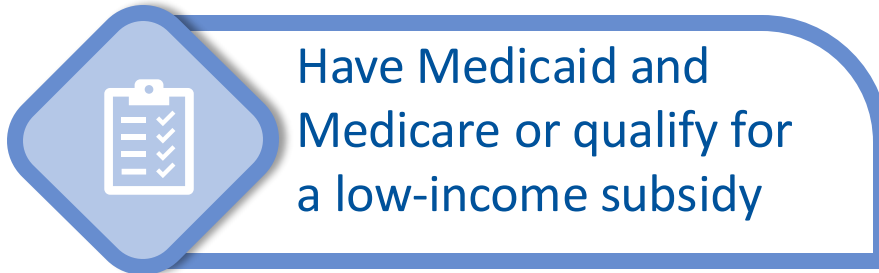
★ **NOTE:** You need to be in a Medicare Advantage Plan to use this enrollment period.

Special Enrollment Periods (SEP): Exceptional Situations

- People may qualify for one of the SEPs if:
 - They're impacted by an emergency or disaster
 - They were formerly incarcerated
 - They get inaccurate or misleading information from their health plan or employer
 - They lose Medicaid coverage
 - They experience other exceptional conditions
- If you sign up for Part A and/or Part B because of an exceptional situation:
 - You'll have 2 months to join a Medicare Advantage Plan (with or without drug coverage) or a Medicare drug plan (Part D)
 - Your coverage will start the 1st day of the month after the plan gets your request to join

Medicare Advantage & Part D Special Enrollment Periods (SEPs)

You may have an SEP if you:





Lesson 2

Original Medicare Part A (Hospital Insurance) & Part B (Medical Insurance)

Part A (Hospital Insurance) Covers

- **Inpatient care in a hospital, including:**

- ✓ Semi-private room
- ✓ Meals
- ✓ General nursing
- ✓ Drugs (including methadone to treat an opioid use disorder)
- ✓ Other hospital services and supplies

- **Inpatient care in a skilled nursing facility (SNF)**
after a related 3-day inpatient hospital stay



Part A
Hospital Insurance

Part A (Hospital Insurance) Covers (continued)

Part A also helps cover:

Blood (inpatient)

Hospice care

Home health services

Inpatient care in a religious nonmedical health care institution (RNHCI)



Part A
Hospital Insurance

Paying for Part A (Hospital Insurance) in 2024

Most people don't pay a premium for Part A

- If you or your spouse paid FICA taxes for at least 10 years, you get Part A without paying a **premium**
- You may have to pay a **penalty** if you don't sign up when first eligible for Part A (if you have to buy it)
 - Your monthly premium may go up 10%
 - You'll have to pay the higher premium for twice the number of years you could've had Part A, but didn't sign up



What You Pay in Original Medicare in 2024: Part A

Hospital Inpatient Stay

- \$1,632 deductible for each benefit period.
- Days 1–60: \$0 copayment for each day.
- Days 61–90: \$408 copayment each day.
- Days 91-150: \$816 copayment each day while using your 60 “lifetime reserve days.”
- After day 150: You pay all costs.

NOTE: You pay for private-duty nursing, a television, or a phone in your room. You pay for a private room unless it’s medically necessary.

Mental Health Inpatient Stay

- \$1,632 deductible for each benefit period.
- Days 1–60: \$0 each day.
- Days 61–90: \$408 copayment each day.
- Days 91 and beyond: An \$816 copayment each day while using your 60 "lifetime reserve days."
- Each day after the lifetime reserve days: All costs.
- 20% of the Medicare-approved amount for mental health services you get from doctors and other health care providers while you're a hospital inpatient.

NOTE: There’s no limit to the number of benefit periods you can have, whether you’re getting mental health care in a general or psychiatric hospital. However, if you're in a psychiatric hospital (instead of a general hospital), Part A only pays for up to 190 days of inpatient psychiatric hospital services during your lifetime.

Part A (Hospital Insurance) Costs in 2024 (continued)

Skilled Nursing Facility (SNF) Stay

- Days 1–20: \$0 for each benefit period.
- Days 21–100: \$204 copayment each day.
- Days 101 and beyond: You pay all costs.

Home Health Services

- \$0 for home health services.
- 20% of the Medicare-approved amount for durable medical equipment (DME) like wheelchairs, walkers, hospital beds, and other equipment.

Hospice Care

- \$0 for hospice care services.
- You may need to pay a copayment of no more than \$5 for each prescription drug and other similar products for pain relief and symptom control while you're at home. In the rare case your drug isn't covered by the hospice benefit, your hospice provider should contact your Medicare drug plan to see if it's covered under Medicare drug coverage (Part D).
- You may need to pay 5% of the Medicare-approved amount for inpatient respite care.
- Medicare won't pay room and board for your care in a facility, unless the hospice medical team decides you need short-term inpatient care to manage pain and other symptoms. This care must be in a Medicare-approved facility, like a hospice facility, hospital, or skilled nursing facility that contracts with the hospice.

Blood

- If hospital gets it from a blood bank at no charge, you have no charge.
- If the hospital has to buy blood for you, you must either pay the hospital costs for the first 3 units of blood you get in a calendar year or have the blood donated by you or someone else.

Benefit Periods in Original Medicare



Benefit periods can span across calendar years

- **Each benefit period:**
 - Begins the day you first get inpatient care in hospital or SNF
 - Ends after being home for 60 days in a row (not in a hospital or skilled care in a SNF)
- You pay Part A deductible for each benefit period
- No limit to number of benefit periods you can have

Medicare Part B (Medical Insurance) Covers

- Doctors' services
- Outpatient medical and surgical services and supplies
- Clinical lab tests
- Durable medical equipment (DME) (like walkers and wheelchairs)
- Diabetic testing equipment and supplies
- Preventive services (like flu shots and a yearly wellness visit)
- Home health services
- Medically necessary outpatient physical and occupational therapy, and speech-language pathology services
- Outpatient mental health care services
- Limited number of outpatient prescription drugs under certain conditions



Part B
Medical Insurance

Part B: Preventive Services

- Abdominal aortic aneurysm screening
- Alcohol misuse screenings & counseling
- Bone mass measurements
- Cardiovascular behavioral therapy
- Cardiovascular disease screenings
- Cervical & vaginal cancer screenings
- Colorectal cancer screenings
- Counseling to prevent tobacco use & tobacco-caused disease
- Covid-19 vaccines
- Depression screening
- Diabetes screenings
- Diabetes self-management training
- Flu shots
- Glaucoma screenings
- Hepatitis B shots
- Hepatitis B Virus infection screenings
- Hepatitis C screenings
- HIV (Human Immunodeficiency Virus) screenings
- Lung cancer screenings
- Mammograms
- Medical nutrition therapy services
- Medicare Diabetes Prevention Program
- Obesity behavioral therapy
- Pneumococcal shots
- Prostate cancer screenings
- Sexually transmitted infection (STI) screenings & counseling
- “Welcome to Medicare” preventive visit
- Yearly “Wellness” visit

What You Pay in 2024: Part B Monthly Premiums

Standard premium is \$174.70



Some people who get Social Security benefits pay less due to the statutory hold harmless provision



Your premium may be higher if you didn't choose Part B when you first became eligible or if your income exceeds a certain threshold

Monthly Part B Standard Premium: Income-Related Monthly Adjustment Amount (IRMAA) for 2024

If your yearly income in 2022 (for what you pay in 2024) was:

File Individual Tax Return	File Joint Tax Return	File Married & Separate Tax Return	You pay each month (in 2024)
\$103,000 or less	\$206,000 or less	\$103,000 or less	\$174.70
Above \$103,000 up to \$129,000	Above \$206,000 up to \$258,000	Not applicable	\$244.60
Above \$129,000 up to \$161,000	Above \$258,000 up to \$322,000	Not applicable	\$349.40
Above \$161,000 up to \$193,000	Above \$322,000 up to \$386,000	Not applicable	\$454.20
Above \$193,000 and less than \$500,000	Above \$386,000 and less than \$750,000	Above \$103,000 and less than \$397,000	\$559.00
\$500,000 or above	\$750,000 or above	\$397,000 or above	\$594.00


What You Pay in Original Medicare in 2024: Part B

Yearly Deductible

\$240 (You pay this deductible once each year)

Coinsurance for Part B Services

- 20% for most covered services, like doctor's services and some preventive services, if provider accepts assignment
- \$0 for most preventive services
- 20% for outpatient mental health services, and copayments for hospital outpatient services

 **NOTE:** If you can't afford to pay these costs, there are programs that may help. These programs are discussed later in Lesson 7.

When You Must Have Part A & Part B



To buy a Medicare Supplement Insurance (Medigap) policy



To join a Medicare Advantage Plan



Eligible For TRICARE for Life (TFL)



Eligible for Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA)



Employer coverage requires you to have it (has fewer than 20 employees)



Lesson 3

Medicare Supplement Insurance (Medigap) Policies

Medigap Policies

- Are sold by **private insurance companies**
- Fill **gaps in Original Medicare** coverage, like copayments, coinsurance, and deductibles
- Each **standardized** Medigap policy under the same plan letter:
 - Must offer the same basic benefits, no matter who sells it
 - May vary in costs
- Another type of Medigap policy called Medicare SELECT is available in some states
- Plans are different in Minnesota, Massachusetts, and Wisconsin



Medicare Supplement Insurance (Medigap)

When's the Best Time to Buy a Medigap Policy?

Medigap Open Enrollment Period (OEP):

- Begins the month you're 65 or older **and** enrolled in Part B (must also have Part A)
- Lasts at least 6 months (may be longer in your state)

During your Medigap OEP, companies can't:

- Refuse to sell you any Medigap policy they offer
- Make you wait for coverage
- Charge more because of a past/present health problem

★ **NOTE:** You can also buy a Medigap policy whenever a company agrees to sell you one





Lesson 4

Medicare Drug Coverage (Part D)

Medicare Drug Coverage (Part D)

- An optional benefit available to all people with Medicare
- Run by private companies that contract with Medicare
- Provided through:
 - Medicare drug plans (also known as PDPs) (work with Original Medicare)
 - Medicare Advantage Plans with drug coverage (also known as MA-PDs)
 - Some other Medicare health plans

How Part D Works

- It's optional
 - You can choose a plan and join
 - You may pay a lifetime penalty if you join late
- Plans have formularies (lists of covered drugs), which:
 - Must include a range of drugs in each category
 - May change during the year—you'll be notified
- Your out-of-pocket costs may be less if you use a preferred pharmacy
- If you have limited income and resources, you may get Extra Help

Medicare Drug Plan Costs: What You Pay in 2024

Most people will pay:

- A monthly **premium** (varies by plan and income)
- A yearly **deductible** (if applicable)
- **Copayments or coinsurance**
- **Out-of-pocket** costs
 - A **percentage** of the cost while in the coverage gap, which begins at \$5,030 for out-of-pocket spending in 2024
 - **No copayment or coinsurance** after spending \$8,000 out of pocket in 2024—will automatically get catastrophic coverage



Income-Related Monthly Adjustment Amount (IRMAA): Part D Premium for 2024

If your filing status and yearly income in 2022 was:

File Individual Tax Return	File Joint Tax Return	File Married & Separate Tax Return	You pay each month (in 2024)
\$103,000 or less	\$206,000 or less	\$103,000 or less	Your plan premium (YPP)
Above \$103,000 up to \$129,000	Above \$206,000 up to \$258,000	Not applicable	\$12.90 + YPP
Above \$129,000 up to \$161,000	Above \$258,000 up to \$322,000	Not applicable	\$33.30 + YPP
Above \$161,000 up to \$193,000	Above \$322,000 up to \$386,000	Not applicable	\$53.80 + YPP
Above \$193,000 and less than \$500,000	Above \$386,000 and less than \$750,000	Above \$103,000 and less than \$397,000	\$74.20 + YPP
\$500,000 or above	\$750,000 or above	\$397,000 or above	\$81.00 + YPP

Part D Late Enrollment Penalty 2024

- You may have to pay more if you wait to join, unless you have:
 - Creditable prescription drug coverage
 - Extra Help
- You'll pay the penalty for as long as you have coverage
 - 1% for each full month eligible and without creditable prescription drug coverage
 - Multiply percentage by base beneficiary premium (\$34.70 in 2024)
 - Amount changes every year

Choosing a Part D Plan

- **Compare plans by computer or phone:**
 - Find health and drug plans at [Medicare.gov/plan-compare](https://www.Medicare.gov/plan-compare)
 - Call Medicare
 - Contact your SHIP at [shiphelp.org](https://www.shiphelp.org) for help comparing plans
- **To join a Medicare drug plan, you can:**
 - Join at [Medicare.gov/plan-compare](https://www.Medicare.gov/plan-compare)
 - Call 1-800-MEDICARE (1-800-633-4227) (TTY: 1-877-486-2048)
 - Join on the plan's website or call the plan
 - Complete a paper enrollment form
- The plan will notify you whether it has accepted or denied your application

Decision: Should I Join a Part D Plan?

If you have creditable drug coverage, consider costs and coverage:

- Will you or your spouse or dependents lose your health coverage if you join a Medicare drug plan?
- How do your out-of-pocket drug costs compare to out-of-pocket drug costs with a Medicare drug plan?
- How will your costs change if you get Extra Help with Medicare drug plan costs?

If you don't have creditable drug coverage, consider possible penalties:

- Will joining when you're first eligible help you avoid a likely lifetime late enrollment penalty if you join a plan later?
- Do you qualify for Extra Help? If so, you may join a plan without penalty.



Lesson 5

Medicare Advantage & Other Medicare Health Plans

Medicare Advantage Plans (Part C)

Part A



Part B



Most plans include:

Part D



Some extra benefits

Some plans also include:

Lower out-of-pocket costs

- Another way (other than Original Medicare) to get your Medicare Part A (Hospital Insurance) and Part B (Medical Insurance) **coverage**
- Offered by Medicare-approved **private companies** that must follow rules set by Medicare
- Most Medicare Advantage Plans include drug coverage (Part D)
- In most cases, you'll need to use health care providers who participate in the **plan's network** (some plans offer non-emergency coverage out of network, but typically at a higher cost)

How Medicare Advantage Plans Work

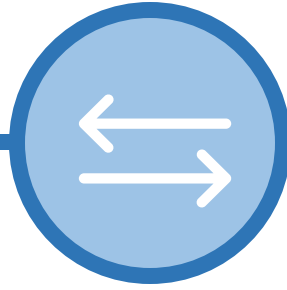
In a Medicare Advantage Plan, you:



Are still in Medicare with all **rights and protections**



Still get **services** covered by Part A and Part B



Can't be **charged** more than Original Medicare for certain services, like chemotherapy, dialysis, and skilled nursing facility (SNF) care



May choose a plan that includes **drug coverage** and/or **extra benefits** like vision, dental or fitness and wellness benefits



Have a yearly limit on **out-of-pocket costs**

How Medicare Advantage Plans Work (continued)

In a Medicare Advantage Plan:



Each plan has a **service area** in which its enrollees must live



You (or a provider acting on your behalf) can request to see if an item or service will be covered by the plan in advance (called an **organization determination**)



Medicare pays a fixed amount for your coverage each month to the **companies** offering Medicare Advantage Plans



Each plan can charge different out-of-pocket costs and have different **rules** for how you get services (which can change each year)



Hospice care is covered, but by Original Medicare

Helpful Websites

01

Medicare

[Medicare.gov](https://www.Medicare.gov)

02

Medicaid

[Medicaid.gov](https://www.Medicaid.gov)

03

Social Security

[SSA.gov](https://www.SSA.gov)

04

Health Insurance Marketplace®

[HealthCare.gov](https://www.HealthCare.gov)

05

Children's Health Insurance Program

[InsureKidsNow.gov](https://www.InsureKidsNow.gov)

06

State Health Insurance Assistance Program (SHIP)

[shiphelp.org](https://www.shiphelp.org)

07

CMS National Training Program

[CMSnationaltrainingprogram.cms.gov](https://www.CMSnationaltrainingprogram.cms.gov)

Key Points to Remember

A circular icon with a blue background and a white border. Inside the circle, the word "MEDICARE" is written in white, uppercase letters.

Medicare is a health insurance program

A circular icon with a blue background and a white border. Inside the circle, there is a white thought bubble containing a question mark, with a smaller thought bubble below it.

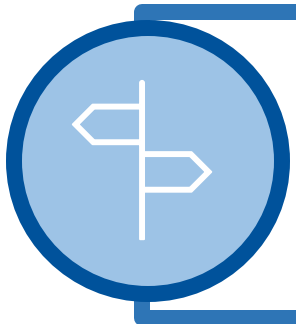
Decisions affect the type of coverage you get

A circular icon with a yellow background and a white border. Inside the circle, there is a white icon of a stack of money with a diagonal slash through it, indicating that Medicare does not cover all costs.


Medicare doesn't cover all your health care costs

A circular icon with a blue background and a white border. Inside the circle, there is a white clock face with hands, representing time sensitivity.

Certain decisions are time-sensitive

A circular icon with a blue background and a white border. Inside the circle, there is a white icon of a path with two arrows pointing in opposite directions, representing choices.

You have choices in how you get coverage

A circular icon with a blue background and a white border. Inside the circle, there is a white icon of a dollar sign with a downward-pointing arrow, representing limited income and resources.

There are programs for people with limited income and resources