

MEDICARE

PART A = Hospital care - free

PART B = Doctor care - \$134/ a month if income \$85k or less.

PART C = Advantage plan

PART D = Prescription coverage

Part A and B cover 80% of covered procedures

Purchase a supplement to cover bulk of 20% you are liable for.

Two types of supplements:

Advantage Plans: Guaranteed issue no underwriting, subject to enrollment periods

Medigap Plans : 6 month guaranteed issue from date enrolled in Medicare Part B. After 6 months subject to underwriting and possible denial.

ADVANTAGE PLANS :

Typically include medical and prescription in one plan. Have out of pocket cost and may be less expensive.

MEDIGAP PLANS :

Cover medical only , must buy a separate Rx plan. These plans may be more expensive but have very little out of pocket cost. These plans can be underwritten which means a person can be declined or pay higher premium.

The Rx plan does not have to be with the same medical carrier.

A person that goes to the doctor 3-4 times a year may select an **Advantage** plan. Lower premium, more out of pocket expense

A person that goes to the doctor 3-4 times a month (chronic illness) may select a **Medigap** plan. Higher monthly premium, less out of pocket

Medicare Prescription Drug “ gap “ or ‘ donut hole ‘

Most Medicare drug plans have a coverage gap (also known as the “ donut hole “) . This means that there is a temporary change in what you will pay for your drugs. The coverage gap begins after the total yearly drug cost (including what your plan pays and what you have paid) reaches \$3700.00

After you enter the gap, you pay 40% of the plan’s cost for covered brand name drugs and 51% of the plans cost for generic drugs until your costs total \$4950.00 which is the end of the coverage gap. Not everyone will enter the coverage gap.

After your yearly out of pocket costs(including drugs purchased through your retail pharmacy and through mail order) reach \$4950.00 you pay the greater of:

5% of the cost, or

A copay of less than \$10.00 copay for other drugs.*

*Depending on drug plan.