DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

7500 Security Boulevard
Baltimore, Maryland 21244 -1850

Important decisions about your new Medicare coverage

It's almost time for Medicare! Because you're getting Social Security benefits, you're automatically **enrolled in Medicare Part A and Part B. Your enclosed Medicare card shows when your coverage will start**.

- Medicare Part A (Hospital Insurance)—helps cover hospital care, skilled nursing care, and more. You don't have to pay a premium for Part A.
- Medicare Part B (Medical Insurance)—helps cover doctors' services, outpatient care, and more. Part B is optional, and you pay a monthly premium for it.

Make these 2 important decisions before your coverage starts:

Decision 1: Should I keep Part B?

- We've already enrolled you in Part B. If you do nothing, you'll keep Part B and start paying the monthly premium. (See page 13 in the enclosed booklet for premium costs.)
- If you choose not to keep Part B, you can drop it now. However, if you want to sign up later, you may have to wait for your coverage to start and pay a monthly penalty.

Read pages 6–15 in the booklet to see if you should keep Part B (based on your situation).

Decision 2: If I keep Part B, how do I want to get my Medicare coverage?

You can choose how to get your Medicare coverage:

- Original Medicare—includes Part A and Part B. You can buy supplemental coverage to help pay your out-of-pocket costs. You can also add Medicare prescription drug coverage (Part D).
- Medicare Advantage—a Medicare-approved plan from a private company that bundles your Part A, Part B, and usually Part D coverage into one plan.

Read the other side of this letter and pages 16–20 in the booklet for additional and important information to make your decision.

Soon we'll mail your official "Medicare & You" handbook with more information. You can also visit Medicare.gov anytime for details about getting started with Medicare.

Enclosures

CMS Publication Number: 11095
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Your Medicare options

There are 2 main ways to get your Medicare coverage:

Original Medicare

- Original Medicare includes Medicare Part A (Hospital Insurance) and Part B (Medical Insurance).
- If you want drug coverage, you can join a separate Part D plan.
- To help pay your out-of-pocket costs in Original Medicare (like your 20% coinsurance), you can also shop for and buy supplemental coverage.
- Can use any doctor or hospital that takes Medicare, anywhere in the U.S.

☑ **Part A**

☑ **Part B**

You can add:

☐ **Part D**

You can also add:

☐ **Supplemental coverage**

(Some examples include coverage from a Medicare Supplement Insurance (Medigap) policy, or coverage from a former employer or union.)

Medicare Advantage
(also known as Part C)

- Medicare Advantage is an "all in one" alternative to Original Medicare. These "bundled" plans include Part A, Part B, and usually Part D.
- Plans may have lower out-of-pocket costs than Original Medicare.
- In most cases, you'll need to use doctors who are in the plan's network.
- Most plans offer extra benefits that Original Medicare doesn't cover—like vision, hearing, dental, and more.

☑ **Part A**

☑ **Part B**

Most plans include:

☑ **Part D**

☑ **Extra benefits**

Some plans also include:

☐ **Lower out-of-pocket-costs**

Help in other languages

If you, or someone you're helping, has questions about Medicare, you have the right to get help and information in your language at no cost. To talk to an interpreter, call 1-800-MEDICARE (1-800-633-4227).

العربية (Arabic) إن كان لديك أو لدى شخص تُساعده أسئلة بخصوص Medicare فإن من حقك الحصول على المساعدة و المعلومات بلغتك من دون أي تكلفة. للتحدث مع مترجم إتصل بالرقم 1-800-MEDICARE (1-800-633-4227).

հայերեն (Armenian) Եթե Դուք կամ Ձեր կողմից օգնություն ստացող անձը հարցեր ունի Medicare-ի մասին, ապա Դուք իրավունք ունեք անվճար օգնություն և տեղեկություններ ստանալու Ձեր նախընտրած լեզվով: Թարգմանչի հետ խոսելու համար զանգահարեք 1-800-MEDICARE (1-800-633-4227) հեռախոսահամարով:

中文 (Chinese-Traditional) 如果您，或是您正在協助的個人，有關於聯邦醫療保險的問題，您有權免費以您的母語，獲得幫助和訊息。與翻譯員交談，請致電 1-800-MEDICARE (1-800-633-4227).

فارسی (Farsi) اگر شما، یا شخصی که به او کمک میرسانید سوالی در مورد اعلامیه مختصر مدیکردارید، حق این را دارید که کمک و اطلاعات به زبان خود به طور رایگان دریافت نمایید. برای مکالمه با مترجم با این شماره زیر تماس بگیرید1-800-MEDICARE (1-800-633-4227).

Français (French) Si vous, ou quelqu'un que vous êtes en train d'aider, a des questions au sujet de l'assurance-maladie Medicare, vous avez le droit d'obtenir de l'aide et de l'information dans votre langue à aucun coût. Pour parler à un interprète, composez le 1-800-MEDICARE (1-800-633-4227)

Deutsch (German) Falls Sie oder jemand, dem Sie helfen, Fragen zu Medicare haben, haben Sie das Recht, kostenlose Hilfe und Informationen in Ihrer Sprache zu erhalten. Um mit einem Dolmetscher zu sprechen, rufen Sie bitte die Nummer 1-800-MEDICARE (1-800-633-4227) an.

Kreyòl (Haitian Creole) Si oumenm oswa yon moun w ap ede, gen kesyon konsènan Medicare, se dwa w pou jwenn èd ak enfòmasyon nan lang ou pale a, san pou pa peye pou sa. Pou w pale avèk yon entèprèt, rele nan 1-800-MEDICARE (1-800-633-4227).

Italiano (Italian) Se voi, o una persona che state aiutando, vogliate chiarimenti a riguardo del Medicare, avete il diritto di ottenere assistenza e informazioni nella vostra lingua a titolo gratuito. Per parlare con un interprete, chiamate il numero 1-800-MEDICARE (1-800-633-4227).

日本語 (Japanese) Medicare (メディケア) に関するご質問がある場合は、ご希望の言語で情報を取得し、サポートを受ける権利があります (無料)。通訳をご希望の方は、1-800-MEDICARE (1-800-633-4227) までお電話ください。

한국어(Korean) 만약 귀하나 귀하가 돕는 어느 분이 메디케어에 관해서 질문을 가지고 있다면 비용 부담이 없이 필요한 도움과 정보를 귀하의 언어로 얻을 수 있는 권리가 귀하에게 있습니다. 통역사와 말씀을 나누시려면 1-800-MEDICARE(1-800-633-4227)로 전화하십시오.

Polski (Polish) Jeżeli Państwo lub ktoś komu Państwo pomagają macie pytania dotyczące Medicare, mają Państwo prawo do uzyskania bezpłatnej pomocy i informacji w swoim języku. Aby rozmawiać z tłumaczem, prosimy dzwonić pod numer telefonu 1-800-MEDICARE (1-800-633-4227).

Português (Portuguese) Se você (ou alguém que você esteja ajudando) tiver dúvidas sobre a Medicare, você tem o direito de obter ajuda e informações em seu idioma, gratuitamente. Para falar com um intérprete, ligue para 1-800-MEDICARE (1-800-633-4227).

Русский (Russian) Если у вас или лица, которому вы помогаете, возникли вопросы по поводу программы Медикэр (Medicare), вы имеете право на бесплатную помощь и информацию на вашем языке. Чтобы воспользоваться услугами переводчика, позвоните по телефону 1-800-MEDICARE (1-800-633-4227).

Spanish (Español) Si usted, o alguien que está ayudando, tiene preguntas sobre Medicare, usted tiene el derecho a obtener ayuda e información en su idioma sin costo alguno. Para hablar con un intérprete, llame al 1-800-MEDICARE (1-800-633-4227).

Tagalog (Tagalog) Kung ikaw, o ang isang tinutulungan mo, ay may mga katanungan tungkol sa Medicare, ikaw ay may karapatan na makakuha ng tulong at impormasyon sa iyong lenguwahe ng walang gastos. Upang makipag-usap sa isang tagasalin ng wika, tumawag sa 1-800-MEDICARE (1-800-633-4227).

Tiếng Việt (Vietnamese) Nếu quý vị, hay người mà quý vị đang giúp đỡ, có câu hỏi về Medicare, quý vị sẽ có quyền được giúp và có thêm thông tin bằng ngôn ngữ của mình miễn phí. Để nói chuyện qua thông dịch viên, gọi số 1-800-MEDICARE (1-800-633-4227).

You have the right to get Medicare information in an accessible format, like large print, Braille, or audio. You also have the right to file a complaint if you feel you've been discriminated against. Visit Medicare.gov/about-us/accessibility-nondiscrimination-notice, or call 1-800-MEDICARE (1-800-633-4227) for more information. TTY users can call 1-877-486-2048.

Welcome to Medicare

Important decisions about your Medicare coverage

2020

DEPARTMENT OF HEALTH & HUMAN SERVICES · USA

Medicare is health insurance for people 65 or older, certain people under 65 with disabilities, and people of any age with End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant).

You've been enrolled automatically in Medicare Part A (Hospital Insurance) and Part B (Medical Insurance). You don't need to pay a premium for Part A. But, you will pay a monthly premium for Part B if you choose to keep it or don't take action before your coverage starts. It's usually deducted from your Social Security benefits.

Now's the time to make some important decisions about your Medicare coverage. You'll need to decide whether to keep Part B and how to get your Medicare coverage.

Read this booklet carefully before you make any decisions.

The information in this booklet describes the Medicare Program at the time this booklet was printed. Changes may occur after printing. Visit Medicare.gov, or call 1-800-MEDICARE (1-800-633-4227) to get the most current information. TTY users can call 1-877-486-2048.

"Welcome to Medicare" isn't a legal document. Official Medicare Program legal guidance is contained in the relevant statutes, regulations, and rulings.

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Medicare basics

Here's a brief look at the different parts of Medicare. Look in your "Medicare & You" handbook, or visit Medicare.gov for more information.

Medicare Part A (Hospital Insurance) helps cover:

- Inpatient care in hospitals
- Skilled nursing facility care
- Hospice care
- Home health care

Medicare Part B (Medical Insurance) helps cover:

- Services from doctors and other health care providers
- Outpatient care
- Home health care
- Durable medical equipment (like wheelchairs, walkers, hospital beds, and other equipment)
- Many preventive services (like screenings, shots or vaccines, and yearly "Wellness" visits)

Medicare Part D (Prescription drug coverage) helps cover:

- Cost of prescription drugs (including many recommended shots or vaccines)

Part D plans are run by private insurance companies that follow rules set by Medicare.

Decisions I need to make

Decision 1: Should I keep Part B?

Medicare automatically enrolled you in Part B. If you don't want to keep Part B, let us know before the coverage start date on the front of your Medicare card. Otherwise, your Part B coverage will start, and you'll pay a monthly premium. (See pages 6–15 to find out if you should keep Part B based on your situation.)

Decision 2: If I keep Part B, how do I want to get my coverage?

If you keep Part B, you need to choose how you get your Medicare coverage. You can choose either:

- **Original Medicare**—includes Part A and Part B. You pay for services as you get them. If you choose Original Medicare, you can also decide to:
  - Join a Medicare Prescription Drug Plan (Part D) to get drug coverage (See page 21).
  - Add supplemental coverage (like insurance from a former employer or a Medicare Supplement Insurance (Medigap) policy) to help pay your out-of-pocket costs (See page 26).
- **Medicare Advantage**—includes the same benefits as Part A, Part B and usually Part D and extra benefits (like vision, hearing, dental, and more). Medicare Advantage Plans are private plans approved by Medicare that bundle all your health and drug coverage.

(See pages 16–20 to help you decide what works best for you.)

Decision 1 – Should I keep Part B?

Keeping Part B is your choice, and whether it's best for you to keep Part B depends on your situation. Your decision may be based on whether you're currently employed or already have other health coverage.

Important: If you don't keep Part B and you don't have other health coverage based on active or current employment, there are some risks:

- You most likely will have to pay all of the costs for doctors' services, outpatient care, medical supplies, and preventive services.
- If you change your mind and want to get Part B later, you'll have to wait until the General Enrollment Period (January 1–March 31 each year) to sign up, and your coverage won't start until July 1 of that year. This may cause a gap in your health coverage.
- In most cases, if you decide you want Part B later, you'll also have to pay a **late enrollment penalty** for as long as you have Part B coverage. The penalty amount is added to your monthly Part B premium, and it goes up the longer you go without Part B coverage. (See page 15 for the cost of the penalty.)

Read the information on the next few pages to help you decide.

Decision 1 – Should I keep Part B?

Find your situation below to help you decide if you should keep Part B. Remember, Part B is medical insurance which covers certain outpatient services, doctor visits, medical supplies, and preventive services.

- ☐ **I'm still working and have coverage through my employer.** Or, my spouse (or a family member, if I'm disabled) is still working and I'm covered through his or her employer. (See page 9.)

- ☐ **I'm retired and have coverage through a former employer, or I have COBRA or VA coverage**. COBRA is temporary coverage available in certain situations if you lose your job coverage. (See page 10.)

- ☐ **I have coverage through the Health Insurance Marketplace as an individual or through an employer.** (See page 11.)

- ☐ **I have TRICARE coverage (insurance for active-duty military, military retirees, and their families)**. You must keep Part B to keep TRICARE coverage. However, if you're an active-duty service member or the spouse or dependent child of an active-duty service member, you don't have to get Part B right away.

(See the next page for more situations.)

Decision 1 – Should I keep Part B?

Find your situation below to help you decide if you should keep Part B. (continued)

- ☐ **I have CHAMPVA coverage**. You must keep Part B to keep your CHAMPVA coverage.
- ☐ **I have coverage through a private insurance plan (not through the Health Insurance Marketplace or an employer).** (See page 12.)
- ☐ **I have Medicaid**. You should keep Part B. Medicare will pay first, and Medicaid will pay second. Your state may also help pay for your Medicare premiums. (See page 29.)
- ☐ **I don't have other medical insurance**. If you don't have any medical insurance, you should keep Part B so you have coverage for things like doctors' services or preventive services. **If you don't keep Part B, be aware of the risks described on page 6**.

I'm still working and have coverage through my employer

Contact your benefits administrator to find out how your employer's coverage works with Medicare. If your employer has less than 20 employees, Medicare pays first. Ask your benefits administrator if you need to keep Part B. If your employer has 20 or more employees, your employer pays first and you can sign up for Part B later (during a Special Enrollment Period) without a late enrollment penalty if:

- You're **65 or older**, you or your spouse is **currently working**, and you're covered by an employer or union group health plan based on that current employment.
- You're **under 65 and disabled**, you, a spouse, or a family member is **currently working**, and you're covered by an employer or union group health plan based on that current employment. (If the group health plan coverage is based on the current employment of a family member, the employer must have 100 or more employees for you to get a Special Enrollment Period.)

If you're eligible for a Special Enrollment Period, you can sign up for Part B:

- Anytime while you're covered by the employer or union group health plan based on current employment.
- For up to 8 months after the group health plan coverage or the employment ends, whichever happens first.

Note: If you have COBRA coverage, VA coverage, or a retiree health plan, you **don't** have coverage based on current employment. (See the next page.)

I'm retired and have coverage through a former employer, or I have COBRA or VA coverage

If you're retired and have retiree health insurance from a former employer or union, or you have COBRA coverage, Medicare generally will become your primary health insurance. Medicare will pay its part of the costs for any covered health care services you get, and then any amount not covered by Medicare can be submitted to your non-Medicare plan.

If you have Medicare and U.S. Department of Veterans Affairs (VA) coverage, you can get treatment under either program. Medicare can't pay for the same service that was covered by VA benefits, and your VA benefits can't pay for the same service that was covered by Medicare.

If you don't keep Part B, your current coverage might not pay your medical costs. You may need to have both Part A and Part B to get full benefits from this coverage. You're also not eligible for a Special Enrollment Period when this coverage ends. This means:

- You'll have to wait until the General Enrollment Period (January 1–March 31 each year) to sign up, and your coverage would start July 1 of that year.
- In most cases, you'll also have to pay a late enrollment penalty added to your monthly premium for as long as you have Part B coverage. The penalty goes up the longer you go without Part B coverage. (See page 15.)

Important: If you have questions about your current insurance, contact your benefits administrator, insurer, or plan provider.

I have Health Insurance Marketplace coverage

If you have a Marketplace plan for individuals or families, consider these things when deciding whether to keep Part B and stop your Marketplace plan when your Medicare starts.

- You won't be eligible for premium tax credits or cost-sharing reductions for a Marketplace plan once your Medicare Part A coverage starts. If you get tax credits to help pay your Marketplace plan premium after your Medicare coverage starts, you might have to pay back the credits you got after your Medicare coverage starts when you file your taxes.
- If you don't keep Part B and choose to enroll in it later, you'll have to wait for the General Enrollment Period to sign up. Also, you may have to pay a late enrollment penalty for as long as you have Part B coverage. The penalty increases the longer you go without Part B coverage. (See page 6 for when you can sign up and page 15 for the cost of the penalty.)
- Under certain circumstances, plans can't renew your Marketplace coverage at the end of the year when you become eligible for Medicare. This means you (and potentially your family) could have a gap in your coverage starting on January 1 of the next calendar year. If you chose on your Marketplace application to have the Marketplace end your coverage on your behalf when you got Medicare and you don't keep your Part B coverage, you won't be eligible for a Special Enrollment Period. This means you'll have to wait for a General Enrollment Period to sign up, and you may have to pay a late enrollment penalty as long as you have Part B coverage.

If you have employer coverage through the Marketplace (sometimes called Small Business Health Options Program or "SHOP" coverage), you can wait until you stop working to enroll in Part B. (See page 9.) Visit HealthCare.gov and Medicare.gov to learn more.

I have coverage through a private insurance plan (not through the Health Insurance Marketplace or an employer)

Medicare may be your primary health coverage. Medicare will pay its part of the costs for any covered health care services you get.

If you don't keep Part B, you won't be eligible for a Special Enrollment Period if this coverage ends.

This means:

- You'll have to wait until the General Enrollment Period (January 1–March 31 each year) to sign up, and your coverage will start July 1 of that year.
- In most cases, you'll also have to pay a late enrollment penalty for as long as you have Part B coverage. The penalty increases the longer you go without Part B coverage. (See page 15 for the cost of the penalty.)

Important: Contact your current plan for more information about how your coverage will work with Medicare.

I want to keep Medicare Part B

To keep Part B, you don't need to do anything other than pay the premiums. Just cut out your enclosed Medicare card and keep it safe.

Make sure you show your Medicare card to your health care providers, so they can submit your claims to Medicare for payment. If you have other coverage (like a supplemental Medigap, employer, or retiree plan), make sure you also show that plan's card to your health care providers.

The monthly Part B premium will be deducted automatically from your Social Security benefit payment when your coverage starts. If your Social Security benefits aren't enough to cover the whole Part B premium or you stop getting Social Security benefits, you'll get a bill for your Part B premium every 3 months. The monthly Part B standard premium is $144.60 in 2020.

Your monthly premium will be higher if your modified adjusted gross income as reported on your IRS tax return from 2 years ago is more than $87,000 (if you're single and file an individual tax return) or more than $174,000 (if you're married and file a joint tax return). These amounts can change each year. If your income goes down because of a life-changing event, like retirement, you can apply to Social Security for an adjustment.

If you have limited income and resources, you may be able to get help from your state to pay your Part B premium if you meet certain conditions. (See page 29.)

I don’t want to keep Medicare Part B

If you don’t want to keep Part B:

1. Check the box after “I do NOT want Part B (Medical Insurance)” on the back of the enclosed Medicare card.
2. Sign the back of the card.
3. Send back the entire form (including the card) in the enclosed envelope **before** the coverage start date on the front of the Medicare card.

Medicare will send you a new Medicare card in a few weeks that shows you have Part A only. In the meantime, write down your Medicare Number (found on the front of the card). Keep it in case you need to go to the hospital or get other Part A covered services before your new card arrives.

How much is the Part B late enrollment penalty?

If you aren't eligible for a Special Enrollment Period, you'll need to sign up for Part B during the General Enrollment Period. You'll pay 10% more for each full 12-month period you could've had Part B but didn't take it. In most cases, you'll have to pay this late enrollment penalty each time you pay your premiums, for as long as you have Part B.

Example

If you waited 2 full years (24 months) to sign up for Part B and didn't qualify for a Special Enrollment Period, you'll have to pay a 20% late enrollment penalty (10% for each full 12-month period that you could have been enrolled), plus the standard Part B monthly premium ($144.60 in 2020).

$144.60 (2020 Part B standard premium)
\+ $28.92 (20% [of $144.60] late enrollment penalty)

$173.52 (rounded to $173.50) will be your Part B monthly premium for 2020. This amount is rounded to the nearest $.10 and includes the late enrollment penalty.

Note: The example above applies if you delayed enrolling in Part B for **24 months**. You don't pay a late enrollment penalty if you enroll before the first full 12-month period has passed or if you qualify for a Special Enrollment Period. (See page 9.) The amount could also be different if your income is above a certain amount. (See page 13.)

Decision 2 – If I keep Part B, how do I want to get my Medicare coverage?

There are 2 main ways to get your Medicare coverage:

Original Medicare—includes Part A and Part B. You can use any doctor or hospital that takes Medicare, anywhere in the U.S. When you get services, you'll pay a deductible, and you usually pay 20% of the cost of the Medicare-approved service called coinsurance. If you want help paying your out-of-pocket costs (like your 20% coinsurance), you can buy a Medicare Supplement Insurance (Medigap) policy. (See page 26.) If you want drug coverage, you can add a separate Medicare Prescription Drug Plan (Part D). (See page 21.)

Medicare Advantage—an "all-in-one" alternative to Original Medicare. These "bundled" plans include Part A, Part B, and usually Part D (drug coverage). Most plans offer extra benefits that Original Medicare doesn't cover—like vision, hearing, dental, and more. These plans are approved and follow the rules set by Medicare. The costs in plans vary, and plans may have lower out-of-pocket costs than Original Medicare. In most cases, you'll need to use doctors who are in the plan's network. **You must have both Part A and Part B to join a Medicare Advantage Plan.**

(See pages 17–20 for more details to help you decide.)

Visit Medicare.gov/medicarecoverageoptions to find out which option is right for you.

Decision 2 – If I keep Part B, how do I want to get my Medicare coverage?

Doctor and hospital choice

Original Medicare	Medicare Advantage
You can go to **any doctor or hospital that takes Medicare, anywhere in the U.S.**	In most cases, you'll need to use **doctors who are in the plan's network** (for non-emergency or non-urgent care). Ask your doctors if they participate in any Medicare Advantage Plans.
In most cases you **don't need** a referral to see a specialist.	You **may need** to get a referral to see a specialist.

Travel

Original Medicare	Medicare Advantage
Original Medicare generally **doesn't cover care outside the U.S.** You may be able to buy a Medigap policy that covers care outside the U.S.	Plans usually **don't cover care outside the U.S.** Also, plans usually don't cover non-emergency care you get outside of your plan's network.

Tip: To find out how to choose and join a Medicare Advantage Plan, see page 23.

Decision 2 – If I keep Part B, how do I want to get my Medicare coverage?

Cost

Original Medicare	Medicare Advantage
For Part B-covered services, **you usually pay 20% of the Medicare-approved amount** after you meet your deductible. The deductible for Part B is $198.00 in 2020.	**Out-of-pocket costs vary**—plans may have lower out-of-pocket costs for certain services.
You pay a **premium (monthly payment) for Part B**. If you choose to buy prescription drug coverage, you'll pay that premium separately.	You may **pay a premium for the plan** in addition to a monthly **premium for Part B**. (Most include prescription drug coverage.) Plans may have a $0 premium or may help pay all or part of your Part B premiums.

Note: If you're not lawfully present in the U.S., Medicare won't pay for your Part A and Part B claims, and you can't enroll in a Medicare Advantage Plan or a Medicare Prescription Drug Plan.

This booklet lists a brief overview of Original Medicare and Medicare Advantage. You can get more detailed information at Medicare.gov and in our publications found at Medicare.gov/publications. To get more information on plan costs and coverage, see Medicare.gov/plan-compare or contact the plan you're interested in joining.

(See next page for more details on cost.)

Decision 2 – If I keep Part B, how do I want to get my Medicare coverage?

Cost (continued)

Original Medicare	Medicare Advantage
There's **no yearly limit** on what you pay out-of-pocket, unless you have supplemental coverage (like a Medigap policy).	Plans have a **yearly limit** on what you pay out-of-pocket for Medicare Part A and B covered services. Once you reach your plan's limit, you'll pay nothing for Part A- and Part B-covered services for the rest of the year.
You **can get** supplemental coverage (like a Medigap policy) to help pay your remaining out-of-pocket costs (like your 20% coinsurance). Or, you can use coverage from a former employer or union, or Medicaid.	You **can't buy or use** separate supplemental coverage.

This booklet lists a brief overview of Original Medicare and Medicare Advantage. You can get more detailed information at Medicare.gov and in our publications found at Medicare.gov/publications. To get more information on plan costs and coverage, see Medicare.gov/plan-compare or contact the plan you're interested in joining.

Decision 2 – If I keep Part B, how do I want to get my Medicare coverage?

Coverage

Original Medicare	Medicare Advantage
Original Medicare covers most medically necessary services and supplies in hospitals, doctors' offices, and other health care settings.	Plans must cover all of the medically necessary services that Original Medicare covers. Most plans **may offer extra benefits that Original Medicare doesn't cover**—like vision, hearing, dental, and more. Plans can now cover more of these benefits than they have in the past.
You can join a **separate Medicare Prescription Drug Plan (Part D)** to get drug coverage.	**Prescription drug coverage is included** in most plans. (In most types of Medicare Advantage plans, you can't also join a separate Medicare Prescription Drug Plan.)
In most cases, you don't have to get a service or supply approved ahead of time for it to be covered.	In some cases, you have to get a service or supply approved ahead of time for it to be covered by the plan.

This booklet lists a brief overview of Original Medicare and Medicare Advantage. You can get more detailed information at Medicare.gov and in our publications found at Medicare.gov/publications. To get more information on plan costs and coverage, see Medicare.gov/plan-compare or contact the plan you're interested in joining.

See pages 23–24 for when you can join a Medicare Advantage or Medicare Prescription Drug Plan.

Do I need Medicare prescription drug coverage?

You can get Medicare prescription drug coverage (also called "Part D"). **It isn't automatic for most people—you have to sign up for it**. You get this drug coverage by joining:

- A Medicare Advantage Plan that includes drug coverage, or
- A separate Medicare Prescription Drug Plan, if you chose Original Medicare for your health coverage.

Both types of Medicare drug coverage are called "Medicare drug plans" in this booklet. Medicare drug plans cover a variety of brand-name and generic prescription drugs. Most plans have premiums, deductibles, and copayments that you pay in addition to your Part B premium. Costs and coverage are different in every plan.

You can join a Medicare drug plan now. **There are risks if you don't join a Medicare drug plan within 3 months of the date your Part A coverage starts**:

- You'll likely have to wait until the following October to join a plan, and your coverage won't start until January 1 of the next year.
- If you don't have other creditable prescription drug coverage, you'll have to pay a monthly Part D late enrollment penalty if you join later. In most cases, you'll have to pay the penalty as long as you have Medicare prescription drug coverage.

The penalty goes up the longer you go without Part D or creditable drug coverage. Your non-Medicare plan must tell you each year if your drug coverage is creditable coverage. (See page 25.)

Do I need Medicare prescription drug coverage?

Here are some questions to help you decide if you need Medicare prescription drug coverage:

- ☐ **Do I already have drug coverage?** If you already have other "creditable prescription drug coverage," you can wait and sign up for Medicare drug coverage later without a penalty as long as you don't go 63 days or more in a row without creditable drug coverage. Creditable prescription drug coverage could be drug coverage from an employer or union, TRICARE, the Department of Veterans Affairs (VA), the Federal Employees Health Benefits (FEHB) Program, COBRA, Indian Health Service (IHS), or a state program.

  If you have questions, talk to your benefits administrator, insurer, or plan provider before you make any changes to your current coverage. In some cases, joining a Medicare drug plan might cause you (and your family) to lose employer or union coverage.

- ☐ **Do I need drug coverage?** Even if you don't take any or many drugs now, you still may want to join a Medicare drug plan to avoid being without coverage or paying a penalty later.

- ☐ **Am I planning to join a Medicare Advantage Plan that includes drug coverage?** If you're joining a plan that includes drug coverage, you don't need to join a separate Medicare Prescription Drug Plan. If you join a Medicare Advantage Plan that doesn't have drug coverage, in most cases you won't be able to add a separate Medicare Prescription Drug Plan.

Find out which plans are available in your area. Here's how:

- **Visit Medicare.gov/plan-compare**.
- **Look at your "Medicare & You" handbook**. Plans available in your area are listed in the back.
- **Call 1-800-MEDICARE (1-800-633-4227)**. TTY users can call 1-877-486-2048.

Once you've considered your options, you can join a Medicare Advantage Plan or Medicare Prescription Drug Plan by visiting Medicare.gov/plan-compare or contacting the plan directly.

If you need help deciding, look on the back cover of your "Medicare & You" handbook to get the contact information for your local State Health Insurance Assistance Program (SHIP). SHIPs offer free health insurance counseling to people with Medicare.

Tip: You may want to make a list of all the drugs and health care services you use regularly, and calculate how much you would spend under each plan you're considering.

You can join a plan now and up to 3 months after your Medicare coverage starts. If you sign up before your Medicare coverage starts, your plan coverage will start on the same day as your Medicare. Otherwise, your coverage will start the month after you ask to join the plan. After this opportunity, you can only sign up during one of the times listed on the next page.

Can I make changes to my Medicare coverage later?

You'll have at least one chance each year to make changes to your Medicare coverage.

October 15–December 7

You can join, switch, or leave a Medicare Advantage Plan or a Medicare drug plan during this Open Enrollment period each year. Your new coverage will begin on January 1 of the following year.

January 1–March 31

If you're in a Medicare Advantage Plan, you can make one change to a different Medicare Advantage Plan or switch back to Original Medicare (and join a stand-alone Medicare Prescription Drug Plan) once during this time. Any changes you make will be effective the first day of the month after the plan gets your request.

Special Enrollment Periods

In certain situations, you may be able to join, switch, or drop Medicare drug plans when certain events happen in your life. Some examples are if you:

- Have Medicaid or qualify for Extra Help (See page 29.)
- Move out of your plan's service area
- Lose your creditable prescription drug coverage
- Live in an institution, like a nursing home

How much is the penalty if I join a Medicare drug plan later?

The cost of the Part D late enrollment penalty depends on how long you didn't have creditable prescription drug coverage. The late enrollment penalty is calculated by multiplying 1% (.01) of the "national base beneficiary premium" ($32.74 in 2020) times the number of full, uncovered months that you were eligible, but didn't join a Medicare drug plan and went without other creditable prescription drug coverage. The final amount is rounded to the nearest $.10 and permanently added to your monthly premium, even if you switch plans.

Example

If you go without other creditable drug coverage for 20 months before you join a Medicare drug plan, you'll pay a monthly penalty of $6.60 in 2020 ($32.74 x .01 = $.3274 x 20 = $6.55, rounded to $6.60) in addition to your plan's monthly premium.

Tip: If you have limited income and resources and qualify for Extra Help paying for Medicare prescription drug costs, you don't have to pay the late enrollment penalty. (See page 29 to learn more about Extra Help and other programs for people with limited income and resources.)

Do I need a Medicare Supplement Insurance (Medigap) policy?

Medicare Supplement Insurance (Medigap) policies are a type of private insurance that help pay your out-of-pocket costs in Original Medicare (like your 20% coinsurance). Some Medigap policies also offer coverage for services that Original Medicare doesn't cover, like medical care when you travel outside the U.S. Generally, Medigap policies don't cover long-term care (like care in a nursing home), vision or dental care, hearing aids, eyeglasses, private-duty nursing, or prescription drugs.

You need both Part A and Part B to buy a Medigap policy.

Insurance companies can sell you only a "standardized policy" identified in most states by letters (like Plan A or Plan G). Each standardized policy with the same letter available today must offer the same benefits, no matter which insurance company sells it. This means that you can easily compare the cost of Plan D sold by one insurance company with the cost of a Plan D sold by another. Cost is usually the only difference between Medigap policies with the same letter sold by different insurance companies. All policies may not be available in every state or from every company.

How much does a Medigap policy cost?

Even though the benefits are standardized, costs can vary depending on the company you buy from and where you live. You'll pay a monthly premium directly to the company you bought the policy from, in addition to your Part B premium.

Tip: Each Medigap policy covers only one person. If you and your spouse both want Medigap coverage, you must each buy your own Medigap policy.

Do I need a Medicare Supplement Insurance (Medigap) policy?

Here are some questions to help you decide whether you need a Medigap policy:

- ☐ **Do I need this if I'm joining a Medicare Advantage Plan?** People in Medicare Advantage Plans don't need and can't use Medigap policies. (If you join a Medicare Advantage Plan for the first time, and you aren't happy with the plan, you'll have special rights under federal law to buy a Medigap policy if you return to Original Medicare within 12 months of joining.)
- ☐ **Do I need extra coverage?** If you choose Original Medicare and don't have other supplemental coverage, a Medigap policy may help lower your out-of-pocket costs.

Tip: The best time to buy a Medigap policy is during your Medigap Open Enrollment Period. This 6-month period begins on the first day of the month in which you're 65 or older and enrolled in Part B. During this period, you can buy any Medigap policy being sold in your state, even if you have health problems. You can't be refused a policy, and you can't be charged more than people with good health. After this enrollment period, you may not be able to buy a Medigap policy. If you're able to buy one, it may cost more. If you're under 65, you might not be able to buy the Medigap policy you want, or any Medigap policy, until you turn 65. If you're able to buy one when you're under 65, it may cost more.

You can compare Medigap policies in your area by visiting Medicare.gov. You can also call 1-800-MEDICARE (1-800-633-4227). TTY users can call 1-877-486-2048.

Year 1: Your Medicare checklist

During your first year with Medicare, follow this checklist to get the most out of your Medicare and be prepared in case of emergency:

1. Make sure someone you trust can talk to us about your Medicare—fill out an authorization form to give Medicare permission to talk with someone you choose, if you aren't able to talk to us yourself. Get the form at Medicare.gov/medicareonlineforms, or call 1-800-MEDICARE.
2. Make a "Welcome to Medicare" preventive visit appointment during the first 12 months you have Medicare. This free, one-time comprehensive preventive visit puts you in control of your health and your Medicare from the start. It's only available in your first year.
3. Learn what else Medicare covers. Visit Medicare.gov/coverage, or use our "What's covered" mobile app to find out if your test, item, or service is covered. It's available for free on both the App Store and Google Play. You can also call 1-800-MEDICARE.
4. Create a secure personal MyMedicare.gov account to access your Medicare information anytime and have a more personalized experience. With an account, you can print an official copy of your Medicare card, sign up to get your "Medicare & You" handbook and Medicare Summary Notices electronically, track your Original Medicare claims, and more.

Your copy of the "Medicare & You' handbook is coming in the mail soon—or read it now at Medicare.gov/medicare-and-you.

Help for people with limited income and resources

Help is available to pay for some of your health care and prescription drug costs:

Medicaid: Medicaid is a joint federal and state program that helps pay medical costs for some people with limited income and resources. Medicaid programs vary from state to state. They may also have different names, like "Medical Assistance" or "Medi-Cal." For more information, call your Medicaid office. You can get the phone number by visiting Medicare.gov/contacts, or by calling 1-800-MEDICARE (1-800-633-4227). TTY users can call 1-877-486-2048.

Medicare Savings Programs: States have programs that pay Medicare premiums for people with limited income and resources and, in some cases, may pay Medicare deductibles and coinsurance. For more information, call your Medicaid office. You can get the phone number by visiting Medicare.gov/contacts, or by calling 1-800-MEDICARE.

Extra Help with Medicare prescription drug costs: If you have limited income and resources, you may qualify to get help paying for your drug plan's monthly premium, yearly deductible, and copayments. To apply, visit socialsecurity.gov/extrahelp, or call Social Security at 1-800-772-1213. TTY users can call 1-800-325-0778.

Supplemental Security Income (SSI): SSI makes monthly payments to people with limited income and resources who are disabled, blind, or 65 or older. For more information, visit socialsecurity.gov, or call Social Security.

Note: If you live in a U.S. territory and have limited income and resources, there are different programs to help you pay your Medicare costs. Call your local Medicaid office to learn more.

How can I get my Medicare questions answered?

Contact …	For information about …
Social Security - socialsecurity.gov 1-800-772-1213 TTY: 1-800-325-0778	▪ Enrolling in Medicare or correcting your Medicare card ▪ Supplemental Security Income (SSI) ▪ Help paying for Medicare prescription drug coverage ▪ Changing your address
Medicare - Medicare.gov 1-800-MEDICARE (1-800-633-4227) TTY: 1-877-486-2048	▪ General or claims-specific Medicare information ▪ Medicare health and prescription drug plan choices in your area
State Health Insurance Assistance Program (SHIP) - shiptacenter.org For your local SHIP phone number, visit shiptacenter.org, or call 1-800-MEDICARE. You can also find the number on the back of your "Medicare & You" handbook.	▪ Free personalized health insurance counseling, help with Medicare claims and appeals, and help making health coverage decisions and plan choices
Department of Health and Human Services, Office for Civil Rights hhs.gov/ocr, 1-800-368-1019, TTY: 1-800-537-7697	▪ Your rights if you believe you've been discriminated against because of your race, color, religion, national origin, disability, age, or sex
▪ **1-800-MEDICARE** ▪ **Federal Trade Commission (for identity theft)** ID Theft Hotline: 1-877-438-4338, TTY: 1-866-653-4261 ▪ **Senior Medicare Patrol (SMP) Program** - smpresource.org 1-877-808-2468	▪ Protecting yourself from Medicare fraud ▪ Protecting yourself from identity theft

Notes

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

7500 Security Boulevard
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You have the right to get Medicare information in an accessible format, like large print, Braille, or audio. You also have the right to file a complaint if you feel you've been discriminated against. Visit Medicare.gov/about-us/accessibility-nondiscrimination-notice, or call 1-800-MEDICARE (1-800-633-4227) for more information. TTY users can call 1-877-486-2048.

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