Medicare

What is Medicare?

Medicare is a federal program that offers health insurance for:

- People who are age 65 or older.
- People under age 65 who are disabled, as defined by the Social Security Disability Insurance program.
- People of any age who have End-Stage Renal Disease.

A good website for learning about the many aspects of Medicare is www.medicare.gov. There, you can find much more information than we are able to provide in this document.

What's the difference among Medicare Parts A, B, C, and D?

Part A (Hospital Insurance) is for inpatient hospital care. It also helps cover skilled nursing home care, hospice care, and some home health care. Part A is free, unless you have not worked long enough. If you have not worked at least 40 calendar quarters (10 years), then you will have to pay a premium for Part A.

Part B (Medical Insurance) is for doctor visits, services from other health care providers, outpatient care, home health care, certain medical equipment, and some preventive services to help maintain your health and keep certain illnesses from getting worse. You need to pay a premium for Part B.

Part C (Medicare Advantage Plan) is actually run by private health insurance companies. You need to pay for it, in addition to your Part B premiums. It covers everything Part A and Part B cover, except hospice care. It usually covers additional things that Part A and Part B don't, such as vision, hearing, dental, and other health and wellness services. Part C plans vary.

Part D is for prescription drug coverage. It helps to cover the cost of prescription drugs, and it may help to lower your drug costs. Part D is run by private insurance companies that are approved by Medicare. You have to pay for Part D.

What's the difference between Medicare and Medicaid?

Medicaid is a combined state and federal program that is administered by the state, through the Department of Social Services. In general, it is available only for those who have low (or no) income, and very limited assets. Medicaid has many different categories, and you need to fit in at least one in order to qualify.

Medicare is a federal program. It is not based on your financial need. You can get Medicare if you meet the requirements, even if you are not low-income.

Do I have to apply for Medicare, or will I be automatically enrolled?

If you're already getting Social Security or Railroad Retirement benefits, you'll automatically get Medicare Part A and Part B, beginning the first day of the month in which you turn 65.

If you're getting Social Security Disability benefits, you'll automatically start getting Part A and Part B 24 months after you started getting your Disability benefits.

If you are not automatically enrolled in Part A or B, as in the previous two paragraphs, then you will need to apply.

Parts C and D are optional. If you wish to have Part C or D coverage, you need to apply. There is no automatic coverage for these two parts.

When should I enroll for Medicare if I'm not automatically covered?

You have a seven-month window of time to apply for Part A and B. This is called your Initial Enrollment Period. It starts three months before the month you turn 65, includes the month in which you turn 65, and ends three months after you turn 65.

If you have turned 65 but you or your spouse are still working and you are covered by insurance through your or your spouse's employer, you don't need to enroll yet. You may wish to enroll in Part A anyway if you are eligible to get it for free. But you don't need to apply for Part B (which you need to pay for) until after you or your spouse are no longer employed and you're no longer covered by an employer's plan. You have eight months to apply for Part B after you're no longer covered by an employer's plan. If you don't apply for Part B within those eight months, then you will have to pay a penalty if you apply for Part B later on. (Note: if you choose to continue the employer's coverage through COBRA, you still have only eight months in which to enroll, regardless of how long you can maintain coverage under COBRA. Coverage through a COBRA election is not considered to be coverage through an employer.)

The rule for when to apply for Part D is the same as for Part B. Part D is optional, but if you want it and don't apply for it on time, according to the rules in the preceding paragraph, then you will pay a penalty if you decide to enroll in Part D after the deadline.

What happens if I don't enroll at the right time?

If you don't enroll in parts of Medicare that require you to enroll by a certain time, then you will likely end up paying a penalty later on. The penalty is that you'll have to pay higher monthly premiums than you normally would.

For example, you have to pay for Part B, and you have to sign up for it within a certain period of time. If you don't enroll in Part B within that time limit, but enroll later on, you could end up having to pay 10% more for your premium for each 12-month period that you could have had Part B, but didn't sign up. You'll have to pay the increase in the premium (the penalty) every month for as long as you have Part B.

How do I apply for Medicare?

You can apply for Medicare in one of the following ways:

- Call your local Social Security Administration office.
- Make an appointment with your SSA office for help in enrolling.
- Apply online.

Do I have to pay a premium for Medicare, like I do for private health insurance?

You do not have to pay for Part A if you have earned at least 40 calendar quarters of coverage (10 years) by paying Social Security and Medicare payroll taxes while working. The taxes you paid while working are considered to be your premium paid for Part A coverage. If you have not paid enough in, then you can still get Part A, but you'll have to pay a monthly premium for it.

You will have to pay a premium for Parts B, C, and D. These are not free, no matter how many calendar quarters you've earned while working.

What if I can't afford to pay the premiums for Medicare?

You should contact your Department of Social Services office to see if you are eligible for Medicaid coverage that would help pay your Part B premiums.

Another possible resource to help pay your premiums is the Extra Help program offered by Medicare. This is for people who meet certain low-income and low-asset guidelines. Contact Medicare for more information.

Do I need other insurance coverage in addition to Medicare?

You are not required to have supplemental insurance coverage, but you may wish to have it, to cover expenses that Medicare will not cover. There is helpful information available online, and in hard copy brochures, from Social Security Administration and from Medicare that will help you evaluate your own situation to see if it would be good to have other insurance. This is a personal decision that will be different for different people.

If I have Medicare plus separate private insurance, how do I know which one will cover my medical bills?

If you have other coverage in addition to Medicare, one of them will be the "primary payer" and the other will be the "secondary payer." The secondary payer will pay some or all of what the primary payer does not cover. There are rules about "coordination of benefits" that say which will be the primary payer. This varies, depending on the type of coverage and other factors.

Some examples of the general rules are:

- If you are covered by both Medicare and Medicaid, then Medicare pays first.
- If you are 65 or older, you or your spouse are still working, and you are covered by an employer's health plan, then the employer's plan pays first if there are 20 more employees. If there are fewer than 20 employees, then Medicare pays first.
- If you have Medicare but are also continuing an employer's coverage through COBRA, then Medicare pays first.

If you have questions about which of your coverages has primary responsibility, you can call Medicare or research it online.

Do I have to choose a primary medical care provider?

No, you do not have to name a primary medical care provider, like you do for most private insurance.

You can go to any doctor, hospital, or other provider. But first, make sure they participate in Medicare and that they're taking new Medicare patients.

Likewise, you don't have to get a referral to see a specialist. The specialist has to participate in Medicare, though, if you want Medicare to cover the services.

What can I do if my doctor or hospital won't submit claims to Medicare to cover my bills?

If your health care provider does not submit a claim to Medicare for your services, you can do it yourself. But you shouldn't have to. It's a lot of paperwork, and it is the responsibility of the provider, if they participate in Medicare. If they're not submitting the claims for you, you may wish to call Medicare to complain. In-network providers must submit their bills for coverage by Medicaid/Medicare in a timely manner, and if they do not, the patient may be relieved of responsibility for paying them, in some instances.

Can the medical provider bill me for the part of the services that Medicare doesn't cover?

Medicare will cover medically necessary services that are included in Medicare's guidelines. Medicare's guidelines also include allowable charges that they think are reasonable for the particular service. This means that Medicare often won't pay the full amount that the health care provider is billing for. You can find information about what is covered by Medicare by researching online. A good beginning resource is "Medicare & You," which is the official U.S. government Medicare handbook.

If your doctor, or other health care provider, participates in Medicare and has agreed to take payment from Medicare, they can't make you pay anything other than allowable deductibles and co-payments. If Medicare only pays part of the provider's bill, they can't come after you for the balance.

Don't sign anything in advance by which you agree to pay anything that Medicare won't. Your provider is not allowed to require this of you as a condition of getting Medicare-covered services. You may wish to report it to Medicare and/or go to another provider.

Do I have a right to appeal decisions by Medicare to not cover my bills, or other decisions that I disagree with?

Medicare may tell you that certain services are not covered. They may say that you haven't got statements from doctors to prove that it's medically necessary, for example. Or they may say that it's not in the list of things Medicare will pay for. Medicare may make other kinds of decisions against you.

If you disagree with decisions that Medicare is making, there are several levels of appeal. If you do not get good results at one level, you can go to the next level. These include:

- Redetermination by the company that handles Medicare claims in your area. Look at your Medicare Summary Notice to see who that is.
- Reconsideration by an independent contractor.
- An actual hearing before an Administrative Law Judge.
- Review by the Medicare Appeals Council.
- Court review by the United States District Court in your area.

Each of the notices you get will explain your appeal rights and the deadlines for appealing. You must strictly follow those deadlines; if you miss them, you will most likely lose your case.

There is a special kind of appeal called a "fast appeal." You can do such an appeal if you think that you are being discharged too early from Medicare-covered services in a hospital, nursing home, rehabilitation facility, or hospice program. The facility is required to give you notice of your appeal rights and how to exercise them. If you make your fast appeal on time, you can continue receiving services until your appeal is resolved.

If you want assistance with appealing a Medicare decision, contact legal aid or a private attorney. You can represent yourself, but it is often helpful to have a representative with experience and skills in such matters.

THIS INFORMATION IS NOT LEGAL ADVICE. *Legal advice is dependent upon the specific circumstances of each situation. Therefore, the information contained in this pamphlet cannot replace the advice of competent legal counsel.*

Free Legal information by Web and Phone: www.vlas.org and
1-866-LeglAid (534-5243)