

Medicare Coverage

When you're first eligible for Medicare, you have a 7-month Initial Enrollment Period to sign up for Part-A and/or Part-B.

If you're eligible for Medicare when you turn 65, you can sign up during the 7-month period that:

* Begins 3 months before the month you turn 65
* Includes the month you turn 65
* Ends 3 months after the month you turn 65

**Medicare Part-A**: Hospital Coverage (free for most people).

Part-A covers inpatient hospital stays and some health care.

You can apply for Part-A at age 65 without receiving Social Security

benefits by following the instructions below. If you are already receiving

Social Security benefits, then you already have Part-A (automatic).

**Medicare Part-B**: Medical Coverage (monthly fee).

Go to web site for Part-B costs (for 2021, standard fee is $144.50/month)

<https://www.medicare.gov/your-medicare-costs/part-b-costs>

Part-B covers doctor’s services, outpatient care, medical supplies and

preventive services.

NOTE: Medicare Part-A and Part-B are under Social Security Administration.

Part-C (Medicare Advantage Plan), Medigap, Part-D, E, F etc are under

private insurance companies (i.e., Aetna, Cigna, AARP, Blue Cross, etc). It

is referred as “supplemental medical insurance”.

**Page-1**

Supplemental Medical Insurance

After you have applied for Medicare coverage Part-A and Part-B, you can choose one of the following **Option-1** or **Option-2** to cover both your health and prescription drug costs.

**Option-1**: Medicare Advantage Plan (Part-C):

Medicare Advantage plans provide your benefits instead of “Original” Medicare, and most include drug coverage (Part-D). Monthly premiums are generally lower but you may pay more out-of-pocket costs. These plans have networks, so you'll want to check if your preferred doctors are in network.

Some things to consider with this option:

Generally lower premiums

Generally higher out-of-pocket costs

Fewer premiums; medical and drug coverage combined in one plan

Plans have networks, check if preferred doctors are in network

**Option-2**: Medigap Plan (Medicare Supplemental) and Prescription Drug Plan

Medigap plans help pay for out-of-pocket costs, such as copays and deductibles. These plans do not cover drugs. Monthly premiums are generally higher, but most out-of-pocket medical costs are covered. You may see any doctor that accepts Medicare.

Prescription Drug Plan (also known as Part-D)

Help pay for out-of-pocket prescription drug costs usually not covered by Original Medicare.

Some things to consider with this option Medigap plans:

Generally higher monthly premiums

Generally low to no out-of-pocket costs

Do **not** cover prescription drugs (Part-D)

No networks, see any doctor that accepts Medicare

Prescription Drug Plans (Part-D):

Help pay for out-of-pocket prescription drug costs not covered by Original Medicare.

For further information:

Go to the web link below to get more information on the difference between Medicare Advantage Plan and Medigap.

<https://www.investopedia.com/articles/personal-finance/071014/medigap-vs-medicare-advantage-which-better.asp>

**Page-2**

Instructions on how to apply for Medicare Part-A and B without SSA benefits

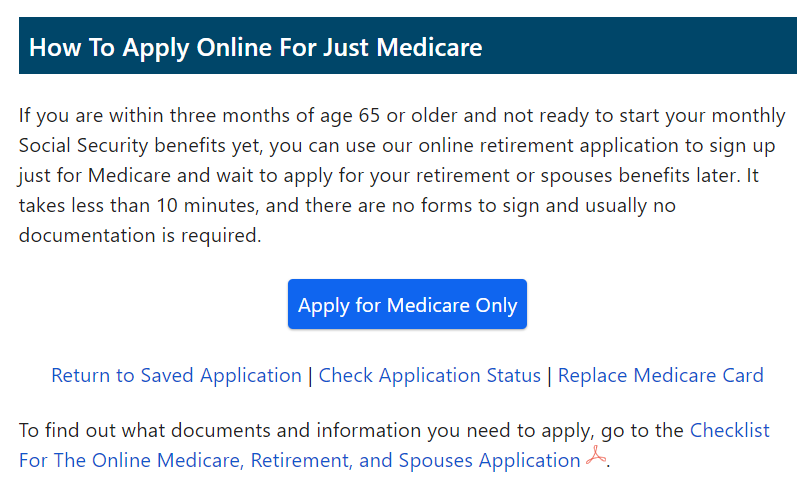
(1) Create a Social Security Account (optional, but will make life easier):

<https://www.ssa.gov/myaccount/>

(2) Apply for Medicare:

<https://www.ssa.gov/benefits/medicare/>

Open the web site, scroll down until you see “Apply for Medicare Only” and click on the blue button.



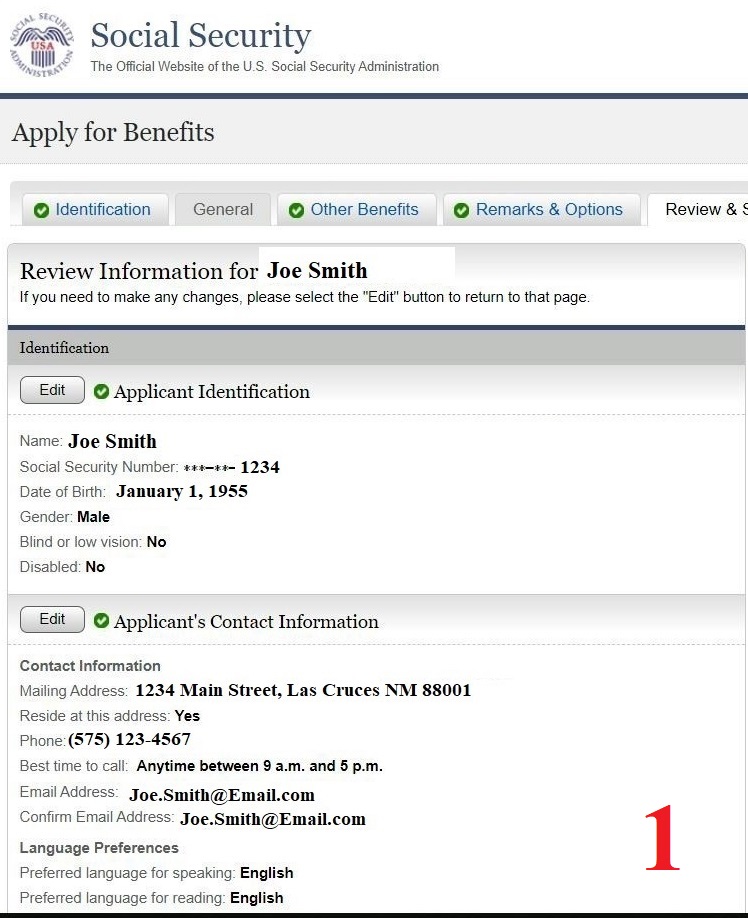
A series of panels (see numbers **1-4**) will ask you various questions. If you have created a Social Security Account (see Step #1), then many of the items will already be filled out.

(A) Select “**Yes**” when “Enroll Part-B” is asked. Otherwise, you may pay a penalty later.

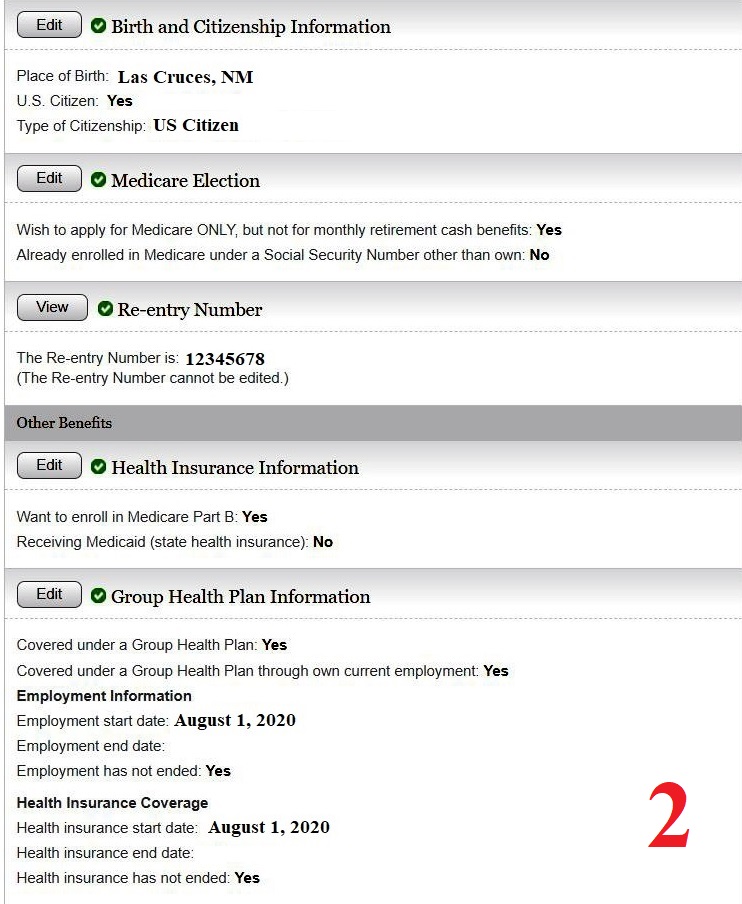
(B) You will receive a “Re-Entry” or “Confirmation Number”, see **4**.

In the example that number is “**12345678”** … Please keep for future reference.

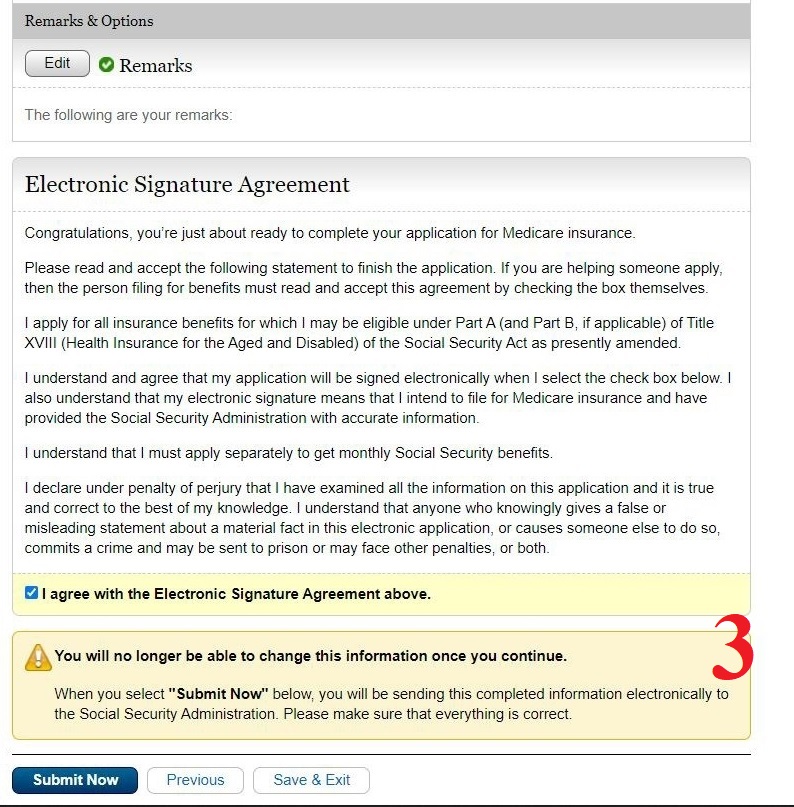
**Page-3**



**Page-4**



**Page-5**



**Page-6**



**Page-7**

(3) When completed, you will receive an email confirming your enrollment for Medicare Part-A and (if applicable) Part-B. You will also receive a Medicare Account Number typically in a few days from enrollment.

(4) Once you have received your Medicare Account Number (and typically you will have that number within a few days via email), create a Medicare Account/Login Page.

<https://www.medicare.gov/sign-up-change-plans>

(A) Once an account is created, you can order a new Medicare Card, pay you Part-B bill, etc.

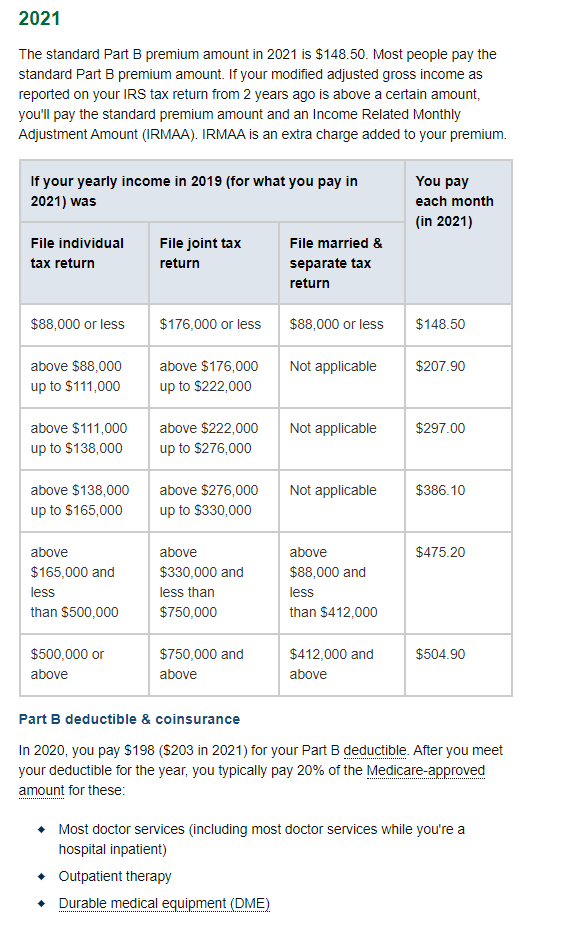


Page-8

Medicare Costs:

Medicare Part-A (Hospital) is free for most people.

Medicare Part-B (Medical) for 2021 standard is: $148.50/month



**Page-9**

After Medicare Part-A and Part-B, you will have to decide on Medicare Supplemental Insurance, and is provided by private insurance companies (i.e., Humana, Aetna, etc).

There are 2 different plans to choose from. Go over the insurance companies that offer the plans and choose the plan that best fits your health and lifestyle.

The choices are:

(1) Medicare Advantage Plan (Part-C, and most plans include Part-D) or,

(2) Medigap.

Go to the web link below to get more information on the difference between Medicare Advantage Plan and Medigap.

<https://www.investopedia.com/articles/personal-finance/071014/medigap-vs-medicare-advantage-which-better.asp>

My understanding is if you are in good health, then Medicare Advantage Plan is the better choice.

**Page-10**