



# Ready for Medicare

A step-by-step guide to getting the best coverage for new and current Medicare members.



# Why This Guide?

Choosing the right Medicare coverage is an important decision. Your coverage affects the quality of care you receive as well as your access to care, especially preventive care:

- Detecting and treating potential problems in the early stages, before they become life-threatening
- Encouraging the healthy lifestyle choices that can help you live longer and better

Making sure our patients get the right care is central to Mercy's mission. We believe everyone should have the care they need when they need it.

And we know that the many options Medicare presents to its members can be confusing.

This guide is our way of meeting those needs: explaining Medicare clearly and simply, and helping you find the best coverage at the best price.



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# What is Medicare?

## Medicare is health insurance provided by the federal government.

It's available to people on disability and to all Americans 65 or over, regardless of health or income, to eliminate or lower the costs of staying healthy.

**As an American citizen, you're entitled to Medicare benefits.**

## Medicare isn't all-expenses-paid coverage.

No part of Medicare pays for all of your medical costs. Some costs of services aren't covered at all. You'll still pay premiums and deductibles. With certain types of coverage, you'll also pay copays and coinsurance, often out of pocket.\*

**There are plans you can purchase that will lower these costs.** (See page 6.)

*\*Depending on their financial situations or state of health, some Medicare beneficiaries may qualify for assistance from other government programs – like Medicaid – to cover some or all of the costs of Medicare.*



## Medicare Milestone:

In 1965, President Johnson signed Medicare into law at the Truman Library in Independence, Missouri. The first Medicare recipients were former President Harry S. Truman and his wife, Bess.



# Your Medicare Options

## Part A: Hospital Insurance

Helps cover the care you receive in hospitals or hospital-level care provided at home (for example, from home health care).



## Part B: Non-Hospital Care

Helps cover medical equipment, outpatient care and preventive care (such as annual wellness visits, vaccinations and screenings).



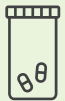
## Part C: Medicare Advantage

Added coverage provided by private insurers.



## Part D: Medications Coverage

Helps cover the cost of prescription drugs (including many recommended shots or vaccines). Plans that offer Medicare drug coverage (Part D) are run by private insurance companies that follow rules set by Medicare.



Original Medicare includes Part A and Part B

## FIND THE PLAN THAT FITS

### CHOOSING THE RIGHT PLAN

You can also purchase Medicare Supplement or “Medigap” plans that cover the gaps in Medicare coverage.

Medicare has four parts:

|  | Part A   | Part B   | Part C  | Part D |   |
|--|--|--|---|--------|---|
|  | Original Medicare  |  | Medicare Advantage and prescription drug coverage                               |        | Supplemental Insurance  |
|  | <b>Original Medicare (Parts A and B)</b><br><i>Generally covers about 80% of care costs.</i> |  | <b>Medicare Advantage (Part C and D)</b><br><i>Requires copays/coinsurance.</i> |        | <b>Supplemental Insurance (Medigap or MedSupp)</b><br><i>Covers some gaps in Original Medicare. You must already have Original Medicare to buy supplemental insurance. You can't have both Medigap and Medicare Advantage coverage.</i> |
| Who provides it?                               | Federal government   |  | Private insurance companies   |        | Private insurance companies   |
| Are co-pays/coinsurance necessary?             | Yes  |  | Yes   |        | Yes   |
| Where can I get care?                          | Any doctor, hospital or other provider who accepts Medicare                                  |  | Limited to your insurer's in-network providers                                  |        | Any doctor, hospital or other provider who accepts Medicare   |
| Monthly Premiums                               | <b>Part A:</b><br>Free for most people   | <b>Part B:</b><br><i>Requires premium – automatically subtracted from your Social Security payment</i> | Possibly – many plans have a \$0 premium option in some areas                   |        | Yes   |
| Limits annual out-of-pocket expenses           | No   |  | Yes   |        | Yes   |
| Helps pay for care in skilled nursing facility | Yes  |  | Yes   |        | No  |
| Helps pay for home health care options         | Yes  |  | Yes   |        | No  |

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## FIND THE PLAN THAT FITS

CHOOSING THE RIGHT PLAN

|  | Original Medicare<br>(Parts A and B)<br><i>Generally covers about 80% of care costs.</i>   | Medicare Advantage<br>(Part C and D)<br><i>Requires copays/coinsurance.</i> | Supplemental Insurance<br>(Medigap or MedSupp)<br><i>Covers some gaps in Original Medicare. You must already have Original Medicare to buy supplemental insurance. You can't have both Medigap and Medicare Advantage coverage.</i> |
|--|--|---|---|
| Helps pay for inpatient hospital stays   | Yes  | Yes   | No  |
| Helps pay for hospice care   | Yes  | Yes   | No  |
| Helps pay for durable medical supplies <i>(like wheelchairs)</i>   | Yes  | Yes   | No  |
| Helps pay for some medical care <i>(including doctor visits)</i>   | Yes  | Yes   | Yes   |
| Helps pay for preventive care <i>(like flu shots, screenings, and gym memberships)</i>                   | Yes  | Yes   | No  |
| Dental coverage<br>Vision coverage<br>Hearing exams/hearing aid coverage                                 | No   | Yes   | No  |
| Helps pay for prescription drugs   | No, but some medications are covered, like the shots your doctor gives you, anti-cancer, immunosuppressant drugs and drugs used with medical equipment | Yes <i>(Part D only)</i>  | No  |
| Helps pay for mental health services <i>(including family therapy and intensive outpatient programs)</i> | Yes  | Yes   | Yes   |
| Helps pay for monthly chronic pain treatments  | Yes  | Yes   | Yes   |

**In addition to supplemental plans, other insurance plans that supplement Medicare include:**

Medicaid | Employer or union plans | Veterans' benefits | Long-term care insurance plans | Indian Health Service, Tribal and Urban Indian plans



## STEP 2

# KNOW YOUR KEY DATES

CHOOSING THE RIGHT PLAN

### The Year You Turn 65

#### ICEP

##### INITIAL COVERAGE ELECTION PERIOD

The year that you turn 65, you have **seven months** to sign up for Medicare: three months before your birth month, your birth month, and three months after.

If you sign up the month you turn 65 or during the last three months of your Initial Enrollment Period, your coverage starts the first day of the month after you sign up.

#### Special Enrollment Period

If the unexpected happens – like you move to a new area, your current coverage changes or you choose to enroll in a 5-Star Plan – the government gives you eight months to change your coverage. This is called the **Special Enrollment Period\* (SEP)**.

*\*Additional special rules may apply if you qualify for Medicaid in your state.*

### Oct. 15 – Dec. 7

#### AEP

##### ANNUAL ENROLLMENT PERIOD

The time every year when you can make changes to your plan, like adding or dropping coverage.

### Jan. 1 – Mar. 31

#### MA OEP

##### MEDICARE ADVANTAGE OPEN ENROLLMENT PERIOD

The time every year when those enrolled in a Medicare Advantage plan can make a one-time change.

During the Medicare OEP, you can switch from one Medicare Advantage plan to another or disenroll from a Medicare Advantage plan to return to Original Medicare.



## STEP 3

# CONSIDER YOUR NEEDS

## CHOOSING THE RIGHT PLAN

Having the right plan for your needs and state of health can save you thousands of dollars.

***You can help get optimal coverage by asking yourself these questions:***

### What coverage do I need now?

**Do you have any preexisting long-term or chronic conditions?**

**These may include:**

- Asthma
- Diabetes
- Congestive Heart Failure (CHF) or other forms of heart disease
- Arthritis or rheumatoid arthritis
- Hypertension (high blood pressure)
- Ulcerative Colitis or Crohn's disease
- Glaucoma or other eye disease
- Chronic Obstructive Pulmonary Disease (COPD)
- Depression

**If you do, consider a plan that covers the costs associated with your condition:**

- Specialist care
- Equipment
- Home accommodations
- Prescription drugs – if you have or develop a long-term condition, chances are you'll need Part D

### What coverage will I need later?

Based on your family history, think about what coverage you may need in the future. For instance, if there's a family history of Alzheimer's or another form of dementia, coverage that includes long-term care is worth thinking about.



### Medicare Milestone

Medicare was a major force in desegregating hospitals after passage of the Civil Rights Act. Hospitals needed to comply with the Civil Rights Act in order to receive federal funding.



### Medicare Fact

More than one-third of all Medicare beneficiaries live with four or more chronic conditions.



## STEP 4

# CONSIDER YOUR FINANCES

### CHOOSING THE RIGHT PLAN

This section is **only to help you estimate costs** and should **not** be taken as definitive. Please talk to a Medicare professional before you choose your coverage.

To get a better idea of what kind of coverage you can afford, use this worksheet to estimate your net worth and income.



| My Net Worth | Savings   | Investments<br>(stocks, bonds, IRA) | Other assets          |  |                 |              |
|--------------|---|-------------------------------------|-----------------------|--|-----------------|--------------|
|              |   |                                     |                       |  |                 |              |
| My Income    | My retirement plan<br>(401k, 403b, Thrift Savings Plan, etc.) | My pension<br>(union or company)    | My veteran's benefits | Investment income<br>(such as dividends) | Social Security | Other income |
|              |   |                                     |                       |  |                 |              |

Mercy can help. To schedule a consultation with a licensed, independent Medicare expert, visit [mercy.net/MedicareExperts](https://mercy.net/MedicareExperts).

Totals

|  |
|--|
|  |
|--|



## STEP 4

# CONSIDER YOUR FINANCES

### CHOOSING THE RIGHT PLAN

With this in mind, consider the estimated costs\*:

| Part A Premium  | Part B Premium   | Part C Premium  | Part D Premium   |
|---|--|-----------------|--|
| <p>If you paid Medicare taxes for 30-39 quarters:<br/><b>\$278/month</b></p> <p>If you paid Medicare taxes for less than 30 quarters:<br/><b>\$505/month</b></p> <p><i>Most people don't pay a monthly premium for Part A. If you paid Medicare taxes for less than 39 quarters, you'll have to pay premiums.</i></p>   | <p><b>\$174.70/month</b></p> <p><i>May be higher, depending on your income.</i></p>  | Varies by plan. | <p><b>Varies by plan.</b></p> <p><i>Unlike other parts of Medicare, this coverage does depend on your income – higher-income consumers pay more.</i></p> |
| Part A Hospital (Inpatient) Deductible and Coinsurance:   | Part B Deductible and Coinsurance:   | Varies by plan. | <p><b>Varies by plan.</b></p> <p><i>Unlike other parts of Medicare, this coverage does depend on your income – higher-income consumers pay more.</i></p> |
| <ul style="list-style-type: none"> <li>▪ <b>Deductible: \$1,632/each benefit period</b></li> <li>▪ <b>Days 1-60:</b> \$0 coinsurance per day of each benefit period</li> <li>▪ <b>Days 61-90:</b> \$408 coinsurance per day of each benefit</li> <li>▪ <b>Days 91-150:</b> \$816 coinsurance per day while using your 60 lifetime reserve days</li> <li>▪ <b>After Day 150:</b> You pay all costs.</li> </ul> | <p><b>Deductible: \$240</b></p> <p>After your deductible is met, you'll pay approximately 20% of:</p> <ul style="list-style-type: none"> <li>▪ <b>Doctor Office Visits</b></li> <li>▪ <b>Doctor services</b> (including those you receive in the hospital)</li> <li>▪ <b>Outpatient therapy</b></li> <li>▪ <b>Durable medical equipment</b></li> </ul> |                 |  |

Costs above are estimates based on 2024 expenses.\* For the most current information on Medicare Premiums, please visit [medicare.gov/basics/costs/medicare-costs](https://www.medicare.gov/basics/costs/medicare-costs).

# Personalizing Your Coverage

**You may not want or need every option.**

*Medicare allows you to combine different parts and plans to get the coverage you need.\**

| Part A + Part B   | Part A + Part B + Part D                                 | Part A + Part B + Supplemental             | Part A + Part B + Part D + Supplemental (Medigap)  | Part C  | Part C + D  |
|---|--|--|--|---|---|
| This is Original Medicare — you can choose both parts or just one | Original Medicare plus Part D prescription drug coverage | Original Medicare plus a supplemental plan | Original Medicare, Part D prescription drug coverage and a Medigap plan – remember, you can't have both Medicare Advantage and a supplemental plan | Medicare Advantage with no prescription drug coverage | <p>You can buy Medicare Advantage with built-in drug coverage</p> <p>You can also buy Medicare Advantage without built-in drug coverage plus a stand-alone Part D plan (<i>this only works with certain Medicare Advantage plans, depending on the insurer</i>)</p> |

*\*While there are options to personalize your coverage, there may be penalties if the plan does not include a pharmacy benefit.*

## Medicare Milestone

In 2023, close to **66 million Americans** were covered by Medicare.



### Medicare provides a lot of options for coverage.

Unless you're an expert, you'll probably want to consult with one. Mercy can connect you with a licensed, independent Medicare expert who can help. Visit [mercy.net/MedicareExperts](https://mercy.net/MedicareExperts).

# Mercy — Your Medicare Partner

## Why Consider Mercy?

Mercy believes in *preventive care* to help you maintain your good health. And it's much easier (and less expensive) to catch and address potential threats early, before they become life-threatening. Mercy's whole-person approach is designed to help you stay healthy.

## What Mercy Offers

Mercy is one of the 25 largest health care systems and one of the top three Accountable Care Organizations\* (ACOs) in the country. Our reach includes:

- Over 4,000 physicians and 44,000 co-workers across five states (MO, IL, AR, OK and KS)
- 55 acute and specialty care hospitals, including heart, rehab and orthopedic hospitals
- 336 clinic locations
- 933 physician practices
- 51 urgent care and 13 convenient care sites
- Specialist expertise in every medical area
- A deep well of specialist expertise in aging and gerontology
- Extensive virtual care capacity



## What's an ACO?

Accountable Care Organizations, or ACOs, are groups of doctors, hospitals and other health care entities which come together voluntarily to provide **high quality coordinated care** to Medicare patients.

### COORDINATED CARE:

- Ensures that patients get the right care at the right time
- Eliminates unnecessary duplication of services
- Prevents medical errors
- Provides greater financial accountability to the federal government and saves taxpayers money

# Some Medicare FAQs

## Do I go on Medicare automatically as soon as I turn 65?

No. You may choose to keep working after 65, in which case you can keep your company-provided health insurance. However, you should enroll in Original Medicare during your Initial Coverage Election Period (ICEP) to avoid lifetime penalties.

## How does Medicare work with Social Security?

If you're already receiving Social Security benefits, you'll be enrolled in Original Medicare automatically. Your Part B premiums will be automatically deducted from your Social Security check.

## What if I have retirement benefits from my job, my union or the military? Can I still go on Medicare?

Yes. Just remember to contact the administrators at these entities to sign up for retirement benefits when you turn 65. Keep in mind, the more you make from your retirement benefits, the more you'll pay for Medicare Part D.

## I'm retiring soon and I'll go on Medicare. My spouse isn't 65 yet, and they're covered by my company plan. Can they be added to my Medicare plan, as they were on my company plan?

No. Each Medicare policy is individual. If your spouse (or any other dependent) is insured by your current employer, contact the benefits administrator at your job to see if they can remain insured.

## I'm self-insured through the ACA/Health Insurance Marketplace. Can I keep my current coverage?

Yes – with some conditions. Once your Medicare Part A coverage begins, you'll be responsible for the full price of your Marketplace plan, and you'll lose any tax credits you may have been receiving (meaning you can no longer write off the cost of your plan on your taxes). To avoid any gap in coverage, keep your Marketplace plan until your Medicare coverage starts.

## Can I keep my doctor once I go on Medicare?

If your doctor accepts Medicare and you choose Original Medicare, yes. If you choose Medicare Advantage coverage, your doctor (and any other health care provider you use) **needs to be in-network** with the insurer who's providing your coverage.

## What if I miss the deadline to sign up?

If you don't sign up within the seven-month Initial Coverage Election Period (ICEP), you may have to wait and pay a monthly penalty. The longer past your deadline you wait, the more you'll pay in penalties. If you miss the deadline for the Special Enrollment Period (SEP), you'll have to wait for the next Annual Election Period to sign up.

## How do I enroll in Medicare?

You can enroll at **medicare.gov**, or a licensed broker can walk you through the process.

# Some Medicare FAQs

## Do I have to enroll every year?

You don't have to re-enroll every year, but you do have the option of changing your coverage every year during the Annual Enrollment Period (October 15–December 7).

## How long does Medicare enrollment take?

Medicare coverage starts the month after you enroll.

## How do I check the status of my enrollment?

To check on Medicare enrollment status you can:

- Log in to your Social Security account on the Social Security website
- Visit a local Social Security office
- Contact Social Security Administration by calling 800-772-1214
- Visit "Check Enrollment" on your "My Medicare" account

## How does my other insurance work with Medicare?

If you have other insurance, such as a group health plan, retiree health or Medicaid coverage, in addition to Medicare, there are rules for whether Medicare or your other coverage pays first.

- If you have **retiree** health coverage (like insurance from your or your spouse's former employment), Medicare pays first.
- If you're 65 or older, have group health plan coverage based on your or your spouse's **current** employment, and the employer has **20 or more employees**, your group health plan pays first.
- If you're 65 or older, have group health plan coverage based on your or your spouse's **current** employment, and the employer has **fewer than 20 employees**, Medicare pays first.
- If you're under 65 and have a disability, have group health plan coverage based on your or a family member's **current** employment, and the employer has **100 or more employees**, your group health plan pays first.
- If you're under 65 and have a disability, have group health plan coverage based on your or a family member's **current** employment, and the employer has **fewer than 100 employees**, Medicare pays first.

# More Help

One of the best places to go for more information is the federal government's official Medicare site:

**[medicare.gov](https://www.medicare.gov)**

A good place to learn how Medicare works with local and state regulations and agencies is the State Health Insurance Assistance Program (SHIP):

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

Find Medigap policies in your area at:

**[medicare.gov/medigap-supplemental-insurance-plans](https://www.medicare.gov/medigap-supplemental-insurance-plans)**

To consult with a licensed, independent Medicare expert or attend an educational event in your area visit:

**[mercy.net/MedicareOptions](https://www.mercy.net/MedicareOptions)**



Mercy 

*Your life is our life's work.*

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