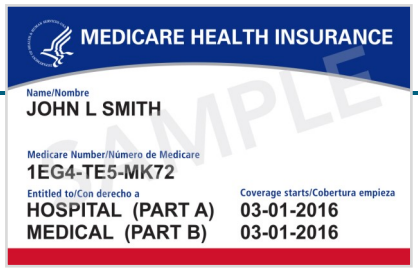
MEDICARE BASICS

What You Need to Know About Your Benefits and Options

What is Medicare?



Medicare is a federal health insurance program for:

- People age 65 or older
- People under age 65 with certain disabilities
- Individuals with End-Stage Renal Disease (permanent kidney failure)

Medicare has five components, each covering different services. People enrolling in Medicare will choose the components that work best for their situation. Typically, individuals choose one of the two combinations of options listed below. **Everyone's situation is different and some people can get insurance through other sources like their employer. This brochure is meant to be a general guide; prices and costs are based on an average.** For information specific to you, contact Nebraska SHIP.

Pick either Original Medicare OR a Medicare Advantage plan.

You should not have both a Supplement and a Medicare Advantage plan at the same time!

Original Medicare *(Part A, Part B, Supplement and Part D)*

Part A: Hospital Coverage

Part B: Outpatient Care (doctors, lab work, ER, plus more)

Supplement: Pays A/B Copays and Deductibles

Part D: Prescription Medications

$0 / month + $144.60 / month + $130*/ month + $39.58*/ month = Combined Monthly Premiums - $314.80*

OR

Medicare Advantage Plan *(Part C)*

Medicare Advantage Includes:

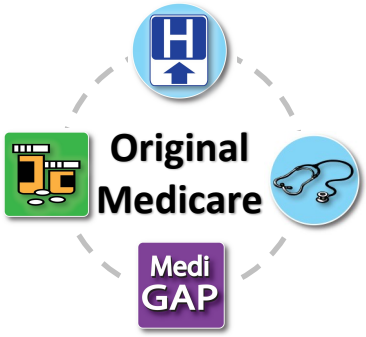
Hospital Coverage *(Part A)*
Outpatient Care *(Part B)*
Prescription Medication *(Part D)*
Extra Benefits

Premiums:

Part A Premium - $0
Part B Premium - $144.60
Additional Part C Premium - $29*
(Drug Premium Included in Part C)
Total Monthly Premium - $179.50*

**These prices are an average. Price will depend on the plan and company selected.*

Original Medicare *(Medicare Part A, Part B,*



Covered Items: When a person chooses Option 1, Medicare Part A, Part B, a Medicare Supplement and a Part D plan all work together. With this combination inpatient care, outpatient care and prescription drugs will all be covered.

What is Medicare Part A?

Covered Items: Medicare Part A covers inpatient hospital stays, skilled nursing facilities, hospice care and home health care.

Premium Cost: **$0 monthly premium** in 2020.
As long as you or your spouse worked 10 years and paid your taxes, Part A has no monthly premium.

Deductibles and Copays: An inpatient hospital stay in 2020 includes a **$1,408 deductible** (per hospitalization) which covers the first 60 days. Part A covers up to an additional 90 days in the hospital per stay. There is a copay for the additional days. Other Part A services have copays as well. Part A does NOT have an out-of-pocket maximum.

What is Medicare Part B?

Covered Items: Medicare Part B covers outpatient services including doctor visits, durable medical equipment, lab work, outpatient surgery and preventive care just to name a few.

Premium Cost: **$144.60 monthly premium** in 2020.
Individuals with annual income more than $87,000 and married couples with more than $174,000 will pay a higher premium.

Deductibles and Copays: The 2020 **yearly deductible is $198**. Medicare Part B pays 80% of covered charges, after you meet this deductible. **You are responsible for 20% of the covered charges**. Part B does NOT have an out-of-pocket maximum.

*These prices are an average. Price will depend on the plan and company selected.

Medicare Supplement and Part D)

Premium Cost:

Medicare Part A -	$0
Medicare Part B -	$144.60
Medicare Supplement Plan G -	$130*
Medicare Part D Plan -	$39.58*
Combined Monthly Premiums	**$314.18***

Deductibles and Copays:

Inpatient Care -	No deductibles/no copays*
Outpatient Care -	$198 deductible/no copays*
Out-of-Pocket Max -	$198 plus prescription costs*
Drug Coverage -	$0-$435 deductible and copays for each medication

What is Medicare Supplement Insurance?

Covered Items: Medicare Supplements cover the same items Medicare Parts A and B cover. Medicare pays most of your healthcare costs and Medicare Supplement policies help pay your share (co-pays and deductibles) of Medicare-covered services. There are ten standardized plans. Each plan covers a different list of Medicare-covered services.

Premium Cost: Premiums vary based on age, where you live, tobacco use, gender and the policy/company you choose. **For example, a Plan G Policy at age 65 ranges from $90 - $282 monthly**, depending on the above factors.

Deductibles and Copays: The policy you select will determine your deductibles and copays. For example, **with a Plan G policy you must pay the $198 Part B deductible; all other Part A and B deductibles and copays will be paid 100% by the supplement.**

For information on companies selling Medicare Supplement policies, as well as pricing data, contact the Nebraska SHIP at 1-800-234-7119.

What is Medicare Part D?

Covered Items: Medicare Part D covers prescription medication. Part D Plans are offered by insurance companies. In 2020, Nebraska has 29 different Part D plans. Each Part D plan covers a different list of medications.

Premium Cost: Monthly Part D premiums vary according to plan and range from **$13.20 - $89.60** in 2020.

Deductibles and Copays: The 2020 **yearly deductible for Part D is $0 - $435**, depending on the plan you choose. Once the deductible is met, **each prescription will have a copay or coinsurance**. Plans also include a gap in coverage, otherwise known as the "donut hole." During this time, the cost of medications typically increases.

Not all drug plans may cover your specific combination of prescriptions, so it is important to compare your options. The prescriptions you take will determine which plan will be most cost effective for you.

Medicare Advantage Plan *(Part C)*

Premium Cost:

Medicare Part A -	$0
Medicare Part B -	$144.60
Medicare Advantage -	$29*
Monthly Premiums	**$173.60***

*These prices are an average. Price will depend on the plan and company selected.

Deductibles and Copays*:

Inpatient Care -	Up to $1,750* per hospital stay
Outpatient Care -	$10* Doctor, $40* Specialist, $300* Outpatient Surgery
Out-of-Pocket Max -	$3,400—$10,000* plus prescription costs
Drug Coverage -	$0-$435 deductible plus copays for each medication

What is Medicare Part C?

Medicare Part C/Medicare Advantage Plans are offered by insurance companies. Your options will vary depending on where you live. Some Nebraska counties do NOT have these plans as an option.

Covered Items: Medicare Advantage Plans cover the same services Part A (inpatient) and Part B (outpatient) cover. Most plans also include drug coverage (Part D). Some plans offer extra benefits, like dental and vision.

Premium Cost: All Medicare Advantage Plan enrollees must **continue to pay the Medicare Part B premium, $144.60.** Medicare Advantage Plans may also charge an additional premium which will vary based on the plan. **Additional Premiums range from $0 - $145**.

Deductibles and Copays: Medicare Advantage Plans can have a deductible up to $1,000 per year, depending on the plan you choose. With a Medicare Advantage plan you will owe a copay for each service each time you receive it. For Example: **Doctor's Visit - $10*, Specialist - $40*, Outpatient Surgery - $300*, Inpatient Hospital Stay - up to $1,750 per stay*. Other copays will apply. Out-of-Pocket Maximum - $3,400 - $10,000*.**

NEBRASKA SHIP

Local help for Nebraskans with Medicare

For More Information and Assistance

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