



MASSACHUSETTS

# MY GUIDE TO MEDICARE.

What you need to know to make smart choices when you turn 65.



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# What is Medicare?

Medicare is a federal health insurance program available to people 65 and older, and to select individuals with disabilities or specific medical conditions. Some of its basic benefits are normally available free of charge while other benefits have deductibles and monthly costs, just like regular health insurance.



**Whether you're ready to enroll in Medicare when you turn 65 or plan to delay enrollment until later, this guide will walk you through the basics.**

# What are the different types of Medicare plans?

## Medicare can be broken into four different parts:

### ORIGINAL MEDICARE (Parts A and B)

- Medicare Part A covers inpatient care in hospitals, skilled nursing facilities, hospice care and home health care. You won't have to pay a monthly premium if you or your spouse paid Medicare taxes while working.
- Medicare Part B covers doctor visits and outpatient care. You pay a monthly premium, based on income, which is usually deducted directly from your Social Security check.
- You may still have to pay for some services, including a deductible.
- Benefits are provided through the federal government.

### MEDICARE ADVANTAGE PLANS (Part C)

- Includes the benefits of Original Medicare (Parts A and B), plus more.
- Many plans also include prescription drug coverage (Part D).
- Many plans may also include routine dental, vision and hearing benefits.
- You pay a monthly premium to a private health insurance company – in addition to your Part B premium.

### MEDICARE SUPPLEMENT PLANS (Medigap)

- Covers the same benefits as Original Medicare (Parts A and B).
- Helps cover costs or "gaps" that Original Medicare does not, such as copayments, co-insurance and deductibles.
- You pay a monthly premium to a private health insurance company.

### PRESCRIPTION DRUG PLANS (Part D)

- Covers many commonly used brand name and generic drugs.
- You pay a monthly premium to a private health insurance company.
- May be included in a Medicare Advantage plan or can be purchased as a stand-alone plan.
- You may be eligible for help paying your Part D costs.

## GOOD TO KNOW...

**If you have a high income, some premiums may be higher.**

If you choose traditional Medicare and your adjusted gross income (plus tax-exempt interest) is more than \$85,000 if you file single and \$170,000 if married filing jointly, premiums for Parts B and D can come with a surcharge.

# How do I know which plan is right for me?

## Original Medicare (Parts A and B) is a good start, but it only covers a portion of your health care expenses.

Blue Cross Blue Shield of Massachusetts offers a number of health plans that give you greater coverage and more flexible options. You may want to consider one of these plan options that may be a better fit for your needs and budget:

**Medicare Advantage plan**  
(with or without Part D prescription drug coverage)

**Medicare Supplement plan**  
(also called Medigap)

**Stand-alone Part D prescription drug plan (PDP)**

**Each of these plans covers different types of health care expenses. See next page for details.**

It's also important to compare individual plans within each "Part" as they may offer different benefits. For example, Blue Cross Blue Shield of Massachusetts has a range of Medicare Advantage plans, both HMO and PPO.

*(see page 9 for more details on Medicare HMO and PPO plans)*

Blue Cross Blue Shield of Massachusetts offers a variety of Medicare Advantage, Medicare Supplement and Part D prescription drug plans.

**Learn more at [bluecrossma.com/getmedicare](https://bluecrossma.com/getmedicare).**

## Medicare Advantage Plans

Provided by private insurance companies. You must be enrolled in both Medicare Part A and Part B.

- Covers everything that Original Medicare does and more
- Can include extra benefits, like routine preventive service exams, fitness and weight-loss reimbursements (up to a certain limit), discounts and more
- Sometimes offers additional coverage for hearing, vision and/or dental care
- Often includes prescription drug coverage
- Includes a limit to the total amount you have to pay for copays, co-insurance and deductibles each calendar year

### Things to keep in mind:

- ✓ Doctor and hospital choices may be limited to the plan's provider network
- ✓ Out-of-pocket costs vary by plan and service provided
- ✓ In most cases, you can only change plans during the annual Open Enrollment season

## Medicare Supplement Plans (Medigap)

Provided by private insurance companies. You must be enrolled in both Medicare Part A and Part B.

- Pay a larger, fixed monthly premium than Medicare Advantage plans, but enjoy low or no out-of-pocket costs<sup>1</sup>
- Flexible, nationwide coverage
- Can see any doctor that accepts Medicare
- Can be purchased at any time

### Things to keep in mind:

- ✓ Does not include prescription drug coverage
- ✓ Must pay a separate premium – in addition to your monthly Part B premium
- ✓ Typically does not include the same level of additional benefits (such as hearing and vision coverage) that Medicare Advantage plans offer

## Medicare Part D Prescription Drug Plan (PDP)

Helps cover prescription drug costs. Provided by private insurance companies approved by Medicare to provide prescription coverage.

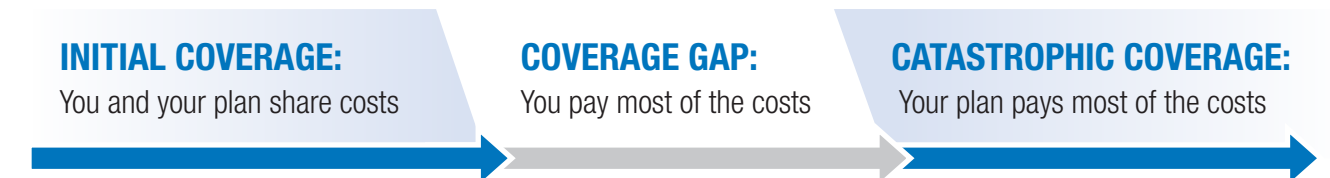
- Provides coverage for many drugs that traditional Medicare does not
- Low monthly premiums
- Complements Original Medicare to offer prescription coverage
- Blue Cross plans cover commonly used brand name and generic drugs

### Things to keep in mind:

- ✓ Only covers prescriptions
- ✓ Potential for very high out-of-pocket costs
- ✓ You may qualify for financial assistance to help pay for your Medicare prescription drugs. To find out more, contact the Social Security Administration or Medicare.

## Be aware of the coverage gap.

Most Part D plans include what is called a “coverage gap” or “donut hole.” Once you spend a set amount on your covered prescription drugs, your coverage is limited and you pay more for your prescriptions until you reach your plan's out-of-pocket limit.



For more information on coverage gaps, visit [medicare.gov](https://www.medicare.gov).

**NOTE:** If you have Medicare Part A and Part B, you can sign up for a stand-alone PDP. You will then pay your Part B premium to Medicare and a separate Part D premium to the insurance company.

### Medicare covers many free preventive services.

### If you're on a Medicare plan, many preventive services are covered at no cost:

- Free annual wellness visit
- Free cardiovascular screening every five years
- Free annual mammograms and flu shots
- Free screenings for diabetes, cervical, prostate and colorectal cancers and more

# Things to consider when choosing a Medicare plan.

Here are seven things to keep in mind while looking for the right plan for your needs.

## 1. Cost

Don't just look at monthly premiums. Be sure to factor in deductibles, copays and co-insurance.

## 2. Benefits

Which extra benefits do you enjoy with your plans, such as routine eye exams or hearing aids? Are these benefits important to you?

## 3. Doctor and Hospital Choice

Is it important that you see any doctor you want? Are your preferred doctors and hospital in the plan's network?

## 4. Flexibility

Do you travel often? Do you need to be able to get medical care outside of your area? If so, how would you be covered?

## 5. Prescription Drugs

Do you take regular prescription drugs? Are they covered? What would your copay be?

## 6. Pharmacy Choice

Can you use any pharmacy you want? If not, are the pharmacies in the plan network near you?

## 7. Quality of Care

Does the insurer have a good reputation? A good resource is to check the Star Ratings of insurance providers in your area at [www.medicare.gov](http://www.medicare.gov).





# What's the difference between an HMO and PPO?

**Medicare Advantage plans come in many shapes and sizes.**

Two of the most common types of plans are HMO (Health Maintenance Organization) plans and PPO (Preferred Provider Network) plans.

**Here are the basic differences between these two types of Medicare plans:**

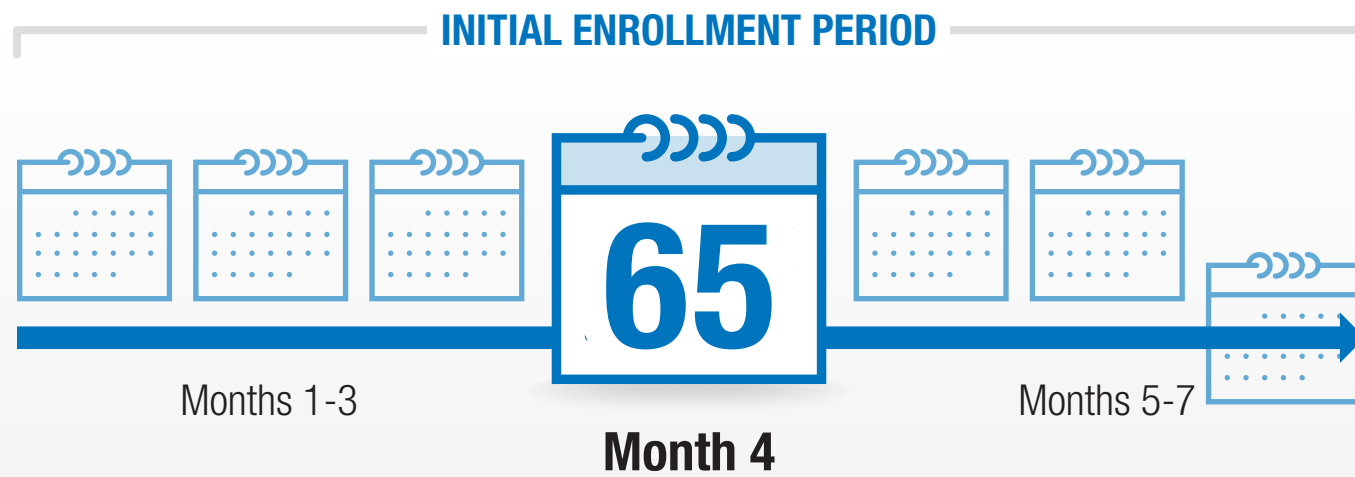
HMO	PPO
<ul style="list-style-type: none"><li>• Affordable, fixed costs</li><li>• You must choose a primary care doctor (PCP) from your plan's network</li><li>• Your PCP will manage your care and give you referrals for specialists and services</li><li>• Out-of-network care is not covered, except in emergencies</li></ul>	<ul style="list-style-type: none"><li>• Freedom to choose any doctors that accept Medicare</li><li>• Do not need a referral for specialists and services</li><li>• Out-of-network care is covered, but usually at a higher cost</li></ul>

Blue Cross Blue Shield of Massachusetts offers a range of Medicare HMO and PPO plans.

**Compare them online at [bluecrossma.com/getmedicare](https://bluecrossma.com/getmedicare).**

# When do I enroll?

Your Initial Enrollment Period is a 7-month window starting three months before you turn 65 and ending three months after you turn 65.



**NOTE:** If you enroll after this deadline, your monthly premium for Part B may go up 10% for each full 12-month period you were eligible to enroll but didn't.





# What if I'm not ready for Medicare at 65?

Depending on your circumstances, you may decide not to enroll in Medicare when you turn 65.

There are still some things you need to do:

- ✓ Check to see if your employer (or your spouse's employer) offers coverage for those 65 and up
- ✓ You can delay enrolling in Medicare Part B until you retire
- ✓ You should still enroll in Medicare Part A if you are entitled to free coverage
- ✓ Ask the employer if the plan's prescription drug coverage meets the Medicare standard. If not, consider enrolling in a Part D plan to avoid penalties later.



Even if you're not ready to start using your Medicare benefits at age 65, you may still want to sign up for parts of Medicare to avoid penalties and gaps in coverage.

## PART A

- Consider enrolling in Medicare Part A if you are entitled to free coverage (if you or your spouse have worked and contributed to Social Security for 10+ years)

## PART B

- If your employer has fewer than 20 employees, you may need to enroll in a Part B plan
- If you delay signing up for Part B because you already have insurance through your employer or spouse, there is no penalty

**NOTE:** If you don't sign up for Part B when you're first eligible, you may have to pay a higher monthly premium for the life of your Part B coverage

## PART D

- If you have no other drug coverage, or if the drug coverage does not meet the Medicare standard, you may want to enroll in a Part D plan



# How do I enroll?

## To enroll in Original Medicare (Parts A and B), contact Social Security.

If you're already collecting Social Security retirement benefits when you turn 65, you'll be automatically enrolled in Medicare Part A and/or Part B. Otherwise, you can sign up online at [SocialSecurity.gov](https://www.socialsecurity.gov) or by calling **1-800-772-1213 (TTY/TDD: 1-800-325-0778)**, 7 a.m. to 7 p.m., ET, Monday–Friday.

## If you are interested in coverage beyond Original Medicare, contact Blue Cross today.



More people in Massachusetts choose Blue Cross Medicare plans over any other option?



For the third year in a row, our Blue MedicareRx (PDP) plans are rated 5 out of 5 stars by CMS for 2019.<sup>3</sup>

### Call 1-866-794-4620 (TTY: 711)

8:00 a.m. to 8:00 p.m., Mon.–Fri., April 1–September 30

8:00 a.m. to 8:00 p.m., seven days a week, October 1–March 31

To see our range of Medicare plans, visit [bluecrossma.com/getmedicare](https://bluecrossma.com/getmedicare).

# How can I learn more?

## The more you learn about Medicare now, the easier it will be for you to make the right choice when it's time to enroll.

For over 50 years, Blue Cross Blue Shield of Massachusetts has been providing Medicare solutions to Massachusetts residents.

**We are committed to making it easy for you to get the information you need:**



### Learn More Online

Get tips and tools, compare plans and more at [bluecrossma.com/getmedicare](https://bluecrossma.com/getmedicare).



### Join Us at a FREE Medicare Seminar<sup>4</sup>

Get answers to your questions at one of our informative seminars at various locations across Massachusetts. To find a location near you, visit [bluecrossma.com/seminar](https://bluecrossma.com/seminar).



### Speak to a Blue Cross Medicare Expert

We're on hand to help you find the plan that works for you.

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# Medicare Glossary

## Co-insurance

Fixed percentage that you pay for your health care services.

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## Copayment (or copay)

Fixed amount that you pay for a health care service or product (for example, \$20 per doctor visit).

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## Deductible

Preset amount that you must pay before Medicare benefits begin to help with costs.

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## Formulary

A list of approved prescription drugs that a particular plan covers.

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## Maximum Out-of-Pocket Cost

The limit on the total of copays, co-insurance or deductibles you pay during a calendar year.

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## Premium

Fixed amount you have to pay each month for your plan.

# Disclosures

<sup>1</sup> For Medicare-covered services.

<sup>2</sup> Represents Medicare Advantage and Medicare supplemental Individual and Group plan membership based on data from CMS ([www.cms.gov](http://www.cms.gov)) and Massachusetts DOI ([www.mass.gov](http://www.mass.gov)).

<sup>3</sup> Every year, Medicare evaluates plans based on a 5-star rating system.

<sup>4</sup> For accommodations of persons with special needs at meetings call **1-800-262-BLUE (2583)** or TTY/TDD users please call **711**, 7 a.m. - 12 a.m., ET, 7 days a week.

No purchase is necessary in order for you to receive your free information guide.

Blue Cross Blue Shield of Massachusetts complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, sex, sexual orientation, or gender identity.

ATENCIÓN: Si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al **1-800-678-2265 (TTY: 711)**.

ATENÇÃO: Se fala português, encontram-se disponíveis serviços linguísticos, grátis. Ligue para **1-800-678-2265 (TTY: 711)**.

Blue Cross Blue Shield of Massachusetts is an HMO and PPO plan with a Medicare contract. Enrollment in Blue Cross Blue Shield of Massachusetts depends on contract renewal. Anthem Insurance Companies, Inc., Blue Cross and Blue Shield of Massachusetts, Inc., Blue Cross & Blue Shield of Rhode Island, and Blue Cross and Blue Shield of Vermont are the legal entities which have contracted as a joint enterprise with the Centers for Medicare & Medicaid Services (CMS) and are the risk-bearing entities for Blue MedicareRx (PDP) plans. The joint enterprise is a Medicare-approved Part D Sponsor. Enrollment in Blue MedicareRx (PDP) depends on contract renewal.

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