Medicare Overview

Defense Civilian Personnel Advisory Services (DCPAS)
Benefits, Wage & Non-Appropriated Funds Line of Business
Benefits & Work Life Programs Division
4800 Mark Center Drive, Suite 05G21
Alexandria, VA 22350-1100
Email: dodhra.mc-alex.dcpas.mbx.benefits-contacts@mail.mil
(703) 882-5197 or DSN 381-5197 FAX: (571) 372-1661

What Is Medicare?
Medicare is health insurance for individuals in any of the following categories:

- Age 65 or older
- Under age 65 with certain disabilities
- Any age with End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant)

The Different Parts of Medicare
There are several different parts of Medicare coverage; Part A, B, C and D. The benefits for each are outlined below.

Medicare Part A
Medicare Part A is primarily for hospital coverage. There is usually no monthly premium for Part A coverage if you or your spouse paid Medicare taxes while employed. If you are not eligible for premium-free Part A, you may be able to purchase coverage for Part A if you meet the citizenship or residency requirements and you are age 65 or older or you are under age 65, disabled, and your premium-free Part A coverage ended because you returned to work. For additional information on premiums for the current year, visit the Medicare website at https://www.medicare.gov.

Medicare Part A covers:

- Inpatient hospital care (including inpatient rehabilitation)
- Inpatient care in a skilled nursing facility (not long-term care)
- Hospice care services
- Home health care services

How to Get Part A Coverage:
Individuals receiving benefits from Social Security are automatically enrolled in Part A, starting on the first day of the month they turn age 65. Individuals under age 65 and disabled may also automatically receive Part A if they receive disability benefits from Social Security. Medicare cards are usually distributed 3 months before an individual's 65th birthday or when an individual reaches the 25th month of disability. Individuals with Amyotrophic Lateral Sclerosis (ALS, also called Lou Gehrig's disease), automatically receive Part A coverage the month their disability benefits begin.

Those not receiving Social Security benefits (because they are still working), must sign up for Part A even when they are eligible for premium-free Part A coverage. In these instances, individuals should contact the Social Security Administration at least 3 months prior to their 65th birthday. Individuals who are not eligible for premium-free Part A can enroll during the following periods:

- When you first become eligible for Medicare (3 months before you turn age 65 to 3 months after the month you turn age 65)
- The General period between January 1– March 31 of each year
- When an individual or spouse (or family member if you are disabled) is working and has group health plan coverage through their employer or union

Medicare Part B:
Medicare Part B covers medically necessary services like doctor services, outpatient care, and other medical services or supplies that are needed for the diagnosis or treatment of a medical condition and meet accepted standards of medical practice. Part B also covers some preventive services such as those to detect illness at an early stage, when treatment is most likely to work best.

For example:

- Pap tests
- Flu shots
- Prostate cancer screenings

There is a standard premium amount paid by most individuals. Individuals who fail to sign up for Part B coverage when first eligible may pay an increase in premiums equal to 10% for each full 12 month period in which the individual was eligible but did not enroll. The exception is in cases where an individual delayed enrollment in Part B because they continued to work (or spouse continued to work) and received employer group health coverage. Costs for Part B services vary depending on whether an individual elects original Medicare or a Medicare health plan. For additional information on the premiums for the current year, visit the Medicare website at https://www.medicare.gov.

How to get Part B Coverage:
Individuals receiving benefits from Social Security will automatically be enrolled in Part B coverage starting the first day they reach age 65. (Even if they are still employed and receiving benefits on someone else's record Those under age 65 and disabled will also automatically receive Part B when they have received disability benefits from Social Security for 24 months. Medicare cards are usually distributed 3 months before an individual's 65th birthday or when an individual has received disability benefits for 25 months. Individuals opting out of Part B must follow the instructions that are issued with the Medicare card. Failure to return the card will result in automatic enrollment and the requirement to pay Part B premiums.

Individuals with ALS (also called Lou Gehrig's disease), automatically get Part B the month their disability benefits begin. Those not receiving Social Security benefits (individuals still working), must sign up for Part B during the initial enrollment period (3 months prior to an individual's 65th birthday and ending 3 months following an individual's 65th birthday).

Individuals choosing not to sign up for Part B when eligible may sign up during one of the following timeframes:

- **The General Enrollment Period** occurs between January 1 and March 31 of each year with coverage beginning on July 1. The cost of your Part B will increase 10% for each full 12-month period in which an individual was eligible for Part B but opted not to enroll.

- **Special Enrollment Period** applies to individuals who sign up for Part B when the spouse is working and has group health plan coverage based on that work or when disabled and individual or a family member is working and has group health plan coverage from their employer. Individuals may enroll in Part B any time while covered by a group health plan or ***during the 8-month period that begins the month the employment ends, or the group health plan coverage ends, whichever happens first.***

- **The Special Enrollment Period** also applies to individuals who had health insurance while serving as an International Volunteer. These individuals may sign up during the 6-month period that begins the month they are no longer a volunteer outside the United States, or the sponsoring organization is no longer tax exempt, or they no longer have health coverage outside the U.S., whichever comes first.

Part B and TRICARE Coverage:
Individuals with TRICARE coverage (active-duty military or retirees and their families) must contact TRICARE to continue with TRICARE coverage. For example, individuals may be required to enroll in Part B when no longer on active duty and therefore no longer eligible for TRICARE.

TRICARE for Life:
When beneficiaries age 65 and over become eligible for Medicare Part A, they can use TRICARE for Life (TFL) if they enroll in Medicare Part B. These beneficiaries are not eligible for TRICARE Prime, but they are eligible to use network and non-network providers under TRICARE Extra and TRICARE Standard. Under TFL, TRICARE acts as a second payer to Medicare for benefits payable by both Medicare and TRICARE. Beneficiaries can use an authorized Medicare provider and claims will be automatically sent to TRICARE after

Medicare pays its portion. There are no enrollment fees for TFL as beneficiaries are only required to pay the Medicare Part B premium. TRICARE is the first payer for benefits that are available only under TRICARE, such as TRICARE pharmacy.

Part B and Group Health Plan Coverage from an Employer or Union:
An individual's Part B enrollment rights may be affected when they have coverage through an employer (including the FEHB program) or union and the individual or spouse continues to work. When the employment ends, three things happen:

- Individuals have the option to elect Temporary Continuation of Coverage (TCC) to continue health coverage through the employer's plan (for only 18 months) and usually at a higher cost.
- Individuals receive a special enrollment period to sign up for Part B without a penalty. This period only lasts for 8 months after employment ends. This period will run concurrently with TCC election period and coverage whether TCC is elected or not.
- If TCC is elected and an individual waits until TCC ends, their special enrollment period will have expired

Part C- Medicare Advantage (MA) Plans:
Medicare Advantage Plans are health plan options (such as a Health Maintenance Organization or Preferred Provider Organization) approved by Medicare and offered by private companies. These plans are part of Medicare and are often called "Part C" or "MA Plans." Medicare pays a fixed amount for care provided every month to the companies offering MA Plans. These companies must follow rules set by Medicare. MA Plans provide your Medicare health coverage and usually Medicare drug coverage. They aren't supplemental insurance plans. It should be noted that each plan has different rules, but all plans cover emergency and urgent care. MA Plans provide all of Part A (Hospital Insurance) and Part B (Medical Insurance) coverage. This means they must cover at least all of the services that Original Medicare (Parts A and B) cover. However, each MA Plan can charge different out-of-pocket costs. These are usually copayments but can also be coinsurance and deductibles. It is important to call any plan before joining to find out the plan's rules, what your costs will be, and to make sure the plan meets your needs. Some MA Plans offer extra coverage, such as vision, hearing, dental, and/or health and wellness programs. Most include Medicare prescription drug coverage (usually for an extra cost). You may need a referral to see specialists. Some MA Plans have provider networks. In some cases, this means you can see only doctors who belong to the plan or may go to certain hospitals to get covered services (other than for emergency or urgent care or medically necessary dialysis). In some plans, if you see a doctor or other provider who does not contract or participate with the

plan, your services may not be covered at all, or your costs will likely be higher. You should check with your doctors or hospital to find out if they accept the plan.

How to get a MA Plan (Part C):
Individuals who meet all of the following conditions may enroll in a MA Plan:

- Has elected Part A and Part B coverage
- Live within the service area of the plan
- Do not have End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant).

Individuals choosing to enroll in a MA Plan may do so during the following periods:

- When first eligible for Medicare (3 months before 65th birthday to 3 months after 65th birthday)
- During the General Enrollment Period between January 1– March 31 of each year. However, you cannot join or switch to a plan with prescription drug coverage during this time unless you already have Medicare prescription drug coverage (Part D). Additionally, plans with prescription drug coverage may not be cancelled and you may not join, switch, or cancel Medicare Medical Savings Account Plans during this period.

Medicare Prescription Drug Coverage Part D:
Medicare offers prescription drug coverage Part D for everyone with Medicare. Individuals covered by Medicare Parts A and B or Part C may obtain the Medicare Prescription Drug Plan. These plans are available through private companies that work with Medicare to provide prescription drugs. Each plan can vary with the cost of drugs and types of drugs covered. You will pay an additional monthly premium for this coverage.

How to get Medicare Prescription Drug Coverage:
Individuals may obtain Medicare Prescription Drug coverage by enrolling in:

- An MA Plan or other Medicare health plan that offers Medicare prescription drug coverage. Participants obtain all of Part A and Part B coverage, including prescription drug coverage (Part D), through these plans.
- A Medicare Prescription Drug Plan that adds drug coverage to Original Medicare, some Medicare Cost Plans, some Medicare Private Fee-for-Service (PFFS) Plans, or Medicare Medical Savings Account (MSA) Plans.

Things to Consider When Choosing or Changing Coverage:

- Does the Medicare health plan you are considering provide extra coverage you want that is not provided by Original Medicare?
- Are you eligible for other types of health or prescription drug coverage? If so, how does the coverage work with, or is it affected by Medicare.
- How much are the premiums and deductibles?
- Do your current doctors accept the coverage?
- Does the Medicare health plan require you to choose your health providers and hospital from a network?
- Are referrals required to consult a medical specialist?
- Will you need to join a Medicare drug plan?
- What are the costs of your prescription drugs under the Medicare plan?

General Medicare Information and Assistance:

You may obtain general information about enrolling in Medicare and learn about your Medicare coverage choices by visiting https://www.medicare.gov. You may also call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.