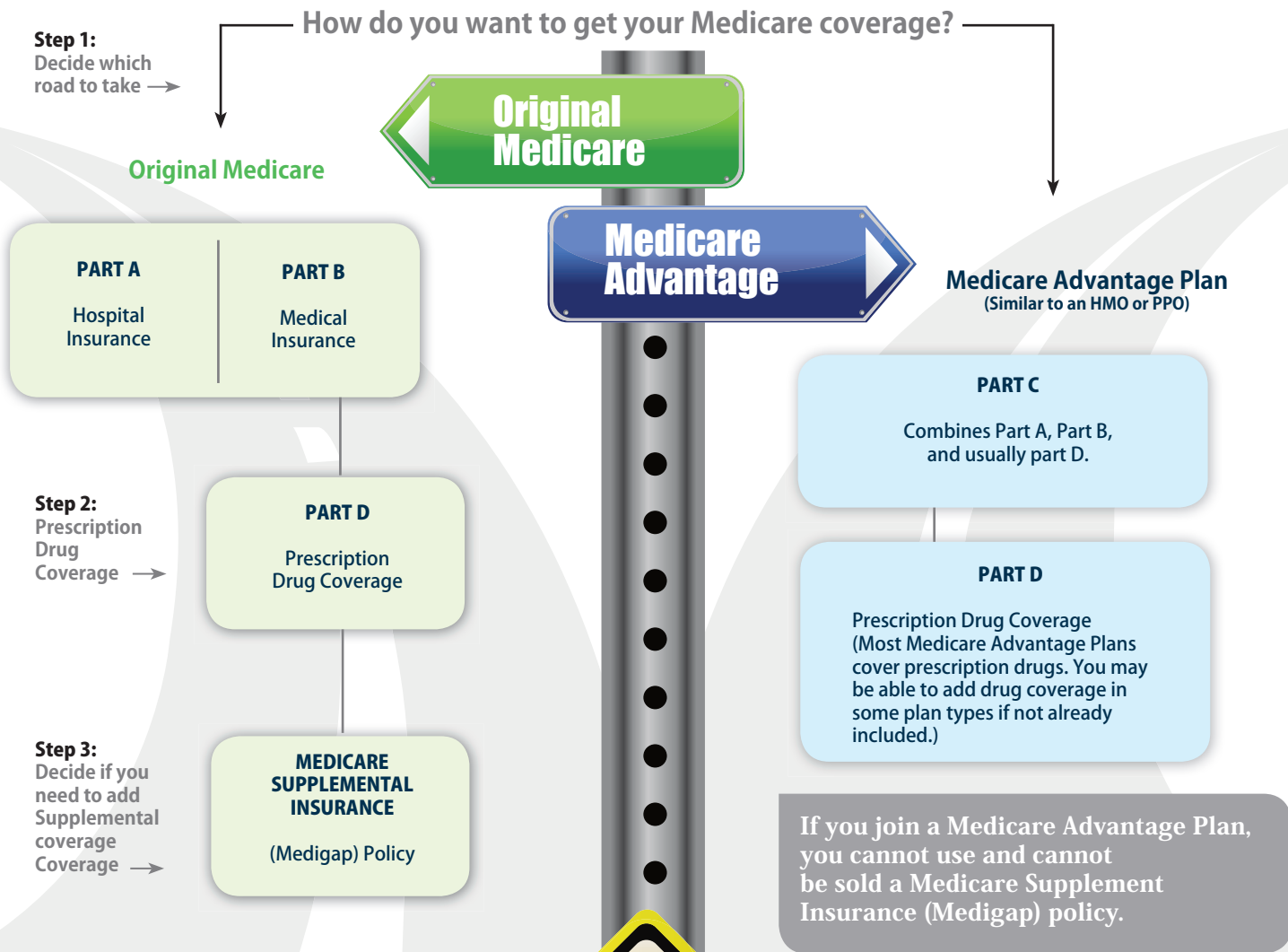


# The Two Roads to Medicare

by Matt Smith, Veterinary Insurance Services Company

In the July/August issue, we briefly went over what Medicare is and described the four parts to Medicare: Part A, Part B, Part C, and Part D. In this article we will be covering enrollment periods and the two ways to get your Medicare coverage—one being Original Medicare and the other being Medicare Advantage. The diagram below outlines the two different directions or ways you can go about choosing your coverage.



A Medicare Supplement Insurance policy (also called Medigap) is the last piece of the puzzle for the Original Medicare road. If you stay with Original Medicare, you may purchase a Medigap policy from a private insurance company to pay the portion of costs that Medicare does not cover (such as copayments, coinsurance, and deductibles). In other words, the Medicare Supplement or Medigap policy fills the gaps or supplements that Medicare does not fully cover.

Medicare supplement plans are identified by a letter. This is where it can get a little confusing. The Medigap plans currently offered are Plans A, B, C, D, F, high deductible F, G, K, L, M, and N. Plans A and B are not the same as Original Medicare, Plan C is not a Medicare Advantage Plan in this case, and Plan D is not for your medication coverage. There are four parts to Medicare (A, B, C, and D) and these are the Medicare Supplement plans. The Medicare Supplement plans are all standardized as well, making them the same

specific benefits from company to company. The differences in insurance companies when comparing Medicare Supplement plans is the price and customer service. (Reference: 2014 Choosing a Medigap Policy) Visit <http://www.medicare.gov/pubs/pdf/02110.pdf> for more information. Please see below for the benefits of the different Medigap plans.

The Medicare Advantage road (like an HMO or PPO), is another way to get your Medicare coverage. These plans are subsidized by Medicare and in return they provide all your Medicare related insurance coverage in one plan, usually including prescription drug coverage. Because of this subsidy, you usually pay lower monthly payment than you do with the Original Medicare road. Medicare Advantage Plans, sometimes called Part C or MA Plans, are offered by private companies approved by Medicare and are not standardized. Since these plans are run by private insurance companies and are not standardized, each plan is different. But since these companies have a contract with Medicare, there's only a handful of choices in the area you reside making it a little easier to decide. (Reference: Medicare and you 2014) Visit <http://www.medicare.gov/Pubs/pdf/10050.pdf> for more information.

**When to Enroll**

For people coming into Medicare, knowing when to sign up or when to switch your Medicare Supplement Plan, Medicare Advantage

Plan, or medication coverage is an important part of the process. Keep in mind you must be signed up with both Part A and Part B of Medicare to be enrolled in a Medicare Supplement or Medicare Advantage Plan. You can sign up for a Medicare Supplement or Medicare Advantage during your initial enrollment period which is during the seven-month period that begins three months before the month you turn 65, and ends three months after the month you turn 65 with no health question. This means they cannot deny you based on your pre-existing health conditions during your initial enrollment period at age 65. The next and most common time to change your health coverage is during the open enrollment period. This takes place from October 15 to December 7. During this time you can change or switch your Medicare Advantage or Part D prescription drug coverage for an effective date

of January 1. The open enrollment period is always a good time to review your current coverage and new options for the upcoming year. (Reference: Medicare and you 2014) Visit <http://www.medicare.gov/Pubs/pdf/10050.pdf> for more information.

Deciphering which insurance plan is right for you is a very important and at times a very confusing task. You are not alone! **If you have questions, please feel free to contact Matt Smith, your representative for the CVMA's insurance brokerage, VISC, at 916.921.2260 or Medicare at Medicare.gov.**



Benefits	Medicare Supplement Insurance (Medigap) Plans										
	A	B	C	D	F*	G	K	L	M	N	
Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Medicare Part B coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%	100% ***
Blood (first 3 pints)	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%	100%
Part A hospice care coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	100%	100%	50%	75%	100%	100%	100%
Medicare Part A deductible		100%	100%	100%	100%	100%	50%	75%	50%	100%	100%
Medicare Part B deductible			100%		100%						
Medicare Part B excess charges					100%	100%					
Foreign travel emergency (up to plan limits)			100%	100%	100%	100%			100%	100%	100%
*Plan F also offers a high-deductible plan in some states. If you choose this option, this means you must pay for Medicare-covered costs (coinsurance, copayments, deductibles) up to the deductible amount of \$2,140 in 2014 before your Medigap plan pays for anything.							<b>Out-of-pocket limit in 2014**</b>				
** For Plans K and L, after you meet your out-of-pocket yearly limit and your yearly Part B deductible (\$147 in 2014), the Medigap plan pays 100% of covered services for the rest of the calendar year.									\$4,940	\$2,470	
***Plan N pays 100% of the Part B coinsurance, except for a copayment of up to \$20 for some office visits and up to a \$50 copayment for emergency room visits that don't result in an inpatient admission.											