

Medicare 101: A beginner's guide to Medicare



What this guide covers

This interactive guide provides the information you need to start your Medicare journey.

Click on the green Learn More buttons to jump to each section.



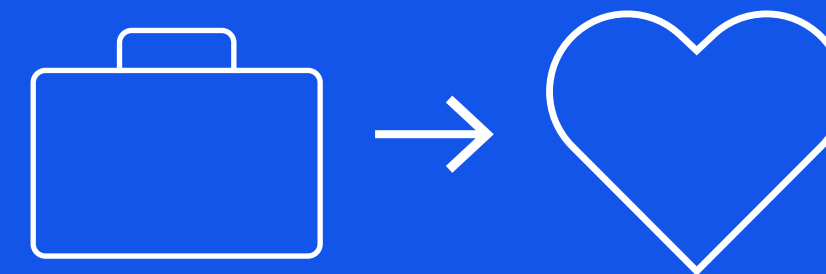
The Basics

Understand the parts of Medicare and how to get coverage that helps fit your needs.

[Learn More](#)

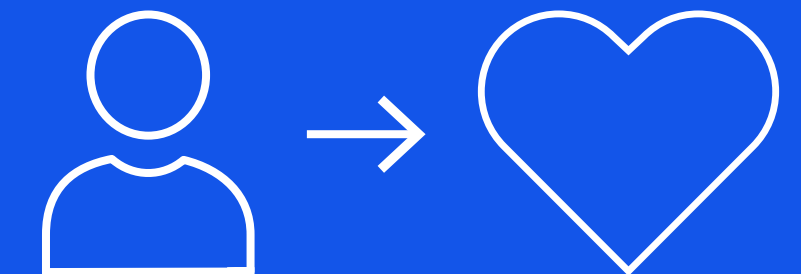
Signing up for Medicare

Learn about who is eligible for Medicare, when you should enroll, and how to get started.

[Learn More](#)

Moving from Employer Insurance to Medicare

Answers to questions you may have when transitioning to Medicare coverage.

[Learn More](#)

Moving from Individual and Family Insurance to Medicare

How to switch from an Individual and Family plan to a Medicare plan.

[Learn More](#)

Getting to know the basics



First things first - what is Medicare?

Medicare is a federal health program for people 65 and over, and for people under 65 with certain disabilities.

In this section you'll learn about:



Part A
Hospital Insurance

[Learn More](#)

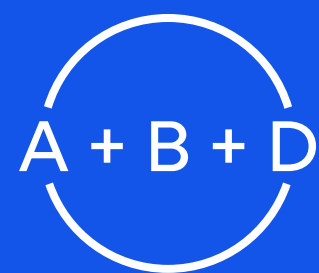
Part B
Medical Insurance

[Learn More](#)

**Medicare
Supplement**
(Medigap)

[Learn More](#)

Part D
Prescription
Drug plans

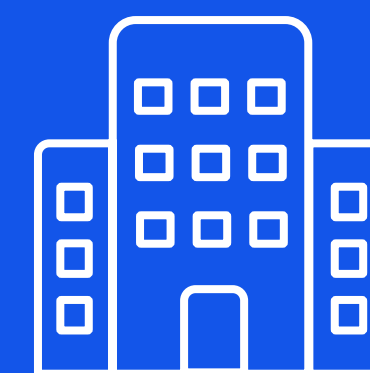
[Learn More](#)

Part C
Medicare
Advantage

[Learn More](#)

The most basic type of coverage is Original Medicare

Original Medicare is made up of Hospital Insurance (Part A) and Medical Insurance (Part B). It is administered by the Federal Government and your first step before getting any other Medicare plan. Let's break them both down.



Part A

Hospital Insurance covers:

- Hospital stays
- Skilled nursing facility care
- Hospice
- At home care



Part B

Medical Insurance covers:

- Physician visits
- Lab tests
- Surgeries
- Preventive health appointments
- Outpatient services
- Durable medical equipment

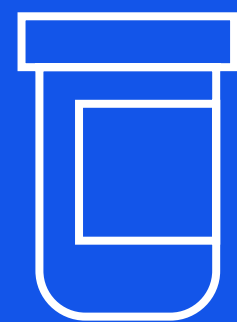
Original Medicare (Parts A & B) may not have all the coverage you need

The good news is there are other options offered by health insurance carriers, like us. Medicare Supplement plans can help you pay out-of-pocket expenses, and Part D and Part C allow you to get more benefits and coverage.



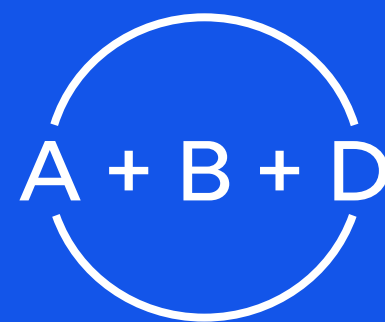
Medicare Supplement plans

These plans combine with Original Medicare (Parts A & B) to help cover the out-of-pocket costs that Medicare alone doesn't cover.



Part D

Prescription Drug plans can be added to help pay for prescriptions and other medical supplies.



Part C

Medicare Advantage plans bundle coverage for medical, hospital, pharmacy, and extras — all in one plan.

Medicare Supplement plans: also known as “Medigap” insurance

These plans add onto Original Medicare (Parts A & B) and help cover costs like deductibles, copays, and coinsurance — even when you’re traveling. Plus, you’ll still be able to choose from any doctor or facility that accepts Medicare patients. These do not include prescription drug coverage, so you may want to add a Prescription Drug plan (Part D).



Part D: Prescription Drug plans

These plans help cover costs for generic and brand name prescriptions, all recommended vaccines, and medical supplies for insulin injections. You may also qualify for prescription drug assistance through the federal program: Extra Help.



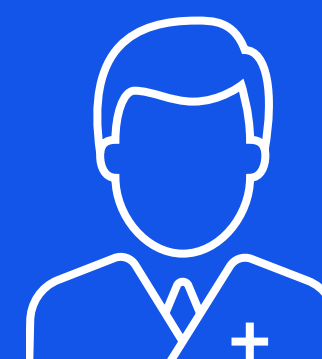
Part C: Medicare Advantage plans

Medicare Advantage plans replace Original Medicare (Parts A & B) with coverage through a network of providers for medical, hospital, and pharmacy expenses. They can also include prescription drug coverage and benefits like dental, vision, and hearing coverage.



Cost

- \$0 or low monthly premiums
- \$0 medical deductibles
- Set out-of-pocket maximums



Benefits/Coverage

- Dental
- Vision
- Hearing
- Prescription drugs



Other Benefits

- Transportation to doctors' visits
- Access to 24/7 telehealth
- Gym membership
- Spending allowance for over-the-counter items and healthy groceries
- And more

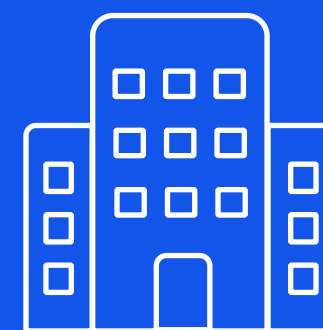
Which plan should you choose?

Here's a simple checklist you can refer to with important things to consider when selecting plans.



Consider these costs:

- ☐ Premiums
- ☐ Copays
- ☐ Deductibles
- ☐ Prescription drug prices
- ☐ Maximum out-of-pocket



Are these in-network?

- ☐ Doctors
- ☐ Specialists
- ☐ Hospitals
- ☐ Healthcare facilities
- ☐ Pharmacies



What else do you need?

- ☐ Vision care
- ☐ Dental care
- ☐ Hearing care
- ☐ Gym memberships
- ☐ Allowances for over-the-counter items and groceries

Compare benefits that different plans may offer

With so much information to take in, it can be helpful to look at each plan side-by-side and see which version of Medicare helps meet your needs.

| | Original Medicare (Parts A & B) | Medicare Supplement Insurance plans | Prescription Drug plans (Part D) | Medicare Advantage plans (Part C) |
|---|------------------------------------|--|-------------------------------------|--------------------------------------|
| Hospital & medical insurance | ✓ | ✓ | | ✓ |
| Prescription drugs | | | ✓ | ✓ |
| Limited annual out-of-pocket costs | | ✓ | | ✓ |
| Dental, vision, hearing coverage options | | | | ✓ |
| Fitness benefits | | | | ✓ |
| Benefits options, like allowance for groceries, utilities, and over-the-counter health items | | | | ✓ |

Benefits vary by state, county, and plan selection






Signing up for Medicare



Taking the next step

Now that you’ve seen what plans you can choose from, let’s go over how you’ll get your coverage.

In this section you’ll learn about:

| | |
|---|---|
|  | Medicare eligibility <div>Learn More</div> |
|  | Working after 65 <div>Learn More</div> |
|  | Where to sign up <div>Learn More</div> |
|  | When to sign up <div>Learn More</div> |
|  | When coverage starts <div>Learn More</div> |

Are you eligible?

There are a few requirements you should know before you sign up for Medicare:

1

You must be a permanent US resident or a legal citizen living in the US for 5 years in a row.

2

You or your spouse must have worked and paid Social Security taxes for at least 10 years to qualify for premium-free Part A. You may be able to buy Part A if you worked less than 10 years.

3

You are at least 65 years old.

You may also qualify if you're under 65 and have a disability after you get Social Security disability benefits for at least 24 months, or you have ALS (Lou Gehrig's disease) or ESRD (end-stage renal disease).

Working after 65

If you have creditable health insurance through an employer, you have options. You can wait to sign up for Medicare until either you (or your spouse) lose your employer coverage or stop working, whichever comes first. Creditable health insurance is defined as coverage that is at least as good as what Medicare provides (Parts A & B).

If your employer has fewer than 20 employees, you will need to sign up for Medicare when you turn 65. If you have an individual policy, sign up for Medicare when you turn 65 to avoid a monthly Part B late enrollment penalty.



Where do you sign up?

Depending on which plans you choose, there are a few ways to sign up for Medicare.



For Original Medicare (Parts A & B) you can apply online at ssa.gov or in person at a local Social Security office. You can click [here](#) to find your nearest Social Security office.



For Medicare Supplement, Prescription Drug plans, and Medicare Advantage, you can sign up with us. For more information, click [here](#).

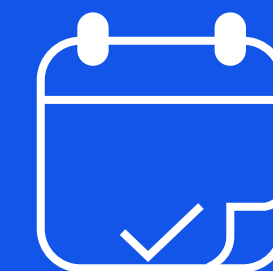
65

If you received Social Security or Railroad Retirement Board benefits, you'll automatically be signed up for Original Medicare (Parts A & B) when you turn 65.

When can you sign up?

Your Initial Enrollment Period (IEP) is a seven-month period when you may sign up for Original Medicare (Parts A & B). It starts 3 months before your 65th birthday month and ends 3 months after your birthday month.

Unfortunately, there can be a penalty for missing your IEP, unless you qualify for a Special Enrollment Period (SEP). We'll talk about those in more detail in the next section of this guide.



When to sign up if you miss your IEP

The General Enrollment Period (GEP) is January 1 – March 31. Certain restrictions apply and you may be subject to a late enrollment penalty for Part A and/or Part B.

During your IEP and GEP, you can also sign up for a Medicare Advantage plan.

When can you sign up for a Medicare Supplement plan (Medigap)?

You're able to sign up for a Medicare Supplement plan during your Open Enrollment Period. This six-month period starts the first month you have Medicare Part B (Medical Insurance) and are 65 or older. During this period, you cannot be denied coverage based on present or past health issues.



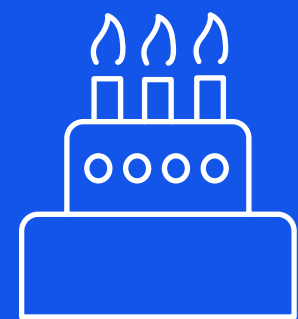
If you delay enrolling in Part B because you have health coverage through your (or your spouse's) employer, your Medicare Supplement Open Enrollment Period won't start until you sign up for Part B.



If you miss your Medicare Supplement Enrollment Period, you can still apply for a Medicare Supplement plan. In some states, your past or present health conditions may be considered as part of the application process.

When does your coverage start?

Your coverage start date depends on when you sign up.



Sign up before your 65th birthday

Your plan will be active on the first day of your 65th birthday month. Unless your birthday comes on the 1st of the month; then your coverage begins the first day of the previous month.



Sign up during your Initial Enrollment Period after you turn 65

Your plan will start the first day of the next month.

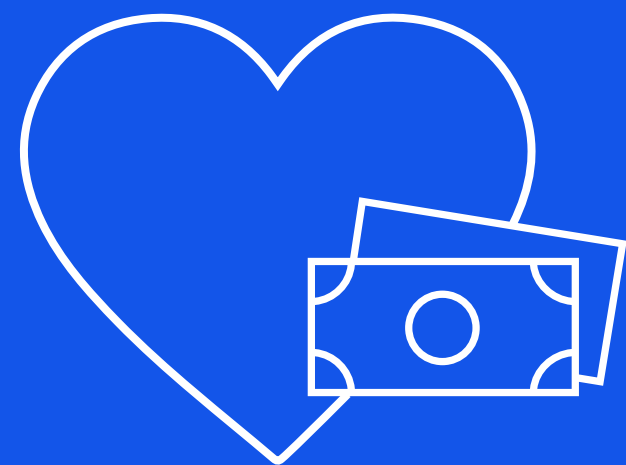
Moving from Employer Insurance to Medicare



From Employer

Not everybody follows the same path when moving to Medicare, so we'll answer some questions you might have about transitioning from employer or union coverage.

In this section, you'll learn about:



HSA

[Learn More](#)

HRA

[Learn More](#)

COBRA

[Learn More](#)

TRICARE

[Learn More](#)

Health Savings Account (HSA)

An HSA is a tax-free savings account some employers offer to help you save money for healthcare. Once you're enrolled in Medicare you should stop adding to your HSA.

If you enroll in Medicare after you're 65, you should stop adding to your HSA 6 months before you enroll to avoid a tax penalty. After enrolling in Medicare, the money you've put into your (or your spouse's) HSA can go toward premiums, copays, deductibles, and coinsurance.



Health Reimbursement Arrangement (HRA)

An HRA is an employer-provided benefit plan which helps you pay for some out-of-pocket medical costs. If you're enrolled in Medicare, you may use an HRA or a Flexible Spending Account (FSA) — the employer-sponsored version of an HSA — toward some medical expenses and Medicare premiums.

However, once you stop working for the employer providing the HRA, that account won't be accessible anymore.



What to know about COBRA

COBRA works like a temporary insurance plan for you and your family if you lose your employer health coverage after leaving a job. It lets you keep your employer coverage for up to 18 months and up to 36 for your dependents. You'll have 60 days to sign up for COBRA after leaving your job.



Not working at 65

Your COBRA coverage stops when you turn 65, so you'll have to sign up for Medicare during your Initial Enrollment Period or risk a penalty.



Working past 65

If you have group health plan coverage based on current employment (yours, a spouse, or a family member's if you have a disability), you don't have to sign up for Medicare while you (or your spouse) are still working.

Once you do leave your job, you'll have a Special Enrollment Period (SEP) to sign up for Medicare which lasts 8 months after your departure date. During that time, you can still get COBRA to stay covered.

What to know about TRICARE

TRICARE is a healthcare program for active-duty service members, military retirees, and their families.



Active service members:

TRICARE keeps you covered until you retire. At that point, you'll have to sign up for Medicare. **See our page** on working past 65 for details.



Retired service members:

To keep our TRICARE coverage, you'll need to sign up for Original Medicare (Parts A & B) during your Initial Enrollment Period (IEP).

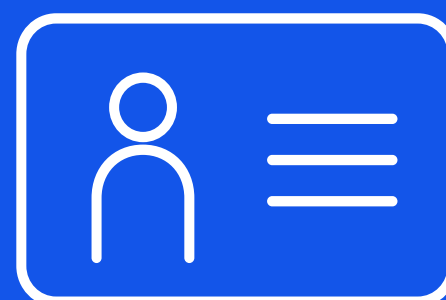
Moving from an Individual and Family plan to Medicare



From Individual and Family

An Individual and Family plan is a plan that you get directly from the health insurance Marketplace ([healthcare.gov](https://www.healthcare.gov)) or a health insurance company. If you have an Individual and Family plan, there are some specifics you should know about transitioning to Medicare.

In this section, you'll learn about:



**How to transition
to a Medicare plan**

[Learn More](#)



**What to know
about subsidies**

[Learn More](#)

Transitioning to a Medicare plan

If you have an Individual and Family plan and are turning 65, you'll need to sign up for Medicare during your Initial Enrollment Period.

It's important to end your Individual and Family plan before your Medicare plan begins so you don't end up paying double premiums for overlapping coverage. You should schedule your Individual and Family plan to stop the day before your Medicare plan starts.

If you have family members on your Individual and Family plan, you don't need to worry. You can remove yourself from the plan and they'll stay covered.



What to know about subsidies

Many people with an Individual and Family plan get subsidies or tax credits.

Once you're eligible for Medicare, you'll no longer qualify for these subsidies, and you'll have to pay a full premium if you decide to keep your Individual and Family plan.

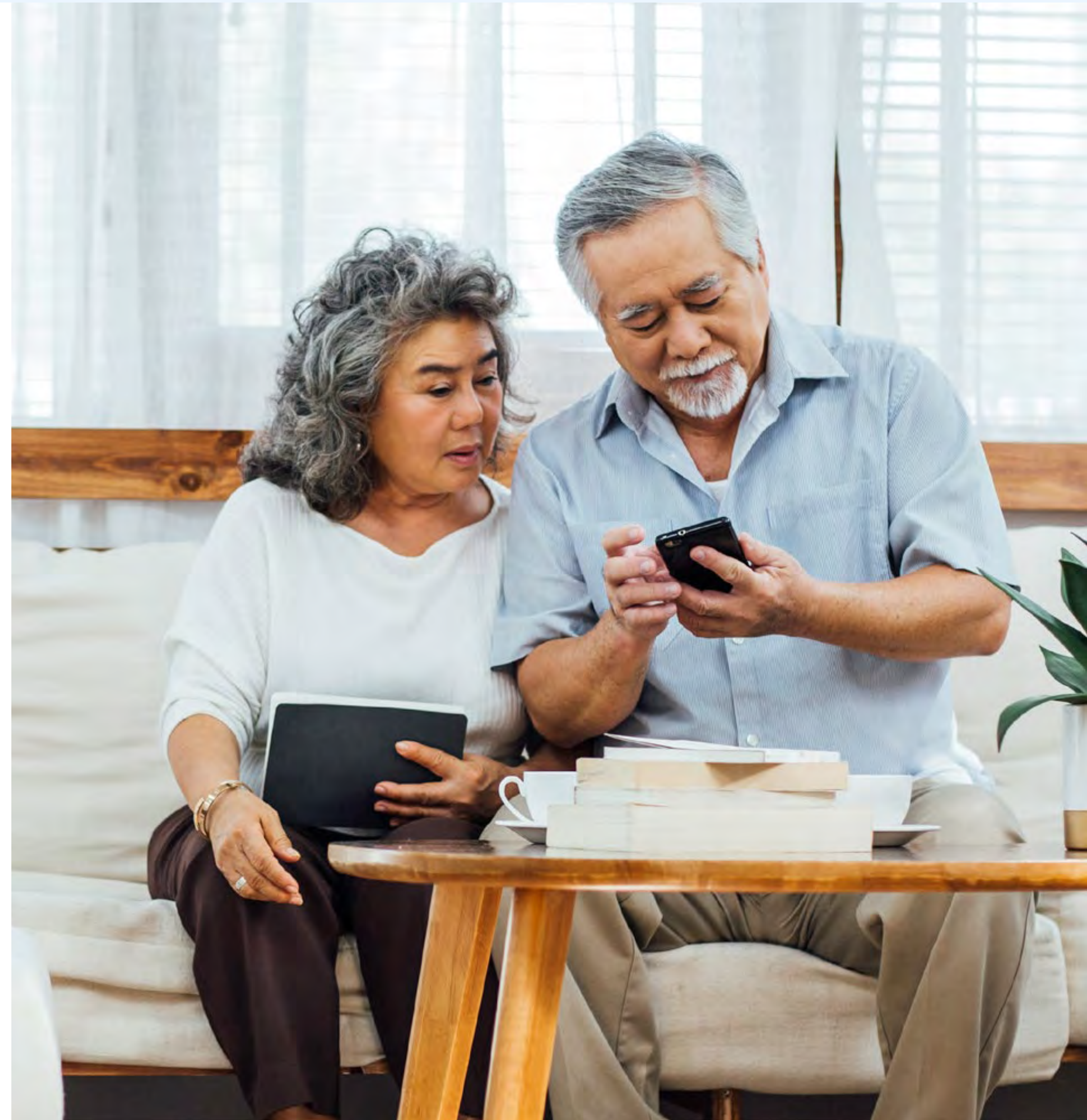
If you need financial help to afford a Medicare plan, you can learn about Medicare cost saving programs [here](#).



Get in touch

If you have any other questions, give us a call at **1-833-585-4789 (TTY: 711)** between 8 am and 8 pm. We're open Monday - Friday. Or email us at MedicareVIP@anthem.com.

You can also visit us online to learn more at anthem.com/ca/medicare.



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