aging wisdom®

Live Well ~ Care Well ~ Age Well

100 W. Harrison St., North Tower, Suite N410
Seattle, WA 98119
206.456.5155

Your experts in Aging Well in King and south Snohomish Counties

Learn more at www.AgingWisdom.com

Medicare: The basics



Medicare has a number of options. Understanding what each covers can help you plan with more confidence. Even if you feel healthy and active today, your Medicare choices still shape your future healthcare expenses, your care choices, and where you may want to age. Learn the basics to have a clearer picture of what is included and what you may need to plan for on your own.

Medicare is made up of several "parts." Each part covers a specific type of care.

- **Original Medicare** has two parts:
  - **Part A: hospital coverage.** Part A helps pay for hospital stays, skilled nursing care after a qualifying hospital stay, hospice services, and some home health care. Most people don't pay a premium for Part A because they contributed to Medicare during their working years.
  - **Part B: medical coverage.** Part B helps cover doctor visits, outpatient care, preventive screenings, lab tests, and durable medical equipment. Dental care, eye exams, and hearing aids are *not* usually covered. Nor is nonmedical long-term care. You pay a monthly premium for Part B, and the amount depends on your income.
- **Part D: prescription drugs.** Part D helps pay for prescription medications. You purchase it through a private insurer. Each plan has its own list of covered drugs (a "formulary"), along with a deductible and cost-sharing rules. Part D also covers many recommended adult vaccines and includes a fixed yearly limit on out-of-pocket spending for covered prescriptions. Buy a Part D plan when you join Medicare; if you enroll "late," you pay an ongoing penalty fee.
- **Medicare Advantage (Part C).** Medicare Advantage plans are offered by private insurers and usually combine Original Medicare with drug coverage. Many plans also offer dental, vision, hearing, and fitness benefits. These plans must provide at least the same coverage as Parts A and B, but your care is delivered through the plan's specific network of doctors and providers.
- **Medicare Supplemental Insurance (Medigap).** If you choose Original Medicare, you can also buy a Medigap plan from a private company to help cover deductibles, copays, and coinsurance. These plans make your yearly costs more predictable.

Need help choosing a plan? If you're unsure which Medicare option is right for you, you don't have to sort it out alone. Ask a State Health Insurance Assistance Program (SHIP) counselor to explain your choices and answer plan-specific questions. A wealth manager can help you see how Medicare fits into your long-term finances.



Aging Wisdom — Your Experts in Aging Well

206-456-5155

Aging Wisdom supports individuals and families in King and south Snohomish Counties as they plan for aging.

Learn more