

## Step 2: Decide which Part D drug plan best fits your needs.

### What is Medicare prescription drug coverage?

Medicare offers prescription drug coverage (Part D) for everyone with Medicare. This coverage may help you lower your prescription drug costs and help you protect against higher costs in the future. To get Medicare drug coverage, you must join a plan run by an insurance company or other private company approved by Medicare. It is best to get a drug plan comparison from [www.medicare.gov](http://www.medicare.gov) to ensure that your drugs are covered by the plan.

### When can I make changes to my coverage?

You can make changes to your Advantage Plan and/or Part D Plan between October 15 to December 7 each year. You can also switch your Medicare Advantage Plan January 1 - March 31 each year. Depending on your situation, there may be other times when you can change your Medicare health or prescription drug coverage.

### Need Help with Medicare Costs?

If your monthly income is less than \$2,006 and you have limited assets, you could be eligible for help with medical and prescription costs not covered by Medicare. Call SHIP at 800-452-4800 for the nearest Enrollment Center for more information and help with applications.

## What does Medicare cost?

### Medicare Part A - Hospital Insurance

You usually don't pay a monthly premium for Part A coverage if you or your spouse paid Medicare taxes while working. There is a deductible for Part A.

### Medicare Part B - Medical Insurance

Most people pay the standard Part B premium as well as an annual deductible and 20% co-insurance. Some people may pay a higher premium based on their income.

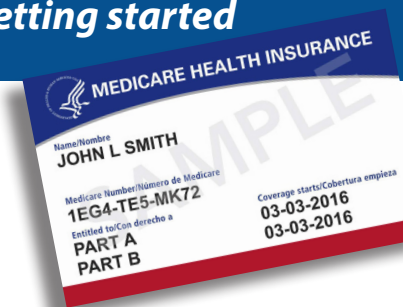
### Part D - Medicare Prescription Drug Plans

Each plan can vary in cost and drugs covered. If you join a Medicare drug plan, you usually pay a monthly premium as well as a deductible. If you decide not to join a Medicare drug plan when you are first eligible, you may pay a penalty if you choose to join later. If you have limited income and resources, you might qualify for Extra Help to pay your Part D costs. Plan costs and coverage change each year, so all people with Medicare should check to make sure their plan still meets their needs.



# NEW to Medicare?

*Your step-by-step guide to getting started*



## WE CAN HELP.



### SHIP

State Health Insurance  
Assistance Program

The State Health Insurance Assistance Program (SHIP) provides free, impartial health insurance information for people with Medicare.

(800) 452-4800  
TTY (866) 846-0139  
[www.medicare.in.gov](http://www.medicare.in.gov)

## Step 1: Decide if you will use Original Medicare with a supplemental insurance (Medigap) policy or a Medicare Advantage Plan.

### Original Medicare

Medicare is health insurance for people age 65 or older, under age 65 with certain disabilities, and any age with End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant).

Original Medicare provides Part A and Part B coverage. For some services, you will pay a deductible before Medicare pays its part. Then, when you get a Medicare-covered medical supply or service, Medicare pays its share of the cost of the supply or service, and you pay your share, called the coinsurance or a copayment. You can also join a Medicare Prescription Drug Plan to get Part D coverage.

### Medicare Part A

Medicare Part A helps cover inpatient care in hospitals. This includes critical access hospitals and inpatient rehabilitation facilities. It also helps cover hospice care and home health care, and skilled nursing facilities (not custodial or long-term care). You must meet certain conditions to get these benefits.

### Medicare Part B

Medicare Part B helps cover medically-necessary services like doctors' services, outpatient care, and other medical services. Part B also covers some preventive services.

### Medicare Supplement Plans

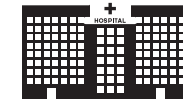
Medicare Supplement insurance is also called Medigap insurance because it covers the "gaps" in Medicare benefits, such as deductibles and copayments. Medicare Supplement insurance is a private health insurance policy purchased by a Medicare beneficiary. Only a Medicare Supplement policy, or a Medigap policy, will help fill gaps in Medicare benefits. Other kinds of insurance may help you pay out-of-pocket health care costs, but they do not qualify as true Medicare Supplement insurance. For example, an employer retirement health plan may pay for prescriptions, vision and dental services, but it may not pay for Medicare deductibles and copayments.

### Medicare Advantage Plans

Medicare Advantage Plans are health plan options that are approved by Medicare and run by private companies. These plans are part of Medicare, and are sometimes called "Part C" Plans. They provide all your Part A and Part B covered services. Medicare Advantage Plans may offer extra benefits and most include Medicare prescription drug coverage (usually for an extra cost). You may need a referral to see a specialist. In some plans, you can only see doctors who belong to the plan or go to certain hospitals to get covered services.

## Building the Best Plan for You

Original Medicare includes Part A and B.



**Part A**  
Hospital Insurance



**Part B**  
Medical Insurance



**You can add:**

**Part D**  
Medicare Prescription  
Drug Coverage



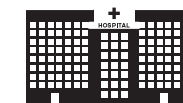
**You can also add:**

**Medigap**  
Medicare Supplement  
Insurance

(Medigap policies and Part D Plans help pay your out-of-pocket costs with Original Medicare and are available through private insurance companies.)

### Medicare Advantage (Part C)

These managed care plans are HMO's, PPO's, or PFFS's and include Part A and B services.



**Part A**  
Hospital Insurance



**Part B**  
Medical Insurance



**Part D**  
Medicare Prescription  
Drug Coverage

(Most Medicare Advantage plans cover prescription drugs. If yours doesn't, you will need other creditable drug coverage.)