MED

STEP-BY-

A guide to your benefits, choices and next steps

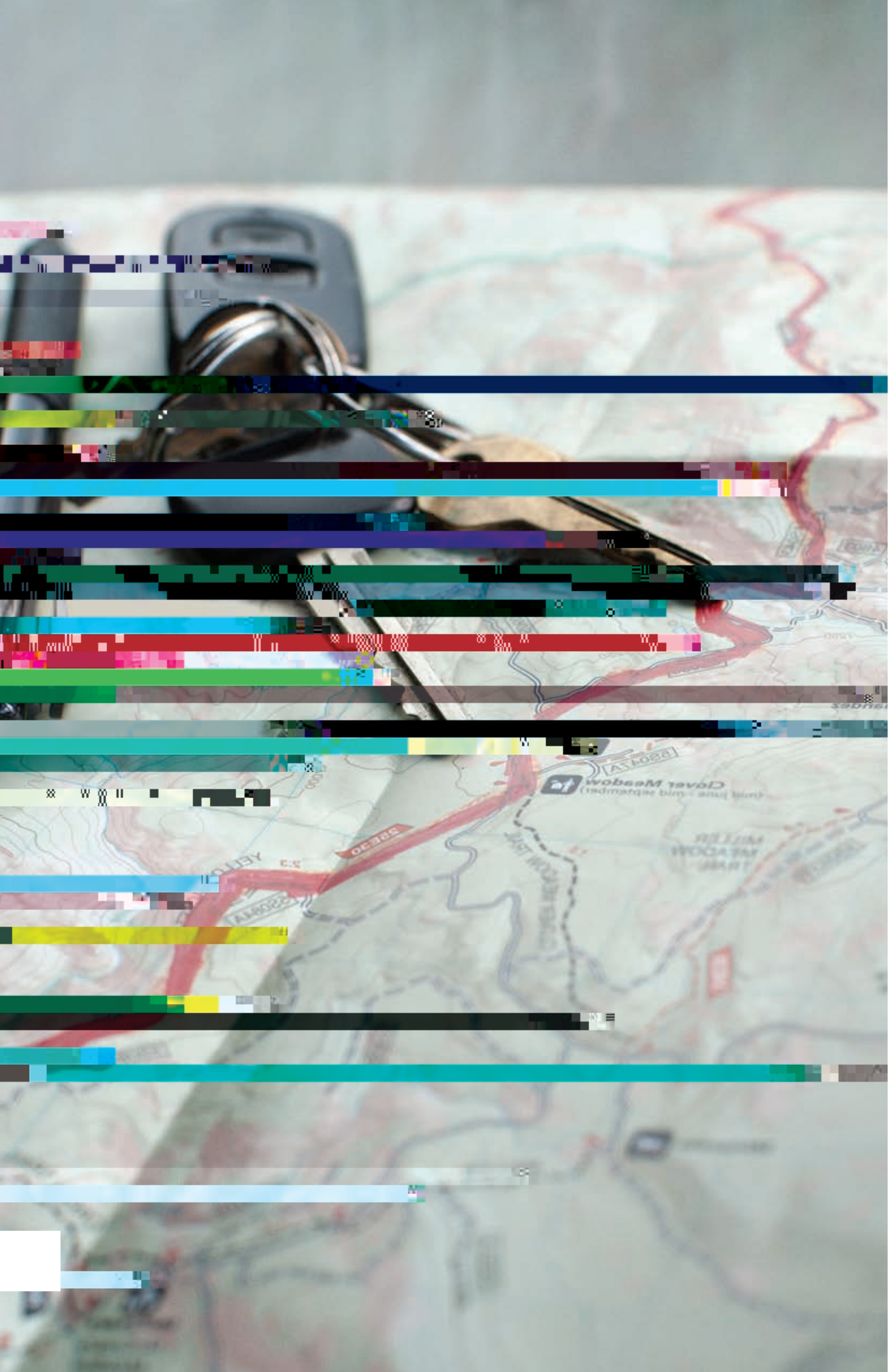
LIVE

Regence

The right Medicare choices start

If you're new to Medicare, you probably have lots of questions. Should you retire or keep working? Will Original Medicare be enough to pay for the high cost of health care? And what are your options?

We have answers. This booklet will help you understand the various Medicare choices available to you, and help you make Eu<</MC



What it helps cover:

- Services doctors provide in their of ces and in the hospital
- Services from other health care providers
- Outpatient care and home health care
- Durable medical equipment, like wheelchairs and walkers

What it doesn’t cover:

You must meet an annual deductible before Medicare begins to pay bene ts, and you must also pay a share of the cost for services.

Your share of the Part B costs in 2017:

- $183 deductible
- 20% of the Medicare-approved amount for covered services
- There’s no yearly limit on your out-of-pocket costs

What it costs:

You pay a monthly premium, which in 2017 starts at $134 and increases on a sliding scale based on income. People with annual incomes over $85,000 will pay more. The premium is usually taken out of your Social Security check.

[redacted] MS) lists
st doctors
ved rate.
oved rate,
ver the
tible and

If your employer has 20 or more employees, you can delay enrolling in Medicare Parts A and B as long as you are covered by your employer's group health insurance.

- The employer's insurance must cover doctor visits, outpatient services and have a prescription drug program that is considered creditable by Medicare.
- Once you retire or leave work, you will be entitled to a special enrollment period of up to 8 months to sign up for Parts A and B without incurring a late penalty.

If your employer has fewer than 20 employees, you may be required to sign up for Medicare Parts A and B when you turn 65—even if you are still working. Medicare would become your primary coverage, and your employer coverage would pay secondary to Medicare. This could leave you with higher out-of-pocket costs.

Consult your employer's bene t manager for more information. Or call us to discuss your speci c situation. Remember, if you work for an employer with fewer than 20 employees, there may be consequences if you don't enroll when you turn 65.

Step 2:

Explore Your Me

Because Original Medicare doesn't cover everything, most people choose additional coverage to help protect themselves from high medical costs. Optional coverage is offered by private insurance companies that contract with the federal government.

Medicare Part C–Medicare Advantage Plans

How it works:

Medicare Advantage plans combine Medicare Part A and Part B coverage into one plan offered by a private insurance company, so you get all your hospital and medical bene ts from one source. Most Medicare Advantage plans are either Health Maintenance Organization (HMO) plans or Preferred Provider Organization (PPO) plans.

What it covers:

You get all the bene ts of Original Medicare, and most plans also include Part D prescription drug coverage. They may also cover extra days in the hospital; dental, vision and hearing bene ts; tness program memberships; and other wellness bene ts. Bene ts, plan coverage areas and provider networks can vary widely.

What it costs:

To enroll in a Medicare Advantage plan, you must enroll in Parts A and B and pay your Part B premium. You may also pay a premium for the Medicare Advantage plan. You will pay a percentage of some costs, and can usually save money by using providers in the plan's network.

What's most important to you?

Coordinated care and cost savings

- Your primary care physician is your partner in health
- Typically lower premiums
- Affordable copays for doctor visits

An HMO plan may be right for you.

Flexibility and freedom of choice

- Access to in-network and out-of-network doctors
- No referrals necessary
- Coverage when you travel

A PPO plan may be right for you.

Medicare Part D–Prescription Dr

How it works:

Medicare Part D helps make prescription medicines affordable. Once you are entitled to Medicare Part A or enrolled in Part B, you can also enroll in a Medicare Part D plan. You can add a stand-alone Part D plan to Original Medicare bene ts or choose a Medicare Advantage plan that includes Part D coverage.

What it covers:

Bene ts vary by plan provider. Each drug plan has a list of drugs it covers, called a formulary, as well as different rules and costs. Here are Medicare's standard bene ts in 2017:

- Some drug plans have a yearly deductible.
- After that, Medicare pays 75% of costs up to $3,700.
- You pay a majority of costs between $3,700 and $4,950. This coverage gap is known as the donut hole.
- Medicare pays a majority of costs over $4,950.

Many plans offer richer bene ts, and most people never reach the donut hole.

What it costs:

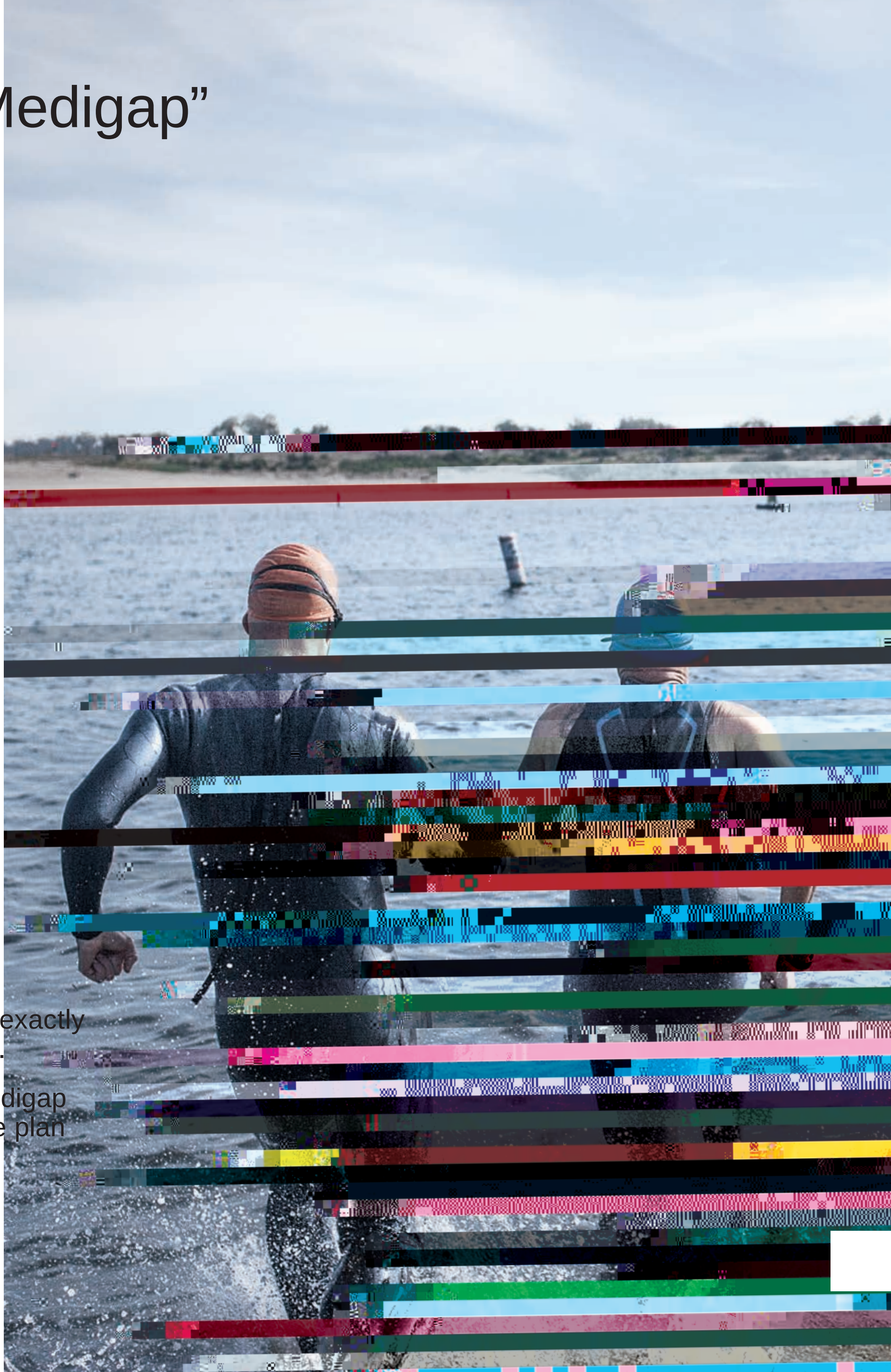
If you add a stand-alone Part D plan to Original Medicare, you will pay a monthly premium. Premiums vary by plan provider. If you choose a Medicare Advantage plan, Part D coverage may be included in your plan premium.

[redacted]

Medicare Supplement Plans–“Medigap”

How it works:

Medigap plans help “close the gaps” in Original Medicare by paying for some of the costs that Original Medicare doesn’t cover, like copays, coinsurance and deductibles. There are



No matter which insurance company you buy from, the plans are exactly the same. When you shop, focus on price, reputation and service.

If you have a Medicare Advantage plan, you can’t also have a Medigap policy. You would have to disenroll from your Medicare Advantage plan and return to Original Medicare before buying a Medigap policy.