FOR IMMEDIATE RELEASE

Frequently asked questions about Medicare

What is Medicare?
Medicare is health insurance for people 65 or older, people under 65 with certain disabilities and in some cases those with end-stage renal disease (ESRD). ESRD is permanent kidney failure requiring dialysis or a kidney transplant.

Do I have to pay for Original Medicare?
Typically you pay nothing for Medicare Part A (hospital insurance), but Medicare Part B (medical insurance) does have a premium.

When can I enroll in Medicare?
You have a seven-month period to enroll: the three months before, the month of, and the three months after your 65th birthday. This is called the Initial Enrollment Period.

What if I don’t enroll in Medicare Part B?
If you don’t sign up during your Initial Enrollment Period, a 10 percent penalty may be added to your premium — unless you have insurance through you or your spouse’s employer. In this case, you’d qualify for a Special Enrollment Period.

How serious is the penalty for not enrolling on time?
It’s sizable and grows over time with each 12-month period that you delay in enrolling in Medicare Part B. For example, if you delay enrolling for two years after your Initial Enrollment Period, the premium penalty would be 20 percent, and 10 percent more for every year you delay. And it stays in place for as long as you have Part B.

Can I continue to work and still enroll in Medicare?
Yes. At age 65, you are eligible for full Medicare benefits. If you or your spouse actively work and receive employer health insurance you can continue with that coverage for as long as you like. When you’re ready to move from your employer’s plan, you’ll qualify for a Special Enrollment Period to sign up for Medicare Part B. This period begins whenever your employer or union coverage ends, or when employment ends — whichever comes first. Be sure to elect Part B at that time to avoid the late enrollment penalty.

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Should I rely on Original Medicare alone for my health coverage?
The fact is Medicare doesn’t pay for everything. With Original Medicare only (Parts A and B),
you are responsible for paying all deductibles and coinsurance. You must also pay for any gaps
in coverage, including Part D prescription drug coverage, routine vision exams, emergency
services outside the U.S., and other services. Original Medicare has no limit on out-of-pocket
spending. One serious medical episode can mean thousands of dollars the patient has to pay.

How can I protect myself against Medicare’s coverage gaps and unlimited out-of-pocket expenses?
You can join a Medicare Advantage plan (Part C), OR you can add a Medicare Supplement
policy, which is also known as a Medigap policy. Medicare Advantage plans are generally HMO
and PPO plans that provide all the healthcare coverage you receive under Medicare, and may
include extra benefits like vision, eyewear, wellness education, and gym memberships. Out-of-
pocket spending (other than your monthly premium) is capped. Many Medicare Advantage plans
offer medical and drug coverage in one convenient plan. Medicare Supplement policies are
supplemental insurance plans that help fill Medicare’s gaps. Some plans have little or no out-of-
pocket costs for covered services (other than your monthly premium). In general, Medicare
Supplement plans do not include drug coverage.

Can I continue to see my doctor if I enroll in a Medicare Advantage plan?
In most cases, with Blue Cross of Idaho’s Medicare Advantage health insurance plans, you can
use the same doctors and hospitals you do right now thanks to our large provider network.

How comprehensive is the coverage of a Medicare Advantage plan?
Plans vary so make sure you examine and compare offerings carefully. Blue Cross of Idaho’s
True Blue HMO and Secure Blue PPO Medicare Advantage health insurance plans cover vision
and eyewear, as well as a free annual physical, preventive benefits like cancer screenings,
mammograms and more. You can also get your Part D prescription drug coverage and medical
coverage combined into a single plan, simplifying your paperwork and premiums.

Will a Medicare Advantage plan pay for my prescription drugs?
Many Medicare Advantage plans include coverage for prescription drugs. Extra help paying for
prescription drugs may be available if you have a low income and limited assets. Otherwise, you
can enroll in a Medicare Part D plan. Also known as Medicare Prescription Drug Coverage, Part
D is offered through private insurance plans as either a standalone prescription drug plan (PDP)
or a Medicare Advantage prescription drug plan (MA-PD) that combines medical and drug
coverage.

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How expensive are the premiums for a Medicare Advantage plan?
In addition to your Part B premium, you usually pay one monthly premium for the services included in a Medicare Advantage (Part C) plan. Part C plans vary from provider to provider, but Blue Cross of Idaho’s Medicare Advantage plans start at just $30 per month and offer low, fixed copays, only $10 to $15 for primary care visits. They also offer extras like vision, eyewear, fitness memberships and wellness education.

What if I already have a Medigap policy?
If you get your Medicare healthcare from Original Medicare, you may have a Medigap (Medicare supplement insurance) policy to pay the gaps in Original Medicare. Medigap policies only work with Original Medicare. You cannot buy a Medigap policy if you are in a Medicare Advantage plan.

When can I enroll in a Medicare Advantage plan?

What impact has healthcare reform had on Medicare?
There are two ways the Affordable Care Act affects Medicare Advantage, and both are good for members. You get coverage for preventive care, the same as people under 65, at no cost, and the “donut hole” — the coverage gap in Medicare Part D prescription drug coverage — is closing. Preventive-care coverage includes things like cancer screenings, aneurism screenings, bone-mass measurement, cardiovascular-disease screening, diabetes screening and self-management training, mammograms, and immunizations. The donut hole — where Medicare members pay more for prescription drugs once they reach the initial limit and before they get to the catastrophic limit — will gradually dissolve between now and 2020.

What impact does the Idaho Health Insurance Exchange have on Medicare?
The state-run health insurance exchange has no impact whatsoever on Medicare; if you’re on Medicare you don’t need to purchase insurance on the exchange.

Where can I learn more about Medicare?
Visit ssa.gov and medicare.gov for additional information about Original Medicare. You can also contact the Medicare experts at Blue Cross of Idaho, who can help you explore your options and choose the right plan for your needs. For more information call 888-492-2583 or TTY 800-377-1363 for the hearing impaired. We are available from 8 a.m. to 8 p.m. seven days a week. Or visit bcidaho.com/medicare.

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