

EVERYTHING YOU NEED TO KNOW ABOUT MEDICARE

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Scleroderma patients and their family members also need to be educated about Medicare as you begin to get closer to your retirement age. Many people find that this is an area of concern and with so much overwhelming information on the Internet to sort through.



Dividing Medicare into its Parts



Part A- Medicare is divided into parts. Part A, covers hospital services and fees. This portion of Medicare is free if you or your spouse paid Medicare payroll taxes for a minimum of ten years. For those who did not pay Medicare payroll taxes for at least ten years, a monthly premium of several hundred dollars can be paid for Part A coverage.

Part B- Medicare Part B covers outpatient services. For most people the monthly cost will average around \$134, or higher with this depending on income levels.

Part D- Medicare Part D covers prescription drug costs and the monthly costs will vary depending on which plan an individual selects. On average, Part D costs are estimated to be in the range of \$35 a month. In addition to the premium cost, an

individual can expect to pay co-payments, deductibles and other out-of-pocket costs. For more information about these costs you can go directly to <https://www.medicare.gov/>

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Medicare Supplement Insurance (Medigap)

Medigap supplemental insurance plans are offered by private insurance companies and help to cover deductibles, co-payments and other financial gaps that Medicare can often leave in coverage. Switching from one Medigap plan to another is allowed at any time but additional charges may apply and patients and family members could be denied coverage based on a change of health so it is best to consider this option carefully before changing any Medigap and having a conversation with the insurance carrier to determine what if any restrictions may apply in your coverage and fee schedule. Medigap policies are identified by a lettering system A-N. Each policy with the same letter must have the same basic benefits. The difference will be in the pricing structure. Plan F is a comprehensive coverage policy and has been found to be the most popular.



Medicare Advantage

Many patients and their family members will choose to sign up for the traditional Medicare, this being Parts A, B, and D and then selecting a supplemental Medigap policy that will meet their specific needs. For others who are looking for something different coverage, there is Medicare Advantage. This option provides medical and prescription drug coverage but it is provided through private insurance companies. When deciding on Medicare Advantage you need to understand that Part C of your Medicare Advantage coverage will have monthly fees associated with it. This will be in addition to the Part B premiums. The fee schedule will vary in scope based on the plan that you select to meet your health care needs. The difference with the enrollment process will be that you will not be signing up for Part D with the Medicare Advantage and you will not be needed a Medigap policy. Similar to the Straight Medicare, the Medicare Advantage will be subject to co-payment, deductibles and out of pocket costs. The total cost of the Medicare Advantage can be lower than that of the traditional Medicare and this is one reason some people will decide to sign up for Medicare Advantage, there can be increased out of the pocket costs and the network you can select from may be narrower.

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The right time to sign up

Eligibility for Medicare begins when an individual turns 65. For those who are already taking Social Security benefits they will be automatically enrolled in Part A and Part B. Individuals have the ability to deny Part B since it comes with a scheduled fee every month. If the fee is accepted, those monthly premiums will be deducted from your Social Security check if an individual is claiming benefits.



If you are a scleroderma patient or a loved one of a scleroderma patient who has not yet started receiving your Social Security benefits, you will need to sign up for both Medicare Part A and Part B. There is a seven month enrollment period and this begins three months before the month you turn 65 and ends three months after your birthday month. Mark your calendars with these dates, check the <https://www.medicare.gov/> website for accuracy of the dates and updated information to assure you do not miss important deadlines.

Important things to know and dates not to miss

- ✓ Signing up for Medicare can be overwhelming and frustrating enough so it is critical that you check and recheck the current deadlines and dates to make sure that you do not miss them. There are certain enrollment times that are going to be important for you to know and they will be relevant for your health care needs so you do not have any lapse in treatments and care.
- ✓ There is the seven month enrollment time mentioned in the above paragraph. Should that timing not work for you or if you miss that deadline, there is no reason to panic or have concern, there will be other opportunities for you and your loved ones to sign up for Medicare and Medicare Advantage.
- ✓ Part B has a general enrollment period traditionally that runs from January 1 to March 31 for those scleroderma patients who are not working or who are not covered under a spouse's insurance. This is another opportunity for you to secure your coverage. Actual coverage would then begin on July 1 of the given calendar year. An important note to this is that you will have to pay a 10% penalty for life for every 12 month period that you not sign up for Part B so it is very important that there are limited delays in the signing up process.

ACT NOW!

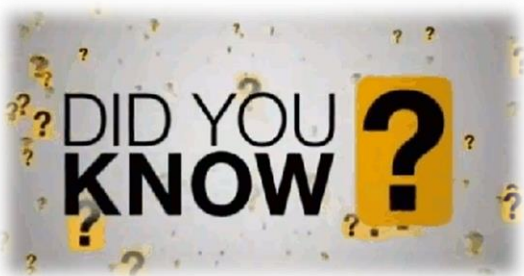
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- ✓ For those scleroderma patients and their loved ones who are covered under an employer's insurance plan, you can sign up later without penalty charges being assessed. Sign up will during a special enrollment period which last for a total of eight months after you lose that employer's coverage. This loss includes through COBRA or retirement. If you miss a special enrollment period then you will have to sign up during a general enrollment period. General enrollment traditionally runs from October 15 to December 7.
- ✓ Check the website <https://www.medicare.gov/> to make sure you meet the qualifications before making the decision to delay signing up for Medicare to avoid any potential penalties and for more information about general enrollment dates.

Drug coverage under the Medicaid plan

For a scleroderma patient, drug coverage can be very important and for your loved ones it can equally valuable. Knowing how to obtain coverage through the Medicare plan can be beneficial and can help make the enrollment experience less stressful.

If you are currently eligible for Medicare Plan A or enrolled in Part B, you will qualify for Part D, prescription drug coverage. It is important that you do enroll for the drug coverage immediately because if you wait you could be subject to penalties and fees. The exceptions to these penalties and fees are for those who have other documented drug coverage from reputable insurance companies or one of the pre-approved private companies that Medicare works with. You can also use the Extra Help services.



Knowing how Part D works

Medicare Part D covers prescription costs and is contracted out through private companies often call Prescription Drug Plan Sponsors, PSPS's or Medicare

Advantage Drug Plan Sponsors, MA-PD's. As a recipient of Medicare scleroderma patients and their loved ones are able to purchase Part D benefits from a known PDP in the community you reside in.

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Medicare Part C

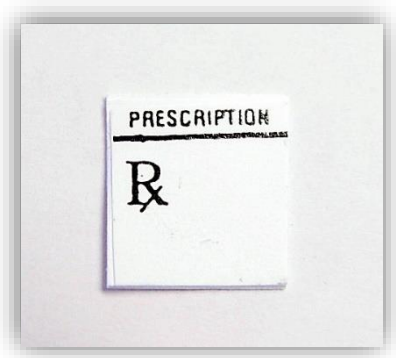
Medicare Part C is provided by private companies that have been approved by Medicare. These are usually like a HMO or a PPO policy. Scleroderma patients and their loved ones who have Medicare Part C and elect to have a Medicare Advantage Plan must have Part A, hospital coverage and Part B, medical coverage in order to sign up for a Medicare Advantage Plan.

You will need to research these types of plan to determine whether Part D, prescription coverage will be covered. Noteworthy under this type of plan is the fact that the Medicare Advantage Plans can charge different out-of-pocket costs and they often have distinctive rules. It is advisable to do research prior to signing up for a Medicare Advantage Plan to substantiate the decision.



Formularies and tiers

Scleroderma patients and their loved ones who have signed up for a Medicare drug plan will learn that every plan has a list of drugs that are covered. This list is commonly referred to as a formulary. Formularies are the lists that your insurance provider creates to include generic and brand named drugs.



When making the decision on coverage options for you and your loved ones, it is a good choice to look into the formularies and tiers to see if they cover your current medications.

Tiers are defined as the methods in which the formulary is divided. Each list will be tiered based on the amount a scleroderma patient or their loved one will be responsible for paying. Tier 2 will have the desired brand name medications, while Tier 3 will include the non-desired brand name medications.