



Understanding the Four Parts of Medicare:

Medicare Part A

July 6, 2016

Medicare is government provided health insurance for individuals age 65 and older, under age 65 with certain disabilities, such as End-Stage Renal Disease (permanent kidney failure requiring dialysis or a kidney transplant). Medicare is divided into four distinct parts. Understanding how it all works may not seem so simple... or is it?

What is Medicare Part A?

Medicare Part A, simply put, is the *Hospital Insurance* portion. The following will give you a basic understanding of Medicare Part A so you can begin making the right decisions for you and your family.

First things first. Who is eligible for Medicare Part A?

You are eligible for any of the four parts of Medicare beginning the first day of the month you turn 65. Happy Birthday! Even so, it is important to enroll prior to turning age 65. You can enroll for Part A in the 3 months *prior* to turning 65, up to the 3 months following your 65th birthday. Enrolling outside of the allotted times may result in penalties. You will not have to re-enroll after this first enrollment, but you will have a chance each year to review your coverage and make changes.

Eligibility

You are eligible for Medicare if:

- 1** You are 65 years old, or are otherwise eligible because of a qualifying disability and
- 2** You are a US citizen or are a legal resident
- 3** You are under age 65 and you qualify on the basis of disability or you have End Stage Renal Disease

Note: You may also be able to join Medicare without paying Medicare/Social Security taxes for 10 years but you will have to pay an additional premium

Next: Do you need to apply?

You will receive Part A (*as well as Part B*) if:

- You're already getting benefits from Social Security or the Railroad Retirement Board (RRB), benefits begin the first day of the month you turn 65. If your birthday falls on the first day of the month, it will begin the first day of the prior month.
- You're under 65 and disabled (after you have received disability benefits from Social Security for 24 months or certain disability benefits from the RRB for 24 months).
- You have been diagnosed with ALS (Lou Gehrig's disease). Medicare begins the month your disability benefits begin.

You need to apply if: 1. You must pay partial premiums for Part A, or
2. You have End-Stage Renal Disease (ESRD).

- If you must to pay into Part A, you may also enroll in Medicare Part B and pay monthly premiums for both. Contact Social Security 3 months before your 65th birthday or apply online at www.socialsecurity.gov/retirement.
- If you have ESRD, contact Social Security to find out when and how to sign up. A helpful brochure called "Medicare Coverage of Kidney Dialysis & Kidney Transplant Services" is available for you online at www.medicare.gov/publications.

How much does Part A cost?

Most people are eligible to enroll in Medicare Part A without paying a premium.

You do not pay a monthly premium for Medicare Part A coverage if you or your spouse paid Medicare taxes while you worked and you worked the satisfactory 40 quarter-year segments that entitle you to Social Security benefits. This is called "premium-free Part A." If you aren't eligible for "premium-free Part A," there is a sliding scale with a maximum of \$411 each month. The good news is, most people receive premium-free Part A.

Traditional Medicare does not pay for deductibles, coinsurance, and copayments, even if it covers a service or item.

What does Part A cover and not cover?

It covers the following services:

- **Inpatient care in participating hospitals**
- **In-hospital laboratory tests, operations, doctor visits, and supplies considered medically necessary**
- **Blood** – if blood comes from a blood bank at no charge, you won't have to pay for it. If the hospital has to buy blood for you, you pay the hospital costs for the first 3 units per calendar year. Or you can have the blood donated by you or someone else.
- **Skilled nursing facility care** (not custodial or long-term care)
- **Hospice care**

- **Home health care** – Medicare covers medically necessary part-time or intermittent skilled nursing care, physical therapy, speech-language pathology services, and/or services needed for continuing occupational therapy.

Physician services or charges are not covered. That's Medicare Part B.

Medicare Part A is a great benefit for our elderly, especially for those who can enroll without premiums. To get the most from Medicare and your healthcare dollars, carefully evaluate the costs and benefits of all of your plan options. If you have questions, our licensed insurance agents can answer your Medicare questions or discuss a Medicare plan option that may be right for you.

Coming soon...Medicare Part B