



**KHA** Kansas Hospital  
ASSOCIATION

The Kansas Hospital Association offers this quick guide to Medicare coverage. Patients who have reached Medicare age may be unsure of what coverage options will best suit their health and budget. Too often, patients are unaware of limits and costs associated with original Medicare or Medicare Advantage plans. This quick guide will help as you assist your patients in the new enrollment process or if they wish to switch plans.

## Understand and Review the Differences Between the Medicare Options

### For more information

To speak to a trained Senior Health Insurance Counselor for Kansas at no charge, please call: (800) 860-5260 or go to <https://www.kdads.ks.gov/shick>



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## ORIGINAL MEDICARE OPTIONS

(this plan is managed by the federal government with the exception of the Medigap, the supplemental Medicare insurance)

*Please note: All 65 year olds are INITIALLY required to have Medicare Part A even if they opt out in the future and select a Medicare Advantage policy.*

**Medicare Part A** is hospital insurance that covers:

- Inpatient hospital care
- Qualified short-term stay in skilled nursing facilities
- Home health care
- Hospice care

*\*Part A is premium-free for most individuals.*

**Medicare Part B** is medical insurance that covers:

- Doctor's office visits
- Outpatient hospital care
- Lab tests
- Certain medical equipment and supplies

*\*Part B is optional insurance.*

*\*Most individuals pay a monthly premium for Part B.*

### Medigap: A Medicare Supplemental Insurance

- Private health insurance that helps pay beneficiaries' share of cost in Original Medicare.
- A person generally must have Medicare Part A and B to purchase a Medigap policy.

## PRESCRIPTION DRUG PLAN PART D

(this plan is managed by private insurance)

*Please note: Prescription Drug Plans may be purchased under the following guidelines if:*

- You are enrolled in the Original Medicare Option; or
- Your Medicare Advantage plan does not offer a prescription drug plan.

### Prescription Drug Coverage:

- Insurance covering generic and brand-name prescriptions.
- Enrolling in a Part D Drug plan is voluntary. Part D is a stand-alone plan that offers only prescription drug benefits. A decision not to enroll in a Part D drug plan during an available enrollment period may result in late enrollment penalties.

*\*Many individuals will pay a monthly premium for a Prescription Drug Plan Part D.*

## MEDICARE ADVANTAGE OPTIONS

(this plan is managed by private insurance)

### Medicare Advantage Plans (Part C)

- Combines Part A and Part B services (ie HMO, PPO, etc).
- Many of these plans also offer prescription drug coverage.
- Many types of plans are available.

### Medicare Savings Program

- Helps pay Medicare premiums, deductibles, co-pays for individuals with limited income and resources.

### Please Note

**IF** you opt for a Medicare Advantage C plan you **FORFEIT** the Original Medicare A & B Plan which is managed by the federal government.

## ENROLLMENT TIME FRAMES

### When may I initially enroll in Medicare?

The initial enrollment period starts three months before you turn 65 and ends three months after the month you turn 65.

### When may I switch Medicare plans?

You may switch during two periods each year - the General Yearly Enrollment Period which is Oct. 15 - Dec. 7 and the Yearly Open Enrollment Period which is Jan. 1 - March 31. Please see [Medicare handbook](#) for exceptions and details.

### May I switch outside of the annual enrollment periods?

Yes. This is called a Special Enrollment Period and only qualifies in specific circumstances, such as those who work beyond age 65 and who have continued health insurance coverage through an employer. Please see the [Medicare handbook](#) for other special circumstances.

### Please Note

If patient enrolls in a Medicare Advantage plan during the initial enrollment period, the patient may change to another Medicare Advantage Plan or go back to Original Medicare within the first 12 months of having Medicare.

## THINGS TO KNOW REGARDING ORIGINAL MEDICARE

### Financial Penalties

Financial penalties may be applied to Medicare eligible beneficiaries who:

- disenroll in original Medicare.
- do not initially enroll in Medicare Part B.
- initially enroll or disenroll in a supplemental benefit. Late enrollment penalties may be added to the monthly premium for individuals who do not have existing creditable coverage if they decide to re-enroll or enroll late.

Medigap insurance may become more expensive over time as the number of policy holders declines.

### Guaranteed Issue Rights

All people with Medicare have a six-month Medigap open enrollment period during the first six months a person is enrolled in Medicare Part B. Past health history may not be considered during this time. However, if the beneficiary waits after this time period or tries to re-enroll from a Medicare Advantage back to original Medicare, they may be refused coverage if they do not meet the payer's insurability requirements.

A Medigap policy does not work with a Medicare Advantage plan. It can't be used to pay Medicare Advantage plan copayments, deductibles and premiums. If you have a Medigap policy and join a Medicare Advantage plan, you may want to drop your Medigap plan; however, if you do cancel your Medigap policy, you might not be able to get it back.

## THINGS TO KNOW REGARDING MEDICARE ADVANTAGE

### Medicare Advantage Plan Rules

- Enrollees in Medicare Advantage plans must follow the rules of the Medicare Advantage plan to receive coverage, ie: network providers, referrals to see specialists, prior authorization requirements.
- Lock-In: Once an enrollment choice is effective, most beneficiaries are 'locked-in' to their selected plan for the remainder of the plan year.
- Out-of-Pocket Costs: Medicare Advantage plans set their own cost structure and hidden costs may appear in fine print. Some enrollees face surprise out-of-pocket costs when unexpected illnesses occur.
- Beneficiary Liability for Cost-Sharing: Medicare Advantage plan members must be prepared to cover the plan's out-of-pocket costs with their own income. Thus, it is critical for people to examine a Medicare Advantage plans contract structure.

### Trial Right

You get one year to see if a Medicare Advantage plan is right for you. If you're dissatisfied before the year is over, you can switch to original Medicare and buy a Medicare Supplement insurance plan, also known as a Medigap plan, without medical underwriting. You also might be able to buy a Medicare Part D Prescription Drug Plan.

### How can a Medicare beneficiary disenroll from a Medicare Advantage plan?

- By enrolling in another plan.
- By sending or faxing a signed written notice to the Medicare Advantage organization.
- By requesting disenrollment online to the Medicare Advantage organization.
- By calling 1-800-MEDICARE.

Source: [Medicare Handbook 2022](#)