

# What is Medicare?

Compiled by AAF from the Medicare Website: [www.medicare.gov](http://www.medicare.gov)

Medicare is a Health Insurance Program for:

- People 65 years of age and older.
- Some people with disabilities under age 65.
- People with End-Stage Renal Disease (permanent kidney failure requiring dialysis or a transplant).

Medicare has Two Parts:

- **Part A (Hospital Insurance)**

Most people do not have to pay for Part A.

- **Part B (Medical Insurance)**

Most people pay monthly for Part B.

## Part A (Hospital Insurance)

### Helps Pay For:

Care in hospitals as an inpatient, critical access hospitals (small facilities that give limited outpatient inpatient services to people in rural areas), skilled nursing facilities, hospice care, and some home health care. Information about your coverage under Medicare Part A can be found in the Your Medicare Coverage ([www.medicare.gov/Coverage/Home.asp](http://www.medicare.gov/Coverage/Home.asp)) database.

### Cost:

Most people get Part A automatically when they turn age 65. They do not have to pay a monthly payment called a premium for Part A because they or a spouse paid Medicare taxes while they were working.

If you (or your spouse) did not pay Medicare taxes while you worked and you are age 65 or older, you still may be able to buy Part A. If you are not sure you have Part A, look on your red, white, and blue Medicare card. It will show "Hospital Part A" on the lower left corner of the card. You can also call the Social Security Administration toll free at 1-800- 772-1213 or call your local Social Security office for more information about buying Part A. If you get benefits from the Railroad Retirement Board, call your local RRB office or 1-800-808-0772.

### For More Information About Medicare Part A Coverage:

Visit the Your Medicare Coverage ([www.medicare.gov/Coverage/Home.asp](http://www.medicare.gov/Coverage/Home.asp)) database.

Call your Fiscal Intermediary about Part A bills and services. The phone number for the Fiscal

Intermediary in your area can be found in the Helpful Contacts ([www.medicare.gov/Contacts/home.asp](http://www.medicare.gov/Contacts/home.asp)) section.

## Part B (Medical Insurance)

### Helps Pay For:

Doctors' services, outpatient hospital care, and some other medical services that Part A does not cover, such as the services of physical and occupational therapists, and some home health care. Part B helps pay for these covered services and supplies when they are medically necessary. Information about your coverage under Medicare Part B can be found in the Your Medicare Coverage ([www.medicare.gov/Coverage/Home.asp](http://www.medicare.gov/Coverage/Home.asp)) database.

### Cost:

You pay the Medicare Part B premium of \$58.70 per month in 2003. This amount may change January 1, 2003. In some cases this amount may be higher if you did not choose Part B when you first became eligible at age 65. The cost of Part B may go up 10% for each 12-month period that you could have had Part B but did not sign up for *it*, except in special cases. You will have to pay this extra 10% for the rest of your life.

Enrolling in part B is your choice. You can sign up for Part B anytime during a 7-month period that begins 3 months before you turn 65. Visit your local Social Security office, or call the Social Security Administration at 1-800-772-1213 to sign up. If you choose to have Part B, the premium is usually taken out of your monthly Social Security, Railroad Retirement, or Civil Service Retirement payment. *If* you do not get any of the above payments, Medicare sends you a bill for your part B premium every 3 months. You should get your Medicare premium *bill* by the 10th of the month. If you do not get your bill by the 10th, call the Social Security Administration at 1-800-772-1213, or your *local* Social Security office. If you get benefits from the Railroad Retirement Board, call your local RRB office or 1-800-808-0772.

### For More Information About Medicare Part B Coverage:

Visit the Your Medicare Coverage ([www.medicare.gov/Coverage/Home.asp](http://www.medicare.gov/Coverage/Home.asp)) database.

Call your Medicare Carrier about bills and services. The phone number for the Medicare Carrier in your area can be found in the Helpful Contacts ([www.medicare.gov/Contact/home.asp](http://www.medicare.gov/Contact/home.asp)) section.

You may have choices in how you get your health care including the Original Medicare Plan, Medicare Managed Care Plans (like HMOs), and Medicare Private Fee-for-Service Plans.

### Who is Eligible for Medicare?

Generally, you are eligible for Medicare if you or your spouse worked for at least 10 years in Medicare covered employment and you are 65 years old and a citizen or permanent resident of the United States. You might also qualify for coverage if you are a younger person with a disability or with End-Stage Renal disease (permanent kidney failure requiring dialysis or transplant).

Here are some simple guidelines. You can get Part A at age 65 without having to pay premiums if:

- You are already receiving retirement benefits from Social Security or the Railroad Retirement Board.
- You are eligible to receive Social Security or Railroad benefits but have not yet filed for them.
- You or your spouse had Medicare-covered government employment.

If you are under 65, you can get Part A without having to pay premiums if:

- You have received Social Security or Railroad Retirement Board disability benefit for 24 months.
- You are a kidney dialysis or kidney transplant patient.

While you do not have to pay a premium for Part A if you meet one of those conditions, you must pay for Part B if you want it. The Part B monthly premium in 2003 is \$58.70. It is deducted from your Social Security, Railroad Retirement, or Civil Service Retirement check. If you do not get any of the above payments, Medicare sends you a bill for your Part B premium every 3 months.

If you have questions about your eligibility for Medicare Part A or Part B, or if you want to apply for Medicare, call the Social Security Administration. The toll-free telephone number is: 1-800-772-1213. The TTY- TDD number for the hearing and speech impaired is 1-800-325-0778. You can also get information about buying Part A as well as part B if you do not qualify for premium-free part A.

### **How to File a Claim**

If you are in the Original Medicare Plan, providers (e.g., hospitals, skilled nursing facilities, home health agencies, and physicians) and suppliers are required by law to file Medicare claims for covered services and supplies that you receive. You should not need to file any Medicare claims. Medicare claims must be filed within one full calendar year following the year in which the services were provided. For example, if you see your physician on March 22, 2001, the Medicare claim for that visit must be filed by December 31, 2002.

### **Is your pharmacy or supplier enrolled in Medicare?**

If the answer is no, you will be responsible for the entire bill for any drugs or supplies purchased.

**Note:** This information on filing a Medicare claim only applies if you are in the Original Medicare Plan. If you get your Medicare health care through a managed care plan (like an HMO) or a Private Fee-for-Service Plan, Medicare claims are not filed. Medicare pays these private insurance companies a set amount every month. Therefore, they do not need to file Medicare claims.

### **My Provider or Supplier Accepts Medicare Assignment**

You pay your share of the bill (coinsurance and deductibles) to the provider or supplier. The provider or supplier files a Medicare claim. Medicare pays its share of the bill directly to the provider or supplier.

### **My Physician or Supplier Does Not Accept Medicare Assignment**

**Note:** Only physicians and suppliers can decide not to accept assignment.

If your physician or supplier does not accept assignment for covered services, your physician or supplier may require that you pay most or all of the bill at the time you receive services or supplies. However, the physician or supplier is still required to file a Medicare claim on your behalf. Medicare then pays its share of the bill directly to you.

Medicare cannot pay you its share of the bill until a Medicare claim is filed. You should take the following steps if your doctor or supplier does not file the Medicare claim in a timely manner.

**Step 1 -Contact Your Physician or Supplier:** Call your physician or supplier directly and ask the physician or supplier to file a Medicare claim.

**Step 2- Contact Your Local Medicare Carrier:** If your physician or supplier still does not file a Medicare claim after you have called and asked, you should call your local Medicare Carrier. The Medicare Carrier phone number can be found in our Helpful Contacts ([www.medicare.gov/Contacts/home.asp](http://www.medicare.gov/Contacts/home.asp)) section of this web site. Your local Medicare Carrier will contact the physician or supplier on your behalf to make the physician or supplier aware of the responsibility for filing a Medicare claim. Also ask the Medicare Carrier for the exact time limit for filing a Medicare claim for the service or supply that you received.

**IMPORTANT:** There is a time limit for filing a Medicare claim. If a claim is not filed within this time limit, Medicare cannot pay you its share. The time limit may be as short as 15 months or as long as 27 months depending on when you received the service or supply. It is important that you ask the Medicare Carrier what the time limit is for filing your claim.

**Step 3- When You Should File a Claim:** You should only need to file a Medicare claim in very rare situations. You should contact your local Medicare Carrier and ask for the forms to file a Medicare claim yourself when:

- you have completed steps 1 and 2 above; AND
- the physician or supplier still has not filed the Medicare claim; AND
- it is close to the time limit for filing your Medicare claim. (For example, if your time limit is 15 months, you should consider filing a Medicare claim if the physician or supplier has not filed the Medicare claim 12 months after you received the service or supply).

To file a Medicare claim yourself, call your local Medicare Carrier and ask for the proper form for a Medicare beneficiary to file a claim. Your Medicare Carrier can also answer your questions about how to complete the claim form.

### **Medicare Summary Notice (MSN)**

The Medicare Summary Notice is an easy-to-read, monthly statement that clearly lists your health insurance claims information. It replaces the Explanation of Your Medicare Part B Benefits (EOMB), the Medicare Benefit Notice (Part A), the Explanation of Medicare Benefits (Part A) and Benefit Denial letters.

The MSN lists all the services or supplies that were billed to Medicare for a 30-day period of time. It is important to check this notice to be sure you got all the services, medical supplies, or equipment that providers billed to Medicare. If you have any questions, call the phone number listed in the Customer Service Information box on the front of the MSN. If you disagree with a claims decision, you have the right to file an appeal. Follow the instructions on the MSN to file an appeal. Appeal forms can be downloaded from the following Medicare website [www.medicare.gov/Basics/forms/default.asp](http://www.medicare.gov/Basics/forms/default.asp)

### **Medicare Appeals and Grievances**

#### **Your Medicare Appeal Rights:**

You have the right to appeal any decision about your Medicare services. This is true whether you are in the Original Medicare Plan or a Medicare managed care plan. If Medicare does not pay for an item or service you have been given, or if you are not given an item or service you think you should get, you can appeal.

### **Appeal Rights Under the Original Medicare Plan:**

If you are enrolled in the Original Medicare Plan, you can file an appeal if you think Medicare should have paid for, or did not pay enough for, an item or service you received. If you file an appeal, ask your doctor or provider for any information related to the bill that might help your case. Your appeal rights are on the back of the Explanation of Medicare Benefits or Medicare Summary Notice that is mailed to you from a company that handles bills for Medicare. The notice will also tell you why your bill was not paid and what appeal steps you can take.

### **Appeal Rights Under Medicare Managed Care Plans:**

If you are in a Medicare managed care plan, you can file an appeal if your plan will not pay for, does not allow, or stops a service that you think should be covered or provided. If you think your health could be seriously harmed by waiting for a decision about a service, ask the plan for a fast decision. The plan must answer you within 72 hours.

The Medicare managed care plan must tell you in writing how to appeal. After you file an appeal, the plan will review its decision. Then, if your plan does not decide in your favor, the appeal is reviewed by an independent organization that works for Medicare, not for the plan. See your plan's membership materials or contact your plan for details about your Medicare appeal rights.

If you have concerns or problems with your plan, which are not about payment or service requests, you have a right to file a complaint. For example, if you believe your plan's hours of operation should be different, you can file a complaint.

### **You are protected when you are in the hospital:**

This is true whether you are in the Original Medicare Plan or a Medicare managed care plan. If you are admitted to a Medicare participating hospital, you should be given a copy of An Important Message From Medicare. It explains your rights as a hospital patient. If you are not given one, ask for it.

#### **The Message tells you:**

- You have the right to get all of the hospital care that you need, and any follow-up care after you leave the hospital.
- What to do if you think the hospital is making you leave too soon.

If you have questions about this, call the Quality Improvement Organization (QIO). Their number is on the message. You may be able to stay in the hospital at no charge while they review your case. The hospital cannot force you to leave before the QIO makes a decision.

