

The Medicare Alphabet

It's important to learn about the individual parts of Medicare before trying to understand how they relate to and work with each other. The chart below outlines the features of Original Medicare (Parts A and B), Medicare Advantage (Part C) and Medicare prescription drug coverage (Part D).



Part A: Hospital Insurance

- **What does it cover?** Inpatient care in hospitals, skilled nursing facilities or hospice, and some home health care.
- **How do individuals enroll?** Many people automatically get Part A when they become eligible for Medicare at age 65. Those who do not automatically qualify for Part A coverage may be able to enroll and pay a premium.
- **How much does it cost?** Most people are eligible for Part A at no monthly premium because they or a spouse paid Medicare taxes while working in the U.S. Others may be able to enroll in Part A for a monthly premium. Additional costs include deductibles and copayments.



Part B: Medical Insurance

- **What does it cover?** Medically necessary services like doctors' services, outpatient care, durable medical equipment and some preventive services.
- **How do individuals enroll?** Many people automatically get Part B, which is a voluntary program that usually requires payment of a monthly premium.
- **How much does it cost?** The cost of the Part B premium varies according to income and can change from year to year. Most people pay the standard premium amount, which is \$99.90 per month in 2012. Those who do not sign up for Part B when they are first eligible may have to pay a penalty on their premium. Additional costs include deductibles and copayments.



Part C: Medicare Advantage

- **What does it cover?** All Part A and Part B services. Additional services such as vision and dental care are often covered. Many plans also include Part D prescription drug coverage.
- **How do individuals enroll?** Part C – or Medicare Advantage, as it is often called – is offered by private companies approved by Medicare. Beneficiaries can choose to enroll in a Medicare Advantage plan when they first become eligible for Medicare or annually during the Open Enrollment Period.
- **How much does it cost?** The cost of Part C varies by plan and can change from year to year.



Part D: Prescription Drug Coverage

- **What does it cover?** Brand-name and generic prescription drugs. Part D also provides protection for people with high drug costs or from unexpected future prescription drug bills.
- **How do individuals enroll?** Part D plans are offered by private companies approved by Medicare. Beneficiaries can choose to enroll in Part D when they first become eligible for Medicare or annually during the Open Enrollment Period in the fall. Those who do not sign up for Part D when they are first eligible may have to pay a penalty on their premium if they choose to enroll later.
- **How much does it cost?** The cost of Part D varies by plan and can change from year to year.

To learn more about the ABCs of Medicare, visit www.Medicare.gov or the Understanding Medicare section of MedicareMadeClear.com.

To arrange an interview with an expert who can discuss the basics of Medicare, please contact Sarah Bearce, UnitedHealthcare, 952-931-4732, Sarah_Bearce@uhc.com.

