

# 2012 Medicare

29th Edition



What you need to know about Medicare in simple, practical terms.

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## Published By

Social Security and Medicare Information Services  
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462 South Fourth Street  
Suite 1100  
Louisville, Kentucky 40202-3431  
Telephone 502-561-4541

This booklet is revised annually.  
©December 2011, Mercer LLC

You can enroll in Part B during an SEP at any time while still covered under the group plan based on current employment or up to eight months after such coverage ends. If you enroll during the first month of the eight-month period, your coverage can be effective the first day of that month. If you enroll in one of the remaining seven months, your coverage cannot be effective until the first day of the month following the month you enroll.

There is no premium increase if you enroll during the SEP and had employer-sponsored coverage based on current employment continuously since age 65. If the SEP overlaps with the IEP (page 8), your enrollment will be processed under the rules of the IEP. For example, if you enroll in the last month of your IEP and that is also the first month of the SEP, your coverage does not begin until the third month following the month of your enrollment.

Starting in 2011, there is a one-time enrollment right for disabled military retirees. Certain TRICARE beneficiaries (and spouses, surviving spouses, and dependent children) have a 12-month period to enroll in Part B which applies only once during their lifetime.

**General Enrollment Period (GEP).** The GEP is available if you did not enroll during your IEP, an SEP, or if you dropped Part B and wish to re-enroll. The GEP is from January 1 through March 31 every year. If you enroll in the GEP, your coverage is not effective until the next July 1. There is a permanent 10% premium increase for each full 12 months that you could have been, but were not, enrolled in Part B. Months in which you were age 65 or over and covered by an employer health plan based on your or your spouse's current employment are not counted in calculating the increase.

## The Original Medicare Plan

Medicare pays for some outpatient services under separate Medicare payment systems. These include:

- ambulance services
- clinical diagnostic laboratory services
- dialysis for permanent kidney failure (end-stage renal disease)
- orthotics, non-implantable prosthetics, or durable medical equipment
- outpatient hospital services at “critical access hospitals” (small facilities in rural areas with limited services to people)
- outpatient services you get in any hospital in the State of Maryland (hospitals are paid under Maryland’s payment system)
- physical therapy, speech-language therapy, or occupational therapy services (new limits may apply)
- screening mammograms

### Original Medicare Plan Card

You will receive a Medicare Health Insurance Card with your name, claim number, and the effective dates of your coverage for Parts A and B. If you are in the Original Medicare Plan, you will need to present your Medicare card when you receive medical services. If you are in a Medicare Advantage plan or a Medicare Part D prescription drug plan, the plan will give you a membership card.

MEDICARE		HEALTH INSURANCE	
SOCIAL SECURITY ACT			
NAME OF BENEFICIARY			
JOHN Q. PUBLIC			
MEDICARE CLAIM NUMBER		SEX	
123-45-6789		MALE	
		EFFECTIVE DATE	
HOSPITAL (PART A)		1-1-2012	
MEDICAL (PART B)		2-1-2013	
SIGN HERE		John Q. Public	

### How Claims Are Paid

Claims are processed by fiscal intermediaries and carriers – look at your Medicare Summary Notice or Explanation of Medicare Benefits for the contact name and address. These are insurance companies or other organizations under contract to the government.

### Preferred Provider Organization (PPO) Plans

Regional PPO plans serve an entire region which may be a single state or a multi-state area – bringing more plan options to people with Medicare. Enrollees in PPOs have a single deductible and a limit on their annual out-of-pocket costs, which vary depending on the plan. PPOs use many of the same rules as HMOs, except you don't need a referral to see a specialist or a provider outside of the plan's network. However, you will likely pay more for such care.

### Private Fee-for-Service (PFFS) Plans

PFFS plans are offered by private insurance companies in some areas. Medicare pays the insurance company a set amount of money every month for each Medicare beneficiary covered by the plan.

Some PFFS plans cover prescription drugs; if not, you can join a Part D drug plan. You can go to any Medicare-approved doctor or hospital that accepts the plan's payment. Providers decide case by case whether they will treat you under the PFFS plan's terms – even if you were seen by them before. You will need to check before each service to confirm the provider will accept the plan's payment. The insurance company rather than Medicare decides how much it pays and how much you pay for services.

### Special Needs Plan (SNP)

SNPs provide coverage to special needs individuals. You may enroll in an SNP if you are: 1) institutionalized; 2) eligible for Medicare and Medicaid; and/or 3) have a specific chronic or disabling condition. SNPs generally require you to use an approved network of doctors and hospitals. You receive all your Medicare Part A and Part B coverage and Part D prescription drug coverage from the plan.