

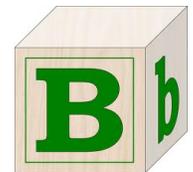
The ABC's of Medicare and Medicare Supplemental Insurance



Part A primarily covers inpatient care for hospitalization and skilled nursing facility stays. Part A is free monthly for individuals who have paid into Medicare for at least 10 years during their working lifetime.



Part B covers medical services, also known as outpatient services. This includes doctor and specialist visits, emergency room services, outpatient surgery, and radiology. Part B is \$104.90 per month for most people.



Both A and B have deductibles and coinsurance. These are your share of medical costs as a patient. See the Chart below for details. (Source: Medicare.gov)

2015 Medicare A & B Chart	Part A		Part B
Per Hospital Stay Deductible	\$1,216	Annual Deductible	\$147
Copay For Hospital Stay 60-90 Days	\$304 per day	Co-Insurance	20%
Copay For Hospital Stay 90 Plus Days	\$608 per day	no annual cap on	
Copay Skilled Nursing Facility Days 21-100	\$152 per day	patient expenses	

Medicare Supplements, also known as Medigap Policies, **cover deductibles, co-pays, and coinsurance that you would normally have to pay out of pocket** for your medical care. They are designed to provide you with peace of mind and protection against large fluctuations in medical costs. This protects your credit, your savings, and makes your costs more predictable. It can also ensure that you receive the best healthcare possible, improving your quality of life and maybe even saving it.

MEDICARE HEALTH INSURANCE
1-800-MEDICARE (1-800-633-4227)

NAME OF BENEFICIARY
JOHN DOE

MEDICARE CLAIM NUMBER
000-00-0000-A

SEX
MALE

ENTITLED TO EFFECTIVE DATE
HOSPITAL (PART A) 01-01-2007
MEDICAL (PART B) 01-01-2007

SKIP HERE →

Supplements are represented by a letter, for example; Plan F, G, and N are three of the most popular plans. Below is a summary of what they cover.

Plan F is the highest level of coverage available. We refer to it as the **Platinum** level plan. Plan F covers the Part A hospital deductible and any co-pays resulting from a skilled nursing facility stay. It also covers the Part B deductible of \$147 per year and the 20% coinsurance Medicare does not pay after the deductible. **When you have the Plan F supplement with your Medicare benefits, you can expect to have zero out of pocket medical costs** (for services covered by Medicare). Keep in mind that because you have more benefits, the cost of the insurance is also higher. Plan F carries the highest monthly premiums.

Plan G is the **Gold standard** Medicare supplement. It works similar to Plan F except the only expense it does not cover is the Part B deductible of \$147 per year. So, \$147 is all you can expect to pay out of pocket each year for your medical care for services covered under Medicare A and B. The part A hospital deductible, daily co-pays, skilled nursing, and the Part B coinsurance of 20% are all covered. **We currently consider G the best value in most circumstances.** The reason is that it typically costs \$250 to \$400 less per year than plan F and still offers rich coverage. It has also shown that the monthly premiums tend to be more stable over time and is expected to continue that trend into the future.

Plan N is the **Bronze level** plan and is the lowest monthly cost of the 3. It covers all of your hospital deductible and co-pays as well as the 20% Part B coinsurance. Under Plan N, your expenses are the \$147 per year for the Part B deductible and up to a \$20 co-pay anytime you see a primary doctor or specialist. There is also a \$50 co-pay for visiting the emergency room if you are not admitted to the hospital. Plan N is also a good value and can offer premium cost to the right individual.