

10 Important Things to Know about Medicare

The details of Medicare can be complicated, but you can learn the basics in a few minutes. Here's a quick look at 10 important things you need to know.

1) You have two ways to get Medicare

There are two ways to get Medicare: Medicare Part A and Part B or Medicare Advantage (Part C). You'll need to choose the method you want. Depending on your decision, some parts of Medicare may have several choices of plans, and private companies that offer some parts of Medicare. You'll need to do some shopping to find the best choice for you.

2) Drugs are also covered

Medicare includes Part D, which helps cover the cost of prescription drugs. Everyone with Medicare can get this optional coverage to help lower their prescription drug costs. You have two ways to get prescription drug coverage: you can enroll in a Medicare Advantage plan that also offers prescription drug coverage, or you can enroll in a stand-alone Part D prescription drug plan to go with Medicare Parts A and B coverage.

3) You'll pay your share

Medicare helps you get the health care you need when you're sick, but you should expect to pay a share of the cost. You may have already contributed to Medicare by paying taxes when you worked. Now that you're starting to use Medicare's benefits, you'll pay a share of the cost when you receive care.

4) Your share may be large

If you choose Medicare Part A and Part B, you'll find there are holes in what the program covers. If you are seriously ill, these holes could result in big bills. To help protect themselves from these holes, many people who choose Medicare Part A and Part B also buy a Medicare Supplement Insurance policy. Another alternative is to choose a Medicare Advantage plan, which may also help you avoid these holes.

5) Where you live makes a difference

Medicare Part A and Part B are the same throughout the U.S., so it doesn't matter where you live. The other parts of Medicare (Parts C and D) are offered by private companies and may be available in a specific county, state, or region only. Some Part C and Part D plans may be available nationwide. Medicare Supplement Insurance policies are offered by private companies and are available by state.

You'll need to find out what's available in your area. And if you plan to move, you will want coverage that moves with you.

6) Medicare doesn't cover everything

Medicare doesn't cover all of the care you might possibly need. Each part of Medicare has exclusions, or things it doesn't cover. For example, Medicare may not cover long-term care.

Here are some things Medicare doesn't cover:

- Routine physical exams (after one initial exam)
- Most dental care
- Routine eye care
- Routine hearing tests
- Most care while traveling outside the U.S.
- Custodial care (help with bathing, dressing, eating, etc.)
- Long-term care may not be covered
- Cosmetic surgery
- Most chiropractic services
- Routine foot care
- Acupuncture

7) Look at what you have now

Look at the health coverage you have now. For example, if you have group coverage from your job, or retiree insurance from a former employer, you'll want to see how the coverage you have now fits with Medicare.

8) Don't be late

Timing matters when you're choosing Medicare coverage. Just before you turn 65 or otherwise become eligible for Medicare, enrollment windows open. But these windows will close quickly. If you wait until later to join, you may find that you'll pay more and have fewer choices.

9) Review your choices once a year

If you choose to enroll in a Medicare Advantage plan (Part C) or stand-alone prescription drug plan (Part D), you're not locked into that choice forever. You'll have the opportunity to change your choices at least once a year. Plan to review your situation each year to see if you need to make changes to your coverage.

10) Don't be afraid to ask for help

Ask for help if you need it. Extra financial help with the costs of Medicare is available to people with limited income and few assets.