

Medicare Basics

A, B, C, D and More

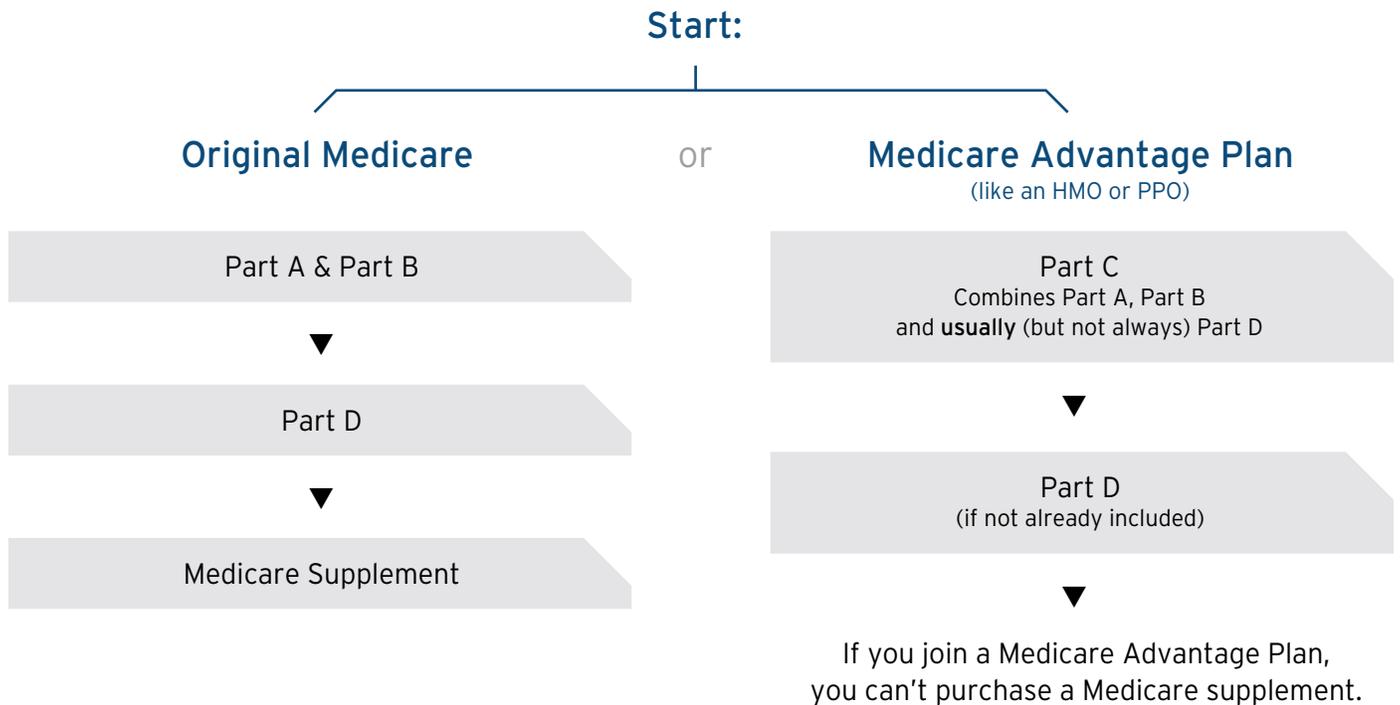
Medicare is health insurance provided by the federal government. It is available to people age 65 and older, younger people with disabilities and those who have End-Stage Renal Disease.

Medicare has four Parts:

- Part A – Hospital Coverage
- Part B – Medical Coverage
- Part C – Medicare Advantage Plans like HMOs and PPOs
- Part D – Prescription Drug Coverage

Your Medicare Coverage Choices at a Glance

There are two main ways to get your Medicare coverage: Original Medicare (Parts A and B) or a Medicare Advantage Plan (Part C). Use this chart to help you decide which way to get your coverage:



See the next page for an explanation of **The Four Parts of Medicare.**






The Four Parts of Medicare

Here are details about the four parts of Medicare and how the program can work for you.

Medicare Part A – Provides Hospital Coverage



Medicare Part A includes benefits for hospitals, skilled nursing, hospice care and home health care. You generally don't have to pay a monthly premium for Part A.

Out-of-Pocket Expenses

There are deductibles and co-payments under Part A you must pay on your own. However, a Medicare Supplement (Medigap) insurance plan can help cover these expenses.

Plans normally require you to use networks, like an HMO or PPO, so you can only use their approved hospitals and doctors in order to receive full benefits. Plans can change the hospitals and doctors in their networks at any time.

Make sure to check if your current providers accept Medicare Advantage plans before you enroll. Premiums are usually lower than a Medicare Supplement, but you usually have higher out-of-pocket costs.

Companies don't have to guarantee the coverage they provide from year to year. Each year, they can change the benefits or service areas; they can also decide to discontinue their plans entirely.

Medicare Part B – Provides Medical Coverage



Part B helps pay for inpatient and outpatient doctor services, surgical services and supplies, durable medical equipment, home health care and preventive care.

Cost

There is a premium for Part B coverage that most people must pay each month. Most people new to Medicare in 2020 will pay \$144.60. The Part B premium is also income-indexed, which means people with higher incomes may pay higher premiums. For all of the complete details, please visit [Medicare.gov](https://www.Medicare.gov).

Important Note: You are NOT allowed to buy insurance to supplement Medicare Advantage plans – you must pay all co-payments and other miscellaneous costs on your own.

Out-of-Pocket Expenses

There are coinsurance amounts and an annual deductible you are responsible for under Part B, but you can purchase Medicare Supplement insurance to help cover these out-of-pocket expenses.

Medicare Part D – The Prescription Drug Plan



Part D helps pay for outpatient prescription drugs. While all plans must cover the same categories of drugs, the specific drugs covered in each category can vary by plan.

Premiums may depend on your income and vary by company. If you don't enroll when you're first eligible, you may have to pay a late enrollment penalty.

Medicare Part C – Medicare Advantage



Medicare Advantage replaces your Medicare Part A and Part B coverage, but you must still pay your monthly Part B premium (usually \$144.60/month if you're new to Medicare). People with higher income may have to pay more. See [Medicare.gov](https://www.Medicare.gov) for complete details.

Medicare Supplement (Medigap) Insurance

Medicare Supplement insurance is a health insurance policy to help cover the costs Medicare Parts A and B may or may not cover fully.

There are a variety of plans to choose from. Some cover all of your Medicare-approved amounts. These plans are generally attractive to people who are on a fixed income or those who are worried about health expenses now – or in the future.

There are other Medicare Supplement plans that have higher out-of-pocket costs (like deductibles). People who are healthy or have a flexible budget may prefer these plans. Other Medicare Supplements can cover most or all of your Medicare approved out-of-pocket expenses.



Questions? Call us at
1-800-331-3458

If you have questions about Medicare and Medicare Supplement enrollment periods, **you're not alone**. One of our Personal Advisors is always here to help. Simply call us at **1-800-331-3458**.



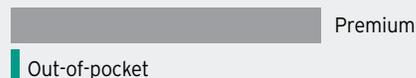
Physicians Mutual Plans

Out-of-pocket expenses include Medicare-approved deductibles, coinsurance and co-payments and do not include premium payments.

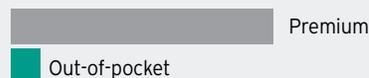
Plan A



Plan F



Plan G



High Deductible Plan F

with \$2,340 deductible in 2020*



Premiums and out-of-pocket expenses vary depending on the plan. Example shown is based upon our average premium rates with ABW, non-tobacco, Household and Early Enrollment discounts. Early Enrollment discounts only available in PA and VA. In PA, Plan B is also available. Plan deductible amount may increase each year.

*High Deductible Plan F with \$2,340 deductible pays the same benefits as Plan F after you have paid a calendar year \$2,340 deductible. Benefits will not begin until your out-of-pocket expenses are \$2,340. This is for the plan deductible in 2020. This amount may increase each year. This includes the Medicare deductibles for Part A and Part B, but does not include the plan's separate foreign travel emergency deductible.

Neither Physicians Mutual Insurance Company nor its agents are connected with or endorsed by the U.S. Government or the Federal Medicare Program.

This is a solicitation of insurance. Products vary by state. In MD: Medicare Supplement insurance is available to people under age 65 eligible for Medicare due to a disability.

Insurance Policy Form Numbers: P420, P425, P426, P427 (GA: P420GA, P425GA, P426GA, P427GA; PA: P420PA, P421PA, P425PA, P426PA, P427PA; VA: P420VA, P425VA, P426VA, P427VA).