

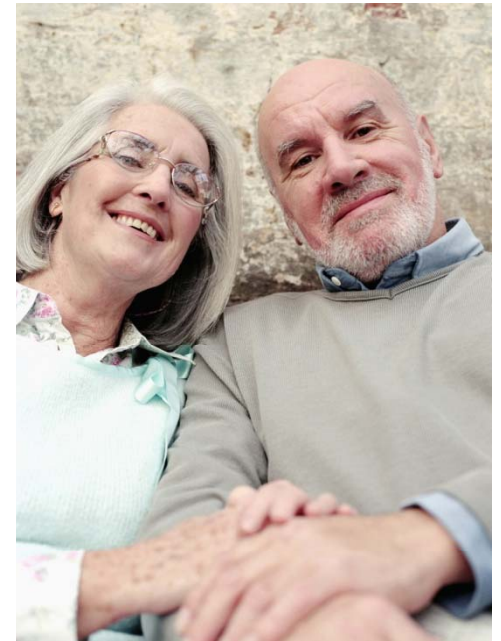
Helping You Meet Your Medical Expenses



American
SENIOR BENEFITS
Putting people back into the people business

Coverage Choices for Medicare Eligible People

- Original Medicare
- Original Medicare and a Medicare Supplement insurance policy
- Part D coverage – prescription drugs
- Medicare Advantage with or without Part D coverage*
 - ✓ PFFS
 - ✓ HMO
 - ✓ PPO



* Medicare Advantage Plans not available in all counties.

Not connected with or endorsed by the U.S. government or the Federal Medicare Program.

Original Medicare

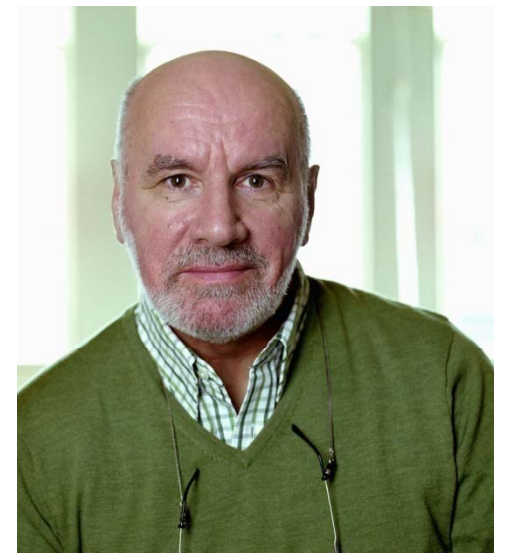
- Coverage available
 - ✓ Part A – hospital Insurance
 - ✓ Part B – medical insurance
- Gaps exist in coverage



Medicare Part A Coverage

Medicare Part A is the hospital insurance portion of your plan. It pays benefits for:

- Inpatient hospital care
- Hospice care
- Some skilled nursing care
- Home health care



Medicare Part A Coverage

For hospital stays in 2010, your costs for each benefit period are:

Days 1-60	\$1132 Part A deductible
Days 61-90	\$283 per day co-payment
Days 91-150	\$566 per day Lifetime Reserve Days co-payment. When your hospital stay exceeds 90 days during a benefit period, a feature referred to as “Lifetime Reserve Days” takes effect. Lifetime Reserve Days are 60 extra days of Medicare-paid care, subject to the \$566 per day co-payment. When you use a reserve day, Medicare permanently subtracts it from your 60-day lifetime limit.
Days 151 and after	All costs after your Lifetime Reserve Days run out. But, if you don’t have the full 60 reserve days left, you pay all Part A expenses before the 151st day of the benefit period.

Medicare Part A Coverage

For skilled nursing care in 2010, your costs for each benefit period are:

Days 1-20	Nothing
Days 21-100	Up to a \$141.50 per day co-payment
Days 101 and after	All costs

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Skilled Nursing Facility Care Coverage

Medicare pays benefits for skilled nursing facility care *only* if:

- Your doctor prescribes the skilled nursing care
- You need skilled nursing care every day, not just 5 or 6 days a week
- You were in the hospital for at least 3 consecutive days before entering the skilled nursing facility



Skilled Nursing Facility Care Coverage

Medicare pays benefits for skilled nursing facility care *only* if:

- You receive skilled nursing care within 30 days after your hospital stay for the same health condition
- Your skilled nursing facility:
 - Participates in the Medicare program
 - Agrees with your doctor that you need the care
 - Provides the required level of skilled nursing care
 - Provides skilled rehabilitation services



Skilled Nursing Facility Care Coverage

Medicare covers only short-term skilled nursing home care, with no payments after 100 days.

It does not cover “custodial” or “intermediate” care, the most common kinds of care.

In total, Medicare pays only about 25% of all long-term care costs.*



*Congressional Budget Office (2004). Financing Long Term Care for the Elderly retrieved July 30th, 2007 from <http://www.cbo.gov/ftpdocs/cfm?index=5400&type=0>

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Home Health Care Coverage

Medicare pays benefits for home health care *only* if:

- You need part-time skilled nursing care, physical therapy or speech therapy
- You're confined to your home
- Your doctor prescribes home health care and sets up a care program
- Your home health agency is Medicare-approved



Medicare Part B Coverage

Medicare Part B is the medical insurance portion of your plan. It pays benefits for:

- Doctors' services
- Outpatient hospital services
- Medical services and supplies



Paying Your Share Under Medicare Part B

In 2011, you'll pay:

- Monthly premium based on income of individual:
 - Less than or equal to \$85,000 = \$115.50
 - \$85,001 to \$107,000 = \$161.50
 - \$107,001 to \$160,000 = \$230.70
 - \$160,001 to \$213,000 = \$299.90
 - Greater than \$213,000 = \$369.10
- \$162 deductible
- 20% of all other Medicare-approved expenses after the deductible, in most cases
- All costs for services and supplies not included on Medicare's "list of covered items"



Medicare Part B Coverage

Examples of Services and Supplies Usually Covered

Doctor Services

- Services received:
 - In the hospital
 - In the doctor's office
 - From your doctor's nurse
 - In any Medicare-approved medical or nursing facility
 - At home
- Assistant surgeon fees
- Diagnostic tests and treatments
- Administered Drugs
- Anesthetist fees

Outpatient Hospital Services

- Emergency room
- Hospital clinic services
- Physical therapy
- Administered drugs
- Lab tests
- X-rays
- Radiology medical supplies

Medical Services and Supplies

- Independent lab tests
- Ambulance
- Surgical dressings
- Casts and splints
- Pacemakers, artificial limbs, braces, wheelchairs and other necessary equipment
- Corrective lenses after a cataract operation

Medicare Part B Coverage

Examples of Services and Supplies NOT Usually Covered

Doctor Services

- Dental care
- Routine physical examinations
- Oral surgery
- Routine foot care, eye or ear examinations
- Immunizations
- Chiropractic services except for manual manipulation of the spine

Outpatient Hospital Services

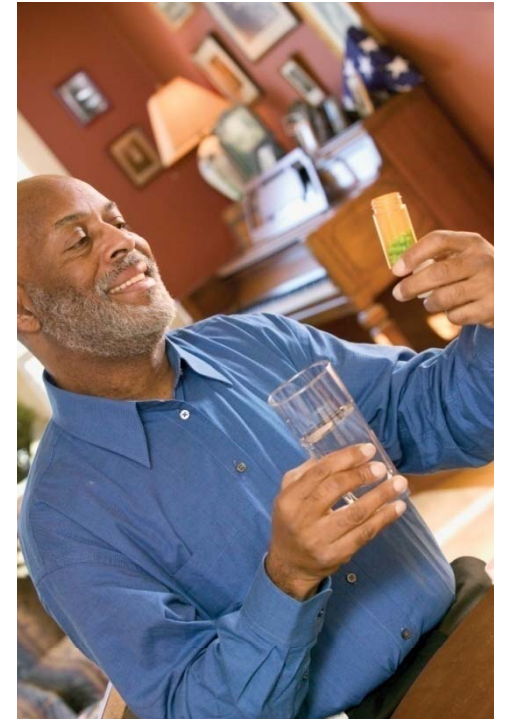
- Cosmetic procedures not medically necessary
- Lab tests not medically necessary

Medical Services and Supplies

- Dental plates
- Orthopedic shoes
- First aid supplies
- Self-administered drugs, even with a doctor's prescription
- Eyeglasses
- Hearing aids

Original Medicare Gaps

- Medicare Supplement insurance policies can cover most of these gaps
- Choice of plans determines gaps covered
- Prescription drug coverage can assist with the gaps for outpatient drug costs through a Medicare Part D plan



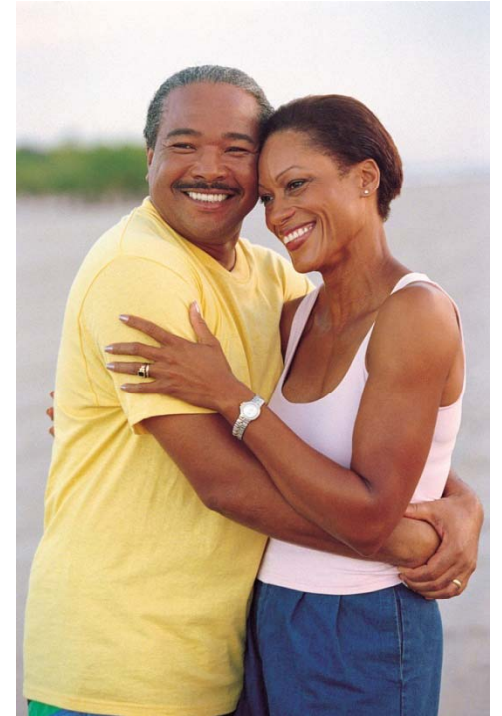
Medicare Advantage Plans

- Create an alternative to Original Medicare
- Available on a county by county basis (not available in all counties)



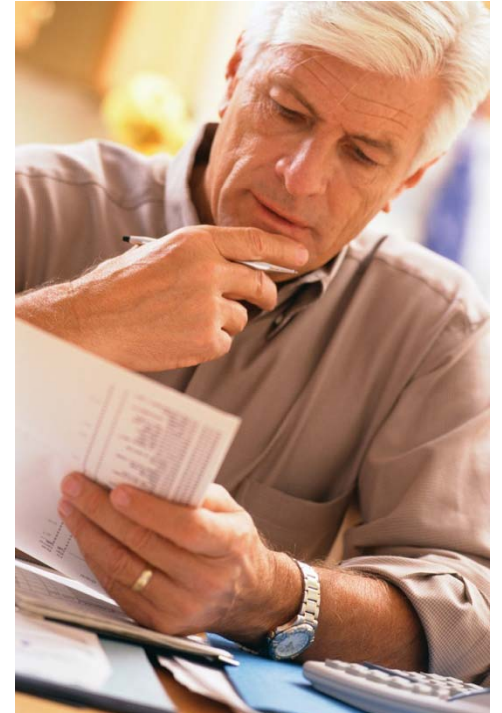
Medicare Advantage Plans

- Must offer coverage to at least match Original Medicare
- Additional features are often available above what Original Medicare offers

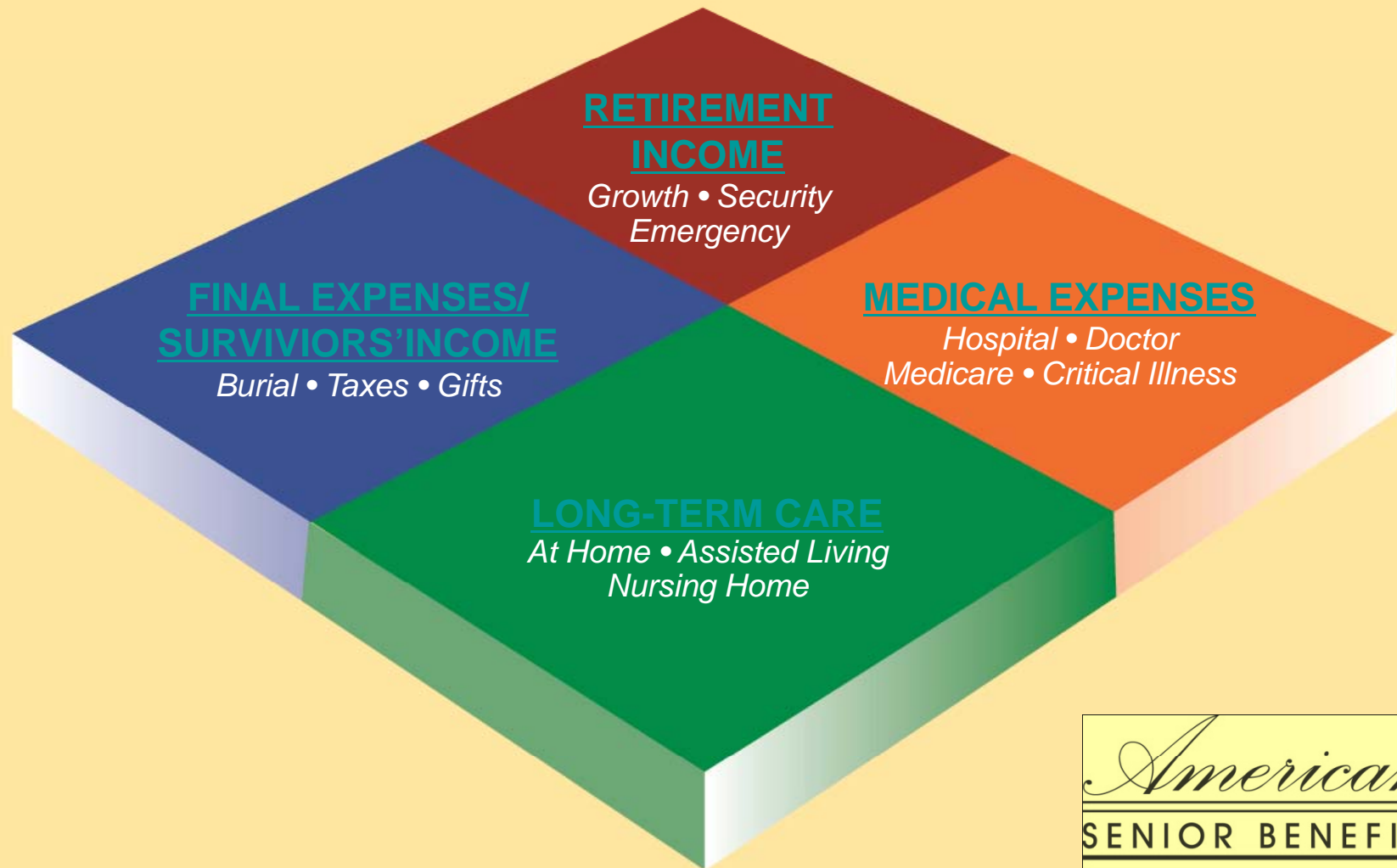


Medical Coverage

Let's look at what insurance policies are available for you and which plan meets your needs!



You Have Spent a Lifetime Accumulating Assets



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