

Kaiser Permanente

Guide to Medicare



Kaiser Permanente Senior Advantage (HMO)
Kaiser Permanente Medicare Plus (Cost)

Gain
knowledge
and
confidence
in choosing
the right
Medicare
health plan.



Understand the basics of Medicare and get key insights into Kaiser Permanente.

Whether you're enrolling in Medicare for the first time or shopping for a new plan to better suit your needs, you want to make a confident, informed decision.

With this handy guide, you'll have the information you need to help you take control of your Medicare health plan coverage. For instance, did you know that one of the best tools available to help you evaluate Medicare health plans is the Star Quality Rating System developed by the Centers for Medicare & Medicaid Services (CMS)? Through this guide, you'll also get a better understanding of what Kaiser Permanente has to offer. Ultimately, the goal is to help you choose the health plan that works best for you.

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Medicare and Your Health Needs

Medicare is a federal health insurance program that covers millions of Americans. This basic health insurance provision was added to Social Security. If you've been employed for at least 10 years, you've already been paying into this insurance program through the Medicare taxes taken out of your paycheck. Once you turn 65, you automatically receive Medicare Part A hospital coverage. If you're not 65 yet, but have a disability or end-stage renal disease (permanent kidney failure requiring dialysis or transplant), you may also qualify for Medicare. To be eligible for Medicare, you must be a legal U.S. citizen and a resident for five years. To enroll in Medicare Parts A and B, contact Social Security or visit **Medicare.gov**.

As a Medicare beneficiary, knowing the program details will help you make the best choice.

Medicare Star Quality Ratings: A Smart Tool to Help You Make Your Decision

The Medicare Star Quality Ratings, developed by the Centers for Medicare & Medicaid Services (CMS), rank Medicare health plans based on major categories that include the following:

- Preventive care
- Chronic care
- Prescription drug services
- Customer service
- Member satisfaction

Each individual Medicare health plan is assigned an overall rating from 1 star to 5, with 5 stars being the highest rating for excellence. The ratings are updated annually based on ongoing monitoring and analysis.

These ratings are a simple and objective way to help you compare Medicare health plans for overall quality and service, so you can have complete confidence in your choice.

Make a More Informed Choice

To learn what the Medicare Star Ratings mean for you, please visit **kp.org/medicare**.

Choosing the Right Doctor Is as Important as Choosing the Right Medicare Health Plan.

At Kaiser Permanente, you can choose the right doctor from our carefully selected network. It's easy to go online and read our doctors' biographies to get a better sense of who they are before you make your selection. What's more, you can request to switch to another network doctor at any time. Our doctors will take the time to get to know you, so they can help keep you healthy and may detect problems before they become serious.

Access to Specialists

Your doctors and specialists work as a team with a single vision to keep you healthy in mind, body, and spirit.



**FOR MORE
INFORMATION**

Kaiser Permanente Medicare health plans may offer you more than Original Medicare alone. To find out how, please contact your employer's or trust fund's benefits administrator.

Understanding Your Basic Medicare Options

For retirees who don't have access to private health insurance, Original Medicare is a value. However, Original Medicare doesn't cover all medical costs. Your employer group or trust fund-sponsored plans likely offer additional coverage to Original Medicare. Please contact your benefits administrator for more information.

PART A

Hospital Insurance

Part A helps cover your inpatient care, if you meet certain conditions, in Medicare-certified hospitals and other facilities. These include the following:

- Hospitals and inpatient rehabilitation facilities
- Inpatient stays in a skilled nursing facility (not custodial or long-term care)
- Hospice care services
- Home health care services
- Inpatient care in a religious, nonmedical health care institution

WHEN YOU TURN 65, you are eligible to receive Medicare Part A without having to pay premiums if the following conditions apply:

- You already get retirement benefits from Social Security or the Railroad Retirement Board
- You are eligible to get Social Security or Railroad benefits but haven't yet filed for them
- You or your spouse worked for at least 10 years and paid Medicare taxes

IF YOU ARE UNDER AGE 65, you can get Part A without having to pay premiums if:

- You have received Social Security or Railroad Retirement Board disability benefits for 24 months, or
- You have end-stage renal disease and meet certain requirements

IF YOU AREN'T ELIGIBLE FOR PREMIUM-FREE PART A, and you meet citizenship and residency requirements, you may be able to buy it if you meet one of the following conditions:

- You didn't work or didn't pay enough Medicare taxes while you worked, and you are 65 or older
- You are disabled and have returned to work

In 2013, people with less than 40 quarters of Medicare-covered employment will have to pay a monthly premium of **\$441** to get Part A coverage. **Note:** The above dollar amount is for 2013 and may change in 2014.

In most cases, if you choose to buy Part A, you must also enroll in Part B and pay the monthly Part B premium. You can enroll by calling Social Security at **1-800-772-1213** (TTY **1-800-325-0778** for the deaf, hard of hearing, or speech impaired), Monday through Friday, 7 a.m. to 7 p.m., or by going online to **SocialSecurity.gov**.

IF YOU HAVE PART A, "HOSPITAL (PART A)" is printed on your red, white, and blue Medicare card. If you have limited income and resources, your state may help you pay for Part A, Part B, or both.

We're Focused on Your Well-Being.

With a Kaiser Permanente Medicare health plan, you pay no additional cost for preventive services like the Annual Wellness Visit, mammograms, prostate exams, flu shots, and cholesterol tests.

PART B

Medical Insurance

Part B helps cover medically necessary services like doctors' services, outpatient care, and other medical services not covered under Part A. Part B also helps cover many preventive screenings such as mammograms, Pap tests, colorectal and prostate cancer screenings, and heart disease and diabetes screenings. Part B helps cover tests such as X-rays and blood work; medical equipment, such as wheelchairs and walkers; outpatient physical therapy; mental health care; and ambulance services.

Medicare Part B — 2013 monthly premiums

IF YOUR YEARLY INCOME IS		
SINGLE	MARRIED COUPLE	YOU PAY
\$85,000 or less	\$170,000 or less	\$104.90
\$85,001–107,000	\$170,001–214,000	\$146.90
\$107,001–160,000	\$214,001–320,000	\$209.80
\$160,001–214,000	\$320,001–428,000	\$272.70
Above \$214,000	Above \$428,000	\$335.70
IF YOU ARE MARRIED, BUT YOU FILE A SEPARATE TAX RETURN FROM YOUR SPOUSE AND YOUR YEARLY INCOME IS		
\$85,000 or less		\$104.90
\$85,001–129,000		\$272.70
Above \$129,000		\$335.70

Note: The above dollar amounts are for 2013 and may change in 2014.

IF YOU HAVE PART B, "MEDICAL (PART B)" is printed on your red, white, and blue Medicare card.

Parts A and B combined are known as Original Medicare. Original Medicare is a fee-for-service coverage managed by the federal government. Original Medicare helps cover most medically necessary health care services.

If you or your spouse (or family member if you are disabled) are still working, and you have coverage through an employer or union, contact your employer group or trust fund sponsored benefits administrator to find out how your insurance works with Medicare.

Understanding Your Basic Medicare Options

PART C

Medicare Advantage

Part C, also known as Medicare Advantage, is offered by private insurance companies that are approved by Medicare and includes both Part A and Part B. Some Medicare Advantage plans also include Part D prescription drug coverage for an extra cost. Medicare pays an amount for your coverage each month to these private health plans.

In many plans, you pay a copayment for covered services, and you may be required to see plan physicians. For plans that require you to use network providers, Medicare and the plan will not pay for routine care from out-of-network providers.

DIFFERENT TYPES OF MEDICARE ADVANTAGE PLANS:

- Health Maintenance Organization (HMO) plans
- Point-of-Service (HMO-POS) plans
- Preferred Provider Organization (PPO) plans
- Private Fee-for-Service (PFFS) plans
- Medical Savings Account (MSA) plans
- Special Needs Plans (SNP)

RATES

What you pay depends on what your employer group or trust fund–sponsored plan offers and how much they contribute to the monthly premium. Please contact your benefits administrator for more information.

ELIGIBILITY

You may join a Medicare Advantage plan if you meet the following qualifications:

- You have Medicare Parts A and B
- You live in the service area of the plan, if applicable

- You don't have end-stage renal disease (exceptions apply)
- You enroll during your employer's or trust fund's open enrollment period or when you become Medicare eligible

Please check with your benefits administrator for any additional eligibility requirements. Some employers and trust funds require enrollment into a Medicare health plan when employees become Medicare eligible.

MEDICARE COST PLANS

Like Medicare Advantage plans, Medicare Cost plans are a type of health plan available through private insurance companies in certain areas of the country. Cost plans may offer extra benefits and may include Medicare prescription drug coverage. You can either get your Medicare prescription drug coverage from the plan, if offered, or from a Medicare Prescription Drug Plan (PDP). With a Cost plan, if you go to a non-network provider, the services are usually covered under Original Medicare. You would pay the Part B premium and any Parts A and B coinsurance and deductibles if you go to a non-network provider. A Cost plan allows you to do the following:

- Join even if you only have Part B
- Join a plan with Part D coverage anytime the plan is accepting new members (for example, during the Annual Enrollment Period)
- Join a plan without Part D coverage anytime during the year
- Leave anytime and return to Original Medicare

PART D

Prescription Drug Coverage

To get Part D, you must join a Medicare Cost or Medicare Advantage plan that includes prescription drug coverage or join a separate Medicare Prescription Drug Plan. These plans are administered by insurance companies and private companies approved by Medicare. Each plan can vary in cost and drugs covered.

Financial assistance that could reduce or eliminate Part D premiums, deductibles, and copayments is available for people on Medicare with limited incomes. If you think you might qualify for Extra Help, contact Social Security at **1-800-772-1213**, Monday through Friday, 7 a.m. to 7 p.m. TTY users should call **1-800-325-0778**. Or, visit **SocialSecurity.gov**.

Get all-in-one coverage in a single plan.

With most Kaiser Permanente Medicare health plans, and based on your employer group or trust fund-sponsored retiree benefits, you can get Parts A and B, as well as Medicare Part D prescription drug coverage, all under one plan. And most Kaiser Permanente plans that include Part D offer coverage for specific generic, specialty, and brand-name drugs. With Kaiser Permanente, you'll also have access to emergency and urgent care services.



**FOR MORE
INFORMATION**

Kaiser Permanente Medicare health plans may offer you more than Original Medicare alone. To find out how, please contact your employer's or trust fund's benefits administrator.

Get the Right Prescription Drug Coverage

Part D factors to keep in mind

All prescription drug, Medicare Advantage, and Medicare Cost plans that offer Part D must provide coverage that is equivalent to or better than the standard Part D benefit. These plans have the ability to enhance the standard Part D benefits by either or both of these means:

- Removing the deductible
- Including cost shares that are different from, but equivalent to or better than, the standard benefit

Part D plans must keep track of your drug expenses as well as their own. For any month that you receive pharmacy services, you will receive a statement of activity, called an **Explanation of Benefits (EOB)**, which shows all of your Part D drug purchases, along with updated cost and expense information. When you meet certain dollar limits established by Medicare, you will move to the catastrophic coverage stage and pay lower cost shares. These dollar limits change each calendar year.

There are different kinds of costs you pay throughout the year with standard Medicare Part D prescription drug coverage.

Keep in mind, your employer group or trust fund–sponsored plans likely offer additional cost sharing and coverage. Please contact your benefits administrator for more information.

To determine your premium adjustment, refer to the table below.

2013 Medicare Part D Premium Adjustment

IF YOUR YEARLY INCOME IS		
SINGLE	MARRIED COUPLE	YOU PAY
\$85,001–107,000	\$170,001–214,000	\$11.60
\$107,001–160,000	\$214,001–320,000	\$29.90
\$160,001–214,000	\$320,001–428,000	\$48.30
Above \$214,000	Above \$428,000	\$66.60

- The Part D higher-income premium is in addition to the annual Part B premium adjustment.
- The Part D premium is determined according to formulas set by federal law, not by the health plan.

Note: The above dollar amounts are for 2013 and may change in 2014.

MONTHLY PART D PREMIUM

A premium is your monthly cost to maintain coverage. Monthly premium amounts vary by plan. Some plans have no monthly premium. You pay your monthly Part D premium in addition to the Part B premium.

YEARLY DEDUCTIBLE

This is the amount you must pay each year for your prescriptions before your plan starts to pay its share. Some plans have no deductible, so you get coverage immediately.

INITIAL COVERAGE STAGE

Once you have reached your annual deductible amount (if any), you pay your

share (as a fixed copayment or coinsurance amount), and your plan pays its share for covered drugs up to a specified drug cost limit. You then enter the catastrophic coverage stage.

CATASTROPHIC COVERAGE STAGE

Medicare Prescription Drug Plans provide special coverage if you spend a specified out-of-pocket amount. This is called “catastrophic coverage.” It ensures that, once you have paid a certain amount for your covered drugs, you only pay a small share of the cost for the rest of the calendar year.

Other Important Considerations

GENERIC DRUGS CAN SAVE YOU EVEN MORE MONEY.

As you look at formularies, you’ll often see listings for generics and more costly brand-name prescription drugs. Generic drugs have the same active ingredients as brand-name drugs. Ask your health care provider about prescribing generic options for your condition that can help you keep costs down.

YOU’LL WANT TO KEEP AN EYE ON YOUR FORMULARY.

Pharmaceutical research leads to advances in prescription drugs, and new generic drugs

are introduced to the market every day. That’s why you’ll want to make sure you stay up-to-date on which drugs are included in your plan’s formulary. When the list does change, it will be posted on the plan’s website, or the plan may tell you about it. Occasionally, you may need to consult with your doctor on what formulary changes mean for you. Every plan has a coverage determination process, so you can request coverage for a Part D medication that is not covered on the plan’s formulary.

Understanding Formularies

A formulary is the list of medications covered by a plan and approved by CMS. All formularies must comply with applicable law. However, formularies aren’t identical, so it’s important to pay close attention as you’re comparing them. The differences may be significant to you.

**FOR MORE
INFORMATION**

Kaiser Permanente Medicare health plans may offer you more than Original Medicare alone. To find out how, please contact your employer’s or trust fund’s benefits administrator.

Kaiser Permanente's Medicare Prescription Drug Benefit Can Help You Manage Your Prescription Drug Costs.

Our formulary is selected in consultation with a team of our network health care providers to determine both the most economical and effective medications and is approved by the Centers for Medicare & Medicaid Services (CMS).

With the Kaiser Permanente Medicare Prescription Drug Benefit, you may pay lower cost shares than with the standard Part D benefit for your prescription drugs.

Most Kaiser Permanente prescription refills can be mailed to your home.

When you order prescription refills from a Kaiser Permanente pharmacy — by telephone, online through My Health Manager, or through our mobile KP app — you can use the mail-order option and have your refills sent to your home at no extra charge. Even better, you may receive up to a three-month supply at a lower cost share when you request home delivery — saving you time and money (restrictions and limits may apply).

Kaiser Permanente Makes Staying Healthy as Convenient as Possible.

- **Manage your health online 24/7¹**

With My Health Manager, you can manage your health anytime, anywhere. For instance, you can email routine questions securely to your doctor's office, view most test results as soon as they're available, refill most prescriptions, and schedule or cancel appointments, all online. See how easy it can be by visiting kp.org/experience.

- **Everything you need is usually in one location**

When you visit a Kaiser Permanente facility, you can often see your doctor, get lab work or X-rays done, and pick up your prescriptions — all in one trip. In many regions, specialists' offices and hospitals are at the same location as well.

- **Electronic medical records keep your health care team connected¹**

When you receive care at a Kaiser Permanente medical facility, our electronic medical records system ensures that everyone on your team — doctors, nurses, pharmacists, lab technicians, and specialists — are connected and have immediate access to your most up-to-date records. This way, they can share the latest medical information about you and all be on the same page.

¹When receiving care at a Kaiser Permanente facility. All online features may not be available in some areas.

Kaiser Permanente has medical facilities, doctors' offices, labs, pharmacies, and other health care services throughout the country:

- Northern California
- Southern California
- Colorado
- Georgia
- Hawaii
- Ohio
- Oregon and Washington
- Maryland, Virginia, and Washington, D.C.

In each community we serve, we get involved as health advocates and actively participate in the local scene. As one of the nation's largest not-for-profit health care providers, we're passionate about healthy communities and reach out in whatever ways we can. For example, you might find that we sponsor your local farmers market or that we've helped build a neighborhood park in your area.

You must live in one of our service areas to become a Kaiser Permanente member.



Plan Comparison Checklist

	KAISER PERMANENTE	OTHER
More coverage, care, and services than Original Medicare ²	✓	
Medicare Part A hospital care, Part B medical services, plus Part D prescription drug coverage ³	✓	
\$0 copays for Medicare-covered preventive care	✓	
Access to a full range of specialists	✓	
Get checkups, lab tests, prescriptions, and more, usually under one roof	✓	
Email routine questions securely to your doctor's office ⁴	✓	

² Not applicable to Medicare Plus Basic plans.

³ Not all Kaiser Permanente Medicare Plus plans include the Part D Prescription Drug Benefit.

⁴ When receiving care at a Kaiser Permanente facility. All online features may not be available in some areas.

	KAISER PERMANENTE	OTHER
View most lab results securely online, many on the same day ⁴	✓	
Refill and review prescriptions online or via our mobile app; some may be shipped directly to your home at no additional charge ⁴	✓	
Get follow-up instructions from your last office visit securely from your home computer ⁴	✓	
Feel good knowing your personal electronic health record connects your health team to each other and to you ⁴	✓	
Get after-hours care and 24-hour nurse advice	✓	

⁴ When receiving care at a Kaiser Permanente facility. All online features may not be available in some areas.

The right Medicare health plan can lead to a healthier, happier you.

We hope this handy guide has given you the information you need to help you take control of your Medicare health plan coverage. If you have questions, please reach out to the resources listed in this booklet so that you can choose the Medicare health plan that's right for you.

Remember to learn more about Kaiser Permanente's Medicare Star Quality Ratings at kp.org/medicare.



When you have questions, here's where you can get answers.

Please keep in mind that there are important details about eligibility and coverage that may affect you. If you have questions, here are some helpful resources:

Call **1-800-MEDICARE (1-800-633-4227)**, 24 hours a day, seven days a week.
TTY users should call **1-877-486-2048**. Or, visit **Medicare.gov**.

Call Social Security at **1-800-772-1213**, Monday through Friday, 7 a.m. to 7 p.m.
TTY users should call **1-800-325-0778**. Or, visit **SocialSecurity.gov**.

Kaiser Permanente is a health plan with a Medicare contract. You must continue to pay your Medicare Part B premium and any other applicable Medicare premium(s), if not otherwise paid by Medicaid or another third party. Benefits, formulary, pharmacy network, premiums, and copayments/coinsurance may change on January 1 of each year and at other times in accord with your group's contract with us. The benefit information provided is a brief summary, not a complete description of benefits. For more information contact the plan. Limitations, copayments, and restrictions may apply. Plan performance Star Ratings are assessed each year and may change from one year to the next. You must reside in the Kaiser Permanente Senior Advantage or Medicare Plus service area in which you enroll.

**FOR MORE
INFORMATION**

Kaiser Permanente Medicare health plans may offer you more than Original Medicare alone. To find out how, please contact your employer's or trust fund's benefits administrator.

Kaiser Foundation Health Plan, Inc.
393 E. Walnut Street
Pasadena, CA 91188

Kaiser Foundation Health Plan of Colorado
2500 South Havana Street
Aurora, CO 80014

Kaiser Foundation Health Plan, Inc.
711 Kapiolani Blvd.
Tower Suite 400
Honolulu, HI 96813

Kaiser Foundation Health Plan
of the Northwest
500 NE Multnomah Street
Suite 100
Portland, OR 97232

Kaiser Foundation Health Plan
of the Mid-Atlantic States, Inc.
2101 East Jefferson Street
Rockville, MD 20852

Kaiser Foundation Health Plan
of Georgia, Inc.
Nine Piedmont Center
3495 Piedmont Road NE
Atlanta, GA 30305

Kaiser Foundation Health Plan of Ohio
1001 Lakeside Avenue
Suite 1200
Cleveland, OH 44114



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