

Glossary

ALS/Lou Gehrig's Disease: A disease that affects the motor nerve cells of the spinal cord and causes their degeneration. Patients with this disease can qualify for Medicare coverage regardless of age.

COBRA: COBRA is a federal law that allows certain employees, their spouses and dependents to keep their group health plan for between 18 and 36 months after they leave their job or lose coverage for certain other reasons. COBRA is always secondary to Medicare.

Creditable Coverage: Prescription drug coverage that is considered to be as good as or better than the Medicare prescription drug benefit (Part D) in monetary value.

Equitable relief: If someone did not enroll into Part B when they should have, they might be able to use the equitable relief process. Equitable relief is an administrative law process created under the federal law that allows people with Medicare to request relief from the Social Security Administration in the form of immediate or retroactive enrollment into Medicare, and/or the elimination of a Part B premium penalty. In order to be granted equitable relief, Social Security must determine that a person did not enroll in Part B when they should have because of misinformation from a federal employee.

End-Stage Renal Disease (ESRD): Kidney failure that requires you to be on dialysis or have a kidney transplant.

Extra Help: A federal program administered by Social Security that helps people with Medicare who have low incomes and assets pay for their Medicare prescription drug coverage (Part D), including coinsurance, deductibles, and premiums. There are different levels of Extra Help. You may get "full" Extra Help or "partial" Extra Help, depending on your income.

General Enrollment Period (GEP): If a person did not enroll in Medicare during their initial enrollment period or during a special enrollment period, they can enroll during the GEP. The GEP is from January 1 to March 31 each year. If someone enrolls during this period, their coverage will begin on July 1 of that year.

Group health plan: A group health plan is any plan in which employees provide health benefits or medical care to current or former employees. How group health plans coordinate with Medicare depend on the size of the group health plan and how the person qualifies for Medicare.

Initial Enrollment Period (IEP): The first chance a person has to enroll in Medicare Parts A, B and D, if they are not automatically enrolled. If you are

eligible for Medicare due to age, your IEP is the 7 month period that includes the 3 months before your 65th birthday, your 65th birthday month, and the 3 months after your 65th birthday. If you are eligible for Medicare due to disability, your IEP is the 7 month period that includes the 3 months before your 25th month of SSDI, your 25th month of SSDI, and the 3 months after your 25th month of SSDI. If you are eligible for Medicare due to disability, you will have another IEP when you turn 65 and age into Medicare.

Medicare Advantage (MA) Plan: *Also known as Part C or Medicare private health plans.* Part C lets you get your Medicare benefits from a private health plan contracted by the government to provide this coverage. All Medicare private health plans must offer at least the same benefits as Original Medicare (Part A and Part B), but can do so with different rules and costs. Some plans offer Part D drug coverage as part of their benefits packages. You must have Medicare Part A and Part B to join a Part C plan.

Medicare Savings Program (MSP): These programs help pay the Medicare Part B premium and sometimes coinsurance and deductibles for people who have limited incomes. There are three MSPs and each one has a different eligibility limit based on income. The programs are: Qualified Medicare Beneficiary (QMB), Specified Low-Income Medicare Beneficiary (SLMB) and Qualifying Individual (QI).

Medigap: A supplemental insurance policy that is sold by private insurance companies to fill "gaps" in Medicare. This insurance policy is usually available in the form of twelve different plans labeled A through L and works only with Original Medicare.

Out-of-Pocket Costs: Health care costs that you must pay because Medicare or other health insurance does not cover them.

Part A: The part of Medicare that covers most medically necessary inpatient services. This includes hospital care, skilled nursing care and some home health care. Part A is free for most people, if you have more 40 or more working quarters.

Part B: The part of Medicare that covers most medically necessary outpatient services. This includes: doctor's services, preventive care, durable medical equipment (DME), lab tests, x-rays, some home health care, and ambulance services. Most people pay a monthly premium for Part B.

Part B premium penalty: The amount that a person must pay to Medicare in addition to their monthly premium for late enrollment into Part B. The Part B premium penalty is an additional 10 percent of the current year's premium for each year that a person delays enrollment when they did not have current employer insurance.

Part B Special Enrollment Period (SEP): An SEP is a period outside of the Initial Enrollment Period and General Enrollment Period. The SEP for Part B allows someone who is currently working to enroll in Part B without penalty at anytime while they are still working and for up to 8 months after they lose their current employer coverage, as long as they meet all the SEP criteria.

Part D: Also known as the Medicare prescription drug benefit, Part D is the part of Medicare that provides prescription drug coverage. The benefit is optional to most and provided only by private companies. You can get Part D coverage either through a stand-alone prescription drug plan (PDP) or a Medicare Advantage Prescription Drug Plan (MA-PD)—a Medicare private health plan (Part C) that offers Medicare prescription drug coverage. You must choose Part D coverage that works with your Medicare health benefits. People who enroll in Part D pay a monthly premium in addition to their Part B premium.

PDP (Prescription Drug Plan): A stand-alone Medicare prescription drug plan (Part D) offered through a private insurance company that only offers prescription drug benefits.

Primary insurance: Primary insurance pays first on a claim for medical or hospital care.

Retiree insurance: Health insurance provided by employers to former employees. Retiree insurance is always secondary to Medicare.

Secondary insurance: Secondary insurance pays after primary insurance. It usually pays for some or all of the costs that the primary insurance did not cover. If the service was not initially covered by the primary insurance, the secondary insurance may or may not cover it, it depends on the type of plan.

Social Security Administration (SSA): The United States government agency responsible for advancing the economic security of Americans through shaping and managing various programs, including Medicare, Social Security Disability Insurance (SSDI), Supplemental Security Income (SSI) and Extra Help.

SSDI (Social Security Disability Insurance): Monthly benefits provided through the United States Social Security Administration for people who lose their ability to work because of a severe medical impairment (disability). People who receive SSDI for 24 months are eligible for Medicare.