

## **Technical Medicare Matters**

**By Woodrow Wilcox**

Six months before an American citizen or resident alien reaches age 65, it is time to begin the process of enrolling in Medicare and selecting a Medicare supplement insurance company and plan.

A senior citizen reaching the age of 65 needs to complete two sets of paperwork to enroll in Medicare Part A and Medicare Part B. Medicare Part A deals with hospital related charges. Medicare Part B deals with doctor related charges.

When a person who has Medicare Part A and Medicare Part B gets medical services, the medical service provider gets the Medicare identification information of the patient and reports the medical services provided and the related charges to Medicare. Medicare reviews the information to determine whether the medical service was in fact medically necessary and what amount Medicare will approve for charges. Then, Medicare pays 80% of the approved charges.

The other 20% of approved charges is the responsibility of the patient. But, if the patient has a Medicare supplement insurance policy, then the Medicare supplement insurance company will pay on the other 20% of the Medicare approved charges. Medicare must get and process the bill before the Medicare supplement insurance company will pay on the bill. The Medicare supplement insurance company relies on the judgment of the Medicare officer for a determination of medical necessity.

Exactly how much the Medicare supplement insurance company will pay on the bill is determined by the coverage of the policy that the senior citizen bought. The federal government has standardized the various Medicare supplement insurance "PLANS" so that there is less confusion to senior citizens about what is and what is not covered. So, a "PLAN A" sold by one insurance company will cover exactly the same expenses that a "PLAN A" from another insurance company will cover. This helps senior citizens and the people who care for them to really compare "apples to apples and oranges to oranges" when selecting a Medicare supplement insurance plan.

But, as I have warned in my previous columns, Medicare DOES NOT COVER EVERYTHING. If a senior citizen gets medical service that Medicare determines is not medically necessary, neither Medicare nor the Medicare supplement insurance company will pay anything on the medical service. A good example of this is plastic surgery to enhance a senior citizen's looks and ego. But, other things are not covered, too. A regular eye examination and service in selecting eyeglasses or service in obtaining a hearing aide are not covered. Prescription medicines were not covered by Medicare. Presently, that is in a state of transition. Officially, Medicare will not cover prescriptions until next year because of the new Medicare laws passed by Congress and signed by President Bush. There are now Medicare approved prescription discount cards and Non-

Medicare approved prescription discount cards. Check with your insurance company to determine which kind you or your senior citizen friend might have.

Before the change in the law, insurance companies created prescription discount cards and programs to help their clients to buy prescription drugs at a discount. These various prescription discount programs are in a state of transition as we move toward Medicare coverage of prescription medicines.

The various “PLANS” for Medicare supplement insurance have different types of coverage for people of different lifestyles. Some people want in home nurse coverage, and some people don't. Some people want to travel in foreign countries, and some don't.

If you travel in a foreign country, realize that the Medicare coverage changes some. There is a larger deductible when traveling in a foreign country. Also, due to language differences, money and banking differences, medical billing practice differences, or other problems, you may need to pay the bill in full before you leave the country. Then, you would ask Medicare to reimburse you later. So, travel with access to additional funds, keep receipts and notes about medical services or medicines obtained, and call Medicare and your Medicare supplement insurance agent when you return for instructions on how to get started with processing the information through Medicare. Remember that your Medicare supplement insurance company will not pay anything until Medicare reviews and pays on your claim. To make life easier, it is probably smart to buy a traveler's medical insurance policy which pertains to the country or region where you will travel. If you need medical service, the traveler insurance company can help you to obtain the paperwork necessary to process your claim for reimbursement from Medicare and your Medicare supplement insurance company after you return home.

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