Understanding Medicare’s Alphabet Soup

Medicare coverage comes in four parts, each providing different kinds of coverage and identified by a different letter.

**Part A** helps pay for stays in hospitals and skilled nursing facilities, home health services and hospice care, as long as certain conditions are met. You don’t pay monthly premiums for Part A if you (or your spouse) paid sufficient Medicare payroll taxes while working. Because Part A is free, employees and spouses over 65 may elect to enroll even while actively working for the College.

**Part B** helps pay for doctors’ services (both in and out of the hospital) and outpatient care such as lab work and screenings. It also covers some medical equipment and supplies, such as wheelchairs and oxygen, if certain conditions are met, and most drugs or vaccines that are administered in a doctor’s office. You pay monthly premiums for Part B. Medicare typically pays 80 percent of the Medicare-approved cost of each service, and you pay 20 percent – unless you have supplemental insurance that covers these out-of-pocket expenses. You should not enroll in Part B until after you retire.

**Part C** — As the College offers the Medigap Plan F as well as the Keystone 65 plan, Part C coverage is unnecessary. Do not enroll.

**Part D** helps pay for prescription drugs that you use at home. As a CCP retiree, you continue to use the College’s Prescription Plan. Therefore, you do not have to purchase Part D through Medicare. Do not enroll.

Supplemental Insurance will pay for the remaining 20% of Medicare-approved services that are not covered by Parts A and B. As a CCP retiree, you will be offered either the Medigap Plan F or the Keystone 65 plan. Both of these plans have a Major Medical supplement, the insurance designed to cover medical expenses due to severe or prolonged illness by paying all or most of the bills above a set amount. You pay a monthly premium (in addition to the Part B premium) for either of these plans.

Active employees over the age of 65 will remain on the College’s active medical plan and will not enroll in Part B. Spouses over age 65 will remain on CCP’s active medical plan and will not enroll in Part B.