

❖ Understanding Medicare ❖

Medicare is health insurance for people age 65 or older
and those under age 65 with certain disabilities.

The Different Parts of Medicare

Medicare Part A (Hospital Insurance)

Medicare Part A helps cover your inpatient care in hospitals. Part A also helps cover skilled nursing facility, hospice, and home health care if you meet certain conditions.

Medicare Part B (Medical Insurance)

Medicare Part B helps cover doctors' services and outpatient care. Part B also helps cover some preventive services.

Medicare Part D (Medicare Prescription Drug Coverage)

Medicare Part D helps cover prescription drugs.

About Sterling

Established in 1958, Sterling Life Insurance Company is rated A- (Excellent) by A.M. Best and is dedicated to providing a variety of affordable healthcare solutions to Medicare beneficiaries. Sterling is headquartered in Bellingham, Washington and serves the insurance needs of Medicare recipients across the United States.

When you call Sterling you'll find real people on the phone with real answers. Our experienced Customer Service specialists can handle questions on claims, covered benefits, or anything related to your Sterling plan. Visit www.sterlinginsurance.com or call 1-800-688-0010 (TTY 711) Monday through Friday, 5:00 am-5:00 pm Pacific Time if you have any questions.



STERLINGSM
INSURANCE

Part A

Hospital Insurance

2012 Original Medicare

Covers: Costs associated with stays in a hospital or Skilled Nursing Facility

WHEN YOU ARE HOSPITALIZED FOR	MEDICARE PAYS	YOU PAY
DAYS 1-60	Most hospitalization costs after the required Medicare deductible.	\$1,156 Deductible
DAYS 61-90	All eligible expenses, after you pay a per-day copayment.	\$289 per-day copayment, as much as \$8,670
DAYS 91-150	All eligible expenses, after you pay a per-day copayment. (These are Lifetime Reserve Days which may never be used again.)	\$578 per-day copayment, as much as \$34,680
EACH DAY BEYOND 150 DAYS	Nothing	You pay all costs
BLOOD	After first three pints of blood, 100% of Medicare approved amount.	First three pints of blood
SKILLED NURSING FACILITY When you are hospitalized for at least 3 days and enter a Medicare-approved Skilled Nursing Facility within 30 days after hospital discharge and are receiving skilled nursing care.	Days 1-20, all expenses	\$0 for the first 20 days;
	Days 21-100, all except \$144.50 per day copayment	\$144.50 per-day copayment for days 21-100, as much as: \$11,560 per benefit period
	Days 100+, \$0	All costs per day after 100
HOSPICE CARE You must meet Medicare's requirements, including a doctor's certification of terminal illness	All expenses related to a Medicare-approved Hospice program with limited copayment/coinsurance.	No more than \$5 for each prescription drug for pain relief and symptom control; 5% of Medicare-approved amount for inpatient respite care.

Part B

Medical Insurance

2012 Original Medicare

Covers: Physician services, outpatient care, tests and supplies

ON EXPENSES INCURRED FOR	MEDICARE PAYS	YOU PAY
ANNUAL DEDUCTIBLE	\$0	\$140 per year
MEDICAL EXPENSES Physician's services for inpatient and outpatient medical/surgical services; physical/speech therapy, diagnostic tests	Generally 80% of approved amount	20% of Medicare-approved amount
CLINICAL LABORATORY SERVICE Blood tests, urinalysis	Generally 100% of approved amount	Nothing for Medicare-approved services
OUTPATIENT HOSPITAL TREATMENT Hospital services for the diagnosis or treatment of an illness or injury	Medicare payment to hospital, based on outpatient procedure payment rates	Copayment based on outpatient procedure payment rates
BLOOD	After first three pints of blood, 80% of approved amount	First three pints plus 20% of Medicare-approved amount for additional pints
COVERED UNDER PARTS A & B		
HOME HEALTH CARE Part-time or intermittent skilled care, home health aide services, durable medical supplies and other services	100% of approved amount; 80% of approved amount for durable medical equipment	Nothing for Medicare-approved services; 20% of Medicare-approved amount for durable medical equipment

The amounts listed are for the 2012 calendar year and may change every year.