

- What is Medicare? The A, B, C, & Ds
- When should I apply for Medicare?
- Filling in the Gaps
- Practical Tips

# Agenda

**The A, B, C, and Ds**



# Medicare is the federal health insurance program for:

- U.S. citizens or individuals who have been a legal resident for five consecutive years
- Individuals age 65 or older who are eligible to receive Social Security or Railroad Retirement benefits
- Individuals under age 65 who qualify for disability under the Social Security guidelines for 24 months
- Individuals who have end-stage renal disease requiring ongoing dialysis or a transplant



# A



## Part A

- Inpatient Hospital Care
- Skilled Nursing Services
- Hospice Care

# B



## Part B

- Doctors' Visits
- Outpatient Hospital Services
- Durable Medical Equipment
- Physician-Administered Drugs

# C



## Part C

- Medicare Advantage Plans, which combine Parts A & B
- May Cover Vision, Dental, and Hearing

# D



## Part D

- Prescription Drug Coverage



# Medicare Part A

## What it costs:

- Most individuals do not pay a premium for Medicare Part A because they or a spouse have paid Medicare taxes (for 40 quarters) while they were working
- If an individual did not pay Medicare tax, they may be eligible to pay a premium to purchase Part A

## What it helps cover:

- Hospital Care
- Skilled Nursing Care (Days 1-20)
- Nursing Home Care (Restorative)
- Hospice Care
- Home Healthcare (In Limited Circumstances)

# Other Part A Costs for 2024

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**\$1,632 deductible for in-patient hospital stays for each benefit period** (Benefit period begins the day that you enter a hospital or SNF and ends when you have not received inpatient hospital or Medicare-covered skilled care in a SNF for 60 days.)

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**Days 1-60:** \$0 coinsurance for each benefit period

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**Days 61-90:** \$400 coinsurance per day for each benefit period

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**Days 91 and beyond:** \$800 coinsurance per each “lifetime reserve day” after day 90 for each benefit period (up to 60 days over your lifetime)

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**Beyond lifetime reserve days:** all costs



# Medicare Part B

## What it costs:

- The 2024 standard Part B monthly premium is \$174.70
- Income Related Monthly Adjustment Amount (for those with higher incomes)
- Part B Penalty
  - Can be applied if you were eligible for Medicare but did not enroll and have creditable coverage
  - Penalty amount is equivalent to 10% of the standard premium for each 12-month period you were eligible for Medicare but not enrolled
  - Penalty applies for as long as you have Part B

## What it helps cover:

- Medically Necessary Doctors' Services
- Most/Medicare Approved Surgery
- Medically Necessary Outpatient Care
- Labs, X-Ray, Radiologist
- Durable Medical Equipment
- Many Preventative Services

# Other Part B Costs for 2024

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\$240 annual deductible

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20% coinsurance after the deductible for Medicare approved services

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Unlike most traditional health insurance plans, there is no maximum out-of-pocket limit on the Part B coinsurance

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Hospital Care

**A**



Medical Care

**B**

Why **Original Medicare**  
may not be enough



**No prescription drug coverage**



**No dental, vision, or hearing coverage**

**It generally only covers 80% of Medicare approved services**



# Medicare Part C

Also known as Medicare Advantage

## What it costs:

- Medicare Advantage plans are offered by private insurance companies contracted by the federal government, so they vary in cost, coverage, deductibles, and copays
- Some offer plans with low or even \$0 premiums while still offering benefits not included with Original Medicare

## What it helps cover:

- Medicare Advantage plans are like Parts A and B, but with predictable out-of-pocket costs and typically offer more coverage
- Many include prescription drug coverage, wellness services, dental, vision and hearing benefits
- Some offer partial coverage for glasses and hearing aids



# Medicare Part D

## What it costs:

- Plans vary in cost, coverage, deductibles and copays
- Late enrollment penalty may apply if you don't enroll in a creditable plan when you are first eligible, unless you have creditable prescription drug coverage
- Your Part D premium could be higher depending on your income

## What it helps cover:

- Medicare Part D plans cover prescription drugs
- Plan premiums, the drugs that are covered, deductibles, copays, and coinsurance vary by plan. You should compare plans each year based on your needs, the prescription drugs you take and your preferred pharmacy

**Filling in the Gaps**

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# Filling in the Gaps

Medicare plans sold by private insurance companies help cover the costs that Medicare doesn't pay.

- Medicare Supplement + Prescription Drug Plan, or
- Medicare Cost Plan + Prescription Drug Plan, or
- Medicare Advantage
  - Original Medicare benefits are administered through a private insurance company



# Enrollment Periods

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## Initial Enrollment Period (IEP)

The three months before your birthday, the month you turn 65, and the three months after your birthday.

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## Special Enrollment Period (SEP)

Certain life events could qualify you for an SEP. This could include:

- Loss of creditable coverage, such as voluntary termination of group health insurance
  - Moving to a new service area
  - Any additional qualifying life events
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## General Enrollment Period (GEP)

- From January 1 to March 31 each year
  - Coverage begins on July 1
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# Additional Enrollment Periods

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## Annual Enrollment Period (AEP) for Part D and Medicare Advantage

- October 15 to December 7
  - Effective date of coverage January 1
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## Medicare Advantage Open Enrollment Period (MA-OEP)

- January 1 to March 31
  - If you are enrolled in a Medicare Advantage Plan you can change to a different plan or go back to Original Medicare
  - Coverage starts the first day of the month following the month you enroll
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**Is Medicare right for me?**

**When should I apply  
for Medicare?**





# When Should I Apply for Medicare?

Great question! It depends on your unique circumstances.

- Are you planning to retire?
- Are you currently covered under a group plan as a result of your employment or your spouse's employment?
- Is your current health insurance considered credible coverage?
- How much are you paying for your coverage?
- Are you contributing to a Health Savings Account (HSA)?



**Practical Tips**

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# Do Your Research – Do It Carefully



Many people (even your friends) are “experts” and will give you advice. Double check their “facts.” Remember everyone’s situation is unique.



Use the Medicare Plan Finder at Medicare.gov to compare plans. For more information, contact an independent agent who can help you sort through the various plans and plan types and will work to find plans that best meet your needs.



Be Safe Online! Never sign anything or give out your personal information online. If you give out your contact information, you will be contacted – likely over-and-over again.

## Practical Medicare Tips



**Thank you for participating.  
Please contact me with additional  
questions.**



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