

2024

Understanding Medicare



We have the answers you are looking for...
before, during, and after your retirement!

10/5/2023

Cost Analysis & Medicare Options

Your Personal Situation:

Are you...

- Continuing to work or moving to Medicare?
- Planning to retire?
- Covering a spouse or dependent child?
- Or your spouse drawing Social Security?
- Contributing to an HSA Account?

Your Current Employer Plan:

Please provide the following information:

Employer Plan: \$ _____

Annual Deductible: \$ _____

Max Out-of-Pocket \$ _____ /12=\$ _____ monthly

HSA Contributions: \$ _____

Total Monthly Spend \$ _____

Be prepared to provide a list of your current doctors and prescriptions.

**** Rates are subject to change ****

Part A:

WHAT IT COVERS:



- Inpatient Hospital Services
- Skilled Nursing Facilities
- Hospice Care
- Some Home Health Care

Monthly Premium: \$ _____ 0.00

if you have 10 years of work history or (40 creditable quarters)

Notes:

Part B:

WHAT IT COVERS (80%):



- Doctor Visits
- Emergency Room Visits/Stays
- Outpatient Surgery
- Medical Supplies
- Labs
- Durable Medical Equipment

Monthly Premium: \$ _____

Part B premium is based on your income. Refer to IRMAA chart on page 5.

IRMAA Fees: \$ _____

The standard 2024 premium for Part B is \$174.70. It may be higher based on your income, and is usually deducted from your social security check. If your modified adjusted gross income is above a certain amount, you may pay an **Income Related Monthly Adjustment Amount (IRMAA) for Parts B & D** (See table on page 5). If you are not receiving social security benefits, you will be responsible to pay the Medicare premiums directly to the federal government.

OPTION 1

Original Medicare

with Medicare Supplement / Medigap plan.

WHAT IT COVERS:

This additional coverage offered by private insurers helps to pay for the gaps not covered by Medicare, including deductibles and coinsurance payments.

Examples of Medicare Gaps include:

- Part A Deductible: \$1,632 per benefit period
- First 3 Pints of Blood
- Additional days for inpatient hospitalization and skilled nursing facility
- Part B 20% co-insurance

WHAT YOU PAY:

You pay a monthly premium to a private plan while continuing to pay a premium to the federal government for Part B.

Two popular Medicare Supplemental Plans (See page 4):

Plan G covers all Gaps EXCEPT the Part B deductible

Plan N covers all Gaps EXCEPT the Part B deductible, \$20 copay for doctor visits, \$50 copay for emergency room visits, and Part B excess charges

PLAN DISCUSSED TODAY:

Plan Name: _____

Monthly Premium: \$ _____

Part D – Prescriptions:

WHAT YOU PAY:

You pay a monthly premium to a private plan purchased separately to go with Original Medicare. Plans are based on your current medications.

Plan Name: _____

Part D Monthly Cost: \$ _____

Part D IRMAA Surcharges: \$ _____

Part D Deductible: \$ _____

Your Preferred Pharmacy: _____

TOTAL MONTHLY COST FOR OPTION 1:

\$ _____

OPTION 2

Medicare Advantage (Part C)

Medicare Parts A & B with additional benefits.

WHAT IT COVERS:

All Original Medicare services, plus certain extra benefits such as:

- Dental Coverage
- Vision Coverage
- Hearing Coverage
- Rx Plans

WHAT YOU PAY:

You pay a monthly premium to a private plan while continuing to pay a premium to the federal government for Part B.

Part C caps your out-of-pocket spending on covered care. It can be up to \$8,300 in 2024 for in-network services (this varies plan-to-plan). We need a list of your current prescriptions and doctors to find the strongest plan for you.

PLAN DISCUSSED TODAY:

Plan Name: _____

Monthly Premium: \$ _____

Primary Doctor Copay: \$ _____

Specialist Copay: \$ _____

Max Out-of-Pocket: \$ _____

TOTAL MONTHLY COST FOR OPTION 2:

\$ _____

Notes:

Why Star Ratings are Important

Medicare rates plans on their health and drug services. This lets you easily compare plans based on performance. These ratings apply to Medicare Advantage (Part C) and Medicare prescription drug plans (Part D).

Star Ratings are based on factors that include:

- Feedback from members about the plan’s service and care
- The number of members who left or stayed with the plan
- The number of complaints Medicare got about the plan
- Data from doctors and hospitals that work with the plan

More stars mean a better plan – for example, members may get better care and better, faster customer service.

The number of stars shows how well a plan performs.

- ★ ★ ★ ★ ★ EXCELLENT
- ★ ★ ★ ★ ABOVE AVERAGE
- ★ ★ ★ AVERAGE
- ★ ★ BELOW AVERAGE
- ★ POOR

Medigap Plan G versus Plan N Benefits	Plan G	* Plan N
Medicare Part A Coinsurance & hospital Costs (up to an additional 365 days after Medicare benefits are used)	✓	✓
Medicare Part B Coinsurance or Copayments	✓	✓
First 3 Pints of Blood	✓	✓
Part A Hospice Care Coinsurance or Copayment	✓	✓
Skilled Nursing Facility Coinsurance	✓	✓
Medicare Part A Deductible	✓	✓
Medicare Part B Deductible	✗	✗
Medicare Part B Excess Charges	✓	✗
Foreign Travel Emergency (up to plan limit)	✓	✓

*** Plan N pays 100% of the costs of Part B services after deductibles, except for the copays for some office visits (\$20) and some emergency room visits (\$50)**

2024 Part B IRMAA

The standard Part B premium amount in 2024 is \$174.70. Most people pay the standard Part B premium amount. If your Modified Adjusted Gross Income (MAGI) as reported on your IRS tax return from 2 years ago is above a certain amount, you'll pay the standard premium amount and an Income Related Monthly Adjustment Amount (IRMAA). IRMAA is an extra charge added to your standard premium amount.

If your MAGI in 2022 was				
File individual tax returns	File joint tax returns with modified adjusted gross income:	File married & separate tax return	Income-Related Monthly Adjustment Amount	You pay each month in 2024
\$103,000 or less	\$206,000 or less	\$103,000 or less	\$0.00	\$174.70
above \$103,000 up to \$129,000	above \$206,000 up to \$258,000	Not applicable	\$69.90	\$244.60
\$129,000 up to \$161,000	above \$258,000 up to \$322,000	Not applicable	\$174.70	\$349.40
above \$161,000 up to \$193,000	above \$322,000 up to \$386,000	Not applicable	\$279.50	\$454.20
above \$193,000 up to \$500,000	above \$386,000 up to \$750,000	above \$103,000 up to \$397,000	\$384.30	\$559.00
\$500,000 and above	\$750,000 and above	\$397,000 and above	\$419.30	\$594.00

2024 Part D IRMAA

If your MAGI in 2022 was				
File individual tax returns	File joint tax returns with modified adjusted gross income:	File married & separate tax return	Income-Related Monthly Adjustment Amount	You pay each month in 2024
\$103,000 or less	\$206,000 or less	\$103,000 or less	\$0.00	your plan premium
above \$103,000 up to \$129,000	above \$206,000 up to \$258,000	Not applicable	\$12.90	\$12.90 + your plan premium
\$129,000 up to \$161,000	above \$258,000 up to \$322,000	Not applicable	\$33.30	\$33.30 + your plan premium
above \$161,000 up to \$193,000	above \$322,000 up to \$386,000	Not applicable	\$53.80	\$53.80 + your plan premium
above \$193,000 up to \$500,000	above \$386,000 up to \$750,000	above \$103,000 up to \$397,000	\$74.20	\$74.20 + your plan premium
\$500,000 and above	\$750,000 and above	\$397,000 and above	\$81.00	\$81.00 + your plan premium

Timeline

To Do / Complete	Date	Completed
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>

Notes:

Understanding IF and WHEN I Should Enroll into Medicare

→ Enrollment Periods ←

Understanding your personal situation and the implications to this decision is imperative!

You are eligible to enroll in Original Medicare at age 65—earlier if you are disabled or have End-Stage Renal Disease (ESRD) or ALS. If you are receiving Social Security benefits or Railroad Retirement checks, you will automatically be enrolled in Parts A and B.

If you have not started taking benefits, you may need to enroll yourself. Upon turning 65, you have an enrollment period that trumps all other enrollment periods. It is so important to time this properly. If you miss this enrollment period without other creditable coverage, you may have to pay a late enrollment penalty for as long as you have Part B coverage.

Initial Enrollment Period (IEP)

This is when you first turn 65. This period begins 3 months prior to your birth month and ends 3 months after your birth month.

Special Enrollment Periods (SEPs)

A time outside the yearly Open Enrollment Period when you can sign up for health insurance. You qualify for a Special Enrollment Period if you have certain life events including losing health coverage, moving, getting married, having a baby, or adopting a child or if your income is below a certain amount.

Annual Enrollment Period (AEP)

If you are already enrolled in a Medicare Advantage (MA or MAPD) or Medicare Drug Plan (PDP) Oct 15 to Dec 7, coverage starts Jan 1.

You can join, drop or switch:

- To another MA, MAPD or PDP
- From Original Medicare to an MA or an MAPD

General Enrollment Period (GEP)

You can sign up between Jan 1 & Mar 31 each year. Your coverage starts the month after you sign-up.

You may pay a monthly late enrollment penalty if you do not qualify for a Special Enrollment Period.

Understanding IF and WHEN You Decide to Enroll in Medicare

Even if you have employer group coverage you may need to sign up for Medicare. Keep in mind employer group size, benefit design, and work status all make a difference.



Employer Groups Under 20 Employees

Medicare is your primary health coverage if you are an active employee and over 65

- You will need to enroll in Medicare Parts A & B as your primary insurance coverage.
- You can schedule a consultation with Transitions Benefit Group advisor to assist you in transitioning to Medicare.

Medicare Enrollment



Employer Groups Over 20 Employees



Your or your spouse's employer plan is your primary health coverage if you or your spouse is an active employee and over 65 in a qualified health plan.

- You may defer Medicare enrollment until you or your spouse are no longer an active employee or covered by the employer plan. This may qualify you for a Special Enrollment Period (SEP).
- You may want to do a cost/benefit analysis annually at Open Enrollment of your employer plan and to confirm your drug coverage is creditable.

Understanding Your Part D Drug Plan

How to get prescription drug coverage:

Medicare drug coverage helps pay for your prescription drugs. Even if you don't take prescription drugs now, you should consider getting Medicare drug coverage. Medicare drug coverage is optional and is offered to everyone with Medicare. If you decide not to get it when you are first eligible, and you do not have other creditable prescription drug coverage (i.e.: drug coverage from an employer or union), you could pay a late enrollment penalty if you join a plan later. This penalty lasts for as long as you have Medicare drug coverage. You can only join, drop, or switch during Annual Enrollment Periods if you miss your Initial or Special Enrollment windows.

Each plan can vary both in cost and the specific drugs which are covered.

4 Stages of Part D Drug Plans

Deductible Stage:

During this stage, if your plan has a deductible, you pay the plan's negotiated drug cost up to the deductible limit. Once you reach the deductible limit, you will move to the initial coverage stage.

The deductible may not apply to all drug tiers.

Initial Coverage Stage:

During this stage, the plan pays its share of the cost, and you pay a copayment or coinsurance (your share of the cost) for each prescription - until the total paid by you and the plan reaches \$5,030.

Once this is reached you enter the coverage gap or "donut hole".

Coverage Gap Stage: (Donut Hole)

During this stage, you pay 25% of the cost for generic and brands drugs. This stage continues until the yearly out-of-pocket cost reaches \$8,000.

Once the yearly out-of-pocket costs reaches this amount, you move to the catastrophic stage.

Catastrophic Coverage Stage:

Once the member's total out of pocket costs reach \$8,000, they will pay \$0 for brand and generic drugs for the remainder of the year.

Your HSA and Medicare

If you choose to enroll in Medicare, you can no longer contribute pre-tax dollars to your Health Savings Account (HSA).

If you choose to delay Medicare enrollment because you are still working and want to continue contributing to your HSA, you will need to stop contributions at least six months prior to applying for Medicare. Keep in mind that Medicare will enroll you in Part A up to six months retroactively, but no further back than your initial month of eligibility, 65th birthday month.]

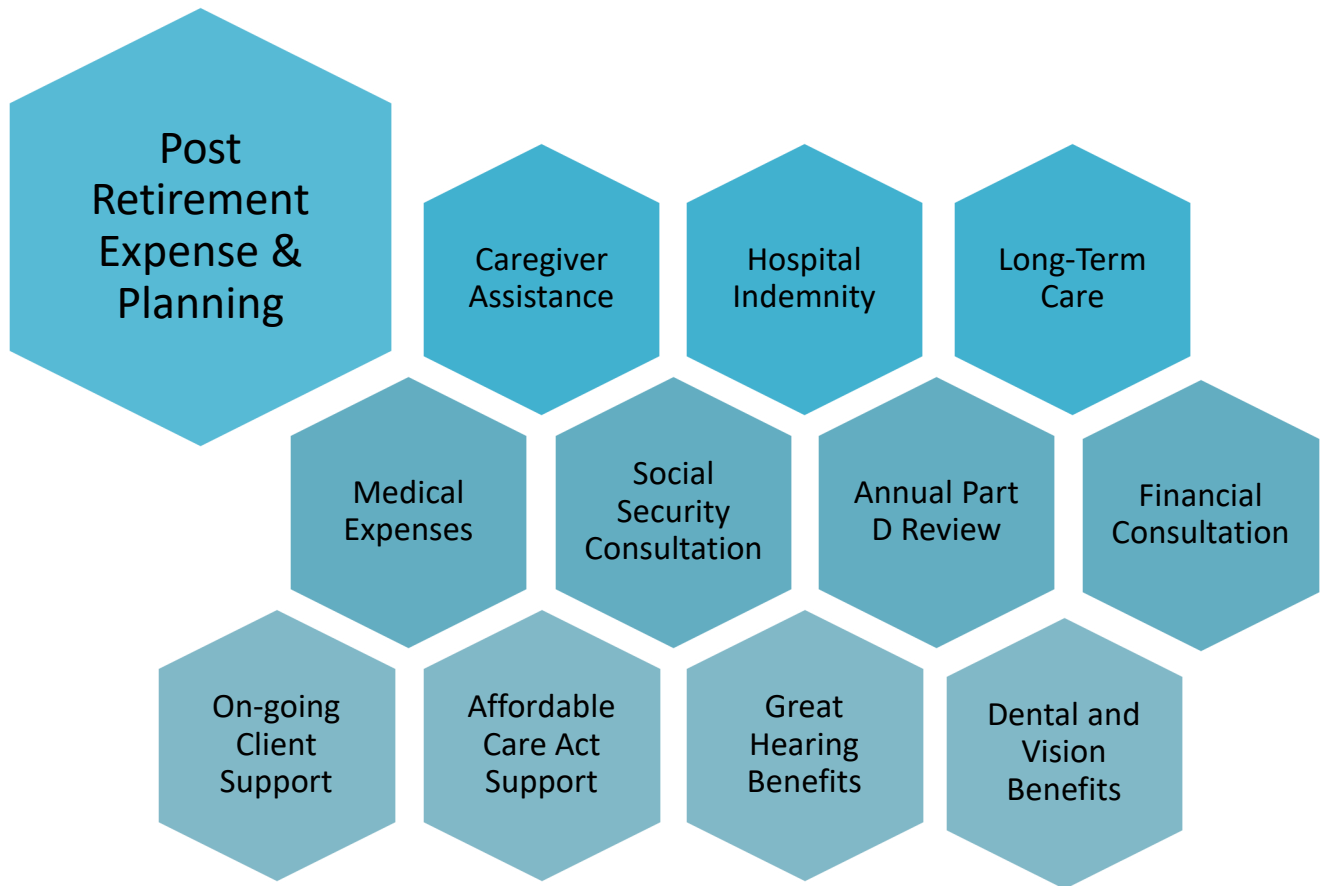
Please Note: Applying for Social Security benefits will automatically enroll you in Medicare and you cannot decline Part A once you apply for Social Security benefits.

** Your dedicated advisor will be happy to answer any additional questions **

*We are here to help you throughout this journey.
Medicare is not an easy subject to understand or apply to your
personal situation.*

*Your organization understands that your decisions need
to be carefully weighed, applied, and implemented.*

*You have the resources to support your decisions today,
tomorrow, and into the future.*



Planning for the future will help:

- Relieve Stress
- Alleviate financial burdens for you and your family.
- We can refer you to our support network if we cannot assist you directly.



Important disclosures about Medicare Plans:

Medicare has neither endorsed nor reviewed this information. We are not connected or affiliated with any United States Government or State agency. We do not offer every plan available in your area.

Any information we provide is limited to those plans we do offer in your area. Please contact [Medicare.gov](http://www.Medicare.gov) or **1-800-MEDICARE (1-800-633-4227)** to get information on all your options.