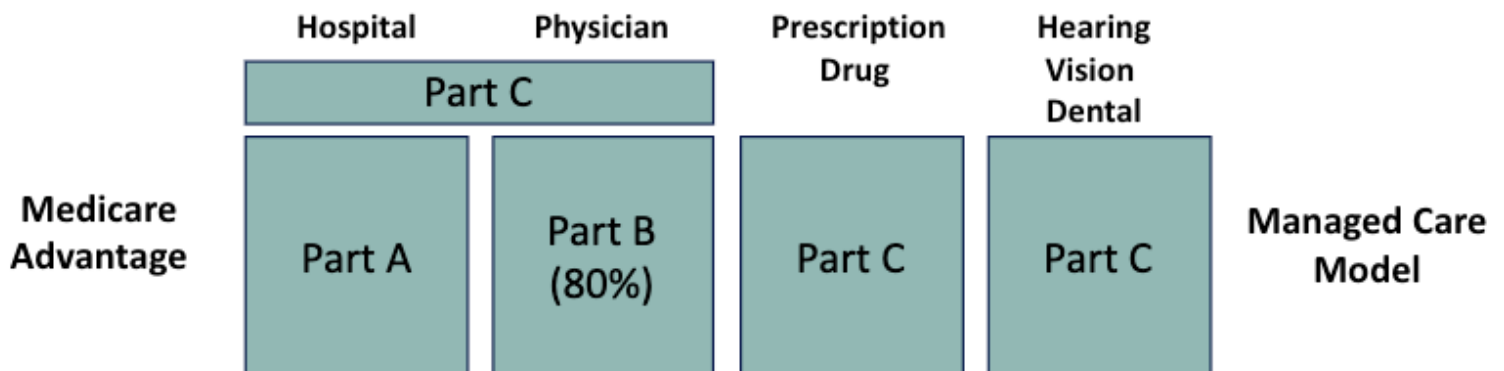
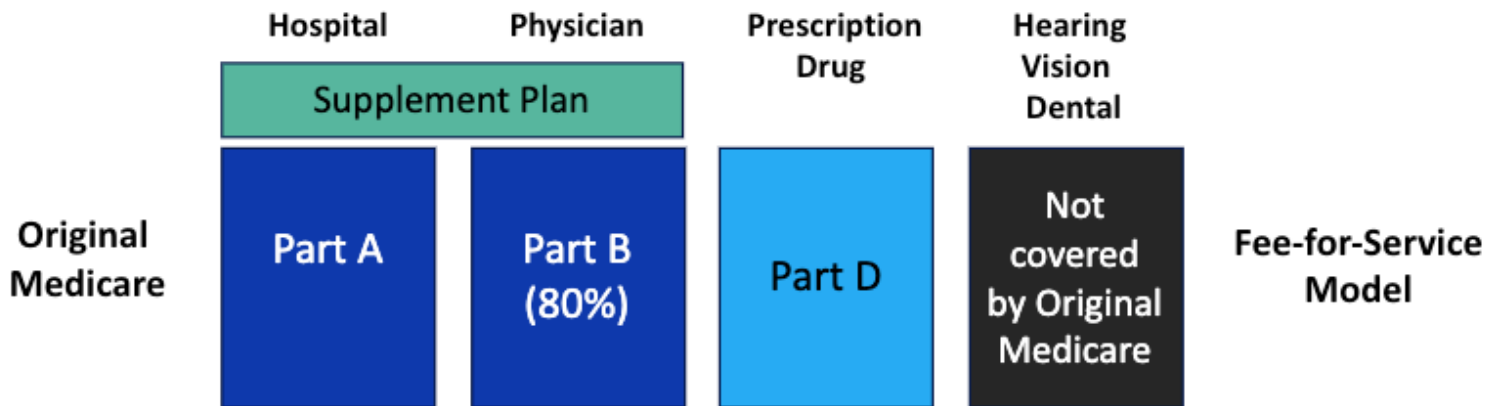


# Biggest takeaways from the Five Biggest Medicare Mistakes webinar:

## Big dos and don'ts

- Do incorporate realistic lifetime Medicare costs in your financial plan.
- Don't enroll late! You will pay penalties for the rest of your life!
- Don't choose your spouse's plan unless it fits your needs, too.
- Do check your coverage every year to be sure it still works for you.
- Do research to find the best plan for you.
- Do ask for help if you need it. Medicare is complicated.

## Medicare at-a-Glance



## Government plans - Parts A and B:



- Enrollment in Medicare is not required, but if you do opt-in, you must enroll in both Parts A and B (although not necessarily at the same time).
- Part A is Hospital Coverage, and Part B is Physician (and diagnostics) coverage.
- Parts A and B cover a large proportion of Medicare-eligible expenses, but there will be co-pays.
- Parts A and B cover a portion of Rx drugs administered in a hospital or doctor's office (respectively).

## Optional Private plans - Medigap/Part D or Part C (Medicare Advantage):



- Medicare Supplement (Medigap) covers Part A deductibles and co-pays, as well as Part B co-pays.
- Part D covers Rx Drugs bought at a pharmacy.
- Part C (Medicare Advantage) is an alternative to Medigap and Part D (assuming the Part C plan includes Rx drug coverage).

# How do I enroll in Medicare?

## Enrolling in Parts A and B

You will be automatically enrolled at age 65 if:



- You already receive or are applying for Social Security benefits.
- If you have a qualifying disability and are receiving Social Security benefits.
- Otherwise, enroll through [www.SSA.gov](http://www.SSA.gov) (not through Medicare.gov).
- Alternatively, call the Social Security Administration at (800) 772-1213.
- You can also go to your local SSA office (make an appointment).

## Enrolling in Medigap, Part D, or Medicare Advantage



- These plans are offered by non-governmental healthcare providers.
- Find a plan that fits, contact the plan provider directly, and apply for coverage.
- You must have enrolled in Parts A and B before you can enroll in these private plans.
- The objective is to have this coverage begin at the same time Parts A and B start.

# 2024 Medicare Costs

## Government Plans

2024	Part A (Hospital)	Part B (Doctor)
Monthly Premiums	Free to most	\$175
Deductible	\$1,632 per hospital stay	\$240 per year
Copays/ Coinsurance	\$0 first 60 days, then \$408/day for days 61-90, then \$816/day	20% of Medicare-approved charges
IRMAA	N/A	Varies by income

## Private Plans

2024	Part C (Medicare Advantage)	<< "OR" >>	Supplement (Medigap)	Part D (Rx Drug)
Monthly Premiums	Varies (many are \$0)		\$50 to \$200	\$0 to \$200 (Nat'l avg. \$56)
Deductible	Varies (many are \$0)		None ~\$2,800 for High Ded. Plan	Varies Max \$545/yr
Copays/ Coinsurance	Not to exceed \$8,850 per year		None; Pays Part A deductibles and 20% that Part B doesn't cover	4 phases, 4 tiers; donut hole; it's complicated
IRMAA	If Rx Drug plan Included		N/A	Varies by income

IRMAA: Income-related Monthly Adjustment Amount – a surcharge for higher-income individuals on Medicare Parts B and D premiums, calculated based on your Modified Adjusted Gross Income from two years prior.

## Part A penalties



- No late enrollment penalties for anyone with 10 years of work experience, or their non-working spouse.
- Otherwise, a flat 10% is added to the premium.
- Part A penalties do not last a lifetime. You pay the penalty for twice the number of years you were late (e.g., 2 years late, 4 years of penalties).

## Part B penalties



- An extra 10% per year over the base premium,
- for every 12-month period between your IEP and the end of your GEP (March 31) in the year you sign up,
- minus time you had group health insurance from your employment or your spouse's after age 65.
- Penalties will increase as the base premiums increase with inflation.
- Penalties pertain only to the base premium, not IRMAA surcharges.
- Penalties are permanent for as long as you have the coverage!

## Part D penalties



- Premiums increase by 1% of the National Average Premium (NAP) for every month you lacked creditable coverage or Part D.
- If the NAP increases, the penalty increases; if it decreases, the penalty decreases.
- Penalties are permanent for as long as you have the coverage!
- You may have to wait until Open Enrollment (October 15 - December 7) to enroll, and coverage won't start until the following January.

## Questions you should ask regarding your Rx Drug plan



- Does the plan still cover your medications?
- Are there any restrictions, such as quantity limits or prior authorizations?
- How much will you pay for generic and brand-name drugs?
- Has the monthly premium increased?
- Has the Part D drug deductible increased?

# Questions to ask about your Medicare Advantage plan



- Are your doctors and hospitals still in the plan's network?
- Will you need a referral from your PCP to see a specialist?
- How much is the plan's out-of-pocket maximum (MOOP)?
- Can you afford the MOOP in the event of a serious illness?
- What are the copays for healthcare services you know you will need?
- Can you afford them?
- Is there a medical deductible? Is there a Rx drug deductible?

## How can I get help choosing a private Medicare plan?

### Medicare Plan Finder software tool:

- [www.medicare.gov/plan-compare/#/?year=2024&lang=en](https://www.medicare.gov/plan-compare/#/?year=2024&lang=en)

### Research!

- Talk to friends, family, and colleagues.
- Use Medicare's "Plan Finder" application on [www.medicare.gov](https://www.medicare.gov).



### State Health Insurance Assistance Program (S.H.I.P.)

- Free federal government-sponsored program
- Offers assistance, counseling, and education to Medicare-eligible individuals.
- [www.shiphelp.org](https://www.shiphelp.org)

### Independent Licensed Medicare Broker

- Commission-based Medicare-certified salesperson
- Free to Medicare enrollee; paid by local plan provider if enrollee chooses a plan from them.
- Commissions are higher for Medicare Advantage than for Original Medicare.



### Fee-for-service Medicare consultants

- Pay an hourly fee to an independent healthcare consultant with Medicare expertise.
- Not inexpensive. Best for more complicated cases.

