

The ABC and Ds of Medicare Insurance

Presented by <<agent name>>



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- <<insert headshot of agent>>
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Medicare 101

Making Medicare Easy

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Greetings, we would like to welcome, and thank you, for joining us in this presentation, detailing “Medicare 101 - Making Medicare Easy.” Medicare may be an important part of a retiree’s plan for retirement, as well as general health, and as such, we will explore much of the information relating to what Medicare is, as well as how it may benefit you.

What we will cover:

- What Medicare **Covers** & What it **Costs**
- How & When to **enroll** in Medicare
- What the “**holes**” are in Medicare and how to fill them
- What are Medicare **Supplements** and how do they work?
- What are Medicare **Advantage Plans** and how do they work?
- How Medicare **Supplements and Advantage Plans** differ
- How Medicare **Drug Plans** work and why you must have one

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Let us explore some of the key concepts that we will cover while progressing through this presentation. Having a solid grasp on these foundational topics, will ultimately make the entire process of navigating the world of Medicare exponentially easier for you, or your loved ones.

“What We Will Cover”:

Medicare 101

Medicare is a federal health insurance program for people 65 and older. It also provides coverage to people under 65 that have certain disabilities, and for people with End Stage Renal Disease (ESRD).

The foundation of your Medicare coverage is made up of two parts, known as Part A (hospital) and Part B (medical).

These two parts (A & B) combined are commonly called Original Medicare

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Let us explore some of the key concepts that we will cover while progressing through this presentation. Having a solid grasp on these foundational topics, will ultimately make the entire process of navigating the world of Medicare exponentially easier for you, or your loved ones.

“What We Will Cover”:

What Is Covered

Medicare Part A	Medicare Part B
<ul style="list-style-type: none">■ Inpatient Hospital■ Skilled Nursing Facility Care■ Hospice■ Home Health Services	<ul style="list-style-type: none">■ Doctor Services■ Outpatient Care■ Lab Tests, X-Rays■ Ambulance■ Durable Medicare Equipment■ Some Outpatient Prescription Drugs■ Preventative Services (and More)

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Diving in, let us find out “What Is Covered,” under each of the respective Medicare Parts, A & B.

Medicare Part A

- Inpatient Hospital - This is any stay under medical treatment requiring at least one overnight period.
- Skilled Nursing Facility Care - Inpatient treatment/rehabilitation facilities, featuring a staff of licensed medical professionals with varying, specific skills.
- Hospice - Specialized quality of life care for individuals with life-limiting illnesses.
- Home Health Services - This umbrella term applies to a large variety of home-based healthcare services provided by a licensed professional.

Medicare Part B

- Doctor Services - Medically necessary doctor services, and qualified preventative services.
- Outpatient Care - Medical care that includes diagnosis, observation, consultation, treatment, intervention and rehabilitation medical services.
- Lab Tests and X-Rays
- Ambulance - Emergency Transportation Services
- Durable Medical Equipment - Specialized medical equipment that provides therapy to a patient with a specific ailment.
- Some Outpatient Prescription Drugs
- Preventative Services (and More)

Medicare Preventative Services

- Flu Shots
- Yearly Wellness Exams
- Mammogram
- Diabetes Screening
- Glaucoma Screening
- Prostate Screening
- Welcome to Medicare Exam
- And Many More

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Continuing from the last item on the previous slide, you may find yourself wondering, what “Medicare Preventative Services,” are covered? Here, we may observe some of the most commonly facilitated Preventative Services provided by Medicare Part B.

2026 Medicare Costs at a Glance

Part A Premium
(monthly)

Premium-free with qualifying work history; **\$565** each month without

Part A Deductible
& Coinsurance

You Pay...

- Deductible: **\$1,736** per benefit period
- Coinsurance (days 1-60): **\$ 0** per day of each benefit period
- Coinsurance (days 61-90): **\$434** per day of each benefit period
- Coinsurance (60 lifetime reserve days): **\$868** per day after day 90 of each benefit period

Part B Premium
(monthly)

Standard Part B premium is **\$202.90** (high earners pay more)

Part B Deductible
& Coinsurance

\$283 annual deductible and then 20% of the Medicare-approved amount

Source: medicare.gov

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Moving forward, we will now take a glance at “2025 Medicare Costs.” Here, you will easily be able to see a concise description of Parts A & B’s monthly Premiums, Deductibles, and Coinsurance amounts, giving you an idea of the impact on your retirement finances.

Source: 2026 Medicare Parts A & B Premiums and Deductibles, Nov 14, 2025, CMS.gov

2026 Part A Premium

Medicare Part A is considered hospital insurance. It helps to cover some of your costs at various medical and healthcare facilities, when admitted as an inpatient.

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Your Monthly Part A Premium Costs

Time Worked	Premium Costs
For 10+ Years	\$ 0
7.5 to 10 Years	\$ 311
Less than 7.5 years	\$ 565



Next, we will cover the “2026 Part A Premium.” Depending on the sum total of annual quarters in which you contributed to Medicaid through taxes, your Part A monthly premium will differ, as we can see here.

At 30 quarters or less, the premium is equal to \$518. 30-39 leaves us at nearly 55% of the previous premium, with an amount of \$285, and finally, at 40+ quarters, the premium is dropped to a tidy \$0.

<https://www.cms.gov/files/document/mm13796-medicare-deductible-coinsurancepremiumrates-cy-2025-update.pdf>

2026 Part B Premium

Individual Tax Returns with Modified Adjusted Gross Income (MAGI)	Beneficiaries who file joint tax returns with modified adjusted gross income:	IRMAA	Total Monthly Premium Amount
\$109,000 or less	\$218,000 or less	\$0.00	\$202.90
Over \$109,000 to \$137,000	Over \$218,000 to \$274,000	\$81.20	\$284.10
Over \$137,000 to \$171,000	Over \$274,000 to \$342,000	\$202.90	\$405.80
Over \$171,000 to \$205,000	Over \$342,000 to \$410,000	\$324.60	\$527.50
Over \$205,000 to \$500,000	Over \$410,000 to \$750,000	\$446.30	\$649.20
Over \$500,000	Equal to or over \$750,000	\$487.00	\$689.90

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In regards to the “2025 Part B Premium,” we have a more detailed visualization at our disposal. Here, we are able to see the Medicaid Part B Premium amounts, based on varying income and tax factors.

Source: Fact Sheets Nov 14, 2025, 2026 Medicare Parts A & B Premiums and Deductibles, CMS.gov

2026 COLA

Cost-of-Living Adjustment

- The **2.8% cost-of-living adjustment (COLA)** will begin with benefits payable to almost **75 million** Social Security beneficiaries in December 2025.
- Increased payments to more than 7 million SSI beneficiaries will begin after December 31, 2025.
 - Note: some receive both Social Security and SSI
- The maximum earnings subject to the Social Security FICA tax increases to **\$184,500**.

2017	0.3%
2018	2.0%
2019	2.8%
2020	1.6%
2021	1.3%
2022	5.9%
2023	8.7%
2024	3.2%
2025	2.5%
2026	2.8%

Information found and taken from [Cost-of-Living Adjustment \(COLA\) Information | SSA](#)

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Cost-of-Living Adjustment (Cola) Information for 2026 (cont.)

- The earnings limit for workers who are younger than "full" retirement age will increase to **\$ 24,480**.
 - We deduct \$1 from benefits for each \$2 earned over \$24,480 until the month the worker turns "full" retirement age.
- The earning limit for people reaching their "full" retirement age in 2024 will increase to **\$ 65,160** (\$1 deducted from benefits for each \$3 over \$65,160 until the month the worker turns "full" retirement age)
- There is no earnings maximum for workers at "full" retirement age or older.

Information found and taken from [Cost-of-Living Adjustment \(COLA\) Information | SSA](#)
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Social Security (FICA) Tax Rates in 2026

The 7.65% tax rate is the combined rate for Social Security and Medicare

	Annual Tax Rate
Employee	7.65%
Self-Employed	15.30%

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Source: 2026 COLA Fact Sheet and Press Release

Tax Rates in 2026 (cont.)

- The Social Security portion (OASDI) is 6.20% on earnings up to the maximum.
- The Medicare portion (HI) is 1.45% on all earnings.
- Individuals with AGI more than \$200,000 (Single) or \$250,000 (Married FJ) pay an additional 0.9 percent in Medicare taxes.

Maximum Taxable Earnings	2025	2026
Social Security (OASDI only)	\$176,100	\$184,500
Medicare (HI only)	No Limit	No Limit

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When To Apply For Medicare

Your Initial Enrollment Period



3 Months Prior

65

3 Months After

7 Month Window to Enroll
in Medicare Without
Penalty

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Now that we have covered some basic Medicare information, you may be wondering, “When To Apply For Medicare.” There is a 7 month window surrounding a senior’s 65th birthday, beginning 3 months prior, including the month of birth, and extending until 3 months after. During this time, Medicare enrollment may be sought without incurring penalty.

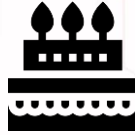
When To Apply For Medicare

Will you be automatically enrolled?

If you are receiving your Social Security Benefits prior to age 65 you will be automatically enrolled in Medicare!

YES:

Look for your Medicare card in the mail approximately 3 months prior to your birthday!



65



3 Months After

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Continuing from the preceding informational segment on, “When To Apply For Medicare,” the question arises, “Will you be automatically enrolled?” The answer, is as follows - if, prior to your 65th birthday, you are receiving SSI benefits, then you will indeed receive automatic Medicare enrollment based on this decision.

Enrolling Yourself in Medicare



- If you are not receiving Social Security Income prior to age 65 you will need to actively enroll in Medicare.
- Enrolling in Medicare is done through the Social Security Administration (Four Ways).
- If you will not have group coverage when you are 65, you will need to enroll in Medicare during the 7-month window we discussed earlier.

Start your enrollment process as early as possible so you have time to fix any issues that come up.
Need Assistance Enrolling? We can help!

1. Online: [SSA.GOV](https://www.ssa.gov)
2. By Phone: 800-772-1213
3. In Person: Local SSA Office
4. By Mail: Mail to SSA

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On this slide, we will explore some relevant points related to “Enrolling Yourself In Medicare,” as well, we have also provided contact information for the United States Social Security Administration.

Medicare Group and Coverage

- If you are turning 65 soon, or if you are already 65 and have group coverage (you or spouse) through an employer, you have the option of either joining Medicare or keeping your current plan. Depending on cost and coverage, you will want to compare both options.
- If your employer has 1-19 employees, Medicare is the primary. You will need to discuss with your benefits coordinator (HR) if they require you to join Medicare. If you are not required to enroll in Part B you can delay without penalty as long as your coverage is creditable.

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Here, we will review some of the necessary points to acknowledge in reference to “Medicare Group and Coverage.” But first, what are Medicare Groups? Medicare groups are insurance plans offered by employers, unions, or government agencies, to retirees of the specified agency. These plans are provided by private insurance companies through your employment.

Medicare Group and Coverage

- If your employer has 20+ employees, Your group coverage is primary and they are required to treat age 65+ employees the same as their under 65 employees. You can delay Medicare Part B without penalty as long as this coverage is creditable.
- **COBRA:** This is non-creditable coverage by Medicare Standards. Enroll in Medicare when you are eligible. It may be creditable Part D coverage, so you possibly do not need to enroll in Medicare Part D until you lose COBRA RX coverage.

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The Holes in Original Medicare

	Part A Hospital		Part B Doctors		Excess Charges
Days 1-60 Inpatient Hospital stay	\$1,736 deductible	+	20%	+	15%
Days 61-90 Inpatient Hospital Stay (\$434/day)	\$13,020	+	20%	+	15%
Days 91-150 Inpatient Hospital Stay (\$868/day) 60 Lifetime Reserve Days	\$52,080	+	20%	+	15%
Medicare Coverage Ends until you are out of the hospital for 60 consecutive days	All Costs	+	All Costs	+	All Costs

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Source: <https://eligibility.com/medicare/part-d/part-d-donut-hole>



So, we have two options: Original Medicare, and Medicare Advantage. Referencing the on-screen layout, we can easily decipher some of “The Holes in Original Medicare.” They are as follows, covering Parts A and B, and the associated benefit periods, as well as related excess charges.

Source: Medicare.gov <https://www.medicare.gov/basics/costs/medicare-costs>

The Holes in Original Medicare D Coverage for 2024

Deductible

Some plans have a deductible, others do not.

Max deductible is **\$505**.

Initial coverage

You pay the plan's copays and coinsurances.

Ends once you and the insurance company have spent **\$5,030**.

Coverage gap

You pay **25%** of drugs.

Catastrophic coverage

Begins after you've spent **\$8,000** on prescription drugs.

You pay **5%** of drug costs or **\$3.70** for generics and **\$9.20** for brand names — whichever is greater.

Amount resets

On January 1st, your plan resets.

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Source: <https://boomerbenefits.com/medicare-part-d-plans/medicare-donut-hole-2024/>



Let us break down a scenario, involving Medicare Part A, and “The Holes in Original Medicare.” Here is how the scenario will play out, based on what “You Owe...”

How Do You Fill These Holes?

Step One: Enroll in Original Medicare



Step Two: Purchase a Medicare Supplement or a Medicare Advantage Plan

Medicare Supplement (Medigap)

Medicare Drug Plan Part D

Medicare Advantage
(Part C)

Combines your Part
A/Part B and most plans
include Part D
(Medigap)

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As you almost all, surely, are wondering, “How Do You Fill These Holes?” Referring to this slide’s visual representation, we have a flowchart of how to accomplish bridging these mentioned gaps in Original Medicare.

The Medicare Part D Donut Hole Disappears in 2025

- The Medicare Part D coverage gap known as the “donut hole” ends after 2024.
- **New for 2026: \$2,100 cap on covered Part D drugs**
- For 2026, all Medicare plans will include a \$2,100 cap on what you pay out-of-pocket for prescription drugs covered by your plan.
- Medicare has negotiated lower prices on 10 of most expensive and commonly prescribed drugs. Insulin capped at \$35 per month. CDC-recommended vaccines remain \$0 payment with no deductible.
- If your out-of-pocket spending on covered drugs reaches \$2,100, **you’ll automatically get “catastrophic coverage.” That means you won’t have to pay out-of-pocket for covered Part D drugs** for the rest of the calendar year.

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Source: National Council on Aging



Source: National Council on Aging, <https://www.ncoa.org/article/the-medicare-part-d-donut-hole-what-you-need-to-know/>

When to Apply for Medicare

Medicare
Supplement
(Medigap)

OR

Medicare
Advantage
(Part C)

Let us look at it one at a time!

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Having these points brought to your attention begs the inquiry, “What Path Do You Take?” On our slide, we can see that the path of retirement insurance decisions leads to a fork in the road. At this juncture, we must consider our choices: Medicare Supplement [Medigap], or Medicare Advantage [Medicare Part C]. Let us explore each option independently.

Medicare Supplement Plans (Medigap)

Medicare Supplement Plans, known as Medigap Plans, are designed to cover the “holes,” or “gaps,” in Original Medicare; they are sold by private insurance companies. Depending on what plan you buy, you can cover some or all of the “holes,” in Original Medicare.

- Medicare Supplements pay after Original Medicare. You must have Parts A & B to purchase a Medicare Supplement Plan.
- Medicare Supplements only cover the individual on Medicare. There are no family plans with Medicare.

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“Medicare Supplement Plans,” otherwise known as “Medigap,” is an option that can be implemented to bridge the gaps in Original Medicare. Over the next 2 slides, we will explore the conceptual details concerning the Medigap option in relation to your long-term healthcare planning.

Which Medicare Supplement Should You Buy?

- The different standardized Medicare Supplement Plans cover some or all of the “Holes” in Original Medicare.
- Each plan is designated by a plan letter, A–N
- These plans are meant to fit like puzzle pieces to cover the deductibles, coinsurance and excess charges Medicare leaves you to pay

Think of it like this: The more “holes,” you cover, the higher monthly premium you pay. The F Plan, you will notice, covers all 9 Original Medicare “Gaps.” Meaning, if you buy this plan, you will have no out of pocket when you need medically necessary care. BUT, this plan obviously costs the most... Right?

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As we attain more information relating to the most efficient option to pursue, regarding Medicare Supplement, we have a few more key pieces of information to cover, on this slide.

Which Medicare Supplement Should You Buy?

Medigap Benefit	Plan A	Plan B	Plan C	Plan D	Plan F*	Plan G*	Plan K	Plan L	Plan M	Plan N
Part A coinsurance and hospital costs up to an additional 365 days after Medicare benefits are used	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Part B coinsurance or copayment	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓***
Blood benefit (first 3 pints)	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Part A hospice care coinsurance or copayment	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Skilled nursing facility care coinsurance	✗	✗	✓	✓	✓	✓	50%	75%	✓	✓
Part A deductible	✗	✓	✓	✓	✓	✓	50%	75%	50%	✓
Part B deductible	✗	✗	✓	✗	✓	✗	✗	✗	✗	✗
Part B excess charge	✗	✗	✗	✗	✓	✓	✗	✗	✗	✗
Foreign travel emergency (up to plan limits)	✗	✗	80%	80%	80%	80%	✗	✗	80%	80%
Out-of-pocket limit**	N/A	N/A	N/A	N/A	N/A	N/A	\$7,060 in 2024 (\$7,220 in 2025)	\$3,530 in 2024 (\$3,610 in 2025)	N/A	N/A

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We would like to point out this helpful “Note To Remember,” it should be known that Medigap Plans are, in fact, standardized. What does this mean? Let us clarify that statement by taking a look at the information provided.

Medicare Supplement Plans

- **No Referrals Needed**
 - Medicare supplement plans do not require a referral to see a specialist. You can simply go directly to any specialist in the country who accepts Medicare.
- **Simple Claims Process**
 - Medicare and your Supplement company work together to pay your healthcare bills, so you don't have to.
- **Guaranteed Renewable**
 - Medicare Supplements are guaranteed renewable, which means an insurance company can never cancel your plan due to health conditions, as long as you pay your plan premiums.

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Up next, we can see a few of the many benefits included with “Medicare Supplement Plans,” that are sure to motivate you in considering your many options available in this process.

Medicare Supplement Open Enrollment Period

- When you turn 65, you have a 6-month window to enroll in a Medicare Supplement Plan, with no health questions. Insurance companies cannot deny or rate you based upon pre-existing health conditions during this time. After this Open Enrollment period has passed, if you want to enroll in a Medicare Supplement Plan, you will be subject to health underwriting.
- This Open Enrollment period occurs when you turn 65 or enroll in Part B.

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Now that we have reviewed “Medicare Supplement Plans,” let us talk here for a moment about the federally mandated “Medicare Supplement Open Enrollment Period.”

Medicare Supplement Plan (Medigap)

• Pros

- No networks: you can use any doctor or hospital in the country that accepts Medicare.
- Comprehensive Coverage: buy a plan that covers most or all of the “Gaps,” in Original Medicare... Little to no out of pocket for you.
- No referrals needed - You are in control.
- Simple Claims Process: Medicare pays first, then electronically bills your supplement company to pay after.
- Guaranteed renewable: As long as you pay your plan premium, the insurance company cannot cancel or increase your premium because of your health.
- Change plans or companies all year long: If you want to shop around for a different plan or company you can any time of the year.

• Cons

- Higher premiums: You are essentially paying “up front” for your health care
- Plan Premiums increase with age: As you get older your rates will go up
- Drug coverage not included: You will need to purchase a stand-alone drug to cover your medications

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Up next, we have a plethora of pros concerning the “Medicare Supplement Plan,” or “Medigap,” in addition to a few considerable cons. All of this information should prove useful to you while making medicare-related decisions. Let us review them now...

A NOTE TO REMEMBER

Medicare Supplement (Medigap) Plans are Standardized!

The benefits under each plan letter are identical no matter what company you purchase your Medicare Supplement through. This means that Plan F from Humana has exactly the same coverages as Plan F from Blue Cross Blue Shield, Aetna, United Healthcare or any other company that offers Plan F in your state. Same goes with Plan G or any other plan letter. Medicare standardizes these plans so you can easily shop around for the best price!

This means... If you want to go with Plan G, you can look at every Plan G offered in your state, knowing the coverage you get is identical. The only thing that can be different, is the premium you pay from each insurance company.

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We would like to point out this helpful “Note To Remember,” it should be known that Medigap Plans are, in fact, standardized. What does this mean? Let us clarify that statement by taking a look at the information provided.

Why use an insurance agent?

- This is why you should use an independent insurance agency that is capable of showing you all of the top companies available to you.
- Knowing the coverages are standardized you will want to look at price along with other factors when choosing your supplement. Things like the insurance company's financial strength, and their rate increase history.

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Another potentially important inquiry to ponder, is, “Why Use An Insurance Agent?” Essentially, an independent insurance agent is more likely to lack bias, and can show you all of the top companies available to suit your needs. Consider these details...

Medicare Advantage Plans Part C

Medicare Part C is commonly known as Medicare Advantage.

Medicare Advantage Plans are offered by private insurance companies contracted by Medicare to provide you with your Part A and Part B coverage, and usually include Part D all in one plan.

These plans work much like the insurance you had while working, meaning they have networks, deductibles and copays.

Medicare Advantage Plans are required to provide you all the same rights you have under Medicare.

Some also include extra benefits like dental, vision, and gym memberships.

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Moving forward, we will now delve into a finer level of detail regarding “Medicare Advantage Plans - Part C,” referring to the information available to us on the current slide.

Medicare Advantage Plans **Part C**

While enrolled in a Medicare Advantage Plan you still have Medicare and you are required to pay your Part B premium. Instead of Medicare administering your health plan and paying your claims, Medicare is paying the insurance company to do this.

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Moving forward, we will now delve into a finer level of detail regarding “Medicare Advantage Plans - Part C,” referring to the information available to us on the current slide.

How do Medicare Advantage Plans Work?

- Medicare Advantage Plans are usually HMOs or PPOs. This means you have to use doctors and facilities contracted by the plan.
- These plans usually include a Part D plan to help cover your drug costs.
- Plan premiums are lower than Medicare Supplement plans, but you may be required to pay copays and coinsurance for covered services.
- Plans are required to include a maximum out of pocket for your yearly health care costs. This provides a “cap,” or safety net for what you can spend in a given year.
- You must follow plan rules, such as seeing doctors that are in-network or getting referrals to see specialists.
- Plans can include “extra benefits,” not covered under Original Medicare. Dental and vision are examples.

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At this point, you may well be wondering, “How Do Medicare Advantage Plans Work?” and you would be wise to do so. With the considerable amount of points made here, we will openly explore this question. Let us take a look.

Explaining Medicare Advantage

- With a Medicare Advantage Plan, you might have a monthly premium as low as \$0; this does not mean your plan is FREE.
- You still have to pay co-payments for things like doctor visits, outpatient procedures, hospital stays and more. Each Plan sets its own cost-sharing (the amount you pay) for each covered service.
- You need to compare each plan's Summary of Benefits to determine which one works best for you.
- Remember, you still have Medicare, and need to continue to pay your Part B premium while enrolled in a Medicare Advantage Plan.

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Moving forward, for those that do not know, as well as those requiring a refresher, we will cover in detail the “Medicare Advantage.”

Explaining Medicare Advantage

- Insurance companies that offer Medicare Advantage have the right to change the plan benefits and premium every year.
- Fortunately, they have to send you notice of these changes by October 1st, annually. Then you have an Open Enrollment Period (Oct 15th - Dec 7th) every year to make plan changes, if you choose.
- If you make a Plan change during Open Enrollment, it will take effect January 1st of the upcoming year.

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REMINDER!

It is important to pay attention to the plan material you receive in the mail.

This way, you will be aware of what is changing with your current plan, and if you need to shop around for a new plan you can.

Even better, make sure you are a client of an independent agency that reviews your coverage annually, during Open Enrollment.

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At this juncture, we have a crucial “Reminder,” to relay to everyone here today. Please commit this information to memory, as it may prove quite beneficial in the not-so-distant future.

Things to Consider When Shopping for Medicare Advantage

● KEY THINGS TO LOOK FOR WHEN COMPARING PLANS

- Are your doctors in the plan's network?
- Are your medications on the plan's list of covered drugs?
- What is the plan's maximum out of pocket? The out-of-pocket max is \$7,220 but it may be less in some plans.
- What is your monthly plan premium (besides your Part B premium)?
- What type of network does the plan use? HMO or PPO?
- Do you need referrals for specialist visits and other services?
- What are your copays and any other amounts for the usual medical services?
- Are there extra benefits offered, things like dental/vision and gym memberships?

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With widespread use of the internet, price comparison has become easier than ever, with the ever-savvy shopper able to accommodate nearly any budget. Medicare plan shopping should be given the utmost attention to detail. Here, we will cover some “Things To Consider When Shopping For Medicare Advantage,” with “Key Things To Look For When Comparing Plans.”

Source: <https://www.ncoa.org/article/medicare-advantage-medicare-part-c-costs>
(December 2022)

Medicare Prescription Drug Plans

● PART D

- Original Medicare did not cover prescription medication.
- Part D Plans are offered by insurance companies approved by Medicare.
- Part D Plans can be purchased as stand-alone plans or are included in a Medicare Advantage Plan.

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“Medicare Prescription Drug Plans.” As is common with many people, there may be a time in your life when it is beneficial for you to receive pharmaceutical treatment for various ailments; this is where “Part D,” comes into play. Let us review some key details concerning Medicare Part D here.

Prescription Drug Plans

WHAT MAKES PART D PLANS DIFFERENT FROM ONE ANOTHER?

- **Deductibles**
 - Plans can have no deductible, or they can have any size deductible, up to a max of **\$615** in 2026. Deductibles can also just be on certain tiers of medication.
- **Premium**
 - The amount you pay monthly for the Part D plans differ between companies.
- **Formulary**
 - The formulary is the list of drugs that are covered. Medicare sets forth rules that a certain number of drugs from each category have to be covered but other than that each plan can have a different list of drugs they cover.

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So, “What Makes Part D Plans Different From One Another?” Showcased, over this and the preceding slide, we have 5 fundamentals serving to fully answer that question, they are as follows:

Prescription Drug Plans

WHAT MAKES PART D PLANS DIFFERENT FROM ONE ANOTHER?

- Drug Tiers
 - Plans use a tier system to group drugs by cost.
 - Typically, plans use a 4 or 5 tier system.
 - Medications are put in these tiers and each tier will have a different cost-sharing amount (what you and the insurance company pay to cover the price of the drug - Your co-pay).

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Continuation of previous slide.

How Medicare Part D Costs Apply

Key points about 2026 Medicare Part D stages:

Three Stages:
Deductible, Initial Coverage, and
Catastrophic Coverage

\$2,100 out-of-pocket costs:
Once you reach \$2,100 in out-of-pocket
drug costs, you enter the catastrophic
coverage phase.

No Further Costs in Catastrophic Stage:
Once in the catastrophic stage, you pay
nothing for covered Part D drugs for the rest
of the year.

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<https://www.rxmedicareplans.com/Learn/Stages>

REMINDER!

To find out what Part D Plan is best for you, we recommend using [medicare.gov](https://www.medicare.gov).

It is what we use to help all of our clients choose a Drug Plan.

You can enter all of your current medications and the rater will show you all the drug plans available and which one covers your meds at the lowest out of pocket.

This needs to be done annually... **POLICY REVIEW!**

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Here again, we have another crucial reminder for you to commit to memory. Please take note of this information.

One Final Note About Medicare Part D

- If you are Medicare-eligible, and do not enroll in a Medicare Part D Plan you will be penalized.
- The penalty is increased every month you do not have creditable drug coverage.
- The penalty is added to your Part D premium when you enroll in one.
- This penalty follows you for the remainder of the time you are on any Medicare Part D Plan.
- The penalty is 1% of the average Part D premium.
- If you have drug coverage from a group plan, VA, or any other creditable coverage, the penalty does not apply.

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As we near the conclusion of this presentation, we would like to present “One Final Note About Medicare Part D,” for your consideration. This information will relate to Medicare-based penalties that can, and will affect you, if not planned for.

Medicare Supplement F or Medicare Advantage

	Medicare Supplement Plan F	Medicare Advantage
Monthly Premium	Average: \$100-\$250	Average: \$235
Network	No network - go to any doctor or hospital that accepts Medicare	Usually a local HMO or PPO Network
Out Of Pocket Expenses	None, for medicare approved services	Deductibles, Copays and Coinsurance
Best Option If You Value	Your choice of doctors, no out of pocket after premium, and predictable healthcare budgets	Low monthly premiums Pay as you go Do not mind using a network

Source: MedicareGuide.com
Source: MedicareSupplement.com

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In conclusion, the final slide we have for you refers to information regarding “Medicare Supplement or Medicare Advantage,” which we will now review, in closing. Here, we can see the different factors which define “Medicare Supplement Plan F,” and “Medicare Advantage.”

Source:

<https://www.medicaresupplement.com/enrollment-1/average-cost-of-medicare-supplement-plan-f/>
source: <https://www.cms.gov/newsroom/fact-sheets/medicare-advantage-and-medicareprescriptiondrug-programs-remain-stable-cms-implements-improvements>
(Dec 2024)



Does it make sense for you to get a 2nd opinion?

**DON'T WORRY. GET A PROFESSIONAL
PROVEN EDUCATIONAL APPOINTMENT**

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Thank you!

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