



65 is the magic number – The Initial Enrollment Period (IEP) is a 7-month window beginning 3 months before, the month during and 3 months after your 65th birthday.

Medicare (A, B, C, D) – What are they? Cost? Coverage?

- **PART A – Hospital Insurance** (*Automatic enrollment & *No premiums) – Provides partial coverage when you are admitted to the hospital or a skilled nursing facility. The deductible, which is \$1,632 per benefit period, covers the first 60 days of each new hospital stay with co-payment costs in addition to the deductible for stays longer than 60 days.
- **PART B – Medical Insurance** – Provides partial coverage received in a clinic, outpatient services, doctor visits and most routine and emergency medical services. Part B monthly premiums are based on income thresholds and the deductible for Part B is \$240/year. After you have met your deductible, you are typically responsible for 20% of the cost of services with NO out-of-pocket MAXIMUM.
- **PART C – Medicare Advantage** Combines Part A + B + D (depending on plan) as well as some additional benefits like Dental, Eye Care, Hearing Care. Part C has a yearly limit on Out-of-Pocket Costs for covered services and this can change each year. Part C is offered by private insurance companies and not the federal government.
- **PART D – Prescription Drug Coverage** – Each Part D plan may cover different drugs, so it is important to check each plan's drug list. Part D can be offered as a standalone component or part of a Part C advantage plan. The monthly premiums are dependent on income thresholds, similar to Part B. There is a penalty if you do not enroll in Part D once eligible (within 63 days of coverage ending from an employer plan post age 65).

Medicare Supplemental Insurance (Medigap)

- Helps cover out of pocket costs not included in Parts A or B.
- Supplemental Plans are offered by private insurance companies and there are 10 standardized plans (coverage is the same regardless of each insurance carrier although pricing may vary).
- If you sign up within the Open Enrollment Period (6 months from the first day of the month of your 65th birthday) you cannot be denied coverage for any pre-existing conditions.
- Supplemental plans can ensure your out-of-pocket costs do not become detrimental to your financial plan.

There are many other factors to consider when determining the right Medicare coverage for you including provider preferences, desired coverages, and your current health situation among others.

You can get free, personalized counseling from your State Health Insurance Assistance Program (SHIP)-See pages 113-116 of the “Medicare and You” handbook for your states specific phone number.

As an additional resource, our clients have access to set up a complimentary consultation with an Independent Health Care consultant. Please let us know if this is something you would like to explore.

We have compiled a list of links below that can provide additional information on all things Medicare.

Sources:

www.medicare.gov

<https://www.medicare.gov/index.php/medicare-and-you>

<https://www.medicaremadeclear.com/>

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