
Understanding Medicare

Your retirement questions answered *every step of the way!*



2025

Cost Analysis and Medicare Options

Your Personal Situation

Are you:

- Continuing to work or transitioning to Medicare?
- Planning to retire soon?
- Covering a spouse or dependent child?
- With a spouse who is receiving Social Security benefits?
- Contributing to a Health Savings Account (HSA)?

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
- Select home health care services



Monthly premium: \$ _____

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

Part B — What It Covers (80%)

- Doctor visits
- Emergency room/urgent care
- Outpatient surgery
- Ambulance ground and air
- Lab work
- X-rays



Monthly premium: \$ _____

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

Income-Related Monthly Adjustment Amount (IRMAA) fees:

\$ _____

Notes:

The standard 2025 premium for Part B is \$185.00. 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 **IRMAA for Parts B and D** (See table on page 5). If you are not receiving Social Security benefits, you will be responsible for paying your 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 — \$1,676 per benefit period
- First three pints of blood
- Additional days for inpatient hospitalization and skilled nursing facility
- Part B 20% coinsurance

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 Supplement 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 one: \$ _____

Option 2 Medicare Advantage (Part C)

Medicare Parts A and B
with additional benefits

What It Covers

All Original Medicare services, plus extra benefits.

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 was up to \$9,350 in 2024 for in-network services (*this varies from plan to plan*). We will need a list of your current prescriptions and doctors to find the strongest plan for you.

Plans Discussed Today

Plan name: _____

Monthly premium: \$ _____

Primary doctor copay: \$ _____

Specialist copay: \$ _____

Max out-of-pocket: \$ _____

Total monthly cost for option two: \$ _____

Notes:

Why Star Ratings Are Important

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

Star ratings are based on factors that include:

- Feedback from members about the plans' service and care
- The number of members who left or stayed with their plans
- The number of complaints Medicare received about plans
- Data from doctors and hospitals that work with the plans

More stars mean a better plan and should equate to better care and customer service.

The number of stars show 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 and hospital costs (up to an additional 365 days after Medicare benefits are used)	✓	✓
Medicare Part B coinsurance or copayments	✓	✓
First three 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).*

2025 Part B IRMAA

The standard Part B premium amount in 2025 is \$185.00. Most people pay the standard Part B premium amount. If your Modified Adjusted Gross Income (MAGI) as reported on your IRS tax return from two years ago is above a certain amount, you'll pay the standard premium amount and an IRMAA. The IRMAA is an extra charge added to your standard premium amount.

File individual tax returns	File joint tax returns w/ modified adjusted gross income	File married and separate tax return	IRMAA	You pay each month in 2025
\$106,000 or less	\$212,000 or less	\$106,000 or less	\$0	\$185.00
Above \$106,000 up to \$133,000	Above \$212,000 up to \$266,000	Not applicable	\$74.00	\$259.00
Above \$133,000 up to \$167,000	Above \$266,000 up to \$334,000	Not applicable	\$185.00	\$370.00
Above \$167,000 up to \$200,000	Above \$334,000 up to \$400,000	Not applicable	\$295.90	\$480.90
Above \$200,000 up to \$500,000	Above \$400,000 up to \$750,000	Above \$106,000 up to \$394,000	\$406.90	\$591.90
\$500,000 and above	\$750,000 and above	\$394,000 and above	\$443.90	\$628.90

2025 Part D IRMAA

File individual tax returns	File joint tax returns w/ modified adjusted gross income	File married & separate tax return	IRMAA	You pay each month in 2025
\$106,000 or less	\$212,000 or less	\$106,000 or less	\$0	Your plan premium
Above \$106,000 up to \$133,000	Above \$212,000 up to \$266,000	Not applicable	\$13.70	\$13.70 + your plan premium
Above \$133,000 up to \$167,000	Above \$266,000 up to \$334,000	Not applicable	\$35.30	\$35.30 + your plan premium
Above \$167,000 up to \$200,000	Above \$334,000 up to \$400,000	Not applicable	\$57.00	\$57.00 + your plan premium
Above \$200,000 up to \$500,000	Above \$400,000 up to \$750,000	Above \$106,000 up to \$394,000	\$78.60	\$78.60 + your plan premium
\$500,000 and above	\$750,000 and above	\$394,000 and above	\$85.80	\$85.80 + 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* You Should Enroll in Medicare

Enrollment Periods Overview

Understanding your unique situation and the implications of your Medicare decision is essential! The timing of your enrollment can significantly impact your coverage and costs.

You become eligible for Original Medicare at age 65 — or earlier if you have a disability, end-stage renal disease (ESRD) or amyotrophic lateral sclerosis (ALS). If you're already receiving Social Security benefits or railroad retirement benefits, you'll automatically be enrolled in Parts A and B.

If you haven't started receiving benefits yet, you'll need to actively enroll. Upon turning 65, there is an important enrollment period. Timing this correctly is critical. Missing this window without other creditable coverage may result in a late enrollment penalty that could apply for as long as you have Part B.

Initial Enrollment Period (IEP)

When you turn 65, your IEP begins. This period starts three months before your birth month and ends three months after.

Special Enrollment Periods (SEP)

SEPs allow you to enroll outside of the annual Open Enrollment Period due to certain life events. These events may include losing existing coverage, moving, getting married, having a baby, adopting a child or qualifying based on income. If you experience any of these life changes, you may qualify for an SEP.

Annual Enrollment Period (AEP)

If you enroll in a Medicare Advantage (MA), Medicare Advantage plus Part D (MA-PD) or Prescription Drug Plan (PDP) from Oct. 15 to Dec. 7, coverage will start on Jan. 1. During this time you can join, drop or switch plans. During AEP you can:

- Change from one MA, MA-PD, or PDP plan to another
- Switch from Original Medicare to an MA or an MA-PD plan

General Enrollment Period (GEP)

You can sign up between Jan. 1, and March 31, each year. Your coverage starts the month after you enroll. Keep in mind, you may incur a late enrollment penalty unless you qualify for an SEP.

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 that employer group size, benefit design and work status all make a difference.



Employer Groups With Fewer Than 20 Employees

If you are an active employee and over the age of 65, Medicare becomes your primary health coverage. You:

- Will need to enroll in Medicare Parts A and B as your primary insurance coverage
- Can schedule a consultation with a Transitions Benefit Group advisor to assist you in transitioning to Medicare



Medicare Enrollment



Employer Groups With 20 or More Employees

If you or your spouse are actively employed and over the age of 65, your employer plan is your primary health coverage if you or your spouse have 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 an SEP
- May want to do an annual cost-benefit analysis during Open Enrollment to compare your employer plan and to confirm your drug coverage is creditable

Understanding Your PDP

How To Get Prescription Drug Coverage

Medicare drug coverage helps pay for your prescription drugs. Even if you don't currently take prescription drugs, you should consider Medicare drug coverage. This coverage is optional and is offered to everyone with Medicare. If you decide not to enroll when you become eligible, and you do not have other creditable prescription drug coverage (*such as through an employer or union*), you may incur 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 the AEP if you missed your IEP or SEP windows.

Each plan can vary both in cost and the specific drugs it covers, so it is important to determine coverage based on your needs.

3 Stages of Part D Drug Plans

Deductible Stage

If your plan has a deductible, you will 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 covers a portion of the cost, and you pay a copayment or coinsurance (your share of the cost) for each prescription. This phase ends when you reach the annual out-of-pocket threshold of \$2,000 for calendar year 2025.

Once this is reached, you enter the catastrophic coverage stage.

Catastrophic Coverage Stage

Once your total out-of-pocket cost reaches \$2,000, you enter the catastrophic coverage stage. The Part D plan pays 60% of drug costs, the drug manufacturer pays 20%, and Medicare pays 20%. You pay nothing for covered medications for the rest of the calendar year.

Your HSA and Medicare

If you decide to enroll in Medicare, you can no longer contribute pre-tax dollars to your HSA.

If you choose to delay Medicare enrollment because you are still working and want to continue contributing to your HSA, you must 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 earlier than your 65th birthday month.

Important Note: If you apply for Social Security benefits, you will be automatically enrolled in Medicare. Once you apply for Social Security benefits, you cannot decline Part A enrollment.

If you have any questions, your dedicated advisor is here to help

We are here to help you throughout this journey. Navigating Medicare can be complex, but we can guide you through the process and assist you in making informed decisions about your health coverage.

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 in the future.

Planning for the Future Will Help:

- **Relieve stress**
- **Alleviate financial burdens for you and your family**

If we can't assist you directly, we'll refer you to our support network.

**Post Retirement
Expense and Planning**

**Caregiver
Assistance**

**Hospital
Indemnity**

**Long-Term
Care**

**Medical
Expenses**

**Social Security
Consultation**

**Annual PDP
Review**

**Financial
Consultation**

**Ongoing Client
Support**

**Affordable Care Act
Support**

**Hearing
Benefits**

**Dental and
Vision Benefits**

Together, we can create a well-informed plan for your future. Speak with a licensed insurance agent today: **800.936.1405.**

Learn about us and how we can serve you!

SCAN NOW



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 or 1-800-MEDICARE (1-800-633-4227) to get information on all your options.

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