



# Making Medicare Work for You

Your **Go-To Resource** for Answers to Your Medicare Questions

# Turning 65 Is a Big Deal

It means you're eligible for Medicare, even if you keep working beyond 65. As you approach this important milestone, you'll want to consider your health care needs. You have a choice to keep your employer-provided group health plan or switch to a Medicare plan. And we understand it's not always easy to decide what's right for you.

- **When should I enroll in Medicare?**
- **What are all the Medicare Parts about?**
- **Can I save by switching to Medicare?**
- **What's a Medicare Advantage plan, and is it right for me?**

These are just a few common questions you may ask along your Medicare journey. Medicare Transition Services (MTS) is here to help you find the answers.

This guidebook is designed to save you lots of research and stress. In it, we explain Medicare basics, provide answers to many questions, and give you the confidence to make the right health coverage choice for your lifestyle.

If you have more questions, please connect with our licensed insurance agents. They'll help you explore your options, explain common pitfalls with Medicare eligibility, find coverage that fits your needs and budget, and much more.

**Let's get started!**

**Call MTS today!**

**1-833-695-3849 (TTY: 711)  
Monday–Friday | 9 AM–6 PM ET**

A licensed insurance agent will answer your call.

Or visit: <https://www.MedicareTransitionServices.com/nemours>



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*"Medicare Transition Services made the whole enrollment process so much easier. From drug plans to coverage options, they helped me pick the right plan with the right benefits for what I needed. It was like having my own personal Medicare tour guide!"*

## Medicare 101: What Is It?

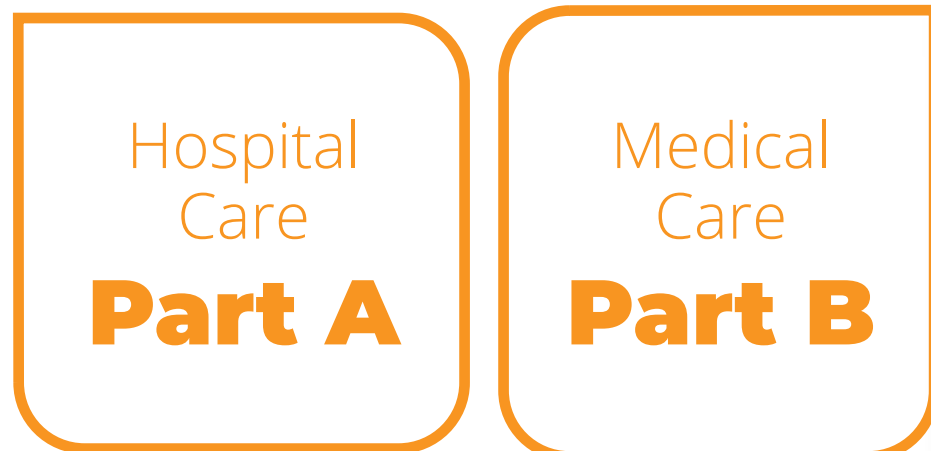
Medicare is the federal health insurance program for:

- **People 65 years or older**
- **People under 65 with certain disabilities**
- **People of any age with End-Stage Renal Disease (ESRD—permanent kidney failure requiring dialysis or a kidney transplant)**

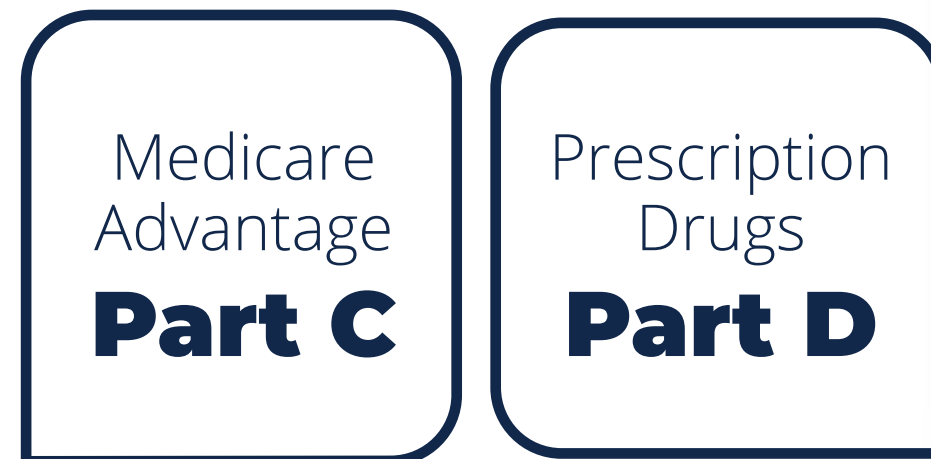
### Medicare's 4 Parts

Medicare is divided into four different Parts. Each Part covers specific health services.

#### ORIGINAL MEDICARE



OFFERED BY PRIVATE INSURANCE COMPANIES



Let's look at how each Part is designed to work for you.

## How Each Part Works

### Original Medicare

Parts A and B make up Original Medicare, which is provided by the federal government.

### Part A

#### Hospital Insurance

##### What It Covers

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

##### What You Pay

Your premium is \$0 if you paid 40 quarters' (10 years') worth of Medicare taxes. If fewer, premiums are determined by Social Security.

### What Original Medicare Doesn't Cover

- Most Prescriptions
- Long-Term Care (also called Custodial Care)
- Most Dental Care and Dentures
- Eye Exams
- Cosmetic Surgery
- Acupuncture
- Hearing Aids and Exams
- Routine Foot Care

Even if a service is covered, you'll generally still have to pay deductibles, coinsurance, and copays—with no annual limit on those costs.

### Part B

#### Medical Insurance

##### What It Covers

- Doctor Visits
- Outpatient Care
- Home Health Care
- Durable Medical Equipment
- Many Preventive Services

##### What You Pay

The standard base premium for 2023 is \$164.90 (may be higher based on income). It's 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). If you aren't taking Social Security benefits, you're responsible for paying Medicare premiums independently.

1. For more information on premiums and IRMAA, visit [MedicareTransitionServices.com](https://www.MedicareTransitionServices.com)
2. For 2023, if you make more than \$97,000 filing individually or \$194,000 filing jointly, your premium will be higher than the \$164.90 base rate. Amounts change annually.

**Additional Coverage**

Parts C and D are additional coverages offered by Medicare-approved private insurers. Part C offers an alternative to Original Medicare for your health and, often, drug coverage. Part D helps pay for prescription drugs.

**Part C**  
 Medicare Advantage Plan

**What It Covers**  
 Part C includes all Original Medicare services, plus some extra benefits, such as:

- Fitness Programs
- Dental Coverage
- Vision Coverage
- Prescription Plans

**What You Pay**  
 You may pay a low monthly premium to a private insurer for your Medicare Advantage plan. And you must also continue paying your Medicare Part B monthly premium to the federal government. Part C caps your out-of-pocket spending on covered medical costs.

*Important note: You are required to have Parts A and B before you can enroll in a Medicare Advantage plan.*

**Part D**  
 Medicare Prescription Drug Plan

**What It Covers**  
 Often included in a Medicare Advantage plan, Part D covers Medicare-approved prescription drugs.

**What You Pay**  
 You may pay a monthly premium to a private plan. A Part D plan can be purchased separately to go with Original Medicare.

*Important note: You can only enroll in Medicare Part D if you have Part A and/or Part B coverage.*

**Learn how Medicare Advantage plans can protect your savings on p. 12.**



**Medicare Supplement (Medigap) Plan**

**May be right for you if:**

- You have Original Medicare
- You want help paying for a portion of costs not covered by Original Medicare
- You want fewer restrictions on networks or seeing a specialist
- You don't need prescription drug coverage included in the plan
- Your spouse doesn't need to be on your plan

*Important note: You can only have a Medicare Supplement (often called Medigap) plan with Original Medicare. You cannot have a Medigap policy with a Medicare Advantage plan.*

**Medicare Enrollment Eligibility**

You're eligible to enroll in Original Medicare at age 65—or earlier if you're disabled or have End-Stage Renal Disease (ESRD).

If you're close to 65 but not receiving Social Security or Railroad Retirement Board (RRB) benefits, you'll need to enroll in Medicare.

You have an opportunity to enroll in Medicare Part B during your Initial Enrollment Period (IEP). If you don't enroll during your IEP, you may have to pay a late enrollment penalty for as long as you have Part B coverage. Your monthly premium will go up 10% for each 12-month period you were eligible for Part B but didn't sign up for it. If you have medical coverage through your current employer, you may not need to sign up for Medicare Part B at age 65. You may qualify for a Special Enrollment Period (SEP) that lets you sign up for Part B later.

**Call to find out how your coverage works with Medicare. 1-833-695-3849 (TTY: 711)**

**Ask Yourself These Questions**

- Is it my best option to stay on my employer's health plan?
- Could I get more comprehensive coverage through Medicare?
- Which option keeps my premiums and out-of-pocket costs the lowest?
- Do I need dependent coverage?



## Medicare Enrollment Periods

### IEP—Initial Enrollment Period

Your IEP is a 7-month enrollment window. *It begins 3 months before the month you turn 65 and ends 3 months after your birth month.* If you're not enrolled automatically, contact Social Security about 3 months before you turn 65, if you choose to sign up.

**Stay out of the "red zone" by enrolling during your IEP.**

### AEP—Annual Enrollment Period

The AEP *runs every year between October 15 and December 7.* Anyone with Medicare can change their health plans and prescription drug coverage for the following year.

### GEP—General Enrollment Period

For those who missed their IEP, GEP *begins January 1 and ends March 31 each year.* Your Medicare coverage starts the first day of the month after you sign up.

## Medicare Enrollment Periods

### SEP—Special Enrollment Period

Switching to Medicare from an employer-provided plan? You may be able to delay enrolling in Medicare Part B and Part D without penalty by providing confirmation of "creditable coverage" from your employer. The length of time before depends on your current Part A and Part B enrollment status.

### Part B Grace Period

If you didn't sign up for Part A and/or Part B when you were first eligible, you have up to 8 months after the month your employer-provided coverage or employment ends, whichever comes first.

### Late Enrollment Penalty

If you didn't enroll during your IEP, you may have to pay a penalty for as long as you have Part B coverage. Your monthly premium will go up 10% for each 12-month period you were eligible for Part B and didn't sign up.

### Part D Grace Period

If you're already enrolled in Part A and/or Part B, you have up to 2 months following the month your employer or union coverage ends to sign up for Part D.

### Late Enrollment Penalty

If your employer does not offer "creditable coverage," you have 63 days from the day you turn 65 to enroll in a Part D plan and avoid a penalty.

**Now the question is:**  
*Should you enroll?*



## Working Beyond 65

Medicare encourages you to enroll when you first become eligible for it. You can do so even if you don't plan on retiring at age 65. If you keep working and are currently covered under your employer's health plan, you have options. But you need to consider the size of your employer to make the appropriate decisions on your next steps.

### Option 1

#### Enroll During Your IEP

Sign up for Medicare Part A and/or B, drop your employer coverage, and consider additional Medicare products.

OR

### Option 2

#### Defer Your Enrollment

Because you have coverage as an active employee, you may hold off on enrolling in Medicare.



## Have Creditable Prescription Drug Coverage?

Each year, your employer is required to provide you with a "Part D Creditable Coverage Notification." This notice informs you whether your employer-provided prescription drug coverage is, on average, at least as good as standard Medicare prescription drug coverage. If your plan meets this requirement, you can keep your employer-provided prescription drug coverage. You won't pay a penalty if you decide later to enroll in a Medicare Part D plan. If your plan does not meet the requirement, you could be subject to a penalty for not having a Medicare Part D plan.

### Need Dependent Coverage?

Consolidated Omnibus Reconciliation Act (COBRA) coverage can bridge a time gap for your dependents, such as when a spouse is Medicare-eligible or a child ages out at 26. Talk to your employer.



## What Are HSAs?

Health Savings Accounts (HSAs) can be a smart way to set aside tax-advantaged money to pay medical expenses. *But you aren't eligible to make contributions to an HSA after you have Medicare.* If you have an HSA and are thinking about enrolling in Medicare, here's what you should keep in mind:

- **To avoid a tax penalty, all HSA contributions must be discontinued before Medicare Part A and/or Part B enrollment.**
- **HSA contributions are allowable up to your birth month if you enroll in Medicare at 65.**
- **Discontinue HSA contributions 6 months prior to Medicare enrollment if you are over 65.**
- **You should not apply for Social Security or Railroad Retirement Board (RRB) benefits while contributing to an HSA.**

**Consult a qualified tax expert for advice on HSAs.**

## Ways to Protect Your Health and Finances

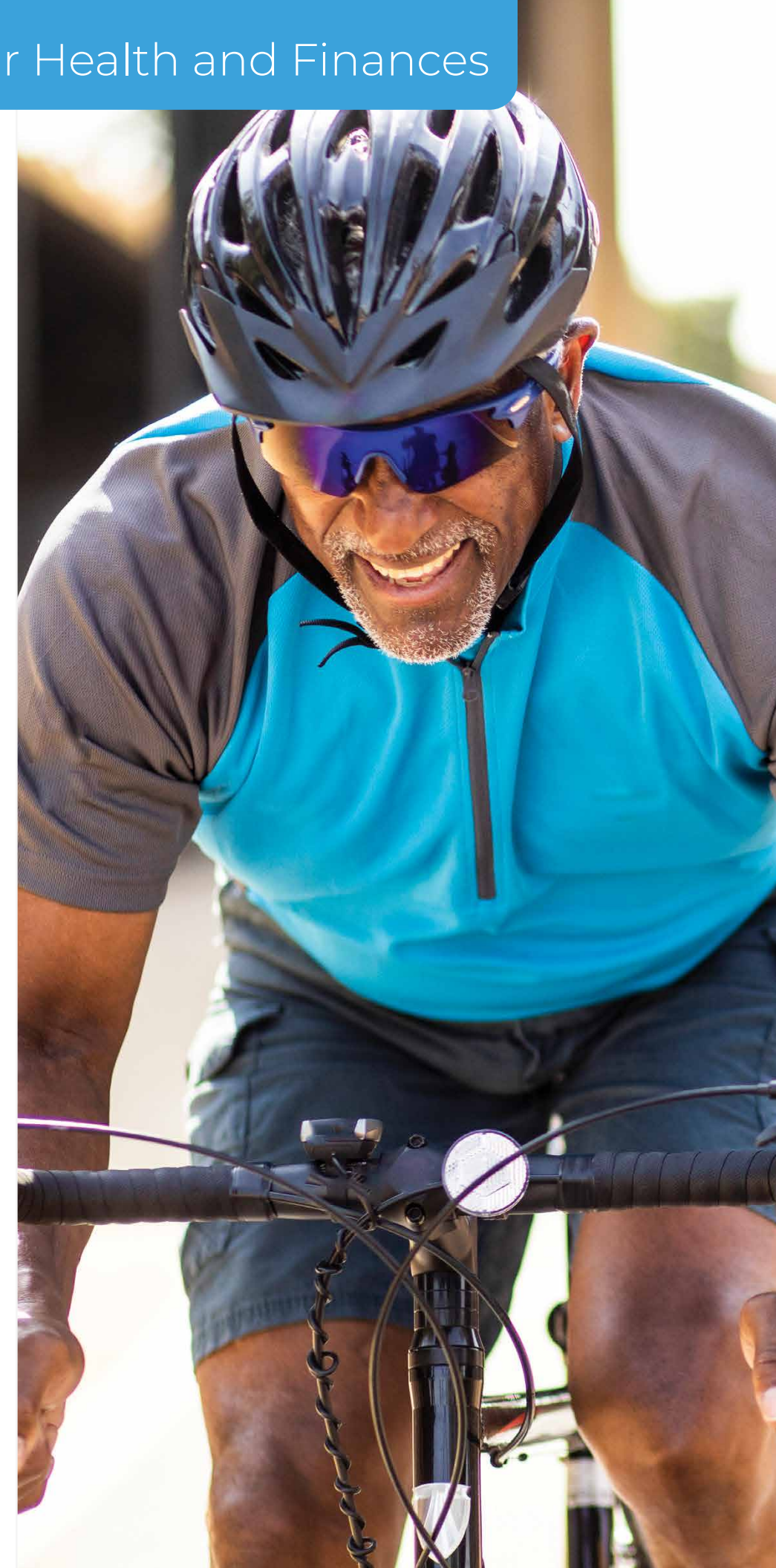
People often find their health care needs and expenses increase as they get older. What's more, they're surprised to learn Original Medicare simply doesn't cover everything. That's why many consider additional coverage for limiting out-of-pocket expenses.

### Compare Your Options

Medicare Advantage Plan

**OR**

Original Medicare +  
Medicare Supplement Plan +  
Prescription Drug Plan (Part D)





## Why Medicare Advantage Plans Make Sense

- You must have Original Medicare (Parts A and B) before enrolling in a Medicare Advantage plan.
- There are many services Original Medicare doesn't cover. And because there's no cap on out-of-pocket spending, your share of health care costs under Original Medicare is unlimited.
- A Medicare Advantage Plan could suit your budget and lifestyle in ways Original Medicare doesn't.
- Medicare Advantage Plans are called that for a reason. They can offer major advantages for people who want to control their health care spending and enjoy greater peace of mind. They provide all the health care benefits of Original Medicare—and more—with financial protection.



## Guiding Your Way Forward

If you think a Medicare Advantage plan could be a good way to safeguard your health and finances, MTS can take the stress out by helping you find one.

Depending on your area, Medicare Advantage plans may include benefits like:

- Low monthly premiums
- Routine vision and dental care
- Health-related transportation
- Fitness programs
- Hearing services
- Additional covered services

You'll find benefit details are unique with each plan. You'll see this as we explore Medicare Advantage options together in your area.

We'll help you choose a plan that's right for your individual health, lifestyle, and budget.

## Where Medicare Meets Peace of Mind

Call today to find a plan that works for you.

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We've Got This

## By Your Side

**Finding the right coverage is easier with a helping hand.**

Medicare Transition Services (MTS) is here to help you make confident choices—no matter what your future holds.

**Call today!**

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