

## **MEDICARE AND MEDICARE SUPPLEMENT A/K/A MEDIGAP**

### ***I. ORIGINAL MEDICARE PARTS A & B***

- Medicare Part A is coverage for your inpatient hospital stays, hospice care and skilled nursing care.
- Medicare Part B is all your outpatient services including doctor visits.
- Enrollment is 3 months before or after your 65<sup>th</sup> birth month. You may defer enrollment in part B if still covered by an employer plan.
- Original Medicare parts A & B matched with a medigap policy will cover you at nearly all doctors and hospitals in the country with little out of pocket cost.

### ***II. THE COST OF MEDICARE***

- Part A is free to all who are eligible. The cost for Part B in 2023 starts at \$164.90 for most individuals. If you have a higher income, you may be charged more for Part B due to the IRMAA schedule. See attachment

### ***III. MEDICARE PART C (a/k/a MEDICARE ADVANTAGE PLANS)***

- Advantage plans are managed care HMO and PPO programs. Some plans offer additional benefits, such as dental or prescription coverage.
- You must still have parts A & B (subject to IRMAA).
- You will have to go to select doctors and hospitals to get the maximum benefit.
- There may be little or no premium, but plans are subject to co-pays and in some cases, co-insurance.
- You may have \$2500 to \$5000 out of pocket expense per year depending on your plan.
- You are 100% a client of the insurance carrier. All claims are paid by and subject to their policies and procedures as well as network availability.

### ***IV. MEDICARE PART D (RX PRESCRIPTION PROGRAM)***

- Premiums are based on your geographic area and plan selected.

- All plans may have co-pays as well as deductibles.
- Can only switch plans during open enrollment.
- Must have Medicare A & B.
- Is subject to IRMAA.
- Late enrollees after initial eligibility may be subject to a penalty.

**V. *MEDICARE SUPPLEMENT (a/k/a Medigap)***

- Works in tandem with Part A and B.
- Picks up unpaid balance from Part A & B.
- Plan benefits are standardized for all carriers.
- Covers everything that Medicare covers.
- Rated by age and geographic area.
- May switch companies at any time throughout the year, not subject to open enrollment periods.
- Paired with original Medicare A & B, you may see any doctor or hospital in the country that accepts Medicare.

**VI. *MISCELLANEOUS***

- With all plans, initial enrollment is guaranteed 3 months either side of your 65th birth month, or if you have a qualifying event such as loss of creditable coverage from an employer plan.
- After initial enrollment, Part D & C are subjected to open enrollment periods in the fall of the year to switch plan carriers.
- If you qualify for Medicaid you can receive financial help with Medicare Part B & D cost.

**If you have any additional questions on the above, please do not hesitate to contact me at 708-922-9450 or e-mail to [Bob@rs-abc.com](mailto:Bob@rs-abc.com)**

## Medicare Part B (Medical Insurance) Costs (continued)

If your modified adjusted gross income as reported on your IRS tax return from 2 years ago is above a certain amount, you'll pay the standard Part B premium and an income-related monthly adjustment amount.

<b>If your yearly income in 2021 was</b>			
<b>File individual tax return</b>	<b>File joint tax return</b>	<b>File married &amp; separate tax return</b>	<b>You pay (in 2023)</b>
\$97,000 or less	\$194,000 or less	\$97,000 or less	\$164.90
above \$97,000 up to \$123,000	above \$194,000 up to \$246,000	not applicable	\$230.80
above \$123,000 up to \$153,000	above \$246,000 up to \$306,000	not applicable	\$329.70
above \$153,000 up to \$183,000	above \$306,000 up to \$366,000	not applicable	\$428.60
above \$183,000 and less than \$500,000	above \$366,000 and less than \$750,000	above \$97,000 and less than \$403,000	\$527.50
\$500,000 or above	\$750,000 or above	\$403,000 or above	\$560.50

If you have questions about your Part B premium, call Social Security at 1-800-772-1213. TTY users can call 1-800-325-0778. If you pay a late enrollment penalty, these amounts may be higher.