

The Quarterly Update



1st Quarter 2025

A, B, C (and D's) of Medicare

Part A- Hospital Insurance

Covers inpatient hospital care, skilled nursing facility care, home health care, and hospice care.

Part B- Medical Insurance

Covers doctor's visits, outpatient care, medical equipment, and preventive services.

Part C- Medicare Advantage

An optional private health insurance plan that combines Part A, Part B, and often Part D.

Part D- Prescription Drug Coverage

An optional prescription drug insurance plan that can be added to Parts A and B or a Medicare Advantage plan.

Inflation Reduction Act: 5 Things You Need To Know For 2025

1. Beginning in 2025, out of pocket costs for prescription drugs for Medicare beneficiaries will be capped at \$2,000 annually.
2. The changes led to higher premium bids from Part D plans. The average bid for Part D plans increased 179% from 2024 to 2025, according to the Congressional Budget Office.
3. In August, CMS pitched a plan to stabilize premiums. Most plans opted into the demonstration, which requires insurers to reduce base premiums for \$15 a month for 2025. CMS will take on more risk for plans' potential losses as part of the demonstration, costing \$5 billion in 2025, according to the Congressional Budget Office.
4. Starting in 2025, Medicare beneficiaries can opt into a cost smoothing program to spread high one time costs throughout the year.
5. In 2024, CMS published negotiated drug prices for 10 of the most expensive drugs with no generic or biosimilar alternatives. These negotiated prices will take effect in 2026.

The Good News- We are here to help answer any/all questions you may have and more! Call us today.

AGENTS CORNER



Jim Thornton

Should I enroll in Medicare if I have Employer Insurance?

I receive this question quite often and there is no single answer that works for everyone. The smart solution is to explore all options with a qualified and trained Medicare Independent Agent.

Things to consider--

- *Does my employer plan meet or exceed the required standards of Creditable Coverage required by Medicare?
- *How does my employer coverage premium costs compare to my Part B premiums?
- *If I choose to move to Medicare, what happens to my under 65 spousal coverage?

Call on me, as an independent agent Medicare Certified for the previous 10+ years, I can help you navigate the options and give helpful information to make the best decision for you and your family.



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Medicare: Fact vs Fiction

There is tons of misinformation out there and it is often hard to know what information is fact vs fiction. Below are 3 of the top Myths as they relate to Medicare.

Myth #1: Medicare Part B is free

If only it were so! Medicare Part B is not free. You may pay premiums, deductibles, copays and coinsurance out of pocket, just like with any health insurance plan.

In fact, no part of Medicare is completely free. While with Part A, you may qualify to have no premium, you will still have a deductible, copay and coinsurance. Medicare Advantage (Part C) may offer low- to no-cost premiums, but they also will include other costs. And, if you have Part D coverage, you may have a premium for that as well.

Myth #2: Medicare costs the same for everyone

Nope. The exact amount you will pay for Medicare depends on the specific Medicare coverage you have, the health services and items you use each year and whether or not you have financial assistance for Medicare.

Myth #3: You can enroll in Medicare whenever you want

False! You can enroll in Medicare if you meet certain qualifications and for a specific amount of time. There are rules for each of these enrollment periods, and if you fail to adhere to them, you could end up paying financial penalties.

Most people qualify for Medicare when they are about to turn 65, but you can also become eligible via qualified disabilities and medical conditions. For age and disability, you will have a 7-month Initial Enrollment Period.

Source: <https://www.uhc.com/news-articles/medicare-articles/5-medicare-myths-set-straight>

GET IN TOUCH



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