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Information is researched and summarized by Courtney Brooks, a licensed insurance broker. The enclosed Information is subject to change based on CMS regulations. This is not evidence of coverage nor an explanation of benefits. No participation is required. *This is provided for educational purposes only.*

WELCOME TO MEDICARE...

I'm Courtney, I've been doing "this" for a while now. I bring a lot of knowledge, experience, and some really good stories to the table, I can't wait to assist you in the leap to this side. I promise, it's mostly painless. My goal is to educate everyone I encounter, so they can make an informed decision. It's confusing, I know. It's a lot, I know that too. It's always changing. It is my job to know those changes, guide you through those changes, and help navigate the bumps in the road. Before you listen to what everyone else has, what happened to them or someone they know, what didn't work. The best thing you can do is find someone to break it all down for you. We might have previously worked together, maybe I did the benefits at your job, or I could have helped you with your Health Insurance at some point. You could have also worked with one of my colleagues from EBS (Employee Benefit Specialists). The information you receive when you are approaching this milestone is overwhelming and, again, confusing. I tried to hit the high notes to lay the groundwork. We can do this; we can and will make Medicare easy. I look forward to hearing from you.

Courtney Brooks

Cell 423.330.4394

Office 1.800.264.7594

BASIC MEDICARE BREAKDOWN

Medicare has 4 Parts, here's the basics of what you need to know:

Part A- Hospital coverage, it covers mostly your room and board when you are admitted into the hospital.

Part B- Medical coverage, think of it as almost all medical treatments, procedures, labs, etc. Anything that doesn't fall under hospital room and board… or prescriptions.

Part C- Medicare Advantage, you can look at this as privatized Medicare. You still have Medicare. We will dive deeper into this.

Part D- Prescriptions, simple enough. It is a standalone plan that you purchase that covers your drugs or is included in MOST Part C (Medicare Advantage plans).

Next is a little more in-depth explanation of each of these parts, how they work. This information is summarized from the *Medicare and You* handbook available from Medicare.gov. This is also a great resource each year if you are a self-studier and want to read about the annual changes to Medicare each year.

PART A (Hospital)

INPATIENT HOSPITAL CARE: This includes all the care you receive after you have been admitted into the hospital by a physician. Standard Part A coverage covers up to 90 days each benefit period in a hospital. In addition, you receive 60 lifetime reserve days. It also covers up to 190 lifetime days in a Medicare certified psychiatric hospital.

SKILLED NURSING FACILITY CARE: Medicare covers your room, board, and certain services provided in a skilled nursing facility. Following a hospital stay. This can include medications, tube feedings, and wound care. It covers up to 100 days each benefit period. Again, to qualify, you MUST have spent at least THREE consecutive days in the hospital within 30 days of admission to a skilled nursing facility and MUST need skilled nursing or therapy services. This is NOT long-term care coverage; Medicare *DOES NOT* cover long-term care.

HOME HEALTH CARE: Though it is normally covered by Part B, Part A coverage will kick in if you have spent at least three consecutive days as a hospital inpatient within 14 days of receiving home care.

HOSPICE CARE: Hospice care is covered for as long as your provider certifies it is necessary.

HOW MUCH DOES PART A COST?

Most of the time, Part A has no cost. Certain taxes you pay during your working years are specifically for future Medicare coverage. So long as you worked at least 10 years in your lifetime in the United States, most of the time you won't pay for Part A. If you have not, you can still purchase Part A if you've been a legal resident or have had a green card for at least five years.

HOLES IN PART A

Part A has a hospital admission deductible that at the time of writing this is $1,676 (2025; this changes annually).
Part A also has daily hospital copays that start days 61-90 at $419 and on days 91-150, they go up to $838. A daily copay for Skilled Nursing Care that starts on day 21 and goes through day 100. This daily copay is currently $209.50 per day (this is also subject to change annually). There is no cap on any of these charges listed.

PART B (Doctors)

Part B is much simpler. Now you recall that it covers 80% of the medical stuff, filling in the gap of services between hospital room and board and prescriptions.
Part B has a calendar year deductible that in 2025 (this changes annually) is $257 for the calendar year. This is the amount you pay 100% before Part B starts picking up anything. After that deductible is met, Part B turns into 80/20 coverage. This means Part B will cover 80% of the services and you'll be responsible for 20% of the Medicare Allowable Charge. The biggest problem here, again like Part A, is that your 20% responsibility has NO CAP.
When you're on a group plan or an ACA plan you have similar coinsurance structures, but those plans have MOOPs or maximum out of pockets that create a stop loss. With Parts A and B of Medicare, there is no structured stop loss.

HOW MUCH DOES PART B COST?

Most Medicare beneficiaries are going to pay the standard rate for Medicare Part B, which in 2025 is $185. Higher earners receive what is called IRMAA taxes and their cost of Part B (and Part D) can be

more costly than just the standard amount most pay. This is not based on your current income but instead on two years prior. On the other hand, low earners can apply for assistance with Part B cost through low-income subsidy or their state's Medicaid program. We can give you a little more guidance on this. It's something that can be tricky and it's important to look in depth at some of these programs and what you might be eligible for.

PART C

We will break down Part C in depth a little further on. Keep following along. If you are intrigued, flip further to the section on Medicare Advantage Plans, these are what Part C encompasses. In short, these are the TV commercials that fill up daytime TV and late night infomercials.

PART D

Part D is your prescription drug coverage, but it can be one of the most confusing for Medicare beneficiaries. Before we get more depth on this, it's important to know the most dreaded part of Medicare drug coverage, the Coverage Gap usually known as, "The Donut Hole", is no longer. Starting in 2025, Medicare Part D implemented a $2,000 annual cap on out-of-pocket costs for prescription drugs. Here's how it works and what it means for beneficiaries:

Annual Cap: Beneficiaries will not spend more than $2,000 out of pocket on prescription drugs each year. Once this cap is reached, the cost of covered medications will be covered by the plan.

Catastrophic Coverage: This cap replaces the previous structure of catastrophic coverage. With the new cap, once beneficiaries hit the $2,000 limit, their costs for covered drugs will be significantly reduced or eliminated for the rest of the year.

We just saw that we have *Parts* A, B, C, and D, but there's more. It's important to know there is a difference between *PARTS* and *PLANS*. When we get into plans, we separate this into three primary types of plans; Medigap or Medicare Supplement Plans (these both mean the same thing and sometimes are referred to as either) A, B, C, D, F, G, K, L, M, N, and HDF/HDG. Medicare Advantage Plans (same thing as Part C), and Prescription Drug Plans (Part D, drug coverage only). If this just confused you and made you want to throw the towel in, hang tight. It gets clearer. Stick around. Follow with me.

MEDIGAP/MEDICARE SUPPLEMENTS

Let's start with these types of plans, remember Medigap and Medicare Supplements plans are the same thing, just different (usually generational) terminology. In my everyday lingo, I refer to them as Medicare Supplements, so that is how I will refer to them here. They can vary by state as to what is available, but most brokers/agents primarily use Plans F, G, and N. With the rare occasional HDF or HDG. I am going to focus on the most common Plan F, G, and N since the others are so rare.

Benefits	A	B	C	D	F	G	K	L	M	N
Part A Coinsurance & Hospital costs	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Part B Coinsurance or Copayment	✓	✓	✓	✓	✓	✓	50%	75%	✓	**
Blood (First 3 Pints)	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Part A Hospice Care Coinsurance or CoPayment	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Skilled Nursing Facility Care Coinsurance	×	×	✓	✓	✓	✓	50%	75%	✓	✓
Part A deductible	×	✓	✓	✓	✓	✓	50%	75%	50%	✓
Part B deductible	×	×	✓	×	✓	×	×	×	×	×
Part B excess charges	×	×	×	×	✓	✓	×	×	×	×
Foreign Travel Emergency Care	×	×	80%	80%	80%	80%	×	×	80%	80%

PLAN F

First and foremost, there is a strong likelihood that if you are just receiving this, you are too young for this. Yep. TOO young. This plan fills ALL the holes in Medicare Parts A and B. That 20% and those deductibles, daily stays costs, all those expenses we discussed before. Filled. Covered. You owe nothing so long as Medicare picks up their 80%; your 20% is covered by your plan. Unfortunately, as I stated, this plan is not available to anyone who became or becomes eligible for Medicare after January 1, 2020. If you became eligible, not enrolled, just eligible for Medicare before this date, you can enroll in a Plan F using normal open enrollment, guarantee issue, or underwritten rules. They are extremely costly and going up rapidly.

PLAN G

A Medicare Supplement Plan G is simple too. A Plan G is IDENTICAL to Plan F with one exception. A Plan G does *NOT COVER* the Part B deductible. In 2025, remember this amount is $257.
This deductible is set by the government and like anything else, it will go up over time, but typically it increases slowly, and it set per year. If you become eligible for Medicare after January 1, 2020, this is most likely viewed as the Cadillac of Medicare Supplement plans available to you.

PLAN N

Plan N is used for cost savings primarily. It's also statistically the most stable on price across the board. There are some differences, with a Plan N that must be understood. This plan also covers 100% of the hospitalization costs associated with Medicare Part A and covers the 20% coinsurance completely. It, like Plan G, does not

cover the Part B deductible. The other holes not fulfilled by this plan are a per visit copay for primary care and specialists' appointments UP TO $20 per visit. There is also a $50 Emergency Room copay if you aren't admitted to the hospital. Lastly, Plan N does not cover Medicare Part B excess charges. These excess charges aren't a huge deal most of the time. Some states don't even allow them to be charged, but in states where they are, Aetna presented a statistic that only about 4% of doctors and hospitals in the country practice charging excess charges.

All Medicare Supplements are all regulated by law to cover the same across the board. A Plan G with one carrier is the same as it is with another carrier, while some do offer gym memberships, the medical coverage is the same. It must be. The difference is usually in brand recognition and rate increases, which can and will happen. Also, it's important to note here that Medicare Parts A and B continue to be your primary. That determines your network. If a doctor or facility takes original Medicare, they must take and file your supplement coverage. Medicare is who pays first, if they pay their portion of the claim, a Medicare Supplement plan, again by law, must pay the remainder of the charges (except for your Part B deductible or other copays as explained previously). If a provider or hospital takes Medicare, they must take your supplement. I will often hear, "I know my doctor takes…" insert whatever carrier, when it comes to a Medicare Supplement that's irrelevant. So be open to other carriers of Medicare Supplements when on the hunt for your coverage, there are hundreds out there.

Medicare Supplement Plans are usually more costly than Medicare Advantage plans, you are paying, "in the fronts" for what could happen. While on the topic of cost, it's important to note that in

2025 we have seen record breaking increases and unfortunately, we don't see that easing up. This is speculation on my part, however, from the trends I have seen, from the research I have done, from the Medicare market and from what feedback I am receiving from various other colleagues. We should expect to continue seeing double digit increases as a new norm.

Medicare Supplement plans in almost all cases also do not offer Part D coverage, this is something separate that a Medicare beneficiary should enroll in. Even if you don't take any medication currently, it is important to enroll in something to avoid penalties later. We will touch on that more in depth shortly.

MEDICARE ADVANTAGE

Part C of Medicare is also referred to as Medicare Advantage and plans that you can elect to fulfill this role are called Medicare Advantage PLANS, MAPDs, or MA Only Plans. These plans can get complicated because there are so many different types and they do change from year to year. A Medicare beneficiary cannot have a Medicare Supplement plan in addition to a Medicare Advantage Plan, I am often asked that, even with various copays mapped out with Medicare Advantage Plans someone cannot have a Medicare Supplement in addition to cover these costs. There are plans to help cover those expenses such as hospital indemnity plans, etc. I often refer to these plans as paying in the rears for what *could* happen. I am going to review the 2 most common types of Medicare Advantage plans. PPO Plans and HMO Plans.

Before we hit on that. Here is my disclosure, Medicare Advantage is NOT a bad thing or a bad word. Is it ideal for everyone, no. Do some doctors and facilities cringe at the sight? Yes. For various reasons, payment seems to be the biggest complaint that I have heard.

However, it is important to become educated, so YOU make the best educated decision for YOU, hopefully with some experienced input and guidance. This is where finding someone you can work with is so important, and trust is key. Don't let Frank from down the street, Sally up the road, or your cousin in Wisconsin stop you from truly understanding how Medicare Advantage Plans are designed and how they work. Even if it's not the route you take, it gives you a leg up to understanding what is available and makes the financial burden not so scary when you know what else is out there. It's important to also note that you *DO* still have Parts A and B when you enroll in a Medicare Advantage Plan, you must keep both. Just like with any private insurance, enrolling in a plan with a carrier of choice means Medicare is no longer responsible for your care or your charges, the insurance company you have selected is now responsible for those. Some of my current clients remember it best when I give the "bucket break-down" of where their monies go and how they are distributed. So, let's dive.

PPO PLANS

PPO means Preferred Provider Organization. With these plans, you have reduced cost-sharing when you use a Preferred Provider or member of the PPO network. You are not required to use a PPO provider to receive medical services.
PPO plans typically have extra benefits like dental, vision, hearing, etc. PPO plans often include drug coverage.

HMO PLANS

HMO means Health Maintenance Organization. With these plans you have an assigned Primary Care Provider, of *YOUR* choice. If you do not select a doctor, one is assigned but that can be changed

easily. Often this doctor will have to refer you to other doctors or specialists, this depends on the plan you select. This is becoming less common but still is important to mention. It is also *extremely* important to check all your doctors, hospitals, providers, durable medical equipment, etc. when looking into *ANY* Medicare Advantage Plan. If your doctor is not in network and it is not a doctor you are willing to change, do not consider that plan as an option. Simple as that.
Like PPO plans, HMO plans often include extra benefits like dental, vision, hearing, over the counter benefits, and other various additional coverages. HMO plans typically include drug coverage just like PPO plans.

ENROLLMENT PERIODS

OPEN ENROLLMENT

The general Open Enrollment period. This is the period that is 6 months before and 6 months after the month of your 65th birthday and/or your Part B effective date. It gives you the opportunity to purchase a Medicare Supplement plan with no health questions.

Another Open Enrollment period, *NOT* to be confused with the Annual Election period. The OEP (Open Enrollment period) pertains to Medicare Advantage plans and falls from January 1st to March 31st and is different than the first as it gives the opportunity for people to have one of the following elections:

- Go from a selected Medicare Advantage plan back to traditional Medicare.
- Go from one Medicare Advantage plan to another similar Medicare Advantage plan.

I often refer to this as a period when people can undo “bad decisions” made during the AEP. Which leads us to that timeframe, this falls from October 15th to December 7th. If you aren’t looking at a calendar, you’ll know it by the increase of commercials taking over TV, the phone calls, and pieces of mail you are bombarded with daily. During this election period you can do a lot of things, including:

- Swap your Part D plan, you’ll want to pay close attention to these changes during this time, plans will change every year and the drugs they cover will change also.
- Go from Traditional Medicare to a Medicare Advantage plan.
- You can disenroll from your Medicare Advantage plan and go back to traditional Medicare.
- Most commonly, you can switch from one Medicare Advantage plan to another. You will be sent an Annual Notice of Change outlining the changes in your current plan from one year to the next. This is when it’s important to have someone to break down what applies to you as a consumer and how it might affect you, it’s also a good time to see what else is new in the market. It is an ever-changing market, but this period is the ONLY time new Medicare Advantage plans can roll out. They can also be removed from the market during this time.
- This is a common time for people to also make the choice to go from a Medicare Supplement plan to a Medicare Advantage Plan due to rate increases, unfortunately rate increases can and are going to happen. You can shop for these plans anytime throughout the year and must go through the underwriting process, but this is the period in

which someone can go from their Medicare Supplement to a Medicare Advantage Plan.

SPECIAL ENROLLMENT PERIOD

There are certain times you can use what is called SEP, Special Enrollment Period, to enroll in drug plans or Medicare Advantage plans due to various circumstances.

QUESTIONS & UNFORUNATE MISTAKES FROM REAL-LIFE

It's important to remember that just because you turn 65 doesn't mean you *HAVE* to take Medicare, but it is also important to understand that if you do not have creditable coverage, you will pay a late enrollment penalty on Part B and Part D when you do enroll. However, I have often recommended that if you don't need it, don't get it. Meaning, if you have coverage that meets the requirements through an employer, don't enroll in Part B. This is where there is confusion often with whether someone should or should not enroll based on what they have. Here is a scenario I've often run into:

Someone is turning 65 and is enrolled in employer coverage through their job (or their spouses) and they have no plans of retiring anytime soon, neither does the spouse if coverage is through the spouse. They are not drawing Social Security currently nor do they plan to in the foreseeable future. Do they need to enroll in Part B? In most cases, no. However, they do need to clarify with their current coverage that it is not something they require, some carriers require Medicare beneficiaries to be enrolled in both Part A and Part B to pay their portion of claims. Some employers have policies set in place regarding when spouses and/or employees attain Medicare age.

- Not enrolling in Part B and NOT having creditable coverage will result in a penalty not only on Part B but also Part D. The current penalty for 2025 is 10% per year for Part B and 12% per year for Part D being added to your premium for each year you were not enrolled after becoming eligible and NOT having other creditable coverage. Someone proficient in Medicare and/or group health insurance usually can clarify that the employer coverage meets Medicare's creditable coverage requirements.

Here is another scenario commonly occurring. Someone is currently enrolled in health insurance on the Health Insurance Marketplace (Affordable Care Act, Healthcare.gov, Obamacare etc.) and is receiving a tax credit, making their insurance more affordable. They want to stay on their coverage through the marketplace and not enroll in Part B because they are not planning on drawing Social Security just yet. Unfortunately, this is something that we run into often. If you are receiving a tax credit and you turn 65 or are granted Medicare due to 24 consecutive months of receiving disability; you must disenroll from that plan or pay FULL PREMUIM for your plan. You can keep a plan, if you wish, but you may not receive a tax credit because you are now Medicare eligible. It is important to start looking at your options early enough to get your ducks in a row to terminate your Marketplace coverage the first day your Medicare begins.

A few personal pointers from experience with Medicare Advantage Plans, look for a broker who doesn't only represent one company. It must be disclosed according to CMS regulations if an agent is certified to represent only specific plans. It's important to be able to compare ALL plans available in your area. The TV commercials are

misleading and under a lot of scrutiny due to the misinformation to bait beneficiaries into calling their 800 numbers.

One of the most common mistakes Medicare beneficiaries make is missing their enrollment periods. Enrollment periods are something your broker/agent should be aware of and will know where you fall. It's important to begin the process early enough that you have plenty of time to make decisions without feeling rushed. Remember your Medicare, in most cases, will begin the first day of your birth month. Additionally, plans that go with Medicare can only begin on those dates as well. Too early is never too early even if you don't have your red, white and blue card yet. Touch base with someone and build a relationship with them.

Living in multiple places. This one has been more common lately. Medicare beneficiaries are doing more, going more, seeing more upon turning 65 than in years past. This can mean living in two different states or even countries. If you are in two different states, the state of residency determines where you should enroll. Medicare supplements are the best route to go for ease of use in two different states. If you are living in two countries, while Medicare does cover SOME foreign travel, it isn't much, the guidelines are fuzzy, and the timeline is minimal. I usually suggest those beneficiaries invest in travel insurance that works in that country while they are there.