

THE PARTS OF MEDICARE

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A SIMPLE GUIDE
TO MEDICARE'S
PARTS & PLANS

GUIDEBOOK

+ CHECKLIST

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Medicare Options

TWO ROUTES YOU CAN TAKE



ORIGINAL
MEDICARE



MEDICARE
ADVANTAGE



Part A & B

Inpatient (hospital) &
outpatient (medical)
insurance.

Part D

Prescription drug insurance.

Supplements

Plans F, G, or N cover what
Part A & B doesn't. Also
known as Medigap.

Part C

A PPO, HMO, C-SNP, or D-SNP advantage plan is an alternative to Original Medicare Parts A, B, and often includes Part D (prescription drug insurance). These plans are approved by Medicare and offered by private insurance companies. Plans vary by county.

To be eligible for premium-free Part A, you or your spouse must have worked at least 10 years (40 quarters) and paid Medicare taxes or meet disability requirements if under 65.

PART A + PART B = ORIGINAL MEDICARE

PART A



HOSPITAL COVERAGE

PART B



MEDICAL INSURANCE

Part A & B covers healthcare costs like:

- Overnight Stays
- Skilled Nursing
- Hospice Care
- Home Health Care

- Doctor Visits
- Tests & Procedures
- Medical Equipment
- Preventative Services

Pays once deductible is met

Usually with a 20% coinsurance

Monthly Premium:

\$0

Monthly Premium:

\$174.70

Inpatient Deductible:

\$1,632

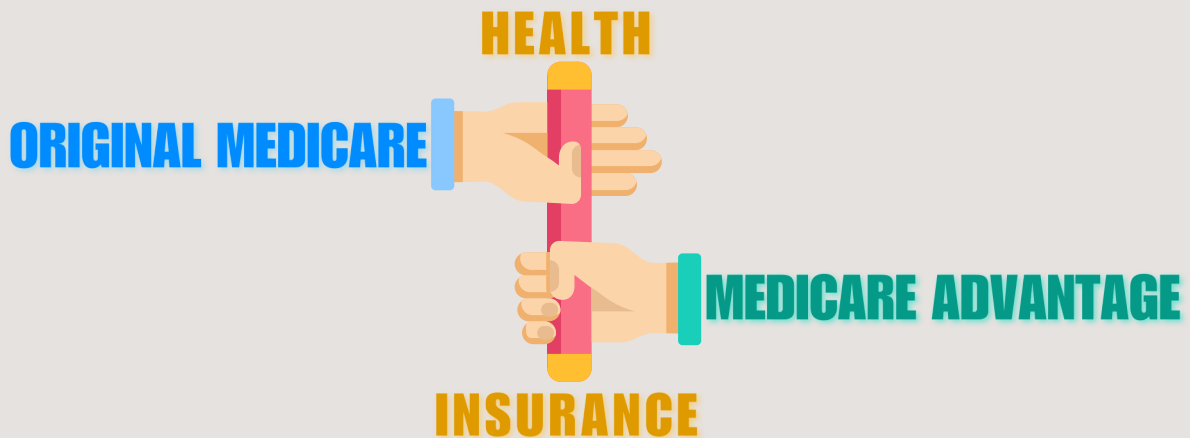
Annual Deductible:

\$240

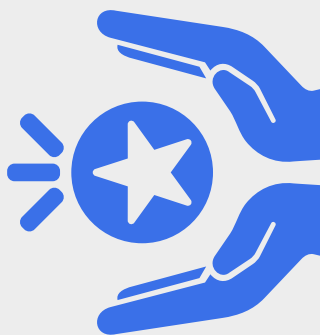
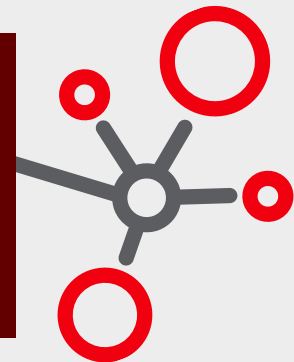
Based on \$103k individual or \$203k joint income.
*See page 11 for exact 2024 rates and deductibles.

MEDICARE ADVANTAGE = PART C

Insurance carriers work with Medicare to offer an alternative to Original Medicare a.k.a. Advantage Plans.



Plans are based on the county where you live and you must use providers in the carrier's network. Plans may include HMOs, PPOs, C-SNPs, and D-SNPs.



Many plans offer additional benefits beyond what Original Medicare covers.

There are usually copays for healthcare services and expenses. These count towards the max out-of-pocket which varies per plan.



PRESCRIPTION DRUG PLAN

PDP = PART D

A PDP helps cover the cost of prescription drugs.

They are approved by Medicare and offered by insurance carriers.



What does a PDP cost?

Each plan comes with different premiums and drug costs depending on:



- The county you live in
- The carrier and plan
- Your prescribed medications
- The pharmacy you use
- Late enrollment penalty
- If you get Extra Help with income

Late Enrollment Penalty

There is a penalty applied to the PDP premiums if you enroll after your initial enrollment period.

= 1% x Months Without PDP x Base Premium

2024 National Base Premium = \$34.70



For example, if you went 29 months without a PDP:

0.29 (29% penalty) x \$34.70 (2024 Base Premium) = \$10.06

MEDICARE SUPPLEMENTS = MEDIGAP

A Medicare supplement is an insurance addition to Original Medicare. They are offered by insurance carriers and are designed to pay the expenses that are not fully covered under Parts A & B. Premiums vary based on county and carrier.

F

- Covers all coinsurance for Part A & B
- Covers all deductibles for Part A & B
- Covers Part B excess charge

Not available to people new to Medicare on or after January 1, 2020.

G

- Covers all coinsurance for Part A & B
- Covers all deductibles for Part A only
- Must meet \$240 Part B deductible
- Covers Part B excess charge

Plan G offers the same coverage as Plan F, but must meet the \$240 Part B deductible.

N

- Covers all coinsurance for Part A & B
- Covers all deductibles for Part A only
- Must meet \$240 Part B deductible
- May pay up to \$20 for doctor visits

Plan N offers the same coverage as Plan G, but you may pay up to \$20 for doctor visits and up to \$50 for emergency room visits.

*These are the most popular policy types but there are other options

MEDICARE TERMS

YOU NEED TO KNOW

PREMIUM

The amount you pay for your insurance coverage, usually on a monthly basis.

DEDUCTIBLE

The amount you must pay out of pocket for covered health care services before your insurance plan starts to pay.

INPATIENT

Medical treatment that requires admission to a hospital, typically for a period of 24 hours or longer.

OUTPATIENT

Medical treatment that does not require admission to a hospital, often provided in a clinic or doctor's office.

COPAY VS. COINSURANCE

A copay is a set fee you pay for a service, while coinsurance is a percentage of the total cost that you share with your insurance after meeting your deductible.

MEDIGAP

Medicare supplements offered by insurance carriers that helps pay for some of the health care costs not covered by Medicare.

DRUG TIERS

Different levels of drug categories that determine the cost of prescription medications based on their classification.

MORE **MEDICARE TERMS** **YOU NEED TO KNOW**

INSURANCE CARRIER

The company providing the insurance coverage.

AGENT VS. BROKER

An agent represents a specific insurance company, while a broker represents you, the buyer, and helps compare and enroll in plans.

IN VS. OUT OF NETWORK

In-network refers to healthcare providers and facilities contracted with your insurance plan, while out-of-network refers to those that are not, often resulting in higher costs for you.

MAX OUT-OF-POCKET

The most you have to pay for covered services in a plan year before your insurance starts to pay 100% of the allowed amount.

HMO

(Health Maintenance Organization): A type of health insurance plan that requires members to choose a primary care physician and get referrals to see specialists.

PPO

(Preferred Provider Organization): A type of health insurance plan that allows more flexibility in choosing healthcare providers, with lower costs for services from in-network providers.

D-SNP / C-SNP

(Dual Eligible Special Needs Plan): For individuals who are eligible for both Medicare and Medicaid. (Chronic Conditions Special Needs Plan): For individuals who need extra support due to an eligible chronic or disabling condition.

ENROLLMENT PERIODS

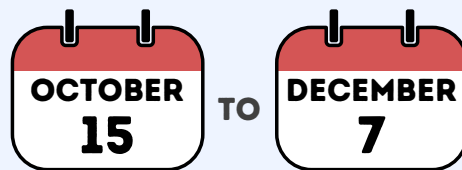
YOU NEED TO KNOW

INITIAL ENROLLMENT PERIOD

IEP is the period you can first enroll in Medicare and a prescription drug plan. It lasts for 7 months, starting 3 months before you turn 65, and ending 3 months after the month you turn 65.

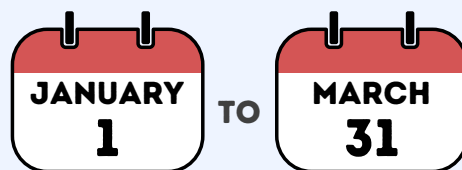
ANNUAL ENROLLMENT PERIOD

During Medicare AEP, changes to Medicare Advantage (Part C) or Medicare prescription drug plans (Part D) can be made which will take effect on January 1 of the following year.



OPEN ENROLLMENT PERIOD

OEP only applies to those currently enrolled in a Medicare Advantage plan. During OEP, changes can be made to plan coverage, which will take effect the following month.



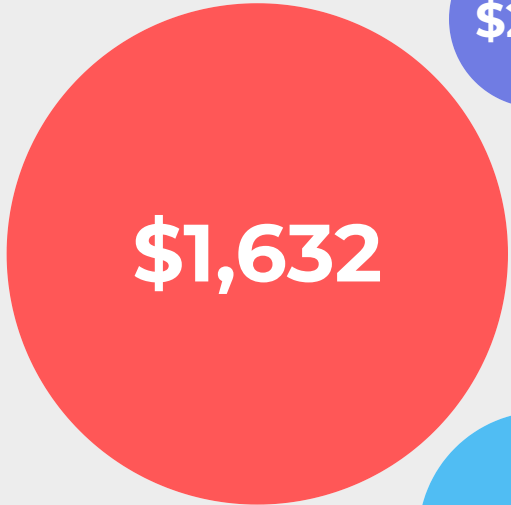
SPECIAL ENROLLMENT PERIOD

A Special Enrollment Period is a specific time frame outside of IEP, AEP, and OEP when you can sign up for or make changes to your Medicare coverage under certain qualifying circumstances such as natural disasters or moving to a different county .

PART A

DEDUCTIBLE

Total for Hospital Stays
(Days 1-60)



\$204

COPAYS

Daily for Skilled Nursing Facilities
(Days 21-100)



Daily for Hospital Stays
(Days 91+)



Daily for Hospital Stays
(Days 61-90)


PART B PREMIUMS

Single Income
Joint Income

Premium

\$103,000 or less \$206,000 or less	\$174.70
\$103,000 - \$129,000 \$206,000 - \$258,000	\$244.60
\$129,000 - \$161,000 \$258,000 - \$322,000	\$349.40
\$161,000 - \$193,000 \$322,000 - \$386,000	\$454.20
\$193,000 - \$500,000 \$386,000 - \$750,000	\$559.00
\$500,000 or more \$750,000 or more	\$594.00

MEDICARE CHECKLIST

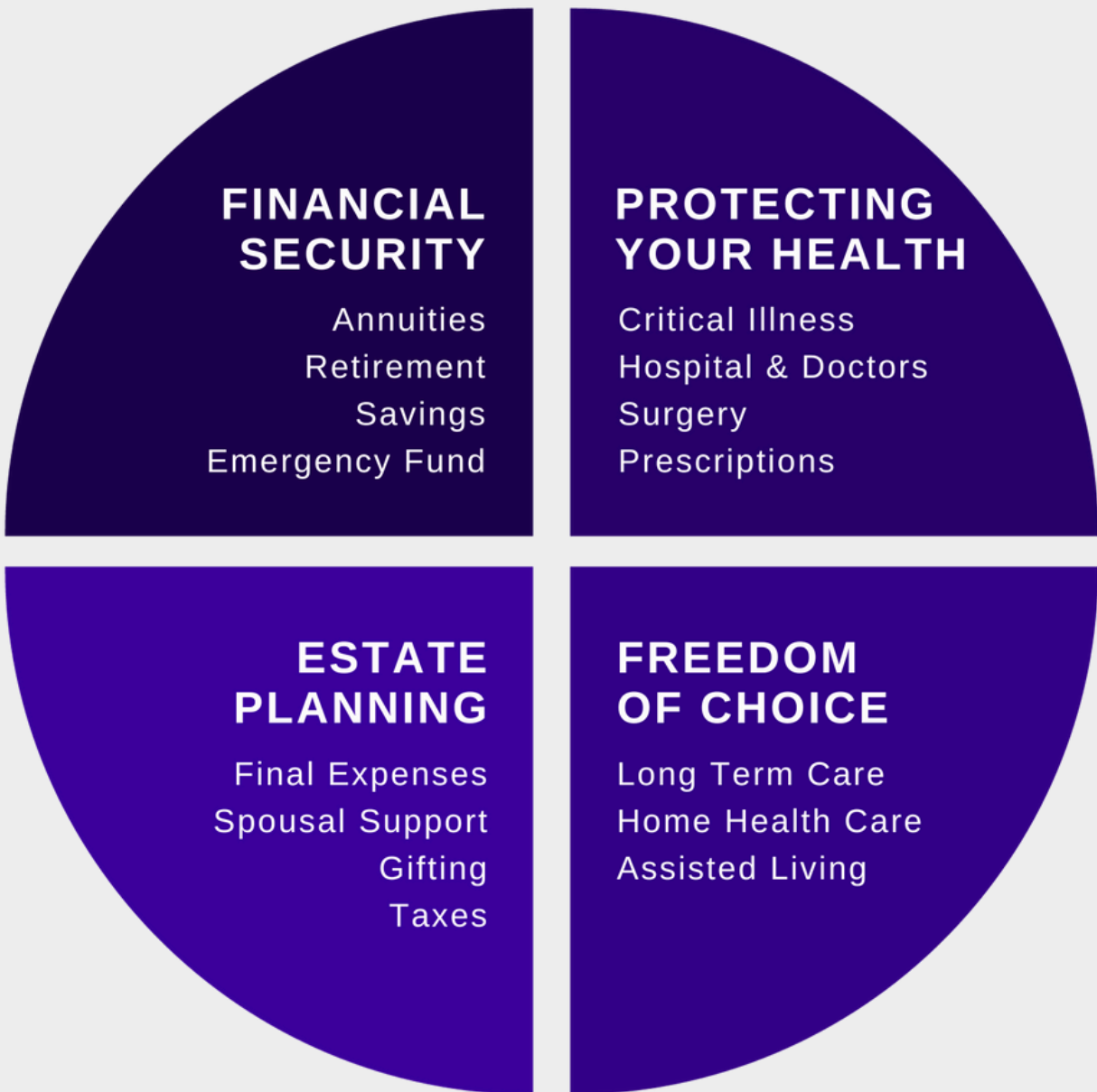
№	ENROLLMENT "TO-DO" LIST	
1	Determine if you're eligible by age or other conditions.	
2	Note the Initial Enrollment Period (IEP) around your 65th birthday or other qualifying event to avoid penalties when enrolling. (Applies to Part D also)	
3	Understand the basics of Part A, B, C, D, and supplemental coverage options.	
4	Consider pros and cons for Medicare Parts A and B (Original Medicare), Part C (Medicare Advantage), and Part D (Prescription Drug Coverage).	
5	Understand how each part aligns with your current and future health care needs.	
6	Create a list of your current health care providers and medications.	
7	Consider any expected changes to your health care needs in the near future.	
8	Check if your preferred medications are covered under Part D or a Medicare Advantage plan's formulary.	
9	Familiarize yourself with the costs associated with Medicare, including premiums, deductibles, and copayments.	
10	Compare quotes and plan benefits from various insurance providers available in your area. You can always contact us for assistance.	
11	Prepare documentation needed for enrollment, such as proof of age, citizenship, and any current health insurance information.	
12	Take time to look at all of your options, including the available plans, benefits, and costs. Our team can provide personalized comparisons to help you make an informed decision.	
13	When you're ready to enroll or if you have any questions, contact our experienced team. We're here to provide the guidance you need. We can help simplify the enrollment process, ensuring you select the plan that best fits your needs.	

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