

Navigating the Medicare Maze

## Medicare Playbook

A Step-by-Step Guide on  
How to Make Important  
Medicare Decisions

2025



University  
of Idaho



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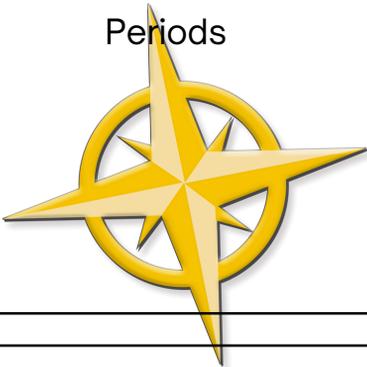
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**If you remember only one thing...**

THE most important thing for you to do that will make your life dramatically easier is to begin your Medicare enrollment process 90 days before you are ready to start taking Medicare benefits.



# Qualifying for Medicare

## Who may qualify for Medicare?

There are 4 ways to qualify for Medicare

### Turning 65

The most common way for an individual to qualify for Medicare is to turn 65 years old.

### Disability

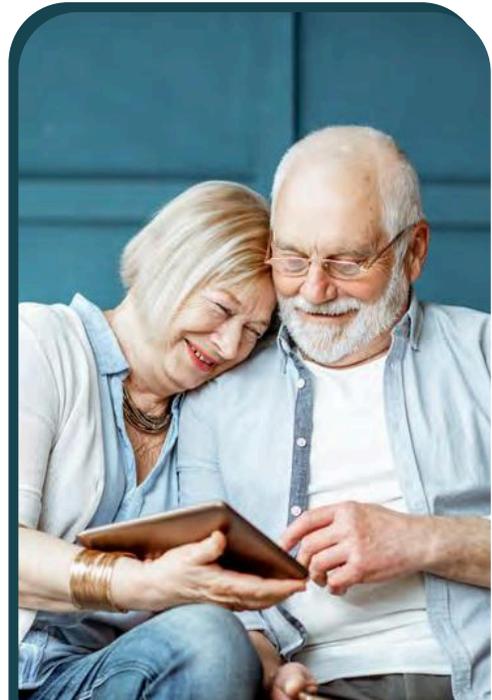
Individuals of any age who have a disability may qualify for Medicare.

### End-Stage Renal Disease

Individuals with End-Stage Renal Disease may qualify for Medicare.

### Lou Gehrig's Disease

Individuals with Lou Gehrig's Disease may qualify for Medicare.



# Medicare ABC(D)s

4 Parts created to cover four different medical needs.

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When Congress put Medicare into law, they labeled each section of the law with “Parts.”

They could have just as easily labeled them ‘chapters’ or ‘sections’, but they chose parts, which is why Medicare has Parts A, B, C, and D.

## Original Medicare

Government



**Part A**  
Hospital  
Coverage



**Part B**  
Medical  
Coverage

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## Private Insurers

Insurance  
companies



**Part C**  
Medicare  
Advantage



**Part D**  
Prescription  
Drugs

# Original Medicare

Provided and Administered  
by the Federal Government

Medicare Parts A and B are both  
Federal Government programs  
funded by contributions you made  
while employed.



**Part A**  
Hospital  
Coverage



**Part B**  
Medical  
Coverage



# Medicare Part A Hospital Coverage

**Medicare Part A** provides partial coverage for inpatient hospital stays (meaning you are admitted to the hospital), skilled nursing facilities, and some additional skilled care.

## Costs

### Premium: \$0\*

\*This may be adjusted if you worked fewer than 40 quarters throughout your lifetime.

### Deductible: \$1,676\*

\*This is per person and benefit period (every 60 days).

### Co-Pays

Days 61 - 90 : \$408 per day

Days 91 - 150 : \$816 per 'lifetime reserve day'

*Figures reflect 2025 plan year only; co-pays may change annually*



## Covers



Semi-private room



Hospital meals



Rehabilitation services



Inpatient drugs, supplies & equipment



Inpatient lab tests, x-rays & radiation



Skilled nursing



Special unit care (i.e. ICU)



Operating & recovery room services



In-home skilled health care



Select blood transfusions

# Medicare Part B Medical Coverage

**Medicare Part B** helps cover doctor visits as well as other medically necessary care and services.

## Costs

### Premium: \$185/month\*

\*This may be adjusted up for high-income individuals (>\$103,000 single, >\$206,000 joint).

### Deductible: \$257 per year\*

\*Plus 20% of Medicare fee schedule with **NO LIMIT** on your 20% cost sharing per person.

*Figures reflect 2025 plan year only; co-pays may change annually*



## Covers



Doctor's visits



X-rays, MRIs, CT scans, EKGs



Ambulatory  
Surgery Center  
Services



Some  
Diagnostic  
Screenings



Outpatient  
Medical  
services



Durable home-  
use Medical  
Equipment



Some  
Preventive  
Care



Emergency  
Room  
Services



Clinical lab  
services



Doctor visits  
while  
hospitalized

# Enrolling in Medicare

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## Is Medicare automatic?

### Yes... and no...

**If you are receiving Social Security benefits prior to age 65**, you will be automatically enrolled in Medicare Parts A and B, and your Medicare card will arrive in the mail about 90 days before your 65th birthday.

**If you are *NOT* receiving Social Security benefits**, you must proactively sign up for Parts A and/or B. This can be done online at [www.ssa.gov](http://www.ssa.gov), over the phone (1-800-772-1213), or through the Social Security office.

## Am I required to enroll in Medicare?

### No, but...

you run the risk of incurring late enrollment penalties should you decide to enroll after your Initial Enrollment Period.

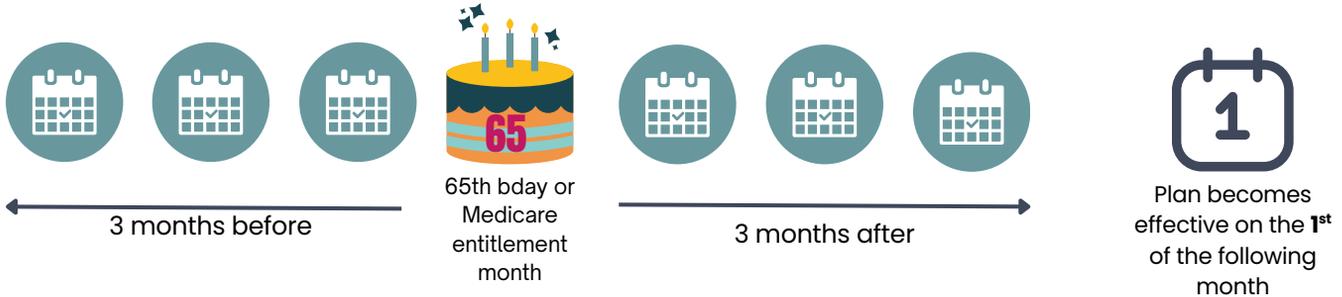


**Your Medicare Enrollment  
Periods are on the next page...**

# When to Enroll in Medicare

## Medicare Parts A, B, C, and D

**Initial Enrollment Period** - 7-month window surrounding 65<sup>th</sup> birthday or entitlement month



**Supplement or “Medigap” Plans** - 6-month window ending the last day of the 6<sup>th</sup> month after eligibility date



### **Parts B and D are voluntary**

**However**, if you decline to enroll in **Part B** when eligible without a valid exception, you may be subject to a lifetime **10%** penalty for each year you did not apply. Valid exceptions include being covered by your or your spouse's group health insurance. Being on COBRA while Medicare eligible is NOT an exception.

For **Part D**, you must have creditable drug coverage in place at age 65, otherwise you will pay a monthly **1%** penalty of the national average premium, for life.



# Other Enrollment Periods

**Annual Enrollment Period** - annually October 15 - December 7 for Part C and Part D plans



October



November



December



Plan becomes effective on **January 1**



**Special Enrollment Periods** - There are several qualifying events. Deadlines and enrollment windows vary based on events

## Common Qualifying Events:

- You change where you live
  - You lose your current coverage
  - You have a chance to get other coverage
  - Your plan changes its contract with Medicare
  - Other situations found through medicare.gov (or call us)
- \*Usually have 63 Days after event to change plan



Plan becomes effective on the **1<sup>st</sup>** of the following month





# Medicare doesn't cover everything

## Original Medicare (Parts A & B) does not cover:



All of the cost of your care — you have out-of-pocket costs, with no limit



Long-term or custodial care (help bathing, eating, dressing)



Prescription drugs



Excess charges for services by doctors who don't accept Medicare assignment



Routine dental, vision or hearing care



Care received outside the U.S., except for certain circumstances



Eyeglasses, contacts or hearing aids

## Getting Medicare while still working

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Medicare and your employer insurance can work together



If you take **any** part of Medicare, you will no longer be able to contribute to an HSA



Medicare will **NOT** cover anyone but you, so consider how any dependents will be covered

**OPTION 1**

**OR**

**OPTION 2**

### Medicare Supplement Plan



Helps pay some of the out-of-pocket costs that come with Original Medicare

### Medicare Part D Plan



Helps pay for prescription drugs

### OPTION 3

*\* available only if offered by your employer*

### Group Retiree Plan

Offers hospital and medical in one plan. May have option to include prescription drugs. If you opt out of prescription coverage, need Medicare Part D plan to avoid penalties

### Medicare Advantage Plan

#### Part C



Combines Part A (hospital) and Part B (medical) in one plan

#### Part D



Usually includes prescription drug coverage



May offer additional benefits not provided by Original Medicare

Other Options to fill  
**Gaps in Medicare**



# Medicare Decision Tree

## Medicare Supplement Plans (Medigap)

**12 Plan Options**

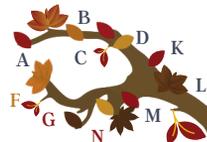
Approx. 22 Carriers for each option

Most Common Med Supp Plans

**Plan G:** \$178 - \$293 monthly premium

**Plan N:** \$128 - \$240 monthly premium

★ Must purchase Prescription Drug Plan (PDP) in addition to Medigap plan



**12 Plan Options**  
\$0-\$121 monthly premium  
(in addition to Medigap premium)

**Original Medicare Premiums**  
(You will have this cost regardless of which "branch" you select)  
**Part A:** \$0 for most  
**Part B:** \$185 monthly premium\*

Medicare Supplemental Insurance (Medigap)	Original Medicare
1EG4-TE5-MK72	
HOSPITAL (PART A)	03-01-2016
MEDICAL (PART B)	03-01-2016

**80%**  
Medicare Pays

## Medicare Advantage Plans (MAPD)

(Most plans include Prescription Drugs)

**22 Plans in Latah County**

\$0 - \$140 monthly premium



\* Those with higher incomes or on Medicaid may have different Part B premiums

# Medicare Part C Medicare Advantage

**Medicare Part C** is commonly referred to as Medicare Advantage. These are Medicare-approved plans offered by commercial insurance companies.

You must be enrolled in Part A and Part B to qualify, and typically these plans come with added benefits listed to the right.

## Costs

**22 plans in Latah county**  
**\$0 - \$140 monthly premium**

### Premium: \$0 - Low\*

\*Premiums vary based on carrier and plan design, but most plans sit between \$0 - \$49/month.

### Copays/Coinsurance: Plan Specific

You pay co-pays and co-insurance for services. The co-pays and co-insurance amounts depend on the Medicare Advantage plan you select.

## Network

Medicare Advantage plans confine you to that carrier's network, which are typically county specific. This means that if you travel outside this area, services may not be covered.

### Always includes



**Hospital  
Coverage**



**Medical  
Coverage**

### Often includes



**Part D  
Prescription Drug Program**

### Can include



**Basic Dental  
Coverage**



**Vision  
Coverage**



**Hearing  
Coverage**



**Gym  
Membership**

# Medicare Supplement Medigap Plans

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**Medicare Supplement** plans help fill the gaps left by original Medicare, which is why these plans are often referred to as “Medigap” plans.

Medigap plans help cover part or all of the 20% that Medicare does not cover and would be your responsibility. Medigap plans are sold by private insurance companies.

**Costs**

<b>Plan G</b> monthly premium	\$177 - \$305
<b>Plan N</b> monthly premium	\$130 - \$196

## Premium: Varies

Premium costs vary widely by plan and the insurance company providing the plan, but you can expect the cost to be between \$67 - \$345 per month.

## Network

A major reason for Medigap popularity is the fact that you don't have a restricting network. Medigap plans pay secondary to Medicare and any facility or provider that participates in Medicare, must also participate with Medigap coverage.



## Medigap Plans

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There are **10 Medigap plans**, each designated with a letter of the alphabet. These plans each have different coverage levels and benefits, meaning Plan G is different than Plan N.

**Plans: A, B, C, D, F, G, K, L, M, N**

**It is important to note** that plan coverages are standardized, regardless of the insurance company you choose. For example, a Plan G with one insurance company has the exact same coverage as a Plan G from a different insurance company.

The only difference in Medigap plans with the same letter between insurance companies is the monthly premium cost, the speed and accuracy of claims payments, features, and customer service the insurance company offers.



# Part C: Medicare Advantage

## Fast facts



Must be enrolled in both Medicare Part A and Part B and live in plan service area



Can't be denied coverage based on current financial or health status, including pre-existing conditions



May be required to use provider and pharmacy networks



Coverage and costs vary by plan and may change each year



Annual limit on out-of-pocket costs for Medicare-covered services



May charge a monthly plan premium



Must continue to pay Part B premium to Medicare



# Part D: Prescription Drug Coverage

## Medicare Part D insurance provides coverage for prescription drugs and some vaccines

### Two ways to get coverage:



A stand-alone Part D plan

\$0 - \$122 monthly premium



A Medicare Advantage plan that includes prescription drug coverage

included with Part C plan and premium

\$0 - \$140 monthly premium



## Formulary: a list of prescription drugs covered by a plan

### Tiered formulary

- Drugs are grouped into tiers based on cost
- In general, the lower the tier, the lower the cost
- Deductibles may be charged by tier

Formulary tiers	
Tier 1	\$
Tier 2	\$\$
Tier 3	\$\$\$
Tier 4	\$\$\$\$
Tier 5	\$\$\$\$\$



# Part D: Prescription Drug Coverage

## During the year, you may go through different drug coverage stages

### Annual Deductible

**You pay for your drugs until you reach your plan's deductible**

If your plan doesn't have a deductible, your coverage starts with the first prescription you fill.

### Initial Coverage

**You pay a copay or coinsurance, and your plan pays the rest**

You stay in this stage once you, and others on your behalf, have paid a combined total of \$2,000.

### Catastrophic Coverage

**You pay nothing out of pocket for your Medicare covered Part D drugs.**

You stay in this stage for the rest of the plan year.

- Amount paid for prescriptions depends on stage
- Not all plans have a deductible
- The coverage stage cycle starts over at the beginning of each plan year, usually January 1



To learn more about the Medicare Inflation Reduction Act (IRA) visit [medicareira.com](https://www.medicareira.com)

# Medicare coverage combinations

Potential Monthly Premiums for each option

## With Original Medicare (Parts A & B)



 = \$185  
**Part A**  
**Part B**  
 \$185





 = \$185 - \$307  
**Part A**  
**Part B**  
 \$185  
**Part D**  
 \$0 - \$122





 = \$315 - \$490  
**Part A**  
**Part B**  
 \$185  
**Medigap**  
 Plan N or G  
 \$130 - \$305







 = \$315 - \$612  
**Part A**  
**Part B**  
 \$185  
**Part D**  
 \$0 - \$122  
**Medigap**  
 Plan N or G  
 \$130 - \$305

## With Medicare Advantage (Part C)


 = \$185 - \$219  
**Part C**  
 MA only  
 \$0 - \$34  
 can NOT add Part D -  
 designed for veterans or  
 those with large  
 penalties



 = \$185 - \$359  
**Part C**  
 MAPD  
 \$0 - \$140  
**Part D**  
 included

Fixed costs

Variable costs



Fixed costs are lower with MAPD  
 Variable costs could be higher

# ADVANTAGE VS SUPPLEMENT

✓ Lower Premiums

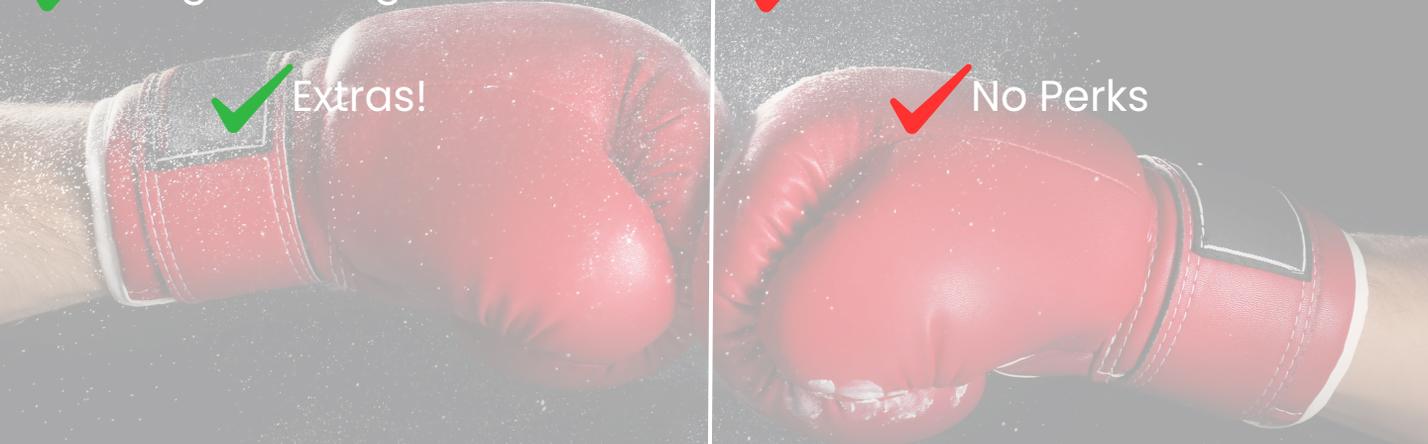
✓ Drug Coverage Included

✓ Extras!

✓ Higher Premiums

✓ Need stand-alone PDP

✓ No Perks



# ADVANTAGE VS SUPPLEMENT

✓ Lower Premiums

✓ Drug Coverage Included

✓ Extras!

✓ Provider Network

✓ Administration - Private

✓ Cost Sharing Variables

✓ Higher Premiums

✓ Need stand-alone PDP

✓ No Perks

✓ No Network

✓ Administration - Medicare

✓ Fixed Costs, less Cost Sharing

Value vs Risk

# Things to Remember

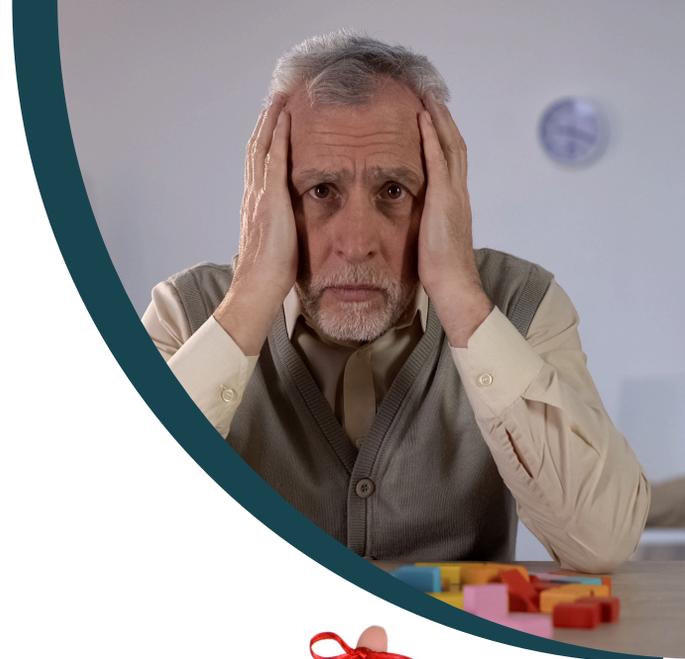
UI offers **2 Post-Retiree plan options**, PPO Plan) and High Deductible Health Plan. Once you make your selection, you are not able to change.

If you are considering putting your spouse on this plan too, we may want to consider a more cost effective option because your spouse is not getting the deeply subsidized rate UI offers it's retirees. You and your spouse do NOT have to be on the same plan.

Medicare is your primary insurer medical coverage and the UI retiree plan is secondary

If you plan to elect UI retiree medical plan, you must be enrolled in the UI active employee health plan at time of retirement

This decision is not a one and done. As you age your health care insurance needs will change. The 90DFR Team will be there to help guide you in those future decisions.



OTHER COMMON QUESTIONS

# Other Common Questions

## What if I have an HSA?

### **You can keep it, but...**

The IRS requires you and your employer to discontinue contributions to your HSA once you enroll in Parts A or B. If you enroll after your 65th birthday month, the IRS will look back to your 65th birthday month OR six months (whichever is closest) to see if contributions were discontinued. HSA funds previously accumulated may be used for future qualified expenses.

## What is with all the Medicare Marketing?

### **Get ready for A LOT of mail**

Medicare agents and Medicare plans compete heavily for your business. This means that as you approach your 65th birthday, your mailbox, email, and phone will be bombarded with Medicare marketing materials.

Be aware that responding to any mailer or phone call will significantly increase marketing efforts.



# Your No-Cost Resource

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## What if You Have More Questions?

### Use an Agent... It Doesn't Cost Anything

You do not need to tackle this alone. Licensed Insurance Agents who specialize in Medicare can help you through this process and ensure you have the plans that suit your financial and medical needs.

Medicare agent compensation is built into Medicare Advantage, Medicare Supplement, and Prescription Drug Plan premiums. Premiums are the same cost whether you use an agent or not.

What this means is that using an agent is free to you. You do not pay any more if you use an agent than if you decide to do this all by yourself.



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### Medicare

1-800-633-4227  
[www.medicare.gov](http://www.medicare.gov)



### Social Security

1-800-772-1213  
[www.ssa.gov](http://www.ssa.gov)



[www.90DaysfromRetirement.com](http://www.90DaysfromRetirement.com)

YOUR FREE RESOURCE