

## Congratulations, you're turning 65! Here's what you should know about Medicare.

Heading into retirement brings many new things to grapple with, and one of the most confusing may be Medicare. Figuring out when to enroll in Medicare and which parts to enroll in can be daunting for even the savviest people.

To help you wade through the waters of this federal health insurance program for retirement-age Americans, this Versant Capital Management guide can explain what you need to know and where to find resources.



# Medicare Checklist & Resources

## MEDICARE CHECKLIST

Once you've completed enrollment, you may wonder, "What are my next steps?" Here are five tips to help make your Medicare journey a smooth one.

### ✓ Schedule your Welcome to Medicare Visit

Schedule your [Welcome to Medicare Visit](#) during the first 12 months you have Medicare Part B. This one-time exam will thoroughly review your health and teach you about preventive services you may need.

### ✓ Learn how to pay Medicare Premiums

Medicare Parts A, B, C, and D may all have premiums you need to pay. You will pay Medicare directly for Parts A and B, but if you have a private Medicare plan (like Part D), you will pay any premiums to the plan provider directly.

### ✓ Fill out an authorization form

If you want a family member or friend to call Medicare on your behalf. Before Medicare will give personal health information about you to anyone, you must first give Medicare your written permission.

### ✓ Sign up at [MyMedicare.gov](#)

Medicare's secure online service provides access to your personal Medicare information 24 hours a day.

### ✓ Sign up for your plan provider's member portal

Many Medicare providers offer online portals specific to the insurance company and your Medicare plan benefits. These portals can be helpful for quickly finding answers to coverage questions, getting help with your plan, and performing other plan-related tasks.

## Medicare.gov | MyMedicare.gov

Medicare.gov is a federal government website that provides detailed information about:

- ✓ Creating your Medicare account
- ✓ Finding health and drug plans
- ✓ Finding care providers
- ✓ Talking to experts
- ✓ Important news and updates

MyMedicare.gov is an online portal that is part of the Medicare.gov website. It allows you to view personalized details regarding your Medicare coverage, including your eligibility and enrollment information, the status of claims, and benefits information.

## RESOURCES

These resources can help you better understand your Medicare plan and the benefits that come with it.

[Medicare.gov](#): Medicare's official website.

[MyMedicare.gov](#): Access to personalized information about your Medicare benefits and services.

[State Health Insurance Assistance Programs \(SHIP\)](#): Provides free insurance counseling and service to people with Medicare and their families.






[Danielle Tantone, Medicare Specialist](#): Danielle can help you understand Medicare plans and your best options.

[Versant Capital Management](#): Wealth management professionals who can help you navigate Medicare's impact on your retirement and long-term financial plans.

# A Basic **Guide** to Medicare



## ORIGINAL MEDICARE + ADD-ONS

ORIGINAL MEDICARE	ORIGINAL MEDICARE	ADD-ON	ADD-ON	MEDICARE ADVANTAGE
HOSPITAL PART A	DOCTORS PART B	PRESCRIPTIONS PART D	SUPPLEMENT MEDIGAP	ALL-IN-ONE PART C = A+B+D
<p><b>WHAT IT IS</b></p> <p>Access to emergency and hospital services.</p> <p><b>HELPS COVER</b></p> <p>Inpatient hospital stays.</p> <p>Care in a skilled nursing facility.</p> <p>Hospice care.</p> <p>Some home health care following a hospital or skilled nursing facility.</p> 	<p><b>WHAT IT IS</b></p> <p>Access to primary care physicians and outpatient specialists.</p> <p><b>HELPS COVER</b></p> <p>Outpatient care.</p> <p>Many preventative services.</p> <p>Some home health care.</p> <p>Durable medical equipment.</p> 	<p><b>WHAT IT IS</b></p> <p>Helps cover the cost of prescription drugs. Plans are run by private insurance companies that follow rules set by Medicare.</p> <p><b>HELPS COVER</b></p> <p>Prescription drugs, including recommended shots and vaccines. Covered drugs and payments vary by plan.</p> 	<p><b>WHAT IT IS</b></p> <p>Medicare Supplement Insurance covers your share of costs in Parts A and B. Plans are run by companies that follow rules set by Medicare. All plans with the same letter have the same coverage.</p> <p><b>HELPS COVER</b></p> <p>Your out-of-pocket expenses for Original Medicare.</p> 	<p><b>WHAT IT IS</b></p> <p>One plan that combines hospital (Part A), medical (Part B), and often prescription (Part D) insurance. Plans are run by companies that follow rules set by Medicare. You cannot also have a supplement plan.</p> <p><b>HELPS COVER</b></p> <p>Everything you get in Original Medicare (Parts A and B, and usually D, but not Supplement). May include benefits not covered by Original Medicare, such as dental, vision, and hearing coverage.</p> 

# Plan Details for 2024



## ORIGINAL MEDICARE + ADD-ONS

ORIGINAL MEDICARE	ORIGINAL MEDICARE	ADD-ON	ADD-ON	MEDICARE ADVANTAGE
HOSPITAL PART A	DOCTORS PART B	PRESCRIPTIONS PART D	SUPPLEMENT MEDIGAP	ALL-IN-ONE PART C = A+B+D
<p><b>PREMIUM</b> \$0 per month for most people.*</p> <p><b>DEDUCTIBLE</b> \$1,632 per deductible period.</p> <p><b>OUT-OF-POCKET</b> See table 1 on next page.</p> <p><b>NETWORK</b> Any hospital that accepts Medicare.</p>	<p><b>PREMIUM</b> See table 2 on next page.</p> <p><b>DEDUCTIBLE</b> \$240 per year.</p> <p><b>OUT-OF-POCKET</b> You're responsible for paying the first \$240 in Medicare-covered medical care, and 20% co-insurance thereafter.</p> <p><b>NETWORK</b> Any doctor or service provider that accepts Medicare.</p>	<p><b>PREMIUM</b> See table 2 on next page.</p> <p><b>DEDUCTIBLE</b> \$545 with most carriers, but varies.</p> <p><b>OUT-OF-POCKET</b> Varies by plan and the specific drugs you want covered.</p> <p><b>NETWORK</b> Varies by plan.</p>	<p><b>PREMIUM</b> May vary based on your age and/or health profile.</p> <p><b>DEDUCTIBLE</b> Varies by plan.</p> <p><b>OUT-OF-POCKET</b> Varies by plan. Plans cover different amounts of the Part A and B deductibles and all of the Medicare-approved out-of-pocket expenses.</p> <p><b>NETWORK</b> Any doctor or service provider that accepts Medicare.</p>	<p><b>PREMIUM</b> Varies by plan.</p> <p><b>DEDUCTIBLE</b> Varies by plan.</p> <p><b>OUT-OF-POCKET</b> Varies by plan.</p> <p><b>NETWORK</b> In most cases, you'll have to use doctors who are in the plan's network.</p>

\*Most people don't pay a premium for Part A because they paid Medicare taxes while working. If you are not eligible for a premium-free Part A, you will pay up to \$506 per month.

# Medicare **Costs** for 2024



**TABLE 1: PART A, OUT-OF-POCKET**

For each benefit period

INPATIENT HOSPITAL \$1,632 deductible		SKILLED NURSING FACILITY (SNF) 3 day hospital stay required first*	
Days 1 - 60	\$0/day	\$103,000 or less	\$0/day
Days 61 - 90	\$408/day	N/A	\$0/day
Days 91 +	\$816/day**	N/A	You pay all costs

\* Benefit periods begin the day you're admitted as an inpatient in a hospital or SNF. The period ends when you haven't received care in a hospital or SNF for 60 days in a row. If you go to a hospital or SNF after one period ends, you have to pay your deductible again.

\*\* Medicare will pay for up to 60 cumulative days of hospital stays longer than 90 days in your lifetime.

**TABLE 2: PART B & PART D PREMIUMS**

if your yearly income in 2022 was ...			Your 2024 Part B & D premiums are ...	
INDIVIDUAL TAX RETURN	JOINT TAX RETURN	MARRIED & SEPARATE TAX RETURN	PART B per month, per person	PART D* per month, per person
\$103,000 or less	\$206,000 or less	\$103,000 or less	\$174.70	Premium
\$103,000 to \$129,000	\$206,000 to \$258,000	N/A	\$244.60	Premium + \$12.90
\$129,000 to \$161,000	\$258,000 to \$322,000	N/A	\$349.40	Premium + \$33.30
\$161,000 to \$193,000	\$322,000 to \$386,000	N/A	\$454.20	Premium + \$53.80
\$193,000 to \$500,000	\$386,000 to \$750,000	\$103,000 to \$402,999	\$559.00	Premium + \$74.20
\$500,000 +	\$750,000 +	\$403,000 +	\$594.00	Premium + \$81.00

\*Your Part D premium varies by plan and may include an amount that varies based on your income, called your **IRMAA** (Income Related Monthly Adjustment Amounts).

# Income Related Monthly Adjustments – IRMAA

## MEDICARE PART B & PART D PREMIUMS



### WHAT IS IRMAA?

- IRMAA is a surcharge that people with income above a certain amount must pay in addition to their Medicare Part B and Part D premiums.
- The Social Security Administration (SSA) determines who pays an IRMAA based on the income reported two years prior. So, for 2024, the SSA looks at your 2022 tax returns to see if you must pay an IRMAA.
- IRMAA is calculated every year. That means if your income is higher or lower year after year, your IRMAA status can change. If the SSA determines you must pay an IRMAA, you'll receive a notice with the new premium amount and the reason for their determination.

### HOW TO PAY YOUR PART B & PART D IRMAA

Part B IRMAA is automatically added to your monthly premium bill. Here are 4 ways you can pay your Part B premium:

1. Online through your secure Medicare account
2. From your bank's online bill payment service
3. Signing up for Medicare Easy Pay
4. Mailing your payment to Medicare

Part D IRMAA must be paid directly to Medicare, not your plan or employer. It's your responsibility to pay it even if your employer or a third party (e.g., retirement system) pays your Part D plan premiums. You'll get a bill each month from Medicare for your Part D IRMAA and can pay it the same way you pay your Part B premiums.

### HOW TO APPEAL AN IRMAA

If you disagree with an IRMAA notice you've received, you can appeal it for several reasons:

- The tax information used by the SSA to decide the IRMAA may have been incorrect or outdated
- You've experienced a life-changing event, such as a loss of income, death of a spouse, marriage or divorce
- You have 60 days from receiving a notice to file an appeal
- To get started, contact the SSA at 800-772-1213

# When you need to take **action**.



## ENROLLING AT 65



**PART A – HOSPITAL:** If you are already approved for Social Security, you will be automatically enrolled in Part A at age 65. If you are not receiving Social Security benefits, you should apply for Part A on the Social Security website during your seven-month initial enrollment period, which begins three months before your 65th birthday and ends three months after your birthday month.



**PART B – DOCTORS:** If you are already approved for Social Security, you will be automatically enrolled in Part B at age 65. If you are not receiving Social Security benefits, enroll in Part B on the Social Security website during your initial enrollment period.



**PART D – PRESCRIPTION DRUGS:** Once you are enrolled in Parts A and B, you may enroll in Part D during your initial enrollment period.

## RETIRING AFTER 65

When your employer coverage ends, you have eight months to enroll in Part B and 63 days to enroll in the Prescription Drug portion or Medicare Advantage Plan.

If you work for an employer with fewer than 20 employees past the age of 65, you may be able to save your employer money by enrolling in Medicare while continuing to work.

## CHANGING YOUR COVERAGE

**Annual Election Period** – Between October 15 and December 7, you can join, switch, or drop Prescription Drug or Medicare Advantage plans. Changes become effective on January 1.

**Birthday Rule** – If you live in CA, OR, ID, IL, or NV and are enrolled in a Medicare Supplement Insurance plan, you may change to another plan or one of equal or lesser value each year in the period following your birthday. Special rules apply if you live in IL.

**Open Enrollment** – Between January 2 and March 31, Medicare Advantage enrollees can either switch to Medicare Advantage plans or switch to Original Medicare with a Prescription Plan. Each year, you can only change plans once during this period.



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#### **IRMAA Sources**

"Premiums: Rules for Higher-Income Beneficiaries," Social Security Administration, last accessed October 5, 2022, <https://www.ssa.gov/benefits/medicare/medicare-premiums.html>.

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"What to know about IRMAA: Notice, appeals, and more."

#### **Other Sources**

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#### **Disclosure**

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