



# Medicare Educational Workbook





As we age, quality healthcare is more important than ever. Often, employers make health insurance decisions for us, so determining what to do with Medicare can be overwhelming. Our goal is to help you better understand your options so you can make a decision that improves your quality of life.

## What is Medicare?

Medicare is the federal health insurance program for people 65 or older, or younger people with certain disabilities or end-stage renal disease. Original Medicare is made up of two parts:

### Part A: Inpatient Medical Coverage

- Hospital
- Skilled nursing
- Hospice
- Some home healthcare

### Part B: Outpatient Medical Coverage

- Preventative screenings and tests
- Doctor visits
- Lab work
- Imaging: X-rays, CT scans, MRIs
- Outpatient surgery
- Durable medical equipment



## Do I need Medicare when I'm first eligible?

It depends on your employment. Which category do you fall into?

### **I'm turning 65 and still working. My employer has 20 or more employees.**

You have options. You can:

1. Remain enrolled in your group health plan (GHP) as primary insurance and delay Medicare enrollment,
2. Remain in your GHP and enroll in Medicare as secondary coverage;
3. Drop your GHP and choose Medicare as primary coverage.

Ask your adviser to compare your GHP benefits to Medicare, to determine if you should delay or enroll in Medicare when first eligible.

### **I'm turning 65 and still working. My employer has fewer than 20 employees.**

Your Medicare coverage is primary, your GHP secondary. You need to enroll in Medicare when first eligible. If you do not, you may incur large medical bills. Depending on your needs, it may or may not be beneficial to remain enrolled in your GHP as secondary coverage. Ask your adviser to review.

### **I'm turning 65, and I'm already retired or planning to retire.**

You most likely need to enroll in Medicare as soon as you are eligible. For most retirees, Medicare is a must. Delaying Part B and Part D enrollment after employer group coverage ends can incur lifelong monetary penalties.

If you think you have a group retiree option through your employer or through veterans' benefits, discuss with your adviser to see what's best for you.



## How much does Medicare cost?

Part A is no-cost for most people. It depends on how many quarters you or your spouse worked in your lifetime.

<b>I worked or my spouse worked for at least 40 quarters in our lifetime.</b>	You will most likely qualify for premium-free Part A.
<b>I worked or my spouse worked for 30-39 quarters in our lifetime.</b>	You will most likely pay \$285 a month for Part A.
<b>Neither my spouse nor I worked for at least 30 quarters in our lifetime.</b>	You will most likely pay \$518 a month for Part A.

In 2025, the standard Part B monthly premium is \$185. For some people it's more. The table below is based on your 2023 income and details the income related monthly adjustment amounts (IRMAA) for both Part B and Part D.

<b>FILE INDIVIDUAL TAX RETURN</b>	<b>FILE JOINT TAX RETURN</b>	<b>PART B MONTHLY PREMIUM</b>	<b>PART D MONTHLY PREMIUM</b>
\$106,000 or less	\$212,000 or less	\$185	Plan Premium Only
\$106,001 up to \$133,000	\$212,001 up to \$266,000	\$259	+ \$13.70
\$133,001 up to \$167,000	\$266,001 up to \$334,000	\$370	+ \$35.30
\$17,001 up to \$200,000	\$334,001 up to \$400,000	\$480.90	+ \$57.00
\$200,001 up to \$500,000	\$400,001 up to \$750,000	\$591.90	+ \$78.60
\$500,001 and above	\$750,001 and above	\$628.90	+ \$85.80

If you earn below a certain amount, you may qualify for medical assistance that can help pay your Part B premium. Visit [benefits.gov](https://www.benefits.gov) for more information about Medical Assistance in your state.





## How do I get enrolled in Medicare?

It depends. Will you be collecting Social Security income when you turn 65?

### When I turn 65, I'll already be collecting Social Security income.

- You will most likely be auto-enrolled in Parts A and B, and do not need to apply.
- About three months prior to your 65th birthday, look for a letter with your red, white and blue Medicare card and details about your Medicare start date.
- When your Medicare begins, your Part B premium will be deducted from your Social Security income monthly.
- If you do not receive anything from Social Security within this time frame, contact them immediately.

### I'm turning 65 but plan to delay my Social Security income.

- You will need to contact Social Security to apply for Medicare one of three ways:
  - Apply online at [www.ssa.gov](http://www.ssa.gov).
  - Visit your local Social Security office.
  - Call Social Security at 1-800-772-1213 (TTY: 1-800-325-0778).
- You can apply for Medicare benefits only or apply for Medicare and income benefits at the same time.
- If you delay your Social Security income, you can expect a quarterly Part B premium bill.

## Coverage beyond original Medicare – Why do I need it?

Having Medicare Parts A and B alone can leave you exposed to significant out of pocket costs for hospital & medical services. Fortunately, there are affordable, additional coverage options that you can choose from.

### Four important things additional coverage will do for you:

- Reduce or eliminate costs for covered services and possibly reduce your Part B premium amount
- Set an annual limit on your medical spending for covered services so you can better manage expenses
- Provide affordable prescription drug coverage not included in Original Medicare
- Include valuable extra benefits not included in Original Medicare, such as dental, vision and hearing coverage. Some plan options even include an allowance for over-the-counter wellness items and a no-cost gym membership.

Simply put, the benefits of Original Medicare are limited and may not meet all your healthcare needs. There are many different options for Medicare beneficiaries, some as low as \$0 in additional premium.

## Additional coverage options to choose from:

### Part C

Part C is also called Medicare Advantage. Part C combines Part A, Part B and often Part D into one easy-to-use health plan. Part C plans offer affordable premiums, sometimes as low as \$0.

### Part D

Part D is prescription drug coverage for Medicare beneficiaries. You can enroll in a stand-alone prescription drug plan (PDP), or you can enroll in a Part C plan that includes Part D (MAPD) for as low as \$0 monthly premium.

### Medigap

Medigap, also called Medicare Supplement, is a way to “fill the gaps” left by original Medicare. For example, Part B pays for 80% of covered doctor visits. Depending on which Medigap plan you choose, your plan may cover some or all of the remaining 20%.





## Once I'm enrolled in Medicare, how do I know which coverage option is right for me?

- How often do you use your healthcare?
- What was the largest healthcare expense you incurred last year?
- Do you have a healthcare budget in mind for monthly premium?
- When it comes to healthcare, what is most important to you?
- Do you plan to travel?
- Do you have any doctors you need to see?
- What hospitals are important to you?
- What prescriptions are you currently taking?
- Do you have access to creditable prescription drug coverage outside of Medicare — for example, through a drug assistance program or through veterans' benefits?

### Contact your Alera Group Medicare consulting team

Our licensed and certified Medicare team will answer your questions and help you choose the right Medicare plan for your unique needs. Call or email the Alera Group office to schedule a no-cost consultation.

800-485-5369 | [Contact Us](#)

We do not offer every plan available in your area. Any information we provide is limited to those plans we do offer in your area. Please contact Medicare.gov or 1-800-MEDICARE to get information on all of your options.



#### Resources

For questions about your claims or other personal Medicare information, visit [Medicare.gov](https://www.Medicare.gov) or call 1-800-MEDICARE (1-800-633-4227). TTY users can call 1-877-486-2048.

#### Extra Help

Medicare beneficiaries can qualify for Extra Help paying for their monthly premiums, annual deductibles and co-payments related to Medicare prescription drug coverage. To see if you qualify, visit [socialsecurity.gov/extrahelp](https://www.socialsecurity.gov/extrahelp) or call 1-800-772-1213 (TTY 1-800-325-0778)

## About Alera Group

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