

Medicare 2025

AARP

Eligibility

➤ **65 or older**

And

➤ **40 credits (equivalent to ten years employment)**

Or

➤ **SSDI (Disability) longer than two years**

➤ **End-stage renal disease**

Medicare- Two Options

Original Medicare

Part A: Hospital Insurance
(Automatic)

Part B: Medical Insurance

- Optional
- Penalty

Part D: Prescription Drugs

- Optional
- Penalty

Medicare Advantage

Part A: Hospital Insurance
Included

Part B: Medical Insurance
Included

Part D: Prescription Drugs
Included

Medicare- 7 Point Comparison

Original Medicare (A, B, D)

1. Fee for service
2. **Choice** of providers (who accept Medicare reimbursement)
3. **No** out-of-pocket Limit
4. Part B premium is purchased
5. Part B- 20% Coinsurance
6. Part D (Drugs) is purchased
7. **May** combine with Medigap (Supplemental Policy)

Medicare Advantage (Part C)

1. Managed Care (HMO, PPO)
2. **Network** doctors and hospitals (Specialist referral may be **required**)
3. Out-of-pocket **limit**
4. Part B premium is purchased
5. Part B- Copayments
6. Part D (Drugs) is included
7. **May not** combine with Medigap

Original- Part A: Hospital

**Inpatient care (admitted)
Skilled nursing facility care
Hospice
Home health care**

Coverage

**No- Covered if 40 credits (10 years)
May be purchased (expensive)**

Premium

**\$1,632 per benefit period (up to
60 days after discharge)**

Deductible

**No- Days 1 – 60 \$0
Yes- Days 61 – 90 \$408/day
Yes- (Reserve: Days 91 – 150) \$816/day
Skilled Nursing facility- \$204/day
(days 21 to 100)**

Coinsurance

Advantage- Hospital

Coverage	Inpatient care (admitted) In network Skilled nursing facility care Hospice Home health care
Premium	Same as Original
Deductible	No
Copayment	Yes - \$/day for a set number of days per episode (read policy)
Coinsurance	No

Original- Part B: Medical

Medical Care (Doctors, Specialists)

Outpatient Care

Durable Medical Equipment

Preventative Services

Coverage

Yes- \$185/month (Means Tested)

Monthly Premium

Yes - \$257/yr.

Deductible

No

Copayment

Yes (20%)

Coinsurance

Advantage- Medical

Coverage

Medical Care (Doctors/Specialists)
Outpatient Care
Durable Medical Equipment
Preventative Services

Premium

Yes - \$175/ month (Means Tested)

Deductible

No

Copayment

Yes - Some services may have copays of up to 20%

Coinsurance

No - (read policy)

Original- Part D: Medications

**Coverage for prescription drugs
through private insurance companies**

**Varies- (\$36/month typical)
(means tested)**

(varies by policy)

(Varies by policy and tier)

25% of cost (initial stage)

\$2,000/year (No donut hole)

Coverage

Monthly Premium

Deductible

Copayment

Coinsurance

Out of pocket Cap

Advantage- Medications

Coverage

Included in most cases

Premium

No (but means tested)

Deductible

Some do, most don't - (Read policy)

Copayment

Yes - Depends on drug Tier

Coinsurance

Read policy

**Out-of-Pocket
Cap**

2,000/yr. (No Donut Hole)

What is Not Covered by Original?

- **Long Term Care**
- **Most Dental Care**
- **Dentures**
- **Eye Examinations related to *prescribing glasses***
- **Cosmetic Surgery**
- **Hearing Aids and exams for fitting them**
- ***Routine* Foot Care**

Medicare and Other Insurance Coverage

Medigap (Supplemental Insurance)

Original Only

Can pay for deductibles, copayments, and coinsurance for Parts A and B (but not D)

- Six-month signup protection against **pre-existing** conditions
- Should include foreign travel **emergency** protection (some Advantage plans also provide foreign travel emergency protection)

Original Medicare Supplemental Insurance

Summary of Medigap Plan Benefits

Note: An X means 100% of benefit paid	Plans Available to all applicants								Medicare eligible before 2020 only	
	A	B	D	G	K	L	M	N	C	F
Medicare Part A coinsurance and hospital coverage (up to an additional 365 days after Medicare benefits used up)	X	X	X	X	X	X	X	X	X	X
Medicare Part B coinsurance or copay	X	X	X	X	50%	75%	X	copays	X	X
Blood (first three pints)	X	X	X	X	50%	75%	X	X	X	X
Part A hospice care coinsurance or copay	X	X	X	X	50%	75%	X	X	X	X
Skilled Nursing Facility coinsurance			X	X	50%	75%	X	X	X	X
Medicare Part A deductible		X	X	X	50%	75%	50%	X	X	X
Medicare Part B deductible									X	X
Medicare Part B excess charges				X						X
Foreign travel emergency up to plan limit			80%	80%			80%	80%	80%	80%
Out of pocket limit in 2025					\$ 7,220	\$ 3,610				

Other Insurance Coverage

Other Insurance: **Original and Advantage**

- **Coordinates with other insurance coverage such as employer, union, veterans, military retirees (TRICARE), Federal and long-term care insurance**
- **Medicare functions as primary insurance in some cases and secondary in others**

Enrollment Periods

Initial Enrollment - 7 months starting 3rd month **before** 65th birthday

Special Enrollment – Up to 8 months after **creditable** coverage ends

- Discuss with HR Department (COBRA generally does not qualify)

General Enrollment - Jan. 1 to March 31 if initial enrollment missed

- **Penalty** may apply (B - 10% / year, D - 1% / month) -for life
- All coverage starts July 1

Open Enrollment - Advantage and Part D changes - Oct 15 to Dec 7

Change from Advantage to Original – Jan 1 to March 31

- **Pre-existing conditions may influence plan price**

Be Proactive!

If you receive Social Security, you may be automatically enrolled in **Original Medicare Part A and B** but not D

Enroll online: ssa.gov/benefits/medicare

BUT

Do **Not** Procrastinate or **Avoid** a Decision!!

Resources

State Health Insurance Assistance Program (SHIP):

www.shiptacenter.org

Enter: State – Arizona

Next Screen: Arizona Agencies on Aging – (602) 432-4040

- **Excellent source** for knowledgeable, unbiased information
- In-home and onsite counseling

Medicare: www.medicare.gov (1-800-633-4227)

AARP: www.aarp.org/medicareQA (1-888-687-2277)

Questions?