



MASTER
MEDICARE
WITH MARGO

STEINLAGE INSURANCE AGENCY

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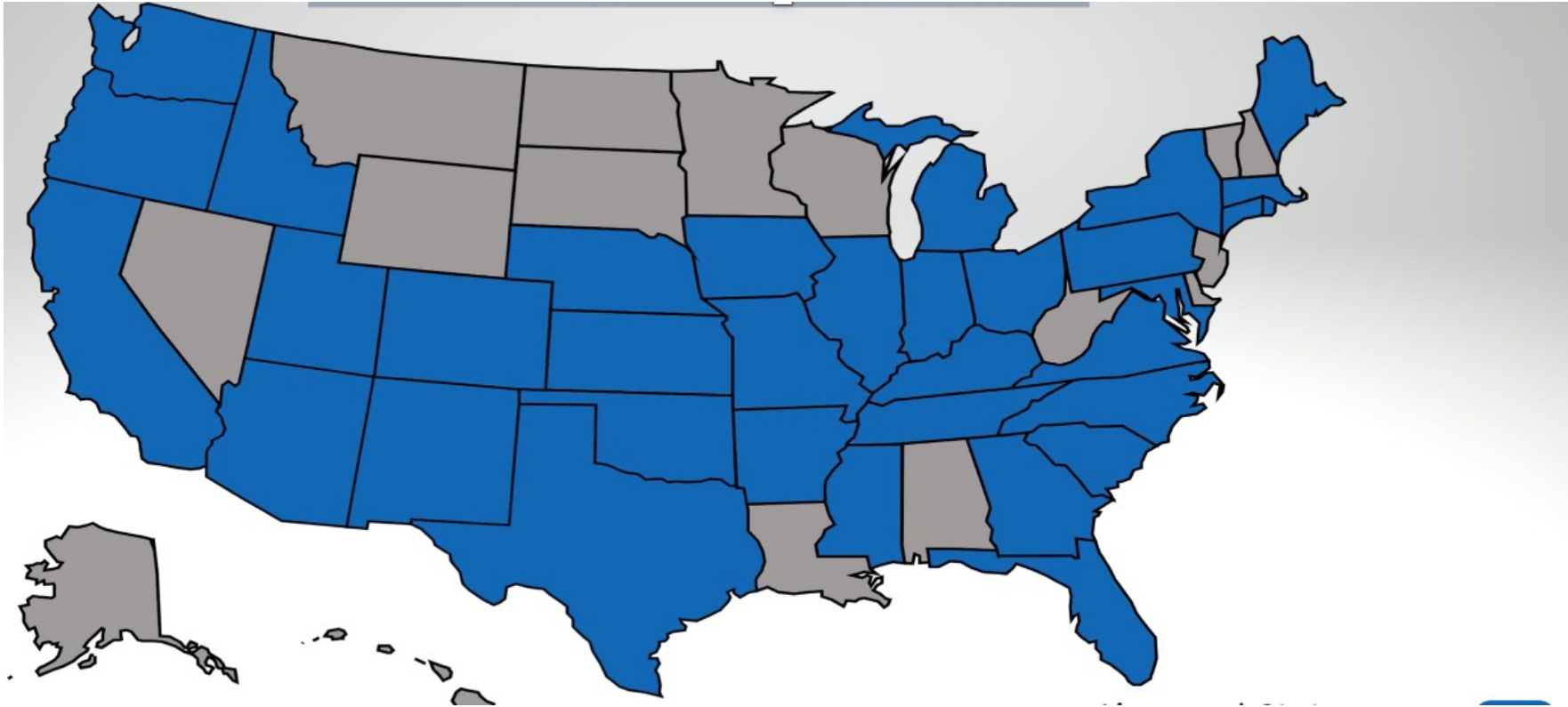



Steinlage Agency Services

FREE GUIDELANCE ON HEALTH INSURANCE

- ✓ — Free Medicare Advice
- ✓ — Group vs Medicare Cost comparisons
- ✓ — Navigating ACA and the transition into Medicare at 65
- ✓ — Discussing Retirement, Cobra and transitioning to Medicare
- ✓ — Medicare Annual Enrollment Period check ups and reviews
- ✓ — IRMAA determinations-high wealth individuals
- ✓ — Prescription drug reviews every year October 15 - December 7th

We are Nationwide with multiple office locations!





Who is eligible for Medicare

01

Anyone turning 65

02

Older than 65, retiring and or leaving active employment/employer coverage/spousal benefit

- Furloughed, Laid-off, or retiring after 65
- Medicare B enrollment can take up to 90 days to process-advise acting quickly and early to avoid delays and gaps in coverage

03

Under 65 and on Disability 2+ years

04

Under 65 and diagnosed with End Stage Renal Disease

Working after 65

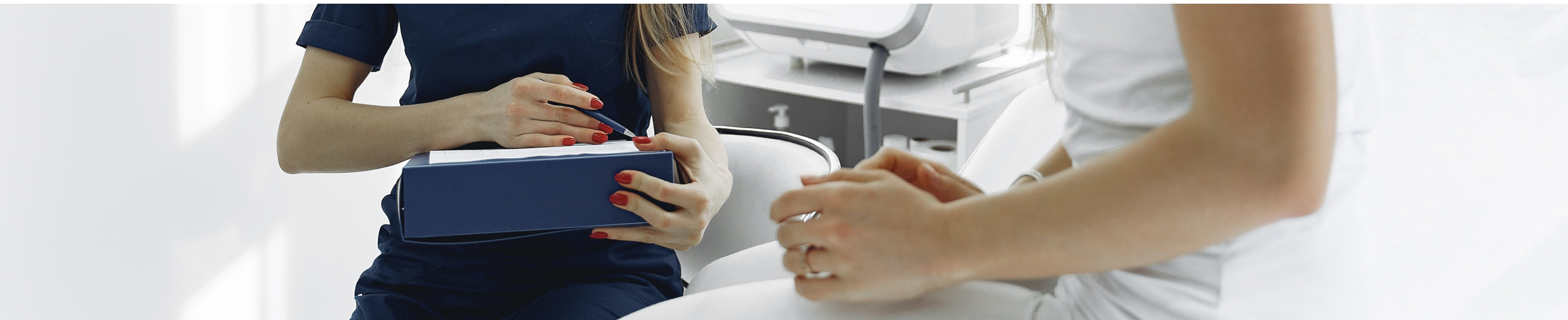
- If turning 65 with plans to continue working, the size of the employer (or spouse's employer) determines whether Medicare is required (Parts A/B).
- NOTE - COBRA IS NOT DEEMED ACTIVE COVERAGE
- Does the employer offering group coverage have
 - 20+ Employees then Medicare Part A/B is **optional**
 - Watch out for HSA's!
 - How to avoid IRS penalties
 - Stop HSA contributions once you enroll in Part A – avoid excess contributions!
 - Part A becomes effective 6 months prior to the date when you submit your Medicare enrollment paperwork
 - Under 20 employees then Medicare A/B is **required**



More on HSAs

USING HSA Funds-what's deemed a qualified expense?

- Health care continuation coverage (*such as coverage under COBRA*).
- Medicare and other health care coverage if you are 65 or older (*other than premiums for a Medicare supplemental policy, such as Medigap*).
- Prescription Medications-insulin and prescribed medications.
- Dental/Vision costs and premiums.



What is Medicare?

DEDUCTIBLE

The amount you pay before Medicare pays.

Part A Deductible
\$1,600/60
Day occurrence

Part B Deductible
\$226/ year

ORIGINAL MEDICARE PREMIUMS

Part A Hospital
\$0/month

+

Part B Medical
\$164.90/month

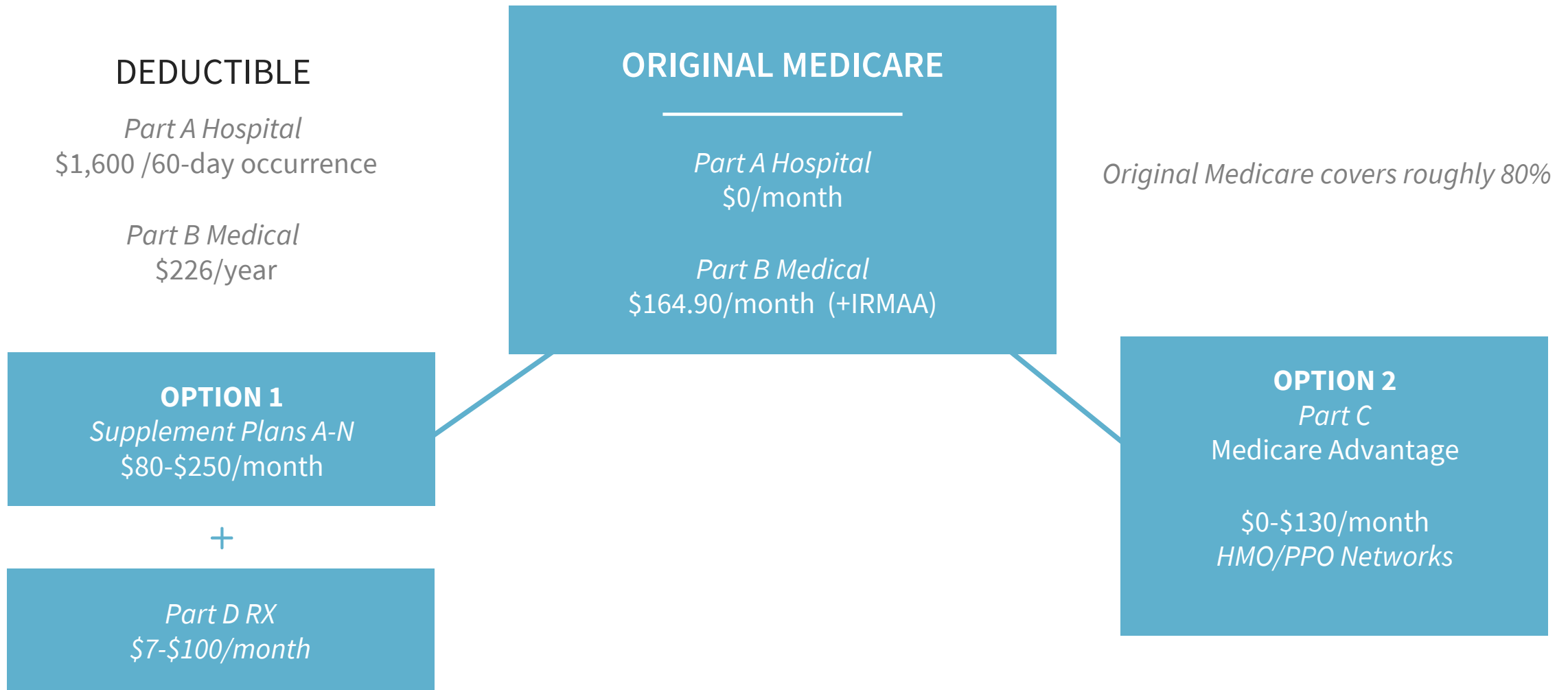
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IRMAA for B/D

NOTE

Once you meet your deductibles, Original Medicare covers roughly 80% of your Hospital and Medical costs.

How to fill the gaps in Medicare



Option 1: Medicare + Supplement + Part D

DEDUCTIBLE

Part A Hospital
\$1,600 per 60-day Occurrence

Part B Medical
\$226/year

OPTION 1

Supplement Plans A-N
\$80-\$250/month

+

Part D RX
\$7-\$100/month

ORIGINAL MEDICARE

Part A Hospital
\$0/month

Part B Medical
\$164.90/month (+IRMAA)

Original Medicare covers roughly 80%

- Medicare is primary payor, Supplement is Secondary payor. This combo gives close to 100% coverage.
- Supplement plans cover the gaps in Medicare. Plan F, G, N cover Part A/B deductibles, and the 20% coinsurance gap.
- Allows for nationwide access.
- Foreign care coverage.
- Visit any doctor nationwide so long as that doctor accepts Medicare.
- Part D covers prescriptions.
- Dental/vision will be an additional plan/premium. \$40-\$60/month.

Option 2: Part C Medicare Advantage

ORIGINAL MEDICARE

Part A Hospital
\$0/month

Part B Medical
\$164.90/month (+IRMAA)

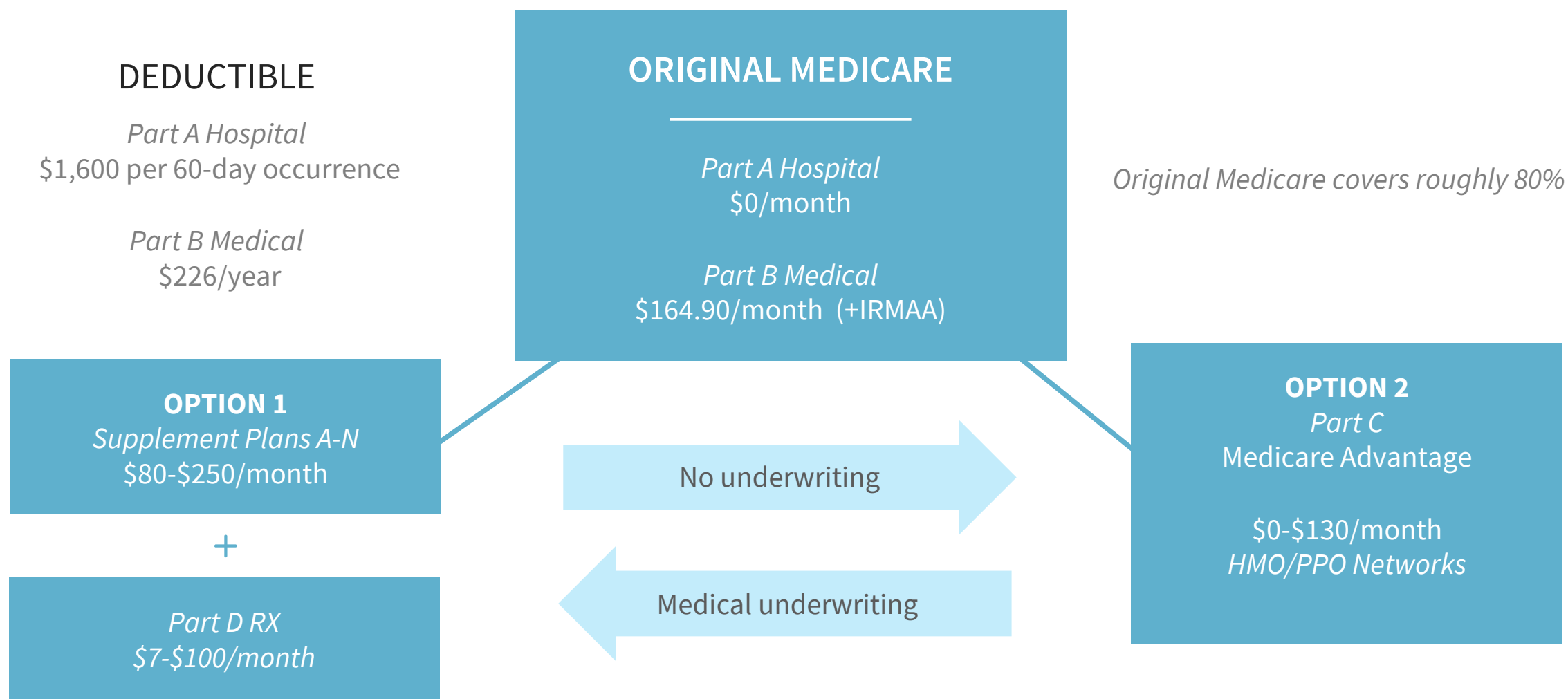
OPTION 2

Part C
Medicare Advantage

\$0-\$130/month
HMO/PPO Networks

- Medicare is no longer primary payor.
- Part C Medicare Advantage plan manages the care.
- Part C Medicare Advantage covers Hospital, Medical, and Prescriptions . *Sometimes Dental/vision/hearing/gym.*
- Typically a low monthly premium with higher out of pocket copays/coinsurance when using care.
- When using care, member pays deductibles, copays, coinsurance up to the plan's max out of pocket.
- Max out of pocket ranges \$1,900-\$10,000. Depending on the region/product.

Caveat! Medical Questions!



Review Periods

ANNUAL ENROLLMENT PERIOD (AEP)

- October 15 to December 7.
- Shop Part D or Medicare Advantage plan. Changes will take effect on January 1st.

OPEN ENROLLMENT PERIOD (OEP)

- January 1 to March 31.
- Can make a one time move from Part C carrier to Part C carrier or drop your Part C and move to Original Medicare.

Medicare Supplement Plans are not subject to the Medicare AEP or OEP.

- May rate shop supplement plans anytime throughout the year. Most states require health questions and underwriting.





IRMAA and Recent Changes

INCOME RELATED MONTHLY ADJUSTMENT AMOUNT (IRMAA)

The standard Part B premium amount in 2023 will be \$164.90/month

Most people will pay the standard Part B premium amount. If the modified adjusted gross income as reported on the IRS tax return from 2 years ago is above a certain amount, then standard B/D premiums increase. These premium adjustments are called, Income Related Monthly Adjustment Amount (IRMAA).

IRMAA is a surcharge added to the standard Part B premium and Part D premium.

If the 2021 modified adjusted gross income is above joint filing couple, then the 2023 Medicare costs are adjusted to reflect a higher monthly premium.

IRMAA Premiums

Medicare premiums are income adjusted and use a [2 year look back](#). The 2020 Modified Adjusted Gross Income determines the Part B and Part D premiums owed for 2023. Medicare updates their figures each year based on the prior 2 year look back.

The chart below shows the applicable costs for Part B and Part D.

If your yearly income in 2021 (for what you pay 2023) was					
File Individual Tax Return	File Joint Tax Return	File Married & Separate Tax Return	What you pay each month for Part B	What you pay each month for Part D	Total Surcharges (Monthly)
\$97,000 or less	\$194,000 or less	\$97,000 or less	\$164.90	Your plan premium	N/A
Above \$97,000 and up to \$123,000	Above \$194,000 and up to \$246,000	Not Applicable	\$230.80	\$12.20 + Your plan premium	\$243.00
Above \$123,000 and up to \$153,000	Above \$246,000 and up to \$306,000	Not Applicable	\$329.70	\$31.50 + Your plan premium	\$361.20
Above \$153,000 and up to \$183,000	Above \$306,000 and up to \$366,000	Not Applicable	\$428.60	\$50.70 + Your plan premium	479.30
Above \$183,000 and less than \$500,000	Above \$366,000 and less than \$750,000	Above \$97,000 and less than \$403,000	\$527.50	\$70.00 + Your plan premium	\$597.50
\$500,000 and Above	\$750,000 and Above	\$403,000 and Above	\$560.50	\$76.40 + Your plan premium	\$636.90

Appealing IRMAA

If income has gone down due to any of the following situations, then we can successfully reduce the IRMAA.

- Recent marriage, divorce, or widow;
- Recently stopped work or reduced work hours;
- Lost income-producing property because of a disaster or other event beyond control;
- Experienced a scheduled cessation, termination, or reorganization of an employer's pension plan; or
- Received a settlement from an employer or former employer because of the employer's closure, bankruptcy, or reorganization.
- Appeal form <https://www.ssa.gov/forms/ssa-44-ext.pdf>

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IMPLEMENTATION OF THE INFLATION REDUCTION ACT 2023

Changes happening in 2023:

- Donut hole exposure for brand name medications remains capped at 25%.
- Increased plan participation with the Insulin Savings Program-insulin with all formularies is capped at a \$35 copay.
- Eliminates cost sharing for Vaccines covered under part D.

Changes happening in 2024:

- Eliminates the 5% exposure in Catastrophic Level. For 2024, Clients are estimated to pay roughly \$3,250 in out of pocket costs before hitting the new Catastrophic Cap. The new law caps their out of pocket exposure once they hit the Catastrophic threshold.

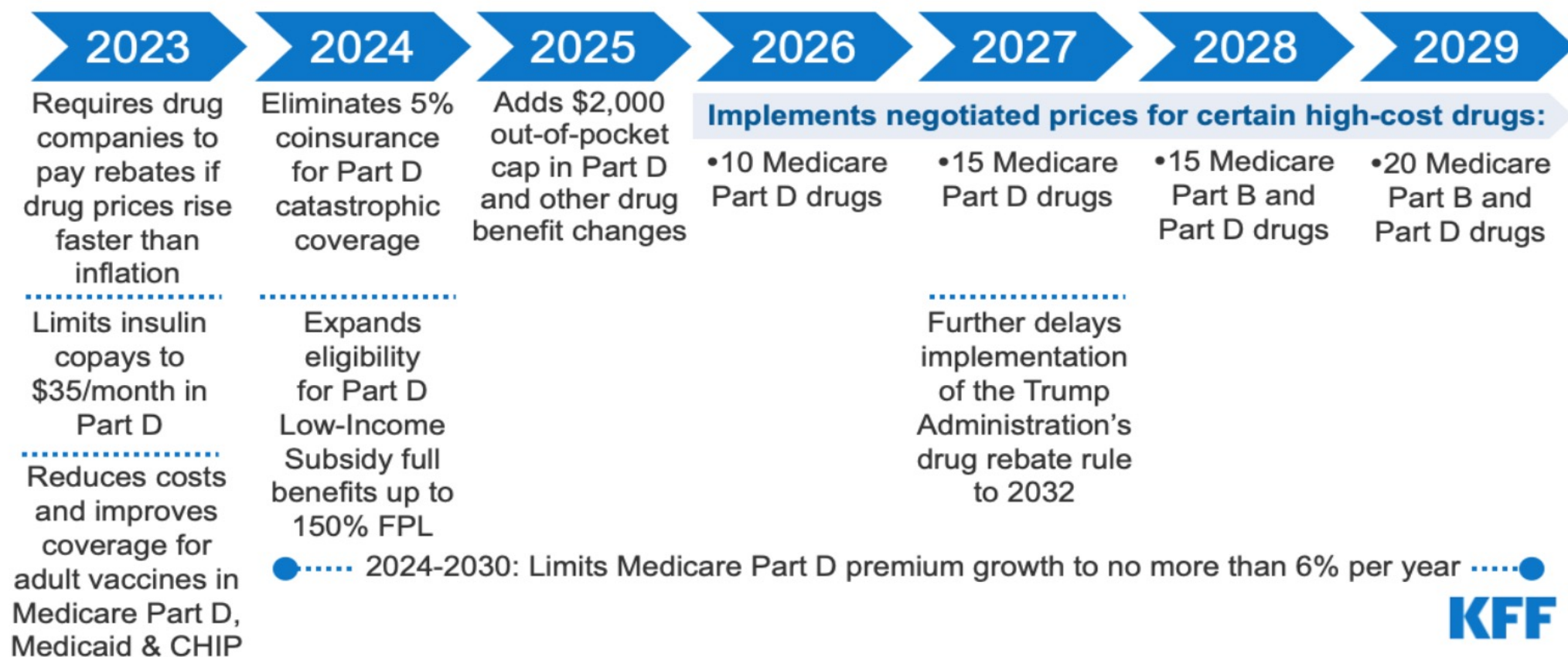
Changes happening in 2025:

- Establishes a \$2,000 out of pocket spending cap for Part D.

IMPLEMENTATION OF THE INFLATION REDUCTION ACT 2023

Figure 1

Implementation Timeline of the Prescription Drug Provisions in the Inflation Reduction Act





DEDUCTIBLE PHASE

*You pay until your deductible amount is reached **\$505 in 2023***

INITIAL COVERAGE PHASE

*You pay co-pay and/or coinsurance
\$4,660 in 2023 (enter donut hole)*

COVERAGE GAP PHASE

“The Donut Hole”

*You pay **25%** of the costs of Brand name Drugs
and **25%** of the costs of Generic Drugs*

***\$7,400 in 2023** (exit donut hole)*

CATASTROPHIC COVERAGE PHASE

*You pay approx. **5%** of drug price once reaching
the out-of-pocket limit*

Plan resets January 1, 2024



What to take away

- Health care costs can play critical role in retirement
- Each client has a unique Medicare review
 - There is no one size fits all recommendation
- Many variables to consider
 - HSA funding
 - IRMAA-how does this factor into retirement
 - Donut Hole-prescription costs
 - Work status and coverage options for spouse and dependents
 - Doctors and mobility
- I recommend starting this process 6 to 12 months from the 65th birthday birthday or date of desired Medicare eligibility

Thank you.



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