



Avoiding Medicare Mistakes in Retirement

STEINLAGE INSURANCE AGENCY



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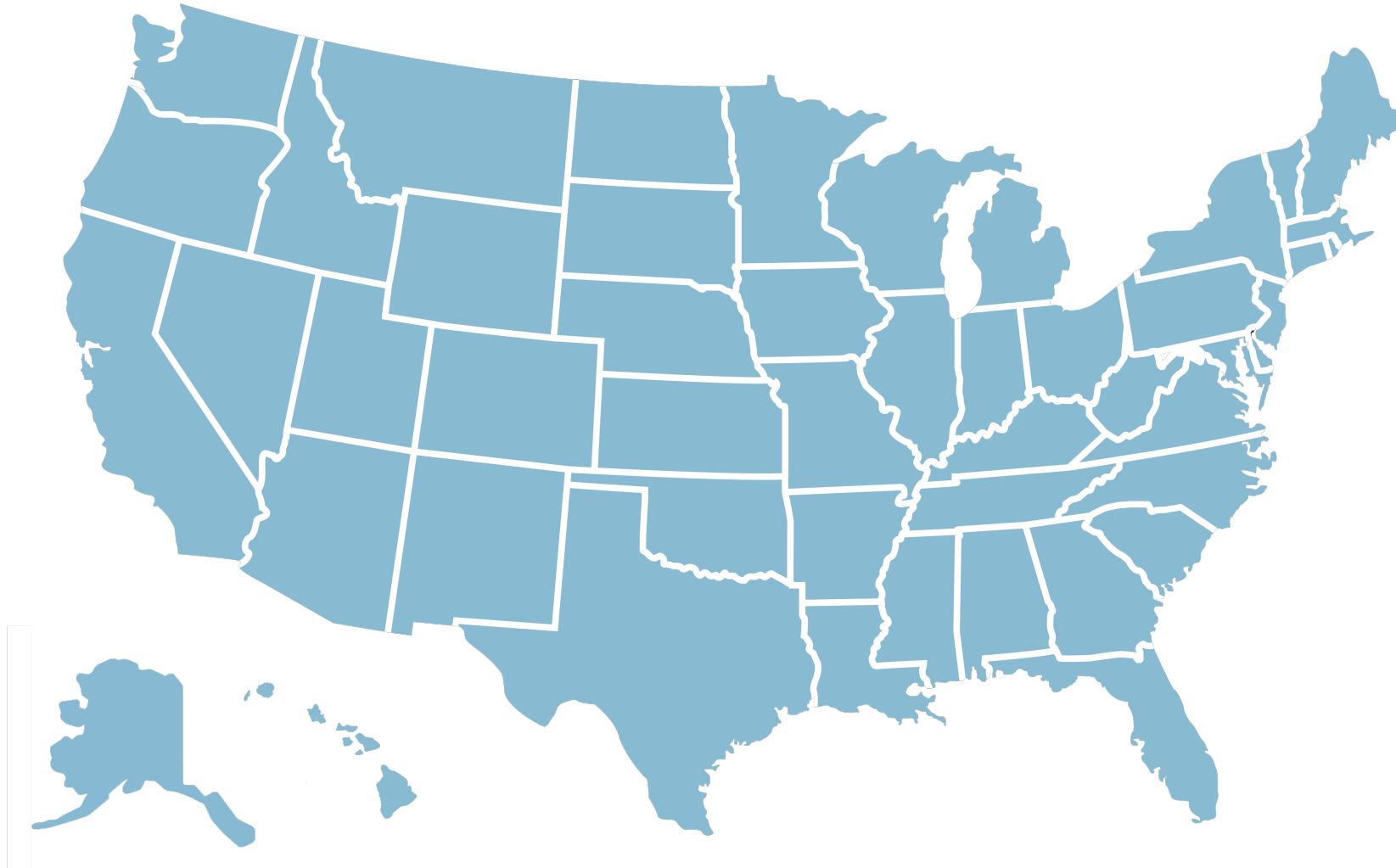


Steinlage Agency Services

FREE GUIDANCE ON HEALTH INSURANCE

- ✓ Holistic Health Insurance Planning
- ✓ Complimentary – No Costs
- ✓ COBRA – ACA – Medicare Education & Strategy Sessions
- ✓ Proactive Annual Outreach During Review Periods
- ✓ Pre-Enrollment and Post-Enrollment Support
- ✓ IRMAA Determinations for High Income Earners
- ✓ 5 - Star Customer Support Team

Medicare & ACA Guidance in All 50 States



A photograph showing two people in light blue shirts shaking hands. The person on the left is partially visible, and the person on the right is more prominent, with their hand firmly grasping the other's. The background is a blurred office environment with a desk and a small potted plant.

What We'll Cover

1. Who Is Eligible For Medicare
2. Defining Medicare the Moving Parts & Plans
3. Regulations and IRMAA Appeals



Who is eligible for Medicare

01

Anyone turning 65

02

Older than 65, retiring / leaving large employer group coverage

- 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

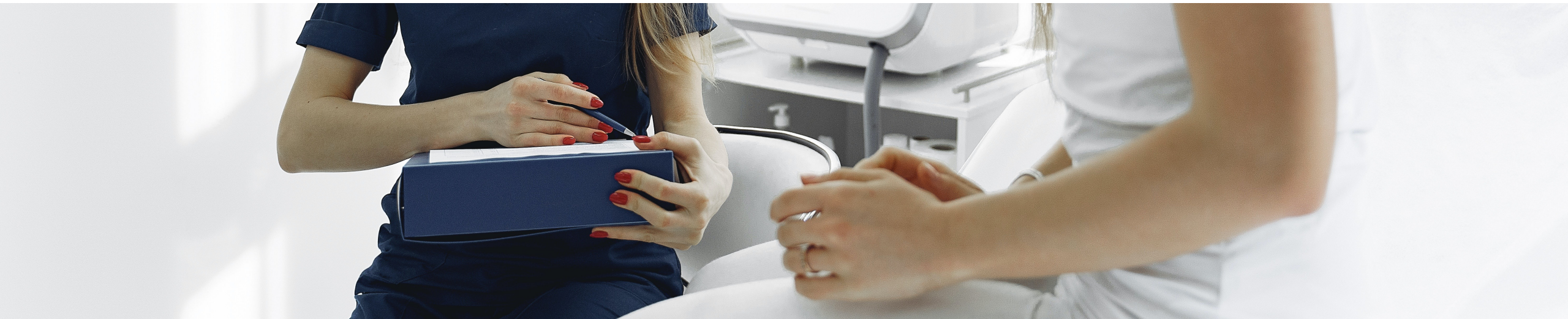
- If turning 65 with plans to continue working, the size of the employer (or spouse's employer) determines whether Medicare is required (Parts A/B).
- **NOTE** - COBRA IS NOT DEEMED ACTIVE COVERAGE
- Does the employer offering group coverage have
 - 20+ Employees then Medicare Part A/B is **optional**
 - Watch out for HSA's!
 - How to avoid IRS penalties
 - Time HSA contributions with Part A – avoid excess contributions!
 - Part A 6 month look-back!
 - *If you submit in October to transition to Medicare as of January 1, then Part A is retro to April.*
 - 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
\$1,676/
60
day-occurrence

Part B Deductible
\$257/ year

ORIGINAL MEDICARE PREMIUMS

Part A Hospital
\$0/month

+

Part B Medical
\$185/month

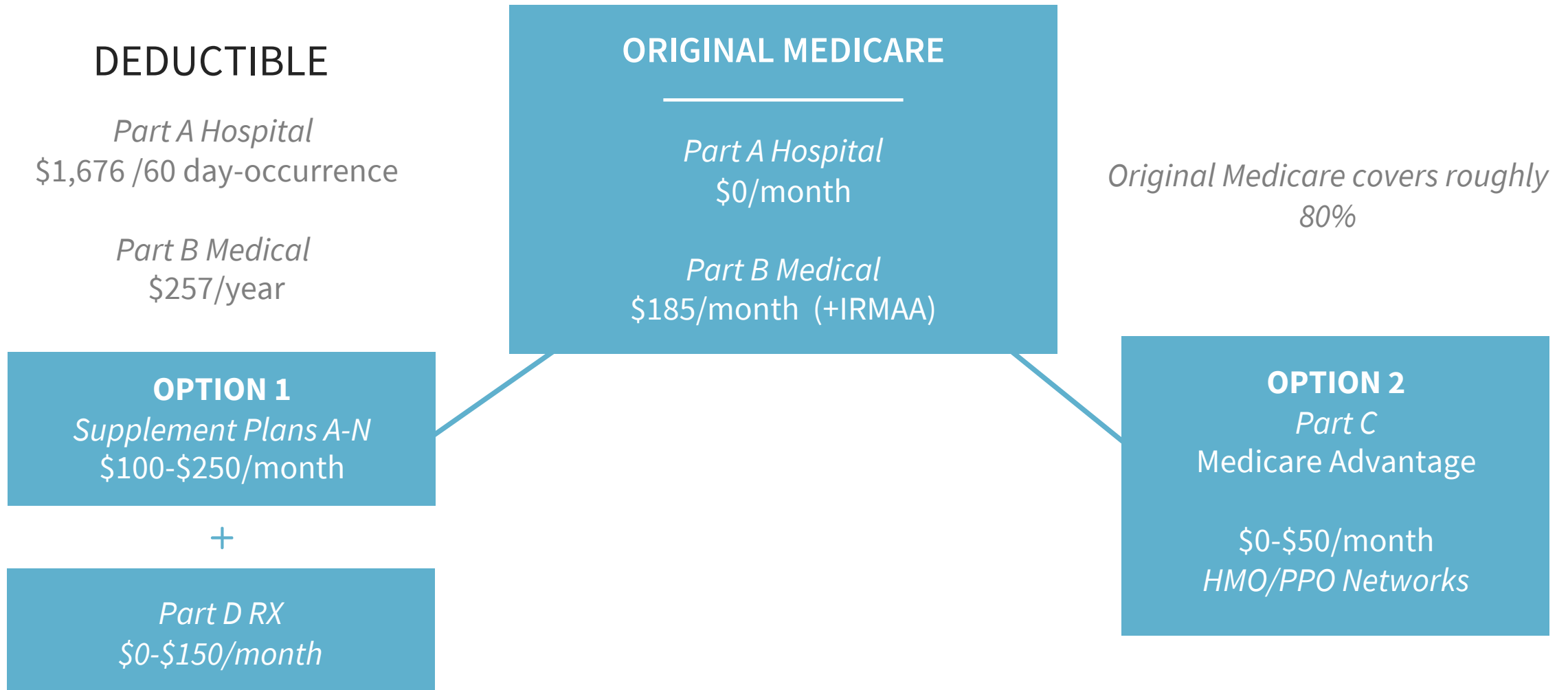
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IRMAA for B/D

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
\$1,676 per 60-day occurrence

Part B Medical
\$257/year

Supplement Plans Letters
(G/N)
\$100-\$250/month

+

Part D RX
\$0-\$150/month

ORIGINAL MEDICARE

Part A Hospital
\$0/month

Part B Medical
\$185/month (+IRMAA)

Original Medicare covers roughly 80%

- Medicare is primary payor, Supplement is Secondary payor. This combo gives close to 100% coverage.
- Supplement plan covers the gaps after Medicare pays. Allows use at any Medicare provider.
- Foreign care coverage.
- Add a stand-alone Part D policy to cover prescriptions. Rx plans changing premiums, formularies, and coinsurance due to Inflation Reduction Act.
- Add a dental and or vision policy.
- Cons – high monthly premiums regardless if you need care.

Option 2: Part C Medicare Advantage

ORIGINAL MEDICARE

Part A Hospital
\$0/month

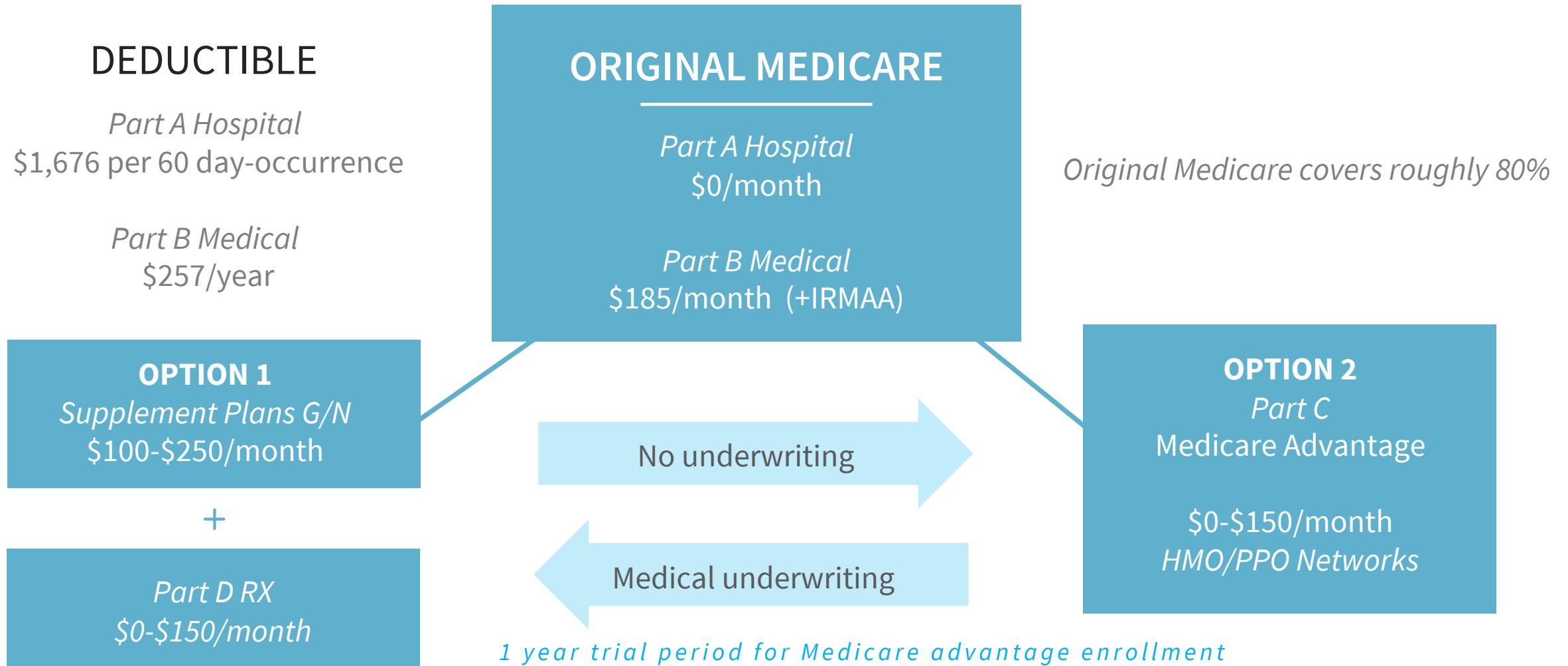
Part B Medical
\$185/month (+IRMAA)

- Medicare is no longer primary payor.
- Part C Medicare Advantage plan is primary payor and coordinates all care within its network.
- Includes Hospital, Medical, Prescriptions, and extras at no additional costs Dental, Vision, OTC, Hearing, Gym.
- Out of pocket maximum / cost cap --\$2,000-\$10,000/year.
- Many opt for an additional add on “Aflac” hospital indemnity plan.
- Keeps monthly costs low and allows policy holders to pay only when they utilize care.
- Cons – provider network and cost management tools like prior authorization.

Part C
Medicare Advantage

\$0/month
HMO/PPO Networks

Decide on a path for 2025



IRA - PART D MODIFICATIONS



DEDUCTIBLE PHASE

You are responsible for 100% of your prescription drug costs until your deductible* is met.

*Your plan may have an annual deductible of no more than **\$590 (\$615 for 2026)**.

Plans may vary.



INITIAL COVERAGE PHASE

You pay up to 25% co-insurance under standard plan designs and medications covered in your plan's formulary. Less with Enhanced Designs.



CATASTROPHIC PHASE

Max out of pocket
=**\$2,000 (\$2,100 for 2026)**

Plan pays 100% of covered rx.

Plan designs reset on January 1.

Medicare Part D Changes

- The IRA may impact Creditable Coverage status for some employer sponsored group plans in 2026.
- What is Creditable Coverage – Employers that provide prescription drug coverage to individuals who are eligible for Medicare Part D must inform these individuals and CMS whether their prescription drug coverage is creditable – as good as Medicare Part D Coverage.
- When a plan option loses its creditable status employees will need to weigh their options and consider whether enrollment in Part D is appropriate.
- Some factors at play – length of time it takes to submit and process Medicare A/B requests, HSA contributions and the 6 month lookback, impact on other policy holders – spouse / family, IRMAA (if still working), alternative group plan options.



IRMAA Premiums

Medicare's *2 year look back*. The 2023 Modified AGI determines the Part B and Part D premiums owed for 2025.

2025 IRMAA (Income Related Monthly Adjusted Amounts)

Medicare premiums are income adjusted and use a 2 year look back. Your 2023 Modified Adjusted Gross Income (MAGI) determines what you would pay for Part B & Part D in 2025. The chart below shows the applicable costs for Part B & Part D with IRMAA added. If you had a qualifying event (IE Retirement) you can appeal the additional IRMAA fee. The amounts below do not include plan premiums.

If your yearly income in 2023 was as followed:

<u>File Individual Tax Return</u>	<u>File Joint Tax Return</u>	<u>File Married/Seperate Tax Return</u>	<u>Part B</u>	<u>Part B IRMAA</u>	<u>Part D IRMAA</u>	<u>Total Per Month</u>
\$106,000 or Less	\$212,000 or Less	\$106,000 or Less	\$185.00	\$0.00	\$0.00	\$185.00
\$106,000 - \$133,000	\$212,000 - \$266,000	Not applicable	\$185.00	\$74.00	\$13.70	\$272.70
\$133,000 - \$167,000	\$266,000 - \$334,000	Not applicable	\$185.00	\$185.00	\$35.30	\$405.30
\$167,000 - \$200,000	\$334,000 - \$400,000	Not applicable	\$185.00	\$295.90	\$57.00	\$537.90
\$200,000 - \$500,000	\$400,000 - \$750,000	\$106,000 - \$394,000	\$185.00	\$406.90	\$78.60	\$670.50
\$500,000 or More	\$750,000 or More	\$394,000 or More	\$185.00	\$443.90	\$85.80	\$714.70

For more information on IRMAA please visit: <https://steinlageagency.com/irmaa/>



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>

Once enrolled in Medicare

ANNUAL ENROLLMENT PERIOD (AEP)

- Review Part D or C coverage selection from October 15 to December 7.
- 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.
- Many states are adding a Guaranteed Issue “Birthday Rule” – CALIFORNIA INCLUDED 😊



Potential ACA Changes 2026

Enhanced APTC
are set to expire
at the end of
2026

Premiums set to increase
on average 16% across the
markets in addition to loss
of subsidies for many.



Aetna plans a total
exit from all ACA
markets

Will impact early retirees
who enrolled in Aetna to
maintain preferred
provider access.

Major disruption to
specific hospital
network access.



ACA BRONZE PLANS
become HSA eligible
for 2026.

Choosing a lower
premium/higher
deductible bronze plan
will allow for HSA
contributions
&
allow clients to contain
premium costs
anticipated for 2026.



What to take away

- Open your CRM – how can you add value by incorporating health insurance into the retirement equation.
 - There is no one size fits all strategy!
- Given the changes coming to ACA / Medicaid & Medicare under the IRA and OBBB, we recommend early education to avoid anxiety.
- Our team is always here to assist you and your clients!
- How can you introduce Steinlage's education and services to your clients?

Thank you.



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