



All About Medicare plus Updates for 2025

Presented by: Pennsylvania Medicare Education & Decision Insight, PA MEDI

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What we will cover...

- Overview of the PA MEDI Program
- Medicare Basics
 - Parts of Medicare, Options, Costs, Enrollment
- Coordination of Benefits
- Penalties
- Switching Plans
- Cost Savings Programs
- Where to Find Help



- **Pennsylvania's** State Health Insurance Assistance Program (SHIP)
- Supported by both federal and state funds (i.e., SHIP Base, MIPPA and Lottery funding)
- Services provided locally through Pennsylvania's 52 Area Agencies on Aging
- Supported by over 300 volunteers statewide

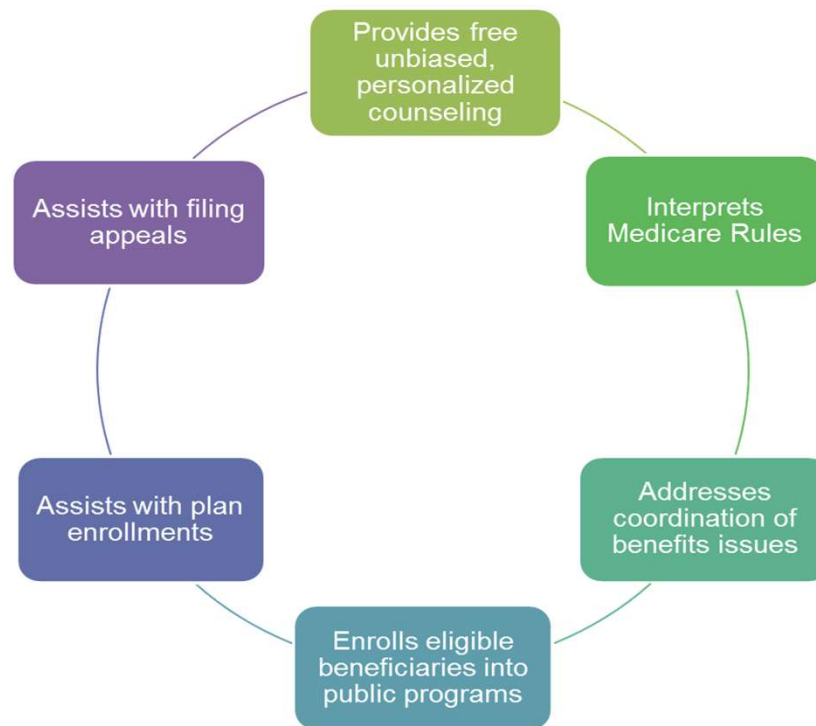
What is PA MEDI?



Navigating Medicare



How PA MEDI assists Medicare Beneficiaries



How Services are Delivered



Medicare Basics

- What is Medicare?
- How to enroll?
- What are the parts of Medicare?
- How much does Medicare cost?
- What are the coverage options?



The image shows a sample Medicare Health Insurance card. At the top, there is a blue banner with the text "MEDICARE HEALTH INSURANCE" and the Medicare logo. Below the banner, the cardholder's name is listed as "JOHN L SMITH". The Medicare Number is "1EG4-TE5-MK72". The card also lists the parts of Medicare covered: "HOSPITAL (PART A)" and "MEDICAL (PART B)", both with a coverage start date of "03-01-2016". A large, light blue "SAMPLE" watermark is overlaid on the card. The card is bordered by a red bar at the bottom.

MEDICARE HEALTH INSURANCE	
Name/Nombre JOHN L SMITH	
Medicare Number/Número de Medicare 1EG4-TE5-MK72	
Entitled to/Con derecho a	Coverage starts/Cobertura empieza
HOSPITAL (PART A)	03-01-2016
MEDICAL (PART B)	03-01-2016

What is Medicare?

- A federal health insurance program for:

People age 65 years or older

People under age 65 with certain disabilities

- ESRD (End Stage Renal Disease)
 - ALS (Lou Gehrig's Disease)
 - Other disabilities are determined by the Social Security Administration
- You must be a U.S. Citizen or legal immigrant for at least five years

Medicare is not the same as Medicaid

Medicare has Four Parts



Part A
Hospital
Insurance



Part B
Medical
Insurance



Part C
Medicare
Advantage



Part D
Prescription
Drugs

Part A: Hospital Insurance

<p>Hospital Stays, Including Psychiatric</p> <ul style="list-style-type: none">• Room, meals, nursing, doctors care not covered under Part B• Does not cover TV, telephone, private room, etc.	<p>Skilled Nursing</p> <ul style="list-style-type: none">• After three-day hospital stay• Up to 100 days benefits
<p>Hospice</p> <ul style="list-style-type: none">• For terminally ill with < 6 months to live• In home or facility• Also, social services and respite for caregivers	<p>Home Health Care</p> <ul style="list-style-type: none">• Part-time or intermittent only• First 100 visits• Also, social services, durable medical equipment, etc.
<p>Blood</p> <ul style="list-style-type: none">• After first three pints	

Part B: Medical Insurance

<p>Outpatient Medical Care</p> <ul style="list-style-type: none"> • Doctor's care not covered by Part A • Mental Health Counseling • Includes second surgical opinions 	<p>Home Health Care</p> <ul style="list-style-type: none"> • If doctor ordered • Up to 100 days in benefit period • Not long-term care or custodial care
<p>Preventive Care</p> <ul style="list-style-type: none"> • One-time Welcome to Medicare Exam • Yearly Wellness exams • Pap test & pelvic exam • Age-appropriate screenings and shots 	<p>Ambulance</p> <ul style="list-style-type: none"> • Emergency transport when another way would endanger health • Only to nearest ER • Does not cover cab rides
<p>Blood & Rx Drugs</p> <ul style="list-style-type: none"> • After first three pints • Drugs administered in doctor's office 	<p>Occupational & Physical Therapy</p> <ul style="list-style-type: none"> • For treatment that will improve health • To help return to every day activities • Some limits and exceptions
<p>Labs, X-rays & Tests</p> <ul style="list-style-type: none"> • If medically necessary • Personal diabetic testing supplies 	<p>Durable Medical Equipment</p> <ul style="list-style-type: none"> • Crutches, wheelchairs, oxygen, hospital beds, etc. if needed in home • Rented or purchased

Part C: Medicare Advantage (MA) Plans

Medicare Parts A and B + Medicare Part D in one policy

The most common Medicare Advantage plans are:

- Health Maintenance Organizations (HMOs)
- Preferred Provider Organizations (PPOs)
- Special Needs Plans (SNPs)

A plan must cover the same benefits as Original Medicare

Part D: Prescription Drug Coverage

Offered through private insurance companies as a stand alone prescription drug plan (PDP) or through a Medicare Advantage Plan (MA-PD)

Provides coverage for outpatient prescription medications:

- Brand and generic medications
- Vaccinations not covered by Medicare Part B



How Will Medicare Drug Coverage Work in 2025?

- Part D coverage will involve three simple stages:
 - a ***deductible phase***, in which you pay your deductible;
 - an ***initial coverage phase***, when you'll pay 25% of your covered medication costs until you reach your \$2,000 out-of-pocket limit;
 - and the ***catastrophic phase***. In the catastrophic phase, all medication costs are covered.
- However, remember that this Part D approach does not apply to Part B, which covers medications you receive in the hospital.

Part D Changes for 2025

- **The Donut Hole is GONE.**
- **You Won't Spend More Than \$2,000 for Drug Copays and Coinsurance Under Part D**
 - If your Medicare Advantage drug plan or standalone Part D plan requires a deductible, you'll pay 100% of your prescription drug costs until you spend \$590, which is the Part D deductible for 2025.
 - Some plans may have a lesser deductible.
- **Medicare Advantage Plans That Include Part D May Raise Costs or Reduce Coverage**
- **You Can Choose to Pay Your Drug Copays and Coinsurance Over Time**

More Part D Changes for 2025

- **You'll Receive a Mid-Year Notice About Unused Medicare Advantage Benefits**
- **You'll Have Better Access to Lower-Cost Biosimilar Prescription Drugs**
- **More Part D Drugs Negotiated:**
 - In 2023, [Medicare negotiated prices for 10 of the highest-spending, brand-name Part D drugs](#) without competitors, and it published prices in 2024. CMS will negotiate prices for 15 more drugs in 2025, with prices going into effect in 2027.

Prescription Drug Plan Changes

- 14 Plans available for enrollment
- Gone Away:
 - Aetna SilverScript SmartSaver & Aetna SilverScript Plus
 - Mutual of Omaha (Three plans)
 - AARP United Healthcare: Three plans to two
- Four benchmark plans to two (SilverScript Choice & Wellcare Classic)
- Expect reassignment
- Special Enrollment Period for a plan non-renewal
- SEP is from December 8, 2024 through end of February 2025

Prescription Drug Plan Changes – Highlights

Company	Plan	Old Premium	New Premium	Increase	Enrollees
Aetna	Silverscript Choice	\$40.70	\$44.90	+\$4.20	95,934
Cigna	Extra Rx	\$91	\$95.30	+\$4.30	8,686
Cigna	Secure Rx	\$40.90	\$64.40	+\$23.50	32,250
Highmark	Blue Rx PDP Plus	\$108.80	\$143.20	+\$34.40	9,357
Humana	Basic Rx	\$45.30	\$70.60	+\$25.30	10,790
Humana	Premier Rx	\$106.70	\$128.90	+\$22.20	21,418
Wellcare	Medicare Rx Value Plus	\$78.90	\$107.40	+\$28.50	21,828

Prescription Drug Plan Changes – Highlights

Company	Plan	Old Premium	New Premium	Decrease	Enrollees
Cigna	Saver Rx	\$20.40	\$12.60	-\$7.80	15,483
Highmark	Blue Rx PDP Complete	\$195.10	\$168.20	-\$26.90	5,541
Humana	Value Rx	\$41.60	\$39.80	-\$1.80	35,040
Wellcare	Classic	\$41.60	\$20.30	-\$21.30	31,604
Wellcare	Value	\$0.50	\$0	-\$0.50	198,578

2025 Major Part D Changes

- \$2,000 Out of Pocket Cap
 - Subject to change annually
- Elimination of Donut Hole/Coverage Gap
- Optional Medicare Prescription Payment Plan
 - Opt-in or opt-out with plan directly

What Original Medicare **Does Not** Cover

- Drugs unrelated to illness
- Private duty nursing
- Long-term care
- Medical care outside US
- Homemaker services
- Meals on Wheels or personal services
- IV delivered antibiotics/fluids for hydration
- Non-emergency transportation services
- Alternative Medicine
- Routine dental & vision care

2025 Medicare Costs

	Part A	Part B
Monthly Premium	\$0 or up to \$518/month*	\$185 Per month**
Deductible	\$1,676 per benefit period	\$257 per year
Cost Sharing	<u>Inpatient Hospital</u> \$0 for days 1-60 \$419/day for days 61-90 \$838/day for days 91-150 <u>Skilled Nursing Facility</u> \$0 for days 1-20 \$209.50/day for days 21-100	20% of the Medicare approved amount

*If an individual (or their spouse) has not gained 40 work quarters (10 years) with Social Security, they will pay a monthly Part A premium.

**Standard premium. Higher for those at higher income levels.

Original Medicare

Standalone Part D plan

Original Medicare

Medigap Plan

Standalone Part D plan

Medicare Advantage

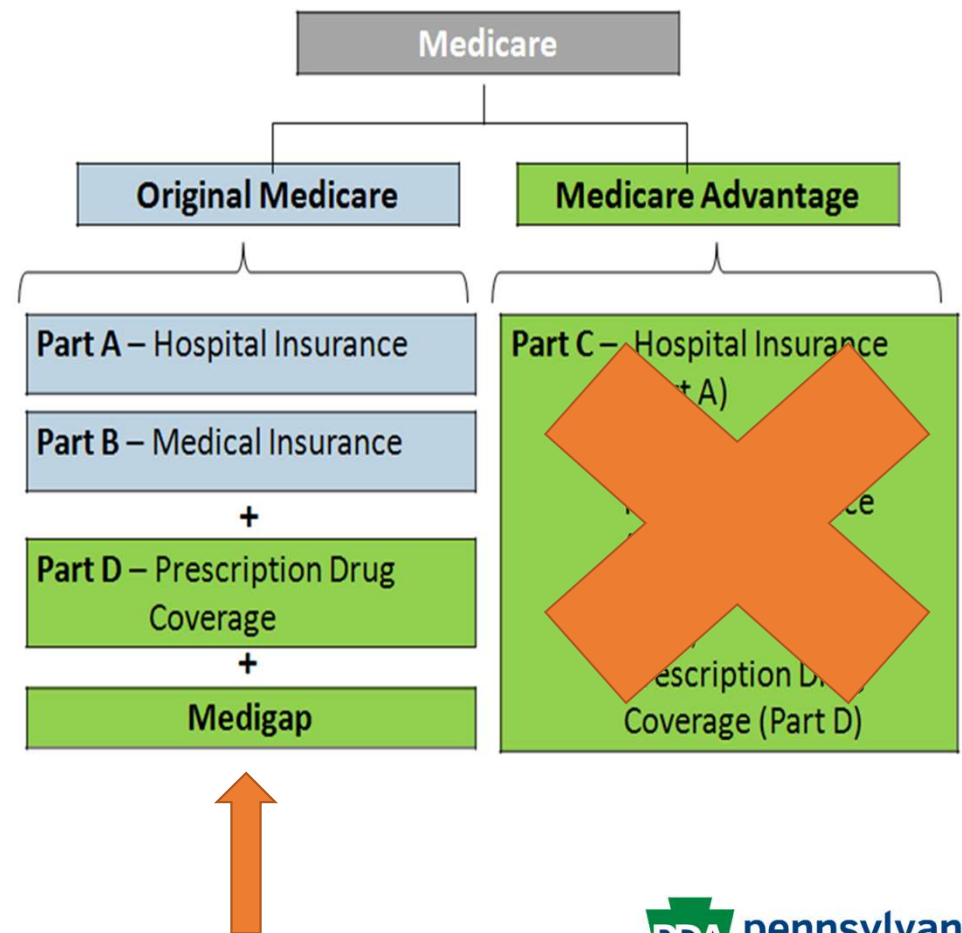
With or without Rx coverage

Original Medicare

Other Coverages including Tricare for Life, VA, Retiree, Employer

Medigap Policies

- A policy that pays part or all of the remaining costs that Original Medicare doesn't cover
- Only works with Original Medicare, not Medicare Advantage
- Does not include prescription coverage



Medigap Policies

- Medigap Policies are sold by private insurance companies
 - Current Medigap Policies: A, B, D, G*, K, L, M, N
- Medigap policies are standardized: Medigap policies with the same letter must offer the same benefits, even if offered through different insurance companies
- Medigap policies are sold in three ways: Issue Age, Attained Age and Community Rated
- Guaranteed Issue without medical underwriting if enrolled in a Medigap policy within six months of starting Part B.
- Medical underwriting is required if enrolling after six months, or if changing between companies or plans.

Note: Medigap Plans C and F are available to those who were eligible for Medicare prior to January 1, 2020.

Medigap Policies

- There are a number of Medigap Policies available
- Some are more comprehensive than others
- All within a plan type (A, B, G, N, etc) must pay the same.
- None cover the Part B deductible.
- There are discounts for an additional Household member and for non-tobacco.
- Medigap policies are sold by Medical insurance brokers, or you can self-enroll with the company.

Original Medicare

- Does not include prescription coverage
 - Would need to purchase a stand alone Part D plan
- Can see any provider that accepts Original Medicare
- No referrals for specialists
- Does not include hearing, vision, or dental coverage
- No limit on out-of-pocket costs
- Can purchase a Medigap plan to help cover gaps in costs

***You will be responsible for the monthly Medicare Part B premium
whether you select original Medicare or a Medicare Advantage plan***

Medicare Advantage

- Usually includes prescription coverage
- Networks of providers and service areas
- Sometimes requires referral for specialist
- May offer additional benefits
 - Hearing, vision, dental, OTC allowance
- Limit on out-of-pocket costs
- Do not need to purchase Medigap plan

How Does Medicare Enrollment Work?

If...	Then...
You are collecting Social Security retirement or disability payments	You will be enrolled automatically
You are not collecting Social Security benefits and you will soon turn 65 years old	You should contact the Social Security Administration to sign up

Enroll online at www.ssa.gov

Initial Enrollment Period

The Initial Enrollment Period is the first time an individual is allowed to sign up for Medicare Benefits. An individual can choose to join Medicare Parts A, B, C and D during this time.

3 months before the 65th birthday/25th month on disability



The month of the 65th birthday/25th month on disability



3 months after the 65th birthday/25th month on disability



Initial Enrollment Period

Enrollment Date	Coverage Begins
Enrollment occurs during the 3 months before the 65 th birthday month	The 1 st day of the 65 th birthday month
Enrollment occurs during the 65 th birthday month	The 1 st day of the following month
Enrollment occurs during the 3 months after the 65 th birthday month	The 1 st day of the following month

General Enrollment Period

If an individual misses enrolling during their Initial Enrollment Period, they have another chance to enroll during the General Enrollment Period

The General Enrollment Period is January 1st through March 31st



Coverage begins the 1st of the following month after enrollment

Late Enrollment Penalties

- Amount you pay in addition to monthly premium
- Applies to Medicare Part A, Part B, Part D
- How does it happen?
 - You miss your Initial Enrollment Period (IEP)
 - Did not sign up within 8 months of losing health insurance from active employment or within 63 days of losing creditable drug coverage
- Penalty can be deducted from Social Security payments or billed to you directly.
- Part B penalty is +10% of monthly premium for each year late.
- Part D penalty is +1% of the standard Part D monthly premium for each month late.

What if I am still working?



Delaying Part A/B While Still Working

- Before delaying enrollment, you should know:
 - If your insurance will pay primary
 - If you will face delays, gaps in coverage, or penalties if you sign up later
- Special Enrollment Period (SEP)
 - If you (or spouse) are **actively employed** and you are covered by a group health plan, you can delay Medicare enrollment and use Medicare Part B SEP to enroll later
 - No late enrollment penalty for delayed enrollment

Special Enrollment Period (SEP)



While you have coverage from an employer

OR



The 8 months after your coverage ends for Parts A and B

Who pays First?

Type of Insurance	Condition	Primary	Secondary
Age 65+ with insurance based on current employment	Fewer than 20 employees	Medicare	Employer Insurance
	20 or more employees	Employer Insurance	Medicare

Type of Insurance	Condition	Primary	Secondary
Disabled with insurance based on current employment	Fewer than 100 employees	Medicare	Employer Insurance
	100 or more employees	Employer Insurance	Medicare

Enrolling in Part B after Delaying

- If you already have Part A and you are signing up for Part B after delaying enrollment, complete the following forms:
 - CMS 40B – Application for Part B
 - Include desired date of Part B start in the Remarks box on the application!
 - CMS L564 – Proof of employment/insurance, partially filled out by employer
 - Fill out multiple if there have been different employers since becoming Medicare eligible
 - Better to get a completed CMS L564 from each employer as you leave the job.
 - Keep copies of all forms.
- It is best to turn forms in together ahead of time. Online is best, fax is second best, mailing if no alternative. Will receive new Medicare card (about six weeks).

Enrolling in both Parts A & B after 65

- If you need A and B, make an appointment with SSA or apply online. Provide completed and signed CMS-L564 form(s) to avoid a penalty.
- If you have a High Deductible Employer Health Plan with a Health Savings Account (HSA), stop contributions to the plan six (6) months before enrollment.

Delaying Part D While Still Working

- Before delaying Part D enrollment, you should know:
 - Whether you will have a Special Enrollment Period (SEP)
 - Individuals covered by prescription drug coverage through employer/union have a SEP to get Part D later.
- Whether you will have a Late Enrollment Penalty (LEP)
 - You do not have a penalty as long as you were covered by **creditable** drug coverage while eligible for Part D
 - If you delay Part D enrollment and do not have creditable drug coverage, you will likely have Part D penalty

Special Enrollment Period (SEP)



The 63 days after
your coverage ends
for Parts C and D

Tips for Delaying Medicare

- **Individuals should keep records of health insurance coverage**
- Always talk with the plan's administrator and Social Security to double check the rules
 - Write down **who** you spoke to, **when** you spoke to them, and the **result** of the conversation
- Most individuals should still sign-up for free Part A
 - **Exception:** taking Medicare while contributing to a Health Savings Account may result in a tax penalty
- Losing COBRA or retiree coverage does not give someone a Special Enrollment Period to sign up for Medicare Part B. It is not **active** employment coverage.

Retiree Health Plans

- Generally, a Retiree Health Plan is secondary coverage to Medicare – recommend enrolling in Medicare Parts A & B
- Retiree plans can vary in type, price, and coverage.
- If dropped, a Retiree Health Plan may be difficult to get back.
- Talk to your Human Resources Department or your Benefits Administrator about Retiree Health Plan benefits and how it works with Medicare.
 - Please bring retiree plan information when seeing a PA MEDI Counselor.

Medicare Income-Related Monthly Adjustment Amount (IRMAA)

The **Medicare Income-Related Monthly Adjustment Amount (IRMAA)** is the additional amount an individual must pay on top of their Medicare Part B and/or Part D premium to have Medicare coverage if the income they reported two years ago was above \$106,000 per year (\$212,000 for couples). See the chart next to know the current IRMAA Part B and/or Part D amounts.

IRMAA – Part B

Total Monthly Premium Amount	Beneficiaries who file individual tax returns with modified adjusted gross income:	Beneficiaries who file joint tax returns with modified adjusted gross income:
\$ 185.00	Equal to or below \$106,000	Equal to or below \$212,000
\$ 259.00	\$106,001 - \$ 133,000	\$ 212,001 - \$ 266,000
\$ 370.00	\$133,000 – \$ 167,000	\$ 266,001 - \$ 334,000
\$ 480.90	\$ 167,001 - \$ 200,000	\$ 334,001 - \$ 400,000
\$ 591.90	\$ 200,001 - \$ 499,000	\$ 400,001 - \$749,000
\$ 628.90	\$ 500,000 and up	\$ 750,000 and up

IRMAA – Part D

Total Monthly Premium Amount	Beneficiaries who file individual tax returns with modified adjusted gross income:	Beneficiaries who file joint tax returns with modified adjusted gross income:
Part D Plan cost + \$ 0.00	Equal to or below \$106,000	Equal to or below \$212,000
Part D Plan cost + \$ 13.70	\$106,001 - \$ 133,000	\$ 212,001 - \$ 266,000
Part D Plan cost + \$ 35.30	\$133,000 – \$ 167,000	\$ 266,001 - \$ 334,000
Part D Plan cost + \$ 57.00	\$ 167,001 - \$ 200,000	\$ 334,001 - \$ 400,000
Part D Plan cost + \$ 78.60	\$ 200,001 - \$ 499,000	\$ 400,001 - \$749,000
Part D Plan cost + \$ 85.80	\$ 500,000 and up	\$ 750,000 and up

IRMAA - Request to lower an Income-Related Monthly Adjustment Amount

- If you've had a life-changing event that reduced your household income, you can ask to lower the additional amount you'll pay for Medicare Part B and Part D.

- **Marriage**
- **Divorce/Annulment**
- **Death of Your Spouse**
- **Work Stoppage**

- **Work Reduction**
- **Loss of Income-Producing Property**
- **Loss of Pension Income**
- **Employer Settlement Payment**

When Can I Switch Plans?



Medicare Annual Open Enrollment Period

You can join, switch or dis-enroll from a Medicare Advantage Plan or a Part D Plan during the Medicare Annual Open Enrollment Period.



Open Enrollment Period

Coverage begins

Medicare Advantage Open Enrollment Period

If you are enrolled in a Medicare Advantage Plan on January 1st, you can switch or disenroll from your Advantage Plan during this time.

When Is the Medicare Advantage Open Enrollment Period?



Annual MA OEP
January 1st through
March 31st

OR



Individual MA OEP
The first 3 months of enrollment
in Medicare Part A and B

Special Enrollment Periods

There may be extra times throughout the year to join, switch, or drop Medicare coverage. The most popular circumstances include:

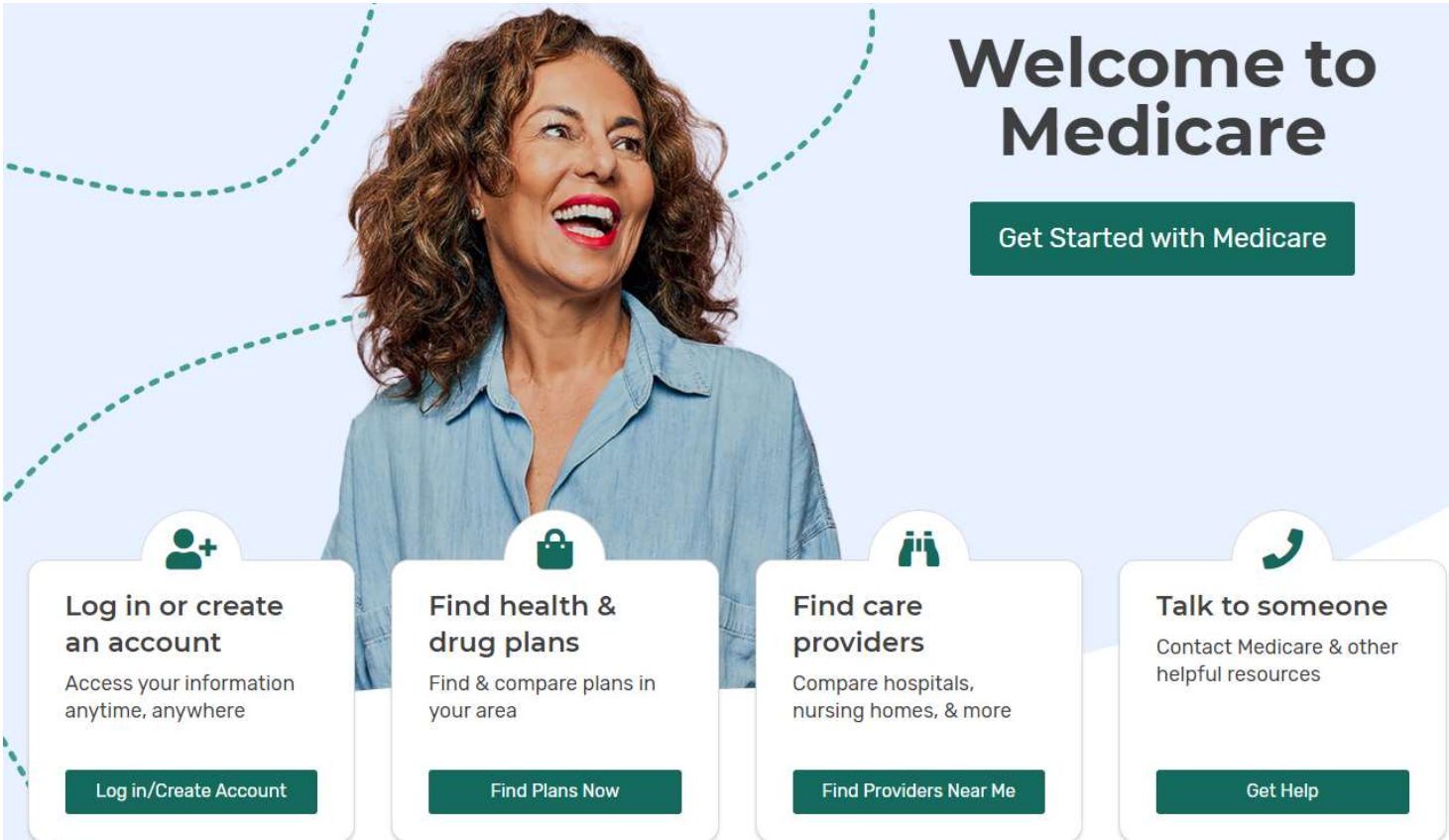
Qualifying for assistance programs

Moving

Residing in an area with 5-star plans





Losing or dropping other non-Medicare coverage

Medicare.gov website: www.medicare.gov



Welcome to Medicare

Get Started with Medicare

- **Log in or create an account**
Access your information anytime, anywhere
[Log in/Create Account](#)
- **Find health & drug plans**
Find & compare plans in your area
[Find Plans Now](#)
- **Find care providers**
Compare hospitals, nursing homes, & more
[Find Providers Near Me](#)
- **Talk to someone**
Contact Medicare & other helpful resources
[Get Help](#)

Cost Savings Programs



Medicare Savings Programs	Extra Help Program	PACE and PACENET
<p>Can help with the payment of the Medicare Part B Premium and other Medicare cost sharing depending on income/resources</p> <p>Apply through County Assistance Office</p> <p>Income/asset limits apply</p>	<p>Can help to lower or eliminate Medicare Part D premium/deductible and lower prescription drug co-pays.</p> <p>Apply through the Social Security Administration</p> <p>Income/asset limits apply</p>	<p>Will help to lower prescription drug costs.</p> <p>Apply through the Pennsylvania Department of Aging</p> <p>Must be 65 or older</p> <p>Income limits apply</p>

Reminders

- **Read** all your **mail** from Medicare and your health plans.
- **Keep** all **communication** (including notes from phone calls).
- **Keep** your Medicare **card** & number **safe**.
- Make sure your provider accepts Medicare &/or the health plan you want. **Take** your **card(s)** with you to every medical appointment.
- **Replace lost cards**
- If you suspect **fraud**, **report it**.

Help is Available

- Local PA MEDI Office: 1-610-834-1040 ext 120
- STATE PA MEDI Helpline: 1-800-783-7067



Help is Available

- Social Security: 1-800-772-1213 or www.ssa.gov
- Medicare: 1-800-633-4227 or www.medicare.gov
- Medicare's Benefits Coordination & Recovery Center:
1-855-789-2627
- PA Senior Medicare Patrol: 1-800-356-3606

Join PA MEDI! Become a Volunteer

- Help us help people like you
- Learn more about Medicare
- Meet new friends
- Make a real difference in your community



**Contact your local Area on Aging
for more details or visit:**

<https://www.aging.pa.gov/Pages/Volunteer.aspx>

