

MY SAVOY  
BENEFITS



MEDICARE

101

M E D I C A R E 1 0 1

# What is Medicare?

---

Medicare is a federal system of health insurance for people age 65 or older and for certain younger people with disabilities.

It pays for part of an individual's health care expenses. It is paid for through people's payroll taxes while they are working.



MY SAVOY  
BENEFITS 

# Who is eligible and when?

---



People age 65 or older who have paid taxes into the program for 40 calendar quarters in their lives



People under age 65 with certain disabilities



Individuals with End-Stage Renal Disease (permanent kidney failure requiring dialysis or a transplant)

## Initial Enrollment Period



# Signing up for your Medicare benefits

---



- Online at [ssa.gov/medicare/sign-up](https://ssa.gov/medicare/sign-up)
- By calling 800.772.1213 (TTY [800-325-0778](tel:800-325-0778))
- In person at any local Social Security office



If you elect your Social Security benefit (monthly check), you are automatically enrolled in both Medicare A & B.

# What does Medicare cover?

## Part A

Medicare Part A is hospital insurance. Even when Medicare Part A covers your care:

- You may have to pay a deductible amount and/or coinsurance or copayment.
- There may be some services you get in a hospital or other setting that Medicare doesn't cover.

## Part B

Medicare Part B is medical insurance. It may cover a wide range of items and services.

- Part B deductible and/or coinsurance or copayments may apply.

# | What Medicare Parts A & B Cover

Part A	Part B
<b>Hospital and skilled nursing insurance helps cover:</b>	<b>Doctor's office visit and outpatient service insurance helps cover:</b>
Inpatient hospital care	Outpatient hospital services (minor surgeries)
Inpatient mental health care	Physician services
Skilled nursing facility care	Some preventive care (i.e., flu and pneumonia shots)
Home health care	Laboratory services
Some blood for transfusions during inpatient care	Blood
	Home health care
	Outpatient physical, occupational and speech-language therapy
	Durable medical equipment (wheelchairs, oxygen, etc.)
	Outpatient mental health
	Ambulance

# Does Original Medicare cost anything?

## Part A

There is typically no monthly premium for Medicare Part A if an individual or their spouse have paid for it through payroll taxes while working.

In some cases, switching from employer-sponsored insurance to Medicare costs less and adds more coverage.

## Part B

- Most people pay a monthly premium for Part B, which is based on your household income.
- Medicare Supplement Plans, Medicare Advantage Plans and Part D drug plans may cost extra.

# Medicare Costs – Part B Premium

FILE INDIVIDUAL TAX RETURN	FILE JOINT TAX RETURN	FILE MARRIED & SEPARATE TAX RETURN	YOU PAY EACH MONTH (IN 2025)
\$106,000 or less	\$212,000 or less	\$106,000 or less	\$185.00
\$106,001 to \$133,000	\$212,001 to \$266,000	Not Applicable	\$259.00
\$133,001 to \$167,000	\$266,001 to \$334,000	Not Applicable	\$370.00
\$167,001 to \$200,000	\$334,001 to \$400,000	Not Applicable	\$480.90
\$200,001 to \$499,999	\$400,001 to \$749,999	\$106,001 to \$393,999	\$591.90
\$500,000+	\$750,000+	\$394,000+	\$628.90



# Samples of Medicare Costs – Care under Part A

## Hospital and Skilled Nursing Insurance

SERVICE	MEDICARE PAYS	YOUR COST SHARE
Hospitalization	Days 1–60 — All but \$1,676	\$1,676
	Days 61–90 All but \$419 per day	\$419 per day
	Days 91–150 (Lifetime Reserve Days) All but \$838 per day	\$838 per day
	Nothing beyond 150 days (After using Lifetime Reserve Days)	All costs for the remainder of the hospital stay
	First 3 pints of blood – \$0	100%
Skilled Nursing Facility Care	Days 1–20 100% of approved amount	Nothing
	Days 21–100 All but \$209.50 per day	\$209.50 per day
	Days 100+ — No benefit	All costs for the remainder of your stay

# Samples of Medicare Costs – Care under Part B

## Doctor's Office Visit and Outpatient Service Insurance

SERVICE	MEDICARE PAYS	YOUR COST SHARE
Medical Expenses Outpatient, Doctor Visits, Specialist	<b>80%</b> of the approved amount	<ul style="list-style-type: none"><li>• <b>20%</b> of the approved amount</li><li>• <b>\$257</b> deductible per calendar year</li></ul>



These costs are in addition to the monthly Medicare Part B premium, which you will need to pay. **A Medicare supplement plan may help cover some or all of these costs.**

# Medicare Choices

## STEP 1

### Original Medicare



Covers Hospital Stays



Covers Doctors and Outpatient Visits

**Government-Provided**

Enroll in Original Medicare when you become eligible

## STEP 2

### Option 1

#### Medicare Supplement Insurance



Covers Some or All the Costs Not Covered by Parts A & B

**Offered by Private Companies**

#### Medicare Part D



Covers Prescription Drugs

**Offered by Private Companies**

### Option 2

#### Medicare Advantage Part C



Combines Parts A & B

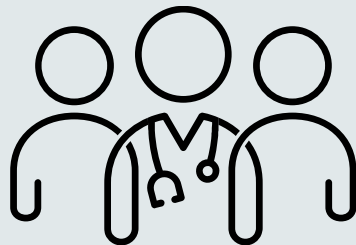


Additional Benefits



Most Plans Cover Prescription Drugs

**Offered by Private Companies**



# Medicare Supplement VS Medicare Advantage



M E D I C A R E 1 0 1

# Medicare Supplement

---



You're eligible if you are :

**01**

Enrolled in Medicare Parts A and B at the time your coverage begins

**02**

A resident of the state in which you are applying for coverage

**03**

Age 65 or older (or under age 65 with certain disabilities in some states)



If you are eligible for Medicare due to End-Stage Renal Disease (ESRD), please contact My Savoy Benefits to discuss your options.

M E D I C A R E 1 0 1

# Medicare Supplement Plans

---

- Private health insurance plans for people on Medicare Parts A and B who want help paying some of the health care costs not covered – like coinsurance, copayments and deductibles.
- Plans are named with letters of the alphabet (A, B, C, D, F, G, K, L, M and N), and benefit levels vary by plan.
- Typically, the more comprehensive the coverage, the higher the monthly premium for the Medicare Supplement Plan.



MY SAVOY  
BENEFITS 

# Medicare Supplement Insurance (MEDIGAP) Plans

BENEFITS	A	B	C	D	F	G	K	L	M	N
Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Medicare Part B coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Blood (first 3 pints)	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Part A hospice care or coinsurance copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	100%	100%	50%	75%	100%	100%
Part A deductible		100%	100%	100%	100%	100%	50%	75%	50%	100%
Part B deductible			100%		100%					
Part B excess charges					100%	100%				
Foreign travel emergency (up to plan limits)			80%	80%	80%	80%			80%	80%
							Out-of-pocket limit in 2024			
							\$7,060	\$3,530		

M E D I C A R E 1 0 1

# Enrollment Eligibility

---

**Medicare  
Supplement Plan**

## Open Enrollment

- Enrollment within 6 months of your Medicare Part B coverage

## Guaranteed Issue

- Enrollment within 60 days of loss of other health coverage

## Medical Underwriting

- Moving from one Supplemental plan to another
- Would apply if no other health insurance coverage exists within prior 60 days
- Applies if Part B is beyond 6 months and no other health insurance



M E D I C A R E 1 0 1


# Medicare Advantage (Part C)

---

- All-inclusive private insurance plan
- Replaces Original Medicare (Parts A and B)
- Not losing Parts A and B
- Must continue to pay Part B premium
- Benefits and services equal to or better than Original Medicare
- Often includes Rx, Dental, Vision and other value-added benefits
- Monthly premium  
(\$0 premium plans often available)
- Deductibles, copayments and/or coinsurance vary by plan



MY SAVOY  
BENEFITS 



MEDICARE 101

# What is Medicare Part D?

---

**It's Medicare Prescription Drug coverage you get in one of two ways.**

**01**

Combined into a Medicare Advantage Prescription Drug (MAPD) plan

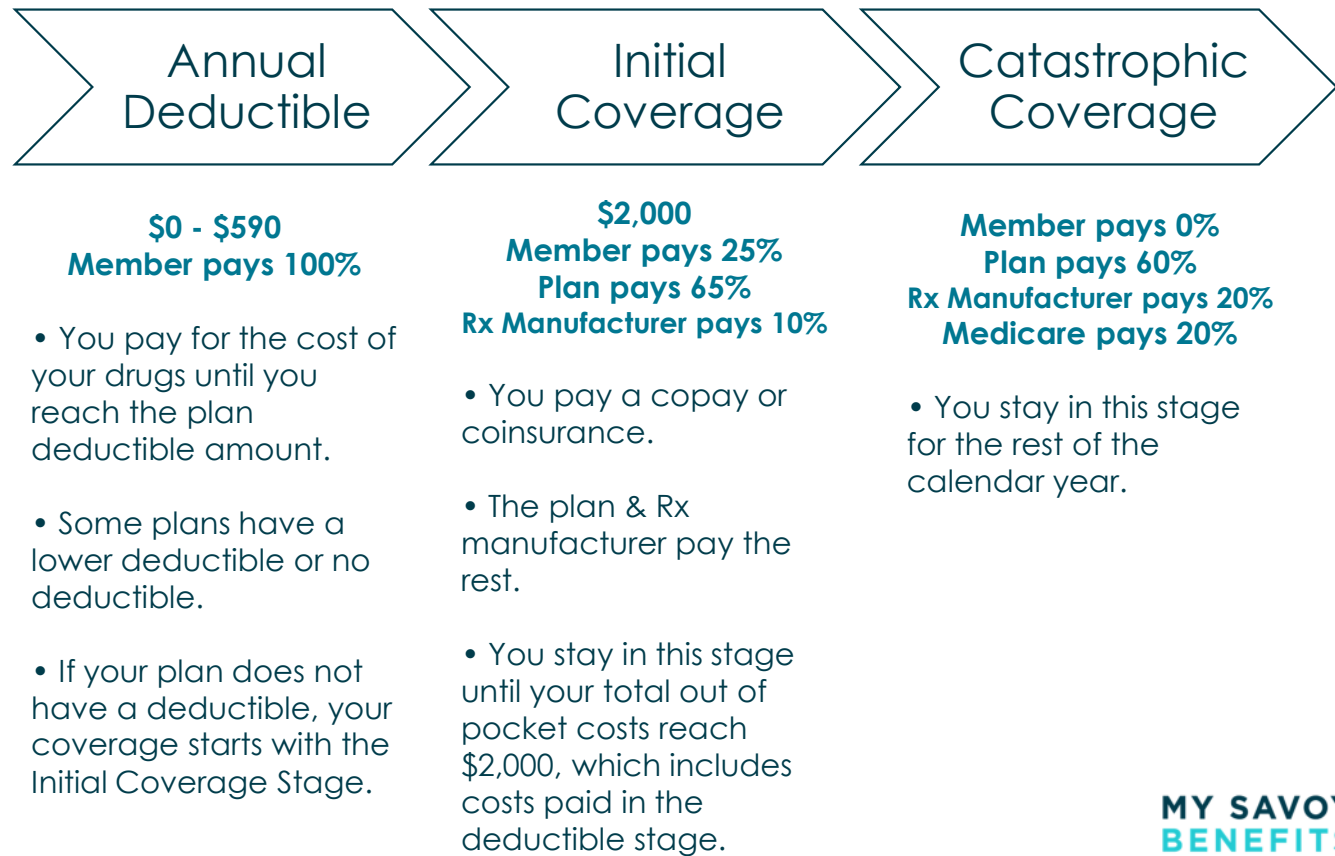
**02**

A stand-alone Prescription Drug Plan (PDP), often combined with a Medicare Supplement plan

# Part D

## Prescription Coverage

### The 3 Payment Stages for Medicare Prescription Drug Plans for 2025



# Your Part D Premium Goes Up With Income

FILE INDIVIDUAL TAX RETURN	FILE JOINT TAX RETURN	FILE MARRIED & SEPARATE TAX RETURN	YOU PAY EACH MONTH (IN 2025)
\$106,000 or less	\$212,000 or less	\$106,000 or less	plan premium
\$106,001 to \$133,000	\$212,001 to \$266,000	Not Applicable	\$13.70 + plan premium
\$133,001 to \$167,000	\$266,001 to \$334,000	Not Applicable	\$35.30 + plan premium
\$167,001 to \$200,000	\$334,001 to \$400,000	Not Applicable	\$57.00 + plan premium
\$200,001 to \$499,999	\$400,001 to \$749,999	\$106,001 to \$393,999	\$78.60 + plan premium
\$500,000+	\$750,000+	\$394,000+	\$85.80 + plan premium

# | What should I be doing and when?

## Employer coverage and turning 65

- **If you will not automatically be enrolled, you should sign up for Part A when you're first eligible even if you have existing coverage through an employer—this is because Medicare Part A is free for most people.**
- If a beneficiary has an HSA account, they should not sign up for A or B. If they want to sign up for A or B, they must stop contributing to their HSA 6 months prior to obtaining A or B.
- Most people who are still working and are covered under their employer plan do not need additional coverage.

## Employer coverage and over 65

- If the employer has fewer than 20 employees, you should sign up for Part A and Part B when you're first eligible.
- If the employer has 20 or more employees, you may be able to delay Part A and Part B.

# The Size of Your Group Matters

---

**Less Than**

**20**

**Employees**

Any Medicare-eligible employee (or spouse / dependent) **MUST** enroll in Medicare, because by law Medicare becomes the primary coverage. If the individual does not enroll into Medicare, claims may not be paid, and they may face financial penalties due to late enrollment.

**20**

**or more Employees**

If you are currently working and coverage is through a credible employer plan, you (or spouse) may be able to delay Part A and Part B.

**Less Than**

**100**

**Employees**

If you (or spouse / dependent) qualifies for Medicare due to a disability, Medicare would be considered as your primary coverage.

**All**

**Group Sizes**

If your prescription drug plan is not considered creditable coverage, you may face a financial penalty after retirement. We recommend you consult your employer about creditable coverage.

# COBRA VS Medicare

## Generally, Medicare is primary once COBRA is elected

The exception to this is when the individual is eligible for Medicare due to End Stage Renal Disease (ESRD). In these situations, the group plan is primary for the first 30 months of the disability whether the person is on the group health plan as an employee, a dependent or on COBRA continuation.

\*NOTE: You may be able to keep COBRA coverage for services that Medicare does not cover such as COBRA dental, vision, etc. The insurance company that provides your COBRA coverage may allow you to drop your medical coverage but keep paying a premium for the additional coverage for as long as you are entitled to COBRA. Contact your plan for more information.\*



**Cobra and Medicare do not coordinate well, and Cobra is expensive.**

## Please note, an actively working employee

who voluntarily terminates off the group plan to fully go onto Medicare is not a COBRA qualifying event for the spouse and/or dependent(s) as the event of Medicare entitlement does not cause a loss of coverage.

M E D I C A R E 1 0 1

# There are penalties for getting it wrong

---

## Late Enrollment Fees

**Part B** is 10% for every 12 months  
you didn't sign up

**Part D** is 1% of the average  
Prescription Drug Plan  
Part D premium per  
month you didn't sign up





M E D I C A R E 1 0 1

# What about my dependents that are on my company's coverage?

---

- If you have dependents on your company's plan, you can remain on that plan.
- If you obtain a Medicare plan, your dependents would have to obtain individual coverage.



MY SAVOY  
BENEFITS 

# FAQs on Coverage



## Are my drugs covered?

- Refer to each plan's formulary for a complete list covered drugs.



## Can I see my own doctors?

- If you choose a Medicare Advantage plan, you may have network restrictions that limit your health care provider choices.
- Certain plans may also require you to choose a primary care physician (PCP) to coordinate your care.
- Check to make sure your current doctors will accept the new plan you are considering enrolling in.



My Savoy Benefits can research this for you

# When Can I Sign Up or Switch Coverage?

	Initial Enrollment Period (IEP)	General Enrollment Period (GEP)	Special Enrollment Period (SEP)	Annual Enrollment Period (AEP)	Open Enrollment Period (OEP)
<b>Who Needs</b>	Turning 65	Missed Initial Enrollment Period	Previous Employer-based Coverage	Medicare Plan Enrollees	Medicare Advantage (MA) Enrollees
<b>Purpose</b>	Enroll in Original Medicare	Enroll in Medicare Part A or Part B	Enroll in Medicare Part A or Part B	Reevaluate coverage & Make Changes	One-time change to MA Plan
<b>When</b>	3 months before 65 <sup>th</sup> birthday through 3 months after	January 1 – March 31	8 months from termination of employer coverage	October 15 – December 7	January 1 – March 31

# How can a broker help me with this transition?

---



As an independent broker, My Savoy Benefits works with multiple health insurance carriers, making it easy for us to match you with the plan that lines up best with what you're looking for – from benefits to budget! All at no additional cost to you.



**Provide** complimentary step-by-step guidance



**Compare** plans from different companies for you



**Understand** the cost



**Avoid** mistakes and penalties



**Help** you enroll and have coverage when you need it



**Offer** better privacy than online sales sites

# When should I engage with a broker?

---



If turning 65, you should start talking about your options 6 months before your 65<sup>th</sup> birthday.



If you will be losing coverage through your employer and are already 65 or older, you should contact a broker immediately for guidance.



If considering Medicare but you have dependents on your current plan, a qualified broker can help everyone involved through the transition.

# Q&A

M E D I C A R E 1 0 1

# Speak to a licensed Medicare Expert.

Colin Scheifler

Director, Consumer and Senior Markets  
[colinscheifler@savoyassociates.com](mailto:colinscheifler@savoyassociates.com)

908.246.8561

Mon – Fri: 9AM – 5PM



MY SAVOY  
BENEFITS 

MY SAVOY  
BENEFITS



THANK YOU