

# Medicare for retirees

## Part A: Hospital insurance

### Enrollment

Enrollment is automatic if you are collecting Social Security benefits three months prior to the month you attain age 65. Otherwise, you should apply three months prior to the month you turn age 65 through the sixth month after.\*

### Costs†

You are eligible for Medicare Part A with no premiums if:

- You are receiving or are eligible to receive (but have not yet filed for) Social Security retirement benefits (including spousal or survivor benefits),
- You are the 65-year-old spouse of a 62-year-old or older worker who qualifies for no premium Part A, or
- You or your spouse had Medicare-covered government employment.

### 2025 monthly premiums

Quarters of Social Security eligibility	Premium
30–39	\$285
Less than 30	\$518

### 2025 cost for an in-hospital stay (per occurrence)

Days 1–60	\$1,676 deductible
Days 61–90	\$419 per day co-payment
Days 90+	Lifetime reserve days** (\$838 per day) or all costs

If you need care in a skilled nursing facility, for days 21–100 you will be responsible for \$209.50 coinsurance per day.

\* Applies if you qualify for Part A with no premiums. Otherwise, you should apply three months prior to the month you turn age 65 through the third month after. † Surcharges may apply for late enrollment. \*\* 60 non-renewable days. ‡ To qualify, you must have continuous employer group health insurance based on your or your spouse's current work since first eligible for Medicare or had Medicare coverage for any month not covered. COBRA coverage does not qualify. You may also qualify if you missed any enrollment period because of certain exceptional circumstances, like being impacted by a natural disaster or an emergency, incarceration or losing Medicaid coverage. § These charges may be covered by supplemental insurance.

## Part B: Medical insurance

### Enrollment

Enrollment is automatic if you are collecting Social Security benefits three months prior to the month you attain age 65. Otherwise, you should apply three months prior to the month you turn age 65 through the third month after.

### Enrollment periods

Enrollment period	Coverage effective date
<b>Initial</b> — Seven month period beginning three months before the month the individual becomes age 65.	<b>Enroll in months 1–3:</b> month Medicare eligible <b>Enroll in months 4–7:</b> 1 month after enrollment
<b>Special†</b> — Anytime while covered under a current employer's plan (or spouse's current employer's plan) or during an eight month period beginning with the earlier of the month coverage terminates or work ends.	<b>Enroll in month 1:</b> month of enrollment <b>Enroll in months 2–8:</b> 1 month after enrollment
<b>General†</b> — Annually Jan 1–Mar 31	Month after enrollment

### Costs†

#### 2025 monthly premiums

Yearly income (2023) by filing status			2025 monthly premium
Single	Married/joint	Married/separate	
\$106,000 or less	\$212,000 or less	\$106,000 or less	\$185.00
>\$106,000–\$133,000	>\$212,000–\$266,000		\$259.00
>\$133,000–\$167,000	>\$266,000–\$334,000		\$370.00
>\$167,000–\$200,000	>\$334,000–\$400,000		\$480.90
>\$200,000–<\$500,000	>\$400,000–<\$750,000	>\$106,000–<\$394,000	\$591.90
\$500,000+	\$750,000+	\$394,000+	\$628.90

You will also be responsible for an annual deductible (\$257 in 2025) and, typically, 20% coinsurance of the Medicare allowed charge.<sup>§</sup>

## Part D: Prescription drug coverage

### Enrollment (must be enrolled in parts A and/or B)

#### Enrollment periods

Enrollment period	Coverage effective date
<b>Initial</b> – 7 month period beginning 3 months before the month the individual gets Medicare.	<b>Enroll in months 1–3:</b> 1st month of Part D eligibility <b>Enroll in months 4–7:</b> 1st of the month following the month the request was made
<b>Special Enrollment Period (SEP)</b> – Apr 1–Jun 30 if you enroll in Part B during general enrollment.	Jul 1
<b>Annual</b> – Oct 15–Dec 7*	Jan 1 of following year
<b>Medicare Advantage Open Enrollment Period</b> – Jan 1–Mar 31 if you're enrolled in a Medicare Advantage Plan. Once during this time, you can switch to Original Medicare (and join a separate Part D plan).	1st of the month following the month the request was made

#### Costs\*\*

##### 2025 prescription drug costs (federal guidelines)

	Prescription drug costs	What you pay	Total out-of-pocket expense
Annual deductible	\$0–\$590	100%	\$590
Initial coverage phase	\$590–\$6,230	25%	\$2,000
Catastrophic coverage	Above \$6,230†	0%#	\$2,000

- Plans may have different deductibles and co-pays. The federal guidelines above represent maximum out-of-pocket costs.
- You will also be responsible for a monthly premium which can vary by plan.‡
- A one-month supply of insulin costs \$35 with no deductible. The amount you would have paid (above the \$35 cap) for a covered insulin product will also count toward your out-of-pocket costs. Before you meet your Part D deductible, your \$35 (or less) co-payment will be applied to your deductible.

## Medigap

Insurance issued by private insurance companies that provides reimbursement for out-of-pocket medical costs such as

1. Deductibles for Parts A & B
2. Cost of extended hospitalization under Part A
3. Coinsurance on doctors' services and outpatient care under Part B
4. Costs in excess of Medicare-approved charges
5. Most self-administered prescription drugs
6. Skilled nursing facility costs
7. Foreign travel emergency care

All Medigap policies are standardized. Policies with the same letter offer the same basic benefits. There are 10 different types of Medigap plans offered in most states, which are named by letters: A-D, F, G, and K-N.⁵ The best time to buy a Medigap policy is during the six-month period that begins on the first day of the month in which you are age 65 or older and enrolled in Part B. After this period your option to buy a Medigap policy may be limited and may cost more.

## Part C: Medicare Advantage

- A Medicare Advantage Plan is an alternative to Part B. You must be enrolled in Parts A and B to elect a Medicare Advantage Plan. You cannot have a Medigap plan or a Part D plan.
- Part C coverage is available in three forms: managed care plans (e.g., HMOs, PPOs), private fee-for-service plans or medical savings accounts.ⁱⁱ
- If you want prescription drug coverage, in most cases you will need to obtain the coverage through your Medicare Advantage Plan.
- Each plan can charge different out-of-pocket costs. You usually pay one monthly premium to the plan, in addition to your Part B premium.
- In general, when you join a Medicare Advantage Plan, you must keep the plan for the rest of the year, unless you drop it to return to Original Medicare within 12 months of joining the Medicare Advantage Plan. You can drop or change Medicare Advantage Plans during the Open Enrollment Period, Medicare Advantage Open Enrollment Period or, if you qualify, a Special Enrollment Period.

\* A person can enroll in Part D anytime if they qualify for the extra help due to low income. \*\* Surcharges may apply for late enrollment. † This is the upper limit for a person who is not eligible for a coverage gap discount program or a low income subsidy. ‡ May be higher for individuals with higher income. § Plans C and F are not available to beneficiaries who turn 65 on or after January 1, 2020. Special provisions offered in MA, MN and WI. ⁱⁱ Only available in Pennsylvania. # There is no cost sharing for covered Part D drugs for beneficiaries in the catastrophic phase of coverage.

Source: Department of Health and Human Services. See [www.medicare.gov](http://www.medicare.gov) for more information, restrictions and limitations on Medicare benefits.

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