

*By calling the number above, you will be directed to a licensed insurance agent.*

# MEDICARE 101: 2025 QUICK GUIDE



## 2025 ORIGINAL MEDICARE OVERVIEW: COSTS & COVERAGE

Medicare is health insurance for U.S. citizens and residents 65 and older, or under 65 with certain disabilities. Medicare has four parts:



**PART A** — (hospital) provides inpatient/hospital coverage

- \$0 if you or your spouse worked 40 quarters or 10 years
- Up to \$518 per month for Part A premium (if you don't get premium-free Part A)
- Deductible is \$1,676



**PART B** — (medical) provides outpatient/medical coverage

- 80% coverage
- Deductible is \$257
- Part B premium is \$185 per month (higher for some due to income)



**PART C** - (Medicare Advantage) offers an alternative way to receive your Medicare benefits (see below)



**PART D** - (drug) provides prescription drug coverage

- Premiums and deductibles may vary

Source: <https://www.medicare.gov/basics/costs/medicare-costs>



## WHEN ENROLLING, YOU'LL CHOOSE BETWEEN ORIGINAL MEDICARE OR MEDICARE ADVANTAGE:

### ORIGINAL MEDICARE

(with optional Medicare Supplement and/or Part D)

#### DOCTOR & HOSPITAL OPTIONS



- ✓ You can go to any doctor or hospital that takes Medicare, anywhere in the United States.
- ✓ In most cases, you don't need a referral to see a specialist.

#### COST



- ✓ You pay the monthly Part B premium.
- ✓ If you choose a Medigap (Medicare Supplement) plan, you will pay the plan's premium, plus deductibles and co-pays.
  - Medigap annual out-of-pocket costs are \$7,220 for Plan K and \$3,610 for Plan L.
- ✓ Without Medigap (Medicare Supplement), there's no annual limit on what you pay out of pocket with Original Medicare.

#### DRUG COVERAGE



- ✓ You can choose to add a Medicare Part D plan for prescription drug coverage.

#### COVERAGE



- ✓ Original Medicare covers most medically necessary services and supplies in hospitals, doctors' offices and other health care facilities.
  - Original Medicare doesn't cover some benefits like eye exams and dental visits.No drug coverage. You can join a separate Medicare drug plan to get Medicare drug coverage (Part D).
  - Part D plans have a monthly premium
  - Part D plans have an annual \$2,000 maximum out of pocket in 2025
- ✓ Medicare Supplement plans are standardized, stable, guaranteed renewable and state monitored.
- ✓ In most cases, you don't need approval for Original Medicare to cover your services or supplies.
- ✗ Original Medicare Parts A and B do not cover most medical care outside the United States. Some Medicare Supplement policies offer foreign travel coverage.

### MEDICARE ADVANTAGE

(Part C)

#### DOCTOR & HOSPITAL OPTIONS



- ✗ In many cases, you can only use doctors and other providers who are in the plan's network and service area (for non-emergency care).

#### COST



- ✓ You pay the monthly Part B premium and your plan's premium.
- ✓ Out-of-pocket costs vary — plans may have wide-ranging costs for certain services.
- ✓ Once you reach your plan's limit, you don't pay for services Part A and Part B covers for the rest of the year.
- ✗ You can't buy Medicare Supplement.

#### DRUG COVERAGE



- ✓ You can choose to add a Medicare Part D plan for prescription drug coverage.

#### COVERAGE



- ✓ Plans must cover all medically necessary services that Original Medicare covers. Plans may also offer some extra benefits that Original Medicare doesn't cover.
- ✓ Medicare drug coverage (Part D) is included in most plans. In Medicare Advantage Plans without drug coverage, you may be eligible to join a separate Medicare Part D plan.
- ✓ In many cases, you may need to get approval from your plan before it covers certain services or supplies.
- ✗ Foreign travel is generally not covered.

## ADDITIONAL OUT-OF-POCKET EXPENSES



**DENTAL, VISION, HEARING**



**CANCER — NON-MEDICAL EXPENSES**



**RECOVERY CARE**



**FINAL EXPENSES**

*Standalone policies may be available to purchase to help cover these expenses.*

## ADDITIONAL CONSIDERATIONS: LATE PENALTIES

Not enrolling during your Initial Enrollment Period — unless you have credible coverage from a job — could be costly! Here's an overview of Medicare late enrollment penalties:

- They are added to your monthly premium (not a one-time fee!)
- Are typically charged for as long as you keep the coverage — it's a lifetime penalty for most people

**PART  
A**

### Late enrollment penalty

By not enrolling during your Initial Enrollment Period, your premium could go up 10%.

**PART  
B**

### Late enrollment penalty

You'll pay an extra 10% for each year you could have enrolled in Part B but didn't.

**PART  
D**

### Late enrollment penalty

You'll pay an extra 1% for each month you didn't join a Part D plan when you first enrolled in Medicare.



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