



Getting Medicare right

Medicare Basics

HIICAP Regional Training
Fall 2025

The **Medicare Rights Center** is a national not-for-profit consumer service organization that works to ensure access to affordable health care for older adults and people with disabilities.

Medicare Rights works with HIICAP through:

- Monthly coordinator calls
- Quarterly Medicare Counselor newsletters
- Fall and spring regional trainings

Helpline available for HIICAP counselors:

800-480-2060

hiicap@medicarerights.org

Learning Objectives

- **Understand** Medicare eligibility and enrollment periods
- **Know** differences between Original Medicare and Medicare Advantage
- **Describe** Medicare drug coverage

Medicare Basics



What is Medicare?

- Federal program that provides health insurance for individuals:
 - 65 and older
 - Under 65 receiving Social Security Disability Insurance (SSDI) for 24 months
 - Under 65 with kidney failure requiring dialysis or transplant

Parts of Medicare

Medicare benefits are administered in three parts:

Part A - Hospital/Inpatient Benefits

Part B - Doctor/Outpatient Benefits

Part D - Prescription Drug Benefit

Two ways to access Medicare benefits



Original Medicare

- Medicare benefits through traditional program administered by federal government
- Includes Parts A and B
- Part D benefits offered through stand-alone prescription drug plan



Medicare Advantage Plan

(e.g., HMO, PPO)

- Medicare benefits through private health plan that contracts with federal government (also called Part C)
- Combines Parts A, B, and usually D benefits under one plan
- Not a separate benefit: everyone with Medicare Advantage still has Medicare

Medicare eligibility - 65+

After turning 65, an individual qualifies for Medicare if they

- Collect or qualify to collect Social Security or Railroad Retirement benefits

OR

- Are a current U.S. resident and either

- A U.S. citizen

OR

- a permanent resident having lived in the U.S. for five years in a row before applying for Medicare

Medicare eligibility - under 65

An individual who is not yet 65 qualifies for Medicare if they—

- Received Social Security Disability Insurance (SSDI) or Railroad Disability Annuity checks for total disability
 - Eligible after 24 months of payments
- Have amyotrophic lateral sclerosis (ALS)
 - Eligible first month of SSDI payment

Or

- Have End-Stage Renal Disease (ESRD or kidney failure), and they or a family member have enough Medicare work history

Qualifying for premium-free Part A - 65+

Part A is free for Medicare-eligible beneficiaries who:

1. Are eligible for Social Security Retirement
 - Have at least 40 calendar quarters (10 years) of work in any job where they paid Social Security taxes in the U.S.
2. Are eligible for Railroad Retirement benefits

Or

3. Have a spouse that qualifies for premium-free Part A under 1 or 2
 - Note: Differences between current spouse (married 12 months), ex-spouse (single and had been married 10 years), and deceased spouse (single and had been married 9 months)



Beneficiaries who are Medicare-eligible but do not meet any of the criteria above must pay a monthly premium for Part A

Enrolling in Medicare

Automatic enrollment

- Some people who are eligible for Medicare are automatically enrolled, while others need to actively sign up. A person will be automatically enrolled in Medicare Parts A and B and mailed a Medicare card if:
 - They have started to receive Social Security benefits before they turn 65
 - They have been receiving SSDI for at least 24 months (or immediately if they have SSDI because of ALS)

First-time enrollment periods

If someone is not automatically enrolled in Medicare, they can enroll for the first time during:



Initial Enrollment
Period



Special
Enrollment Period



General
Enrollment Period

Initial Enrollment Period (IEP)



3 months before
person turns 65



65th birthday
month



3 months after
65th birthday
month

Coverage start date depends on when during the IEP the person enrolls

IEP effective dates

- Enrolling during the first three months of the IEP → coverage begins the month they first become eligible for Medicare
- Enrolling during the fourth through seventh months of the IEP → coverage begins the month following the month of enrollment

Enroll in:	February	March	April	May (birth month)	June	July	August
Coverage begins:	May 1	May 1	May 1	June 1	July 1	August 1	Sept 1



SEP

Special Enrollment Periods

- Periods of time outside normal enrollment periods
- Can be used to enroll in Part B and/or premium Part A
- Sometimes triggered by specific life circumstances

SEP for insurance from current work

- **SEP starts:** When individual has coverage from **current work** (job-based insurance) and they are in their first month of eligibility for Part B
 - Retiree coverage or COBRA do not establish this SEP
- **SEP ends:** Eight months after individual loses coverage from current employment because employment or insurance ends
 - Using SEP means individual will not have Part B late enrollment penalty

SEPs for exceptional circumstances

- Starting in 2023, SEPs have been created for people to enroll in Part B or premium Part A without penalty in certain specific situations
- Individuals may qualify for an SEP if:
 - They lose Medicaid
 - They are in an area with a disaster or emergency
 - They are released from incarceration
 - They make an enrollment mistake based on misinformation from an employer
 - They experience other exceptional circumstances

General Enrollment Period (GEP)

- GEP runs from **January 1 – March 31** of each year
- If someone who is eligible for Medicare misses their IEP or SEP, they can enroll during the GEP
- Coverage begins on the first of the next month
 - Example: If someone enrolls in January, their Medicare coverage starts February 1

Original Medicare



Original Medicare coverage

- Includes Part A (hospital insurance) and Part B (medical insurance)
- Drug coverage available through stand-alone Part D plan
- Does not cover certain services, such as routine dental care

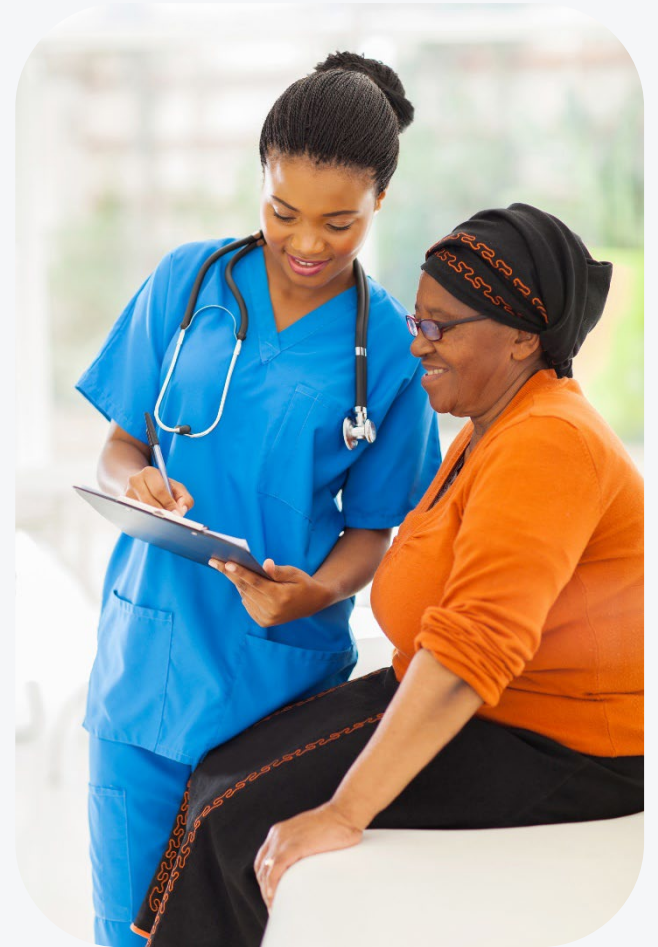
Part A covers

- **Inpatient hospital care:** Care provided to someone who is formally admitted into hospital by doctor
- **Inpatient skilled nursing facility care:** Short-term post-hospital extended care services
- **Home health care:** Care used to treat an illness or injury in the home
- **Hospice care:** Comprehensive care for people who are terminally ill



Part B covers

- **Outpatient care:** Care provided by health care professionals if person was not formally admitted as hospital inpatient
- **Doctors' services:** Medically necessary services provided to a person by a doctor
- **Preventive care:** Care to keep a person healthy or prevent illness
- **Home health care:** Care used to treat an illness or injury in the home
- **Durable medical equipment (DME):** Medical equipment provided on an outpatient basis



Medicare does not cover

- Most dental care
- Most vision care
- Routine hearing care
- Most foot care
- Most long-term care
- Alternative medicine
- Most care received outside the U.S.
- Personal care or custodial care if there is no need for skilled care
- Most non-emergency transportation

Note: Medicare Advantage Plans (or Medicaid if a beneficiary qualifies) may cover these services as supplemental benefits, sometimes for an additional premium.

Original Medicare providers

- **Provider access**

- No network of providers
- Individual can receive covered services from any provider in the U.S. who accepts Medicare

- **Referral requirements**

- No primary care physician referral for specialist





Original Medicare costs

- No limit on out-of-pocket costs
- Can purchase Medigap policy to cover Medicare cost-sharing

Medigap policies

- Supplemental plans that pay part or all of remaining costs after Original Medicare pays first
 - Example: Medigap policy can pay for an individual's 20% Part B coinsurance
- **Only work with Original Medicare**
- Provided by private insurance companies
 - 10 standardized plans (Plans A, B, C, D, F, G, K, L, M, and N)
 - Charge a monthly premium for coverage

Medicare Advantage

Medicare Advantage (MA) coverage

- Includes Parts A, B, and usually D benefits through a private health plan
- Medicare Advantage Plans must offer same benefits as Original Medicare Parts A and B, but can do so with different costs and rules/restrictions
 - Example: Beneficiary is required to get prior authorization for certain services
- May cover services that Original Medicare does not cover, such as dental and vision care as supplemental benefits



Contact plan directly to learn about coverage specifics



Medicare Advantage providers

- **Provider access**

- Beneficiary may have to see in-network providers in order to receive covered care or care at lowest cost

- **Referral requirements**

- Plan may require primary care physician referral to see specialist

Medicare Advantage plan costs

- Costs vary by plan
- Individual must still pay their Part B **premium**
 - Plan may charge additional monthly premium
 - Some plans may reimburse the Part B premium
- Many plans have a **deductible** and then **fixed copayments**, rather than coinsurances for services and medications
- People may pay more if they:
 - Get care outside the plan's network or service area
 - Don't ask the plan's permission to get certain types of care or don't follow plan rules
- All MA Plans must have **maximum out-of-pocket limit** (\$9,350 in 2025)

Medicare drug coverage: Part D

Medicare Part D

- Outpatient **prescription drug benefit** for anyone with Medicare
 - Individual is eligible for Part D if they have either Part A or Part B and live within the service area of a Part D plan
- Only available from private insurance companies
 - Most plans have a monthly premium
- Each Medicare drug plan has its own **formulary**, or list of covered drugs



Part D coverage phases in 2025

- During calendar year, beneficiary pays different amounts for covered drugs depending on which phase they are in
- Standard Part D coverage now has three phases

Deductible phase

Beneficiary pays out-of-pocket for drugs until they meet plan's deductible (if it has one)

Initial coverage period

Beneficiary pays cost-sharing amount set in plan design for covered prescription drugs until they reach \$2,000 cap

Catastrophic coverage

Beneficiary pays \$0 for covered prescription drugs

Part D enrollment

- Beneficiaries can enroll in a Part D plan during their Part D IEP (after first enrolling in Part A and/or Part B)
- Beneficiaries can also enroll in or make changes to Part D coverage during the Fall Open Enrollment Period
 - Those who use Fall Open Enrollment to enroll for the first time who didn't have prescription drug coverage that met certain standards may incur a premium penalty

Two ways to get Part D drug coverage



With Original Medicare

- Purchase a stand-alone prescription drug plan
- Private plan offers only drug coverage



With Medicare Advantage

- Part D is generally included, and individual receives all Medicare benefits from one plan



For more information & help

Medicare Rights Center HIICAP Technical Assistance Helpline:

- hiicap@medicarerights.org
- (800) 480-2060

Medicare Rights Center National Helpline

- (800) 333-4114

Medicare Interactive

- www.medicareinteractive.org



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Thank you!