



Welcome to

Social Security and Medicare 101: Medicare Benefits

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Agenda: What we'll cover

1. Social Security
 - What is Social Security and who can participate?
 - Social Security basics and benefits
 - Considerations for collecting Social Security early
 - How Social Security and Medicare work together
 - Turning 65 and working
2. Medicare 101: Understanding your options
 - Medicare Parts A through D and what they cover
 - Federal health insurance programs and private plans
 - Your Medicare options
 - Original Medicare compared to Medicare Advantage
 - Dual Eligible Special Needs Plans (D-SNP)
 - Prescription drug coverage
 - Medicare Supplement insurance
 - How to get started
 - Enroll in Medicare when eligible
 - Choose additional coverage that's right for you
 - Frequently asked questions
 - Important dates and instructions



Social Security

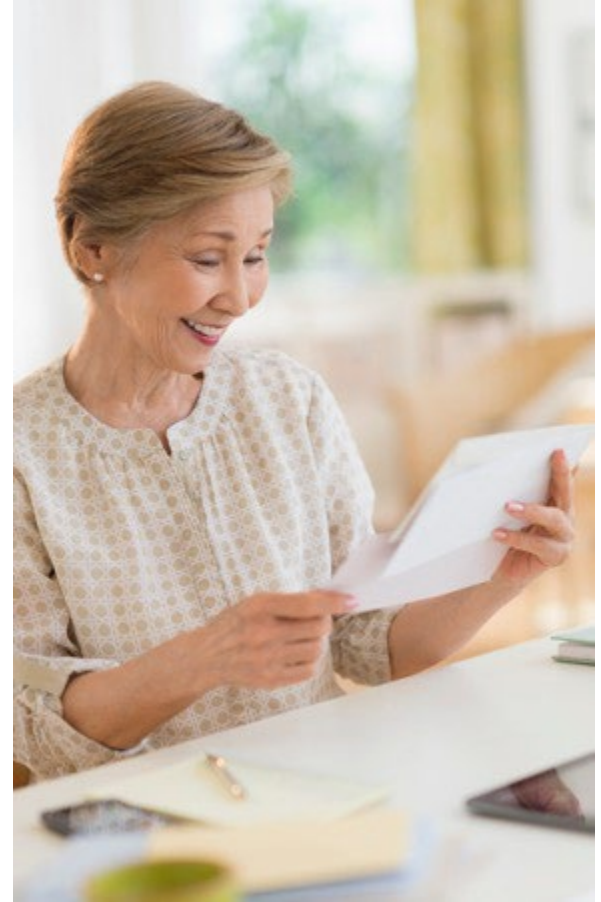
Social Security overview

- The main requirement of the original Social Security Act was to pay financial benefits to retirees based on lifetime payroll tax contributions.
- It was intended to be a federal safety net providing aid and benefits for the elderly, unemployed, the blind and disadvantaged Americans.



Qualifications to receive full benefits

- ***Must be a U.S. citizen or resident***
- ***Pay into the Social Security system for 10 years***



Source: SSA.gov. Accessed December 11, 2024.

Social Security basics

Before you apply for retirement benefits, here are **Social Security basics** you need to know:

- **Your full “retirement age” depends on your date of birth. This may be between 66 plus 2 months and 67 (we’ll go into more detail on this later).**
- **You can start receiving benefits as early as 62.**
- **Benefits (monthly payments) may be reduced if you choose to receive benefits earlier.**
- **You may choose to continue working while receiving benefits, if you elect to receive benefits before full retirement age.**
- **Delayed retirement credits may be added to your benefits if you** opt to delay claiming benefits until after you reach your full retirement age.



Source: [SSA.gov/retirement/](https://www.ssa.gov/retirement/). Accessed December 11, 2024.



Considerations for collecting Social Security early

Working

- Will you work, even part time, before full retirement age (FRA)?

Longevity

- How is your health? Is there an expectation of longevity?
- Have you saved enough money in your retirement accounts, such as 401(k), pension and personal savings?

Spouse/children

- Are you married?
- If so, what is the age difference between spouses?
- Whose benefits can the spouse and/or children collect?
- Do you have children under 18 or in college?



Age to receive full Social Security benefits

(Called “full retirement age” or “normal retirement age”)

Year of birth*	Full retirement age
1943–1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67

If you delay your retirement benefits until after full retirement age, you may be eligible for *delayed retirement credits* that would increase your monthly benefit. Even if you decide to delay your retirement, you are eligible for Medicare at age 65. Late enrollment can add penalties that may cost you more money.

*If you were born on January 1 of any year, you should refer to the previous year. If you were born on the first of the month, your birthday is considered part of the previous month, and your eligibility window will be shifted accordingly.

*The earliest you can start receiving Social Security retirement benefits remains age 62.

Source: [SSA.gov/benefits/retirement/planner/agereduction.html](https://www.ssa.gov/benefits/retirement/planner/agereduction.html). Accessed December 11, 2024.

How Social Security and Medicare work together

The Social Security Administration determines who is eligible for Social Security benefits and Medicare. They also perform many of the administrative functions for Medicare.

Medicare is available to some younger people with disabilities and certain medical conditions, like end-stage renal disease (ESRD).

Social Security
AND Medicare
are social
safety which
employees
and employers
both make
contributions
to on a
pay-as-you-go
basis.

How to determine your Medicare Part B premium* based on income level

File individual tax return	File joint tax return	File married & separate tax return	Part B monthly premium amount
\$106,000 or less	\$212,000 or less	\$106,000 or less	\$185.00
Above \$106,000 up to \$133,000	Above \$212,000 up to \$266,000	N/A	\$259.00
Above \$133,000 up to \$167,000	Above \$266,000 up to \$334,000	N/A	\$370.00
Above \$167,000 up to \$200,000	Above \$334,000 up to \$400,000	N/A	\$480.90
Above \$200,000 and less than \$500,000	Above \$400,000 and less than \$750,000	Above \$106,000 and less than \$394,000	\$591.90
\$500,000 and above	\$750,000 and above	\$394,000 and above	\$628.90

*The Part B premium can be automatically deducted from your monthly Social Security check, or you can choose to pay the premium out of pocket. Source: <https://www.cms.gov/newsroom/fact-sheets/2025-medicare-parts-b-premiums-and-deductibles>. Accessed November 8, 2024.

Social Security covers Original Medicare (Parts A and B)

Social Security enrolls you in Medicare Part A (hospital insurance). Part A helps pay for inpatient care in a hospital, or limited time at a skilled nursing facility following a hospital stay. Part A also pays for some home health care and hospice care.

- Note: For those who have not worked 40 quarters or 10 years, you may purchase Part A in 2025.
- You can also choose to sign up for Medicare Part B (medical insurance). Part B helps pay for services from doctors and other health care providers, outpatient care, home health care, durable medical equipment and some preventive services.



Source: Medicare Benefits | SSA

Working past 65 with Medicare benefits

Should you enroll in Medicare if you are still working?

Questions to ask:

If your employer offers health coverage, do you need to enroll in Medicare?
What about Medicare's prescription drug benefit?

Can I save money using Medicare instead of what my employer group offers?

Things to know:

- Most workers should remain enrolled in Medicare Part A. Part A is free for most people and covers institutional care in hospitals, skilled nursing facilities and other caregiving agencies.
- Individuals who don't sign up for Part B when they first become eligible might have to pay a **10 percent premium penalty** for each year that enrollment is delayed.

You may be eligible for a Special Enrollment Period (SEP), which allows you to enroll in Part B without penalty. Qualifying events include:

- You or your spouse had employer or union health insurance that is ending.
- You were overseas or volunteering when you turned 65.

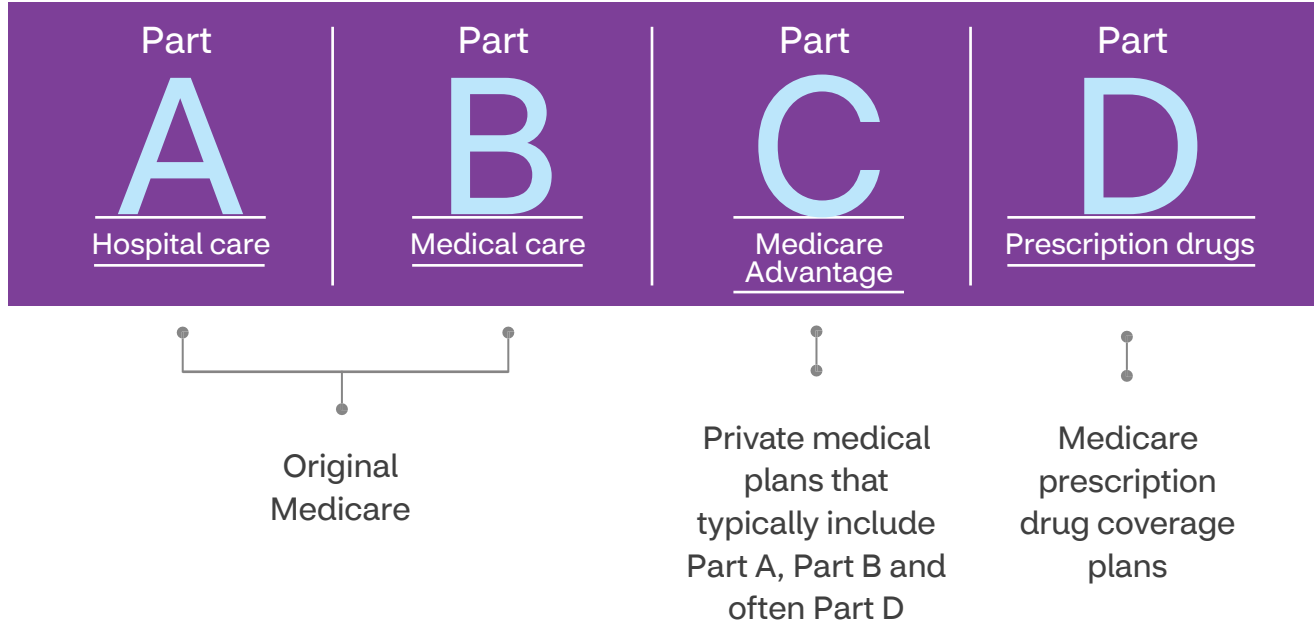


Medicare 101: Understanding your options

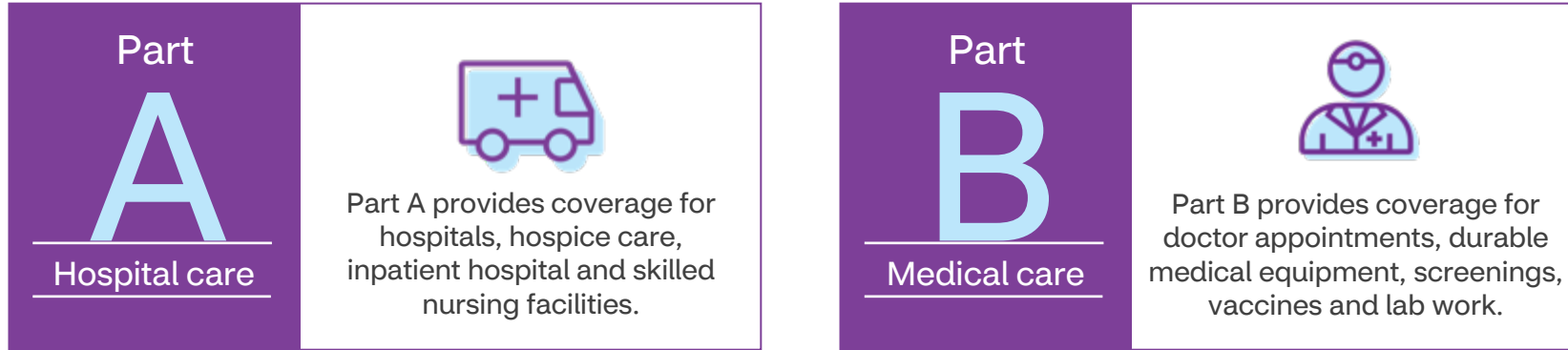
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**Medicare Parts A through D:
Let's start at the beginning**

The 4 parts of Medicare




Medicare Part A and Part B: Original Medicare



Medicare Parts A and B make up Original Medicare.
They're provided by the federal government.

Original Medicare is for people 65 and older or those
under 65 with certain disabilities.

Medicare Part C and Part D: Medicare Advantage and prescription drug plans

<p>Part C Medicare Advantage</p>	 <p>This is called Medicare Advantage.</p>
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You can buy Part C from private insurance companies. Medicare Advantage combines Parts A and B and often offers prescription drug coverage. It may include additional benefits like dental, vision, hearing or wellness services.

You can buy a Medicare Advantage plan (Part C) if you:

- Are enrolled in Parts A and B
- Live in the plan's service area

<p>Part D Prescription drugs</p>	 <p>It helps pay for prescription drugs. It's only offered through private insurance companies. We'll talk more about Part D later.</p>
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You can purchase Part D as a stand-alone prescription drug plan (PDP).

You can buy a Part D plan if you:

- Are enrolled in Parts A and/or B
- Live in the plan's service area

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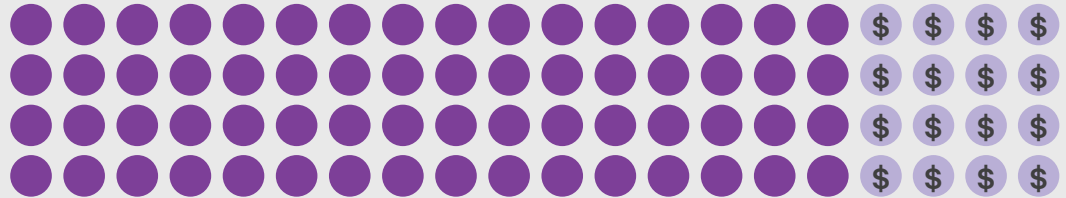
Federal health insurance programs and private plans

**Can I just rely on Parts A and B —
what the government pays for?**

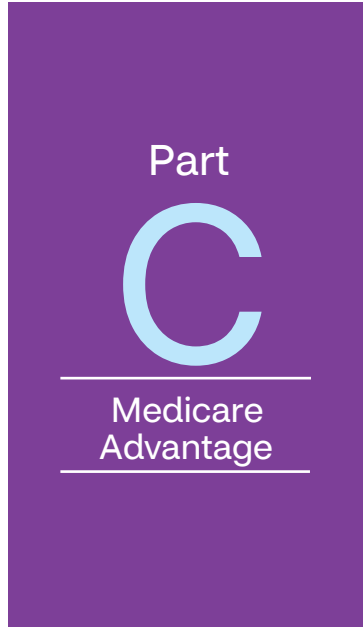


You can rely on Parts A and B, but Original Medicare has a deductible and only covers about 80% of your Part B services

It covers hospital and doctor visits, along with certain limited medications. It does not include prescription drug coverage.



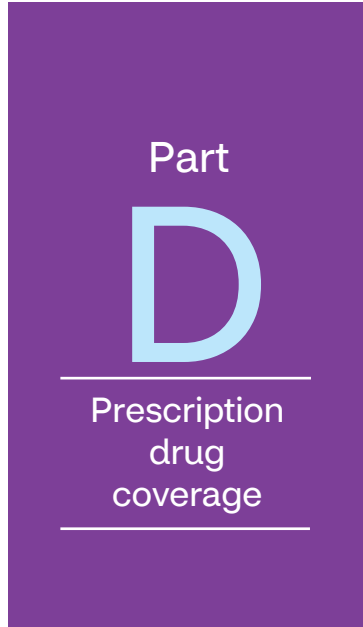
When you choose Medicare Advantage (Part C), the plan will cover:



- Medicare Part A and Part B (Original Medicare)
- All the same benefits as Original Medicare
- May also include benefits Original Medicare doesn't cover, like dental, vision and hearing care
- Prescription drug coverage (Part D) with most plans

Part C also has a yearly limit on out-of-pocket costs for covered medical services, unlike Original Medicare.

What is Medicare Part D?



Medicare Part D is Medicare prescription drug coverage. It helps cover the costs of prescription medications.

- It is only offered through private insurance companies.
- Part D benefits are required to cover a wide range of prescriptions to help cover the types of drugs people with Medicare take.
- Prescription benefits have three important components: cost-sharing, formulary and network pharmacies. A formulary lets you know which drugs are covered by that plan.
- Vaccines can be covered under your medical benefit or under your prescription benefit. You can check a plan's formulary to see which Part D vaccines are covered by the prescription benefit.



So what's the bottom line?

Part C, or Medicare Advantage, combines Part A and Part B benefits and often Part D in one plan.

There are plenty of options. We can help you weigh them.

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**Your options:
How to choose your plan**

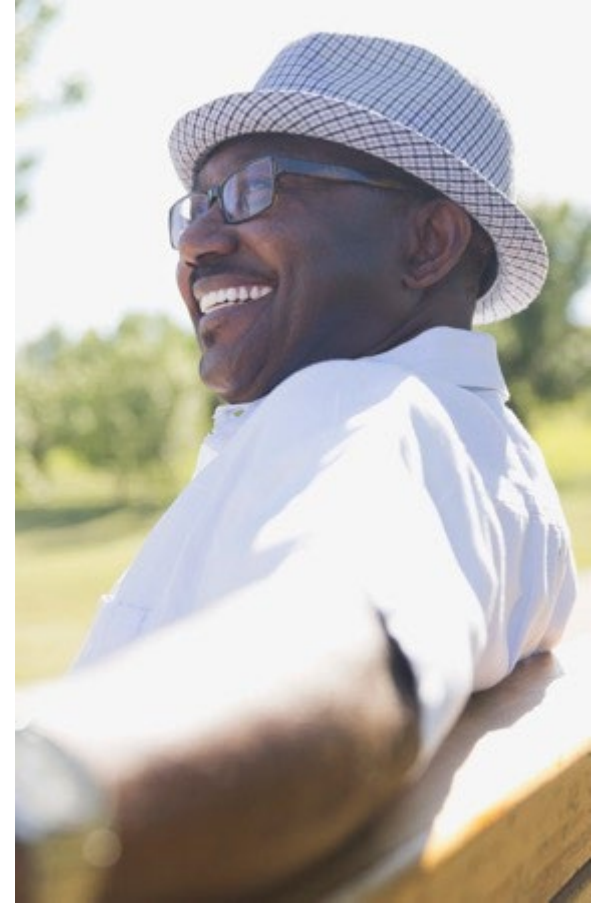
Questions to consider

- What monthly plan premium can I afford?
- Does the plan cover the services I need?
- Can I see the doctors I want?

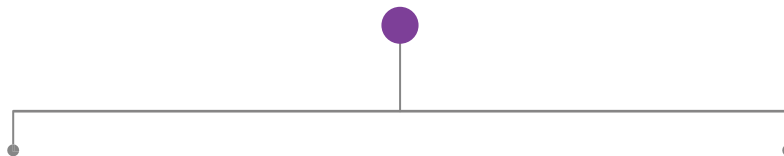
What about a prescription drug plan?

- It helps pay for your existing medications.
- It also covers prescription drugs you may need in the future.
- It's only offered through private insurance companies.

We'll talk more about Part D later.



You can choose from two paths:



1 Original Medicare

Part A: Hospital

Part B: Medical — with added premium.

Part D: Separate drug plan — if you buy it.

Supplemental insurance — if you buy it.

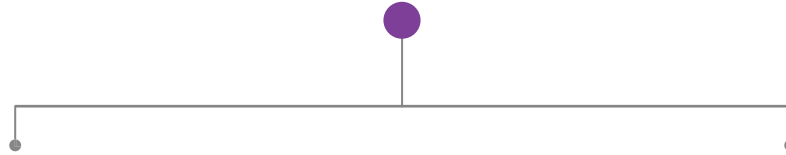
2 Medicare Advantage

Combines Part A: Hospital and Part B: Medical. Most plans include a prescription drug plan.

Medicare Part D: If your plan doesn't include it, you may be able to join a separate Part D plan.

*Supplemental insurance will be discussed in Chapter 6 of this presentation.

If you choose Medicare Advantage, here are two options:

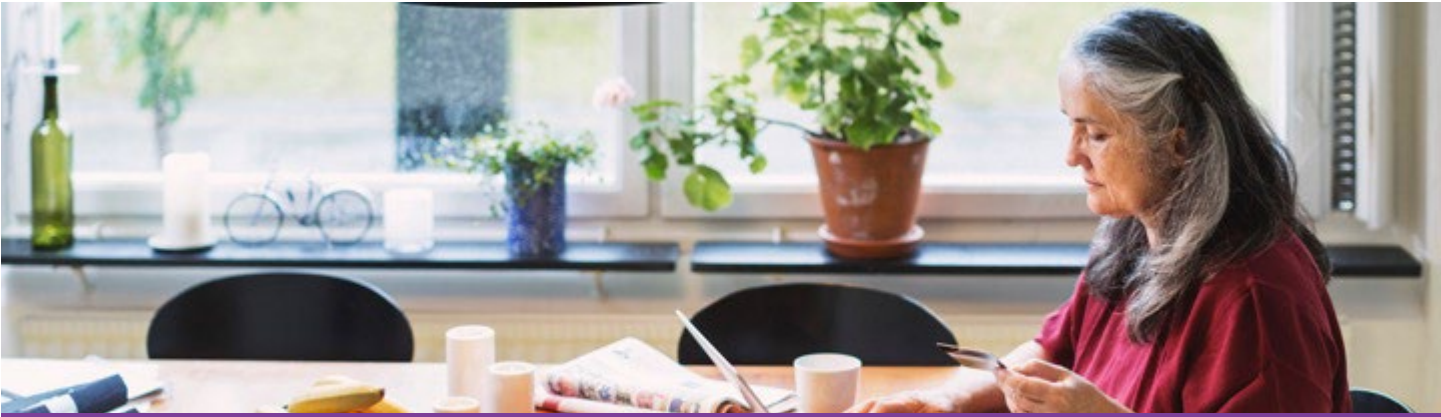


1 A health maintenance organization (HMO)

Offers more flexibility because you can opt to go outside of your network for care. However, you might need a referral to see a specialist.

2 A preferred provider organization (PPO)

You can use doctors and hospitals outside of the network, but often for a higher share of costs.



What costs does Medicare Advantage cover?

\$1,676

Part A
Deductible
(hospital
insurance)

\$209.50 per day

Part A
Copay (skilled nursing
facility for days 21
through 100)

\$257

Part B
Annual deductible
(medical
insurance)

20%

Part B
Coinsurance for
doctor services
that the plan
covers



Medicare Advantage may also include:



Dental



Annual hearing exams and hearing aids



Annual vision exams and eyewear



Part D prescription drugs



Emergency medical care outside the U.S.



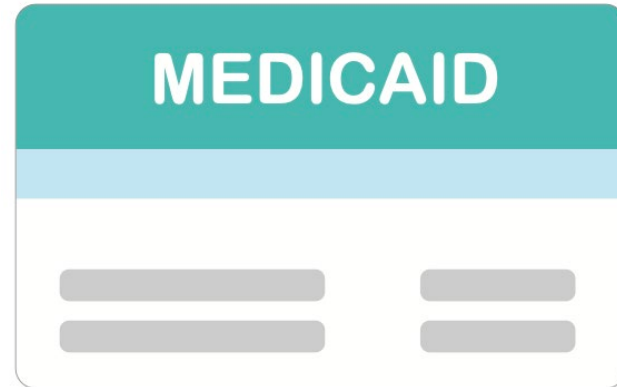
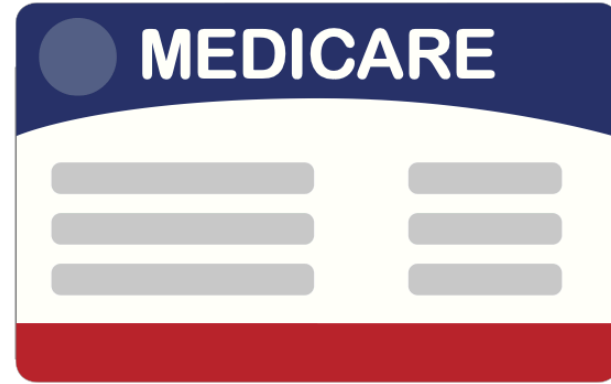
Over-the-counter benefit

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**D-SNPs:
Dual Eligible Special Needs Plans**

What is a D-SNP?

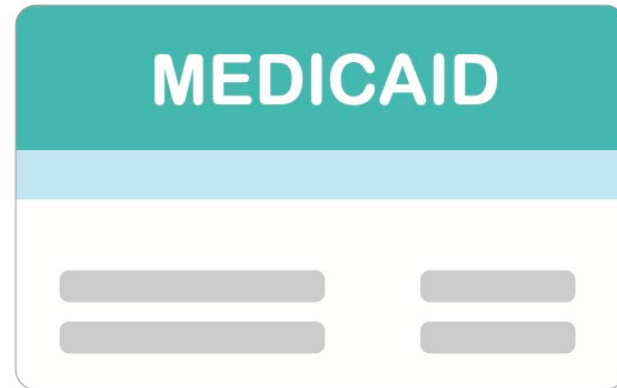
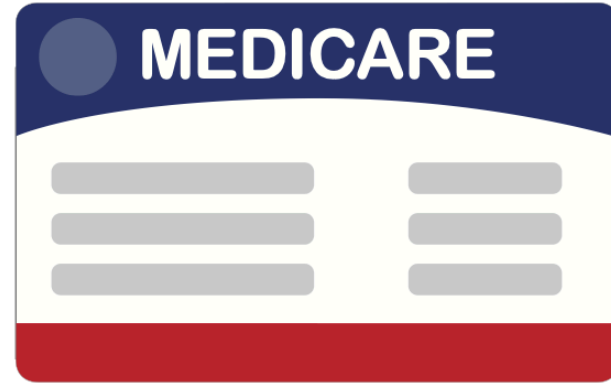
- D-SNP stands for Dual Eligible Special Needs Plan.
- D-SNPs are specialized Medicare Advantage plans created for those who qualify for both Medicare and Medicaid.
- You must have a state Medicaid plan and qualify for a Medicare Advantage plan to be able to get a D-SNP.



How do D-SNPs work?

With a D-SNP, Medicare is the primary payer for medical services, while Medicaid is the secondary payer. This means that, in most cases, your D-SNP will provide benefits and cover most costs. Any remaining costs may be then covered by Medicaid, while some members will have remaining out-of-pocket costs. However, Medicaid benefits vary by state, so you will need to refer to your plan information for more details.

Keep in mind, D-SNP members must maintain Medicaid eligibility, and recertify or renew eligibility annually.



Why should you consider a D-SNP?

Much like a traditional Medicare Advantage plan, a D-SNP can include additional benefits that Original Medicare and Medicaid alone may not cover. These may include:

- Dental care
- Annual eye exam
- Transportation to doctor appointments
- A personal care team
- Coordination of care between Medicare and Medicaid
- Over-the-counter (OTC) health and wellness items, and more



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**Prescription drugs:
Now let's look at Part D — the drug plan**

Here's how Part D works

You can buy this in addition to Part A and/or Part B if you do not have other creditable coverage.*

You have two choices:

1 Stand-alone Medicare prescription drug plan (PDP)

2 Medicare Advantage that comes with prescription drug (Part D) coverage

*Must be enrolled in both Part A and Part B to enroll in a Medicare Advantage plan. More details about creditable coverage will be discussed on slide 47.

What you need to know about prescription drug coverage:

Phase 1

DEDUCTIBLE

Your plan may have a separate prescription deductible. If applicable, this deductible may apply to some or all drug tiers. If your plan has a deductible, you will pay the full amount of the discounted drug cost until your deductible is met.

Phase 2

INITIAL COVERAGE

During the initial coverage phase, you will share in the cost of your prescription drugs with the health plan.

Phase 3

CATASTROPHIC COVERAGE

Once you have reached \$2,000 prescription cost-sharing, you will have zero cost on covered prescriptions for the remainder of the plan year.

You can see the Evidence of Coverage (EOC) of your specific plan for complete coverage information.

Medicare Part D formulary

The formulary is a list of covered drugs, based on the most-used Medicare prescribed drugs.

A plan formulary may change at any time, e.g. a brand name drug may be removed if a generic equivalent becomes available (you'll receive notice when necessary).

For the most up-to-date formulary, visit the plan's website or call their customer service phone number.



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**Medicare Supplement insurance:
Adding more to your coverage**

Supplemental insurance

Sometimes called

Med Supp or Medigap

Original Medicare covers about 80% of Part B services. Medicare Supplement Insurance can help reduce some out-of-pocket expenses like deductibles, coinsurance and copays.





Medigap plans

Sold by private insurance companies

- They help reduce some out-of-pocket costs such as deductibles and coinsurance.
- They don't include Part D drug coverage — you buy that separately.
- They do cover visits to any doctor who accepts Medicare patients.



**Next steps:
Bringing it all together**

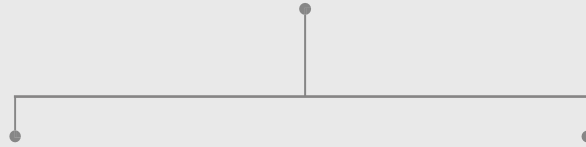
Step 1

Enroll in Medicare
Part A and Part B
when applicable.



Step 2

Now you have two ways to proceed:



1 Keep Original Medicare and add:

- Medicare Supplement insurance
- Medicare Part D

2 Buy a Medicare Advantage plan.

This combines Medicare Part A, Part B and often Part D, and additional benefits.

Frequently asked questions

How do I enroll in Medicare Part A and Part B?

If you are getting Social Security when you turn 65, contact your local Social Security office to enroll.

If not, you'll need to sign up for Parts A and B. Contact Social Security 3 months before you turn 65. If you worked for a railroad, contact the Railroad Retirement Board.

Note: People on Social Security disability will be eligible to enroll in their 25th month of disability.

Frequently asked questions

When can I enroll in Medicare Part A and Part B?

You can enroll in the window:

- 3 months before the month you turn 65
- Your birthday month
- The 3 months after the month you turn 65

What if I don't enroll in that window?

You may have to pay a penalty in the form of a higher premium.

Frequently asked questions

When can I enroll in Medicare Part C and Part D?

During the same 7-month window as Part B.
That means during the 3 months before the
month you turn 65, your birthday month and the
3 months after the month you turn 65.

Frequently asked questions

Are there other times I can enroll in Medicare Parts C and D?

From October 15 to December 7, all people with Medicare can change their health care plans.

During this Annual Enrollment Period you can:

- Switch to Medicare Advantage or Original Medicare
- Join a Medicare prescription drug plan
- Change plans

Frequently asked questions

Are there other times I can enroll in Medicare Parts C and D?

You can also enroll in Parts C and D during a Special Enrollment Period for special circumstances such as:

- Losing your employer coverage
- Moving to a new service area
- Qualifying for Extra Help

Frequently asked questions

Do I need to sign up for Medicare Part D?

As long as you receive “creditable” prescription drug coverage, you do not need to sign up for a Part D plan.

“Creditable” means that Medicare considers your coverage to be as good as Part D. It can include coverage from a current employer, former employer or other source, such as a union or military Tricare coverage.

If you lose this coverage at some point, you’ll be eligible for a special enrollment period to enroll in a Part D plan without incurring a late-enrollment penalty.

Frequently asked questions

What if I'm late in signing up for Part D?

- You may face a late-enrollment penalty.
- The penalty increases based on each month that you delay.
- This can get costly.

Frequently asked questions

When can I enroll in a Medicare Supplement insurance (also called Medigap) plan?

Medicare Supplement insurance has a 6-month Open Enrollment Period. It automatically starts the first full month you're 65 and enrolled in Medicare Part B.

For example: If you turn 65 on April 3, but don't join Medicare Part B until May 25, your Medicare Supplement insurance Open Enrollment Period will start on June 1. This is the first day of the month in which you are both 65 and enrolled in Part B.

During your 6-month Open Enrollment Period, you can buy any Medicare Supplement insurance policy sold in your state.

Frequently asked questions

Will a Medicare Supplement insurance policy help me if I have health problems?

During the 6-month Open Enrollment Period, you can purchase a Medicare Supplement insurance policy even if you have preexisting health conditions.

Even if you have a disability or have health problems, an insurance company cannot do any of the following:

- Refuse to sell you any Medicare Supplement insurance policy it offers
- Charge you a higher premium than they charge others who are 65 and on the same plan
- Delay the start of your coverage

Frequently asked questions

What if I delay enrollment in a Medicare Supplement insurance policy?

You can apply for a Medicare Supplement insurance policy after your Open Enrollment Period ends. However, there's no guarantee your application will be accepted if you don't meet medical underwriting requirements, except in certain limited situations.

If you're able to buy a Medicare Supplement insurance policy, there may be an additional cost in the form of a penalty. You incur this penalty from Medicare (not Aetna®).

Important dates and instructions

Enroll in a Medicare plan during your 7-month initial enrollment window. You can also enroll in or change Medicare plans during the Annual Enrollment Period (AEP):

October 15–December 7

Medicare Disclaimers:

Aetna Medicare is a HMO, PPO plan with a Medicare contract. Our DSNPs also have contracts with State Medicaid programs. Enrollment in our plans depends on contract renewal. Plan features and availability may vary by service area.

Your IEP is the 7-month period that begins three months before your 65th birthday, includes your birthday month and ends three months afterward. There is an exception if your birthday falls on the first of any month, your 7-month IEP begins and ends one month sooner.

During the 7-month period that starts 3 months before your 25th month of getting Social Security or Railroad Retirement Board (RRB) disability benefits and ends 3 months after your 25th month of getting disability benefits. Your coverage will begin the first day of the month after you ask to join a plan. If you join during one of the 3 months before you first get Medicare, your coverage will begin the first day of your 25th month of entitlement to disability payments.

Participating health care providers are independent contractors and are neither agents nor employees of Aetna. The availability of any particular provider cannot be guaranteed, and provider network composition is subject to change. The formulary may change at any time. You will receive notice when necessary. Out-of-network/non-contracted providers are under no obligation to treat plan members, except in emergency situations. Please call our customer service number or see your Evidence of Coverage for more information, including the cost-sharing that applies to out-of-network services. To send a complaint to Aetna, call the Plan or the number on your member ID card. To send a complaint to Medicare, call 1-800-MEDICARE (TTY users should call 1- 877-486-2048), 24 hours a day/7 days a week. If your complaint involves a broker or agent, be sure to include the name of the person when filing your grievance.

Medicare Supplement Disclaimers:

The Medicare Supplement Insurance Plans are insured by Continental Life Insurance Company of Brentwood, Tennessee (Aetna), American Continental Insurance Company (Aetna), Aetna Health and Life Insurance Company (Aetna), or Aetna Health Insurance Company (Aetna).

The Medicare Supplement Insurance Plans are guaranteed renewable as long as the required premium is paid by the end of each grace period. The policies have exclusions, limitations, terms under which the policy may be continued in force or discontinued. Plans do not pay benefits for any service and supply of a type not covered by Medicare, including but not limited to dental care or treatment, eyeglasses and hearing aids. See Plan documents for a complete description of benefits, exclusions, limitations and conditions of coverage. AN OUTLINE OF COVERAGE IS AVAILABLE UPON REQUEST. In some states, Medicare Supplement Insurance Plans are available to under age 65 individuals that are eligible for Medicare due to disability or ESRD (end stage renal disease).

Plans not available in all States.

Important Notice in Colorado: All Medicare Supplement standardized plans are offered to qualified individuals under 65.

Policy forms issued in OR include CLIMSP10A OR, CLIMSP10B OR, CLIMSP10F OR, CLIMSP10HF OR, CLIMSP10G OR, and CLIMSP10N OR. In ID, include AHLMS17A ID, AHLMS17B ID, AHLMS17F ID, AHLMS17HF ID, AHLMS17G ID, and AHLMS17N ID. In OK, include AHIMSP18A OK, AHIMSP18B OK, AHIMSP18F OK, AHIMSP18HF OK, AHIMSP18G OK, and AHIMSP18N OK. In TN, include CLIMSP19A TN, CLIMSP19B TN, CLIMSP19F TN, CLIMSP19G TN, CLIMSP19HG TN, and CLIMSP19N TN. In FL, include CLIMSP19A FL, CLIMSP19B FL, CLIMSP19F FL, CLIMSP19G FL, and CLIMSP19N FL. In OH, include CLIMSP19A OH, CLIMSP19B OH, CLIMSP19F OH, CLIMSP19G OH, CLIMSP19HG OH, and CLIMSP19N OH. In MO, AHLMS18A MO, AHLMS18B MO, AHLMS18F MO, AHLMS18G MO, AHLMS18HF MO, and AHLMS18N MO. In MD, AHIMSP19A MD, AHIMSP19B MD, AHIMSP19F MD, AHIMSP19G MD, AHIMSP19HG MD, and AHIMSP19N MD. IN NH, AHLMS18A NH, AHLMS18B NH, AHLMS18F NH, AHLMS18HF NH, AHLMS18G NH, AHLMS18N NH. In VA, CLIMSP19A VA, CLIMSP19B VA, CLIMSP19F VA, CLIMSP19G VA, CLIMSP19HG VA, CLIMSP19N VA. In TX: AHIMSP18A TX, AHIMSP18B TX, AHIMSP18F TX, AHIMSP18HF TX, AHIMSP18G TX, and AHIMSP18N TX. In PA: AHIMSP19A PA, AHIMSP19B PA, AHIMSP19F PA, AHIMSP19HG PA, AHIMSP19G PA, AHIMSP19N PA. In MN: CLIMSP10BP, CLIMSP10CP, CLIMSP10EB, CLIMSP19EB, CLIMSP10HD, CLIMSP19HD.

Not connected with or endorsed by the U.S. Government or Federal Medicare Program. This is a solicitation of insurance. You may be contacted by an agent or Insurance Company.

Plan is available only to those first eligible before 2020.

Medicare Supplement rates based on issue age are valid only for enrollments with coverage starting before March 1, 2022.

Thank you

