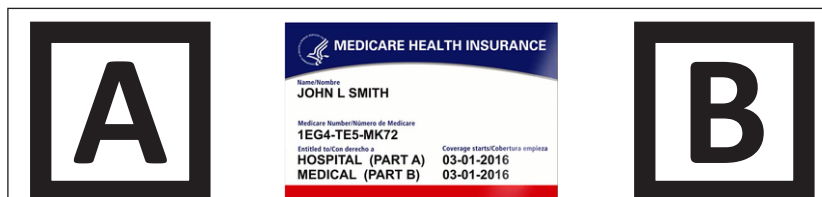


Parts and Paths of Medicare — 2026



INPATIENT: Medically necessary hospital, equipment, mental health, skilled nursing (SNF), home health, and hospice

- Premium = \$0 (if worked 40+ quarters)
- Deductible = **\$1,736**/stay of care
- Copay (days 1-60) = \$0
- Copay (days 61-90) = **\$434**/day
- Copay (days 91+) = **\$868**/day
- First 3 pints of blood (Bank or ~\$900)
- SNF copay (days 21-100) = **\$217**/day
- SNF copay (days 101+) = you pay all costs

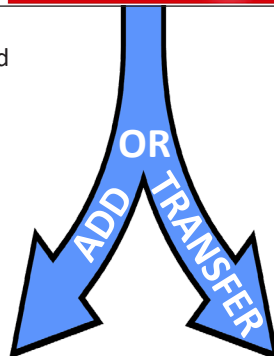
PRESCRIPTION DRUG PLAN (PDP): Plan to provide prescription medication to Medicare beneficiaries.

- Choose from many non-standardized plans.
- Plans change formulary, premiums, deductible, copays, and restrictions every year.
- **PENALTIES** unless you have “creditable coverage” from another source like employer health plan or the VA or a Part C plan that includes drug coverage.

OUTPATIENT: Medically necessary doctor visits, preventive exams, labs, mental health, x-ray, ambulance, and durable medical equipment.

- Premium = **\$202.90**/month
- Deductible = **\$283**/year
- Copay = 20% Medicare approved rate
- Excess = <15% only if MD does not accept “Medicare Assignment”

Penalties if you do not enroll on time
Higher premiums for income **>\$109,000** single or **\$218,000** couple (MAGI on 2025 income tax)



MEDICARE ADVANTAGE (MA) PLAN: Private insurance companies contract with Medicare to provide all your Medicare benefits. NOT a Medicare Supplement.

- Low premiums; copays/co-insurance when you use services.
- Most include prescription drug coverage

- (with copays).
- Limits to out of pocket costs (not including prescription costs).
- HMO must use plan’s network doctors/hospitals.
- PPO network with out-of-network covered, but higher cost.
- Referral required before seeing specialists (except PPO).
- Prior Authorization by plan for some treatments.
- One year contract — plans can change doctors, hospitals, copays, deductibles, premiums and other benefits each year.
- Switch to another MA plan 10/15-12/7 & ONE TIME January-March or a 5-star plan ONCE during the year.
- Includes additional non-Medicare benefits (varies by plan).
- Special Needs Plans for Medi-Medi and Chronic Diseases.



MEDIGAP (MEDICARE SUPPLEMENT): Optional coverage sold by insurance companies that help pay some or all of the deductibles, copays and other charges that Medicare Parts A & B do NOT pay.

- 10 STANDARDIZED plans/policies with varying coverage.
- Go to any MD, specialist or hospital who accepts Medicare.
- “Guaranteed Right” in IEP and a few other guaranteed issue periods (i.e. SEP) means they cannot refuse to cover you if you have health problems. *Underwriting (health questions)* can occur later; they can refuse to cover you, charge you more, or make you wait for coverage.

For more information, see HICAP Comparison Chart, How to Shop, and HICAP Part C/Medicare Advantage handout.

