



Health Insurance

Quick Guide to Medicare 2025

Medicare is a government funded and run health insurance program for eligible individuals. To be eligible you must be: 65+ years old; have collected SSDI more than 24 months; or have been diagnosed with end stage renal disease (ESRD) or ALS. There are currently about 68 million Americans enrolled in Medicare.

The Parts of Medicare

Part A +
Part B =
Original
Medicare

Part A: Hospital Insurance. Includes hospital care, skilled nursing facilities, nursing homes, hospice, and home health services.

Part B: Medical Insurance. Includes services from doctors, preventive care, outpatient care, lab tests, mental health care, ambulance services, and durable medical equipment.

Part C: Advantage Plans. Part C is an alternative to Parts A & B and it includes the benefits and services covered under Parts A & B, and usually Part D. You can select a PPO or HMO plan that is run by a Medicare-approved private insurance company. Make sure to select a plan that covers your health care providers.

Part D: Prescription Drug Coverage. You have different plans to choose from depending on where you live, with different premiums and formularies. Make sure to select a plan that covers the drugs you take.

Medicare Costs in 2025

- **Part A:** If you have paid into Medicare while working over your lifetime, the monthly premium is free. If you didn't pay into the system, the Part A monthly premium will be up to \$518. The deductible is \$1,676 per benefit period. You may also be responsible for paying a cost share amount depending on the number of days spent in a hospital.
- **Part B:** The Part B monthly premium is generally \$185 (see chart below for exceptions) and there is a deductible of \$257 per year. The cost share for Part B coverage is 80/20, which means that once you have paid your deductible, Medicare will cover 80% of your health care costs and you will be responsible for 20%. With Part B coverage, there is NO out-of-pocket maximum. If you enroll in Part B late, there will be a 10% penalty for each year you wait to enroll. (Ex: Phil's Initial Enrollment Period ended January 1, 2022, but he waited until January 1, 2024 to sign up for Part B. So, his Part B penalty is 20%). You may also have to wait until open enrollment to sign up.
- **Part C:** As an alternative to Parts A and B, and sometimes D; the premiums for this plan are usually at least the same as Part B (\$185) or more, but vary based on the plan you chose. The deductibles, cost share, and out-of-pocket maximums will vary.
- **Part D:** The premiums for prescription drug coverage vary by plan (average cost = \$40/month). Premiums are also higher for those with higher income levels. In 2025, the maximum deductible for a Part D plan is \$590. After paying the deductible, Medicare pays 75% of your brand and generic drugs and you pay 25%, until you reach \$2,000 in total out-of-pocket drug costs. Then, you enter "catastrophic coverage," and you will no longer have copayments or coinsurance amounts for covered Part D drugs for the rest of the calendar year. If you do not sign up for a Part D plan when first eligible, you will pay a late enrollment penalty for life.

Quick Guide to Medicare

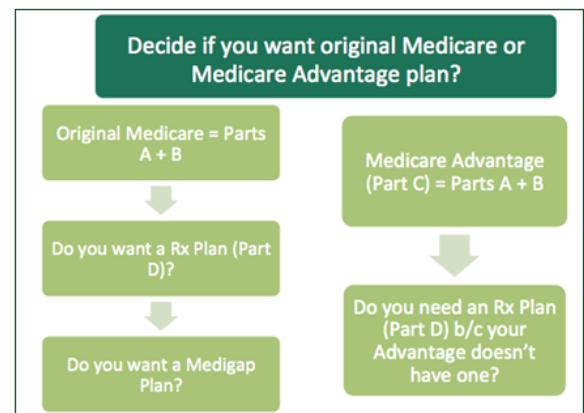
If your yearly income in 2023 (for what you pay in 2025) was			You pay (in 2025)
File individual tax return	File joint tax return	File married & separate tax return	
\$106,000 or less	\$212,000 or less	\$106,000 or less	\$185
above \$106,000 up to \$133,000	above \$212,000 up to \$266,000	Not applicable	\$259
above \$133,000 up to \$167,000	above \$266,000 up to \$334,000	Not applicable	\$370
above \$167,000 up to \$200,000	above \$334,000 up to \$400,000	Not applicable	\$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 or above	\$750,000 and above	\$394,000 and above	\$628.90

How a Standard Medicare Part D Plan Works in 2025

Prescription Drug Expenses	You Pay	Medicare Pays
\$1-\$590	\$590 deductible	\$0
\$590-\$2,000 (total out-of-pocket costs)	25% brand name and generic	75% brand name and generic
\$2,000+	\$0	100%

Medigap Plans

A Medigap plan is a supplemental insurance plan that helps pay your deductibles, co-payments, and cost share amounts. Plans are labeled as A through N, and each plan with the same letter offers the same basic benefits. The premiums and deductibles vary with each plan. If you have chosen original Medicare (Parts A & B), there is a 20% cost share amount, so a Medigap plan can help pay for that expense. For details on comparing Medigap plans: [medicare.gov/supplements-other-insurance/how-to-compare-medigap-policies](https://www.medicare.gov/supplements-other-insurance/how-to-compare-medigap-policies).



How to Enroll

Most people are automatically enrolled in Medicare Parts A and B when they become eligible. In some cases, you may need to sign up for Medicare during a 7-month initial enrollment period, which begins 3 months before the month you turn 65, includes the month you turn 65, and ends 3 months after the month you turn 65. If you didn't sign up during your Initial Enrollment period, there is a General Enrollment period that runs from January 1 to March 31, but your coverage will not begin until the month after you enroll, and you may face late enrollment penalties. You can also make changes to your coverage every year during an Open Enrollment period that runs from October 15 to December 7.

The Affordable Care Act's Impact on Medicare: Medicare beneficiaries are now entitled to a free annual wellness visit, free preventive care, and lower costs for prescription drugs.

Medicare's Limits: Medicare does NOT cover some services (e.g., long-term care, most dental care, eye exams related to prescription glasses, dentures, cosmetic surgery, acupuncture, hearing aids, and routine foot care. These services may be covered by a Medicare Advantage (Part C) plan.

Additional Resources

- Quick Guide to Medicare – Extended ([TriageHealth.org/quick-guides/medicareextended](https://www.TriageHealth.org/quick-guides/medicareextended))
- Quick Guide to Medigap Plans ([TriageHealth.org/quick-guides/medigap](https://www.TriageHealth.org/quick-guides/medigap))
- Quick Guide to Medicare Savings Programs ([TriageHealth.org/quick-guides/medicaresavings](https://www.TriageHealth.org/quick-guides/medicaresavings))
- Medicare Plan Finder ([medicare.gov/find-a-plan](https://www.medicare.gov/find-a-plan))
- State Health Insurance Assistance Program (SHIP) ([TriageCancer.org/StateResources](https://www.TriageCancer.org/StateResources))
- Call 1-800-MEDICARE (633-4227) and say “agent” or visit Medicare & You ([medicare.gov/medicare-and-you](https://www.medicare.gov/medicare-and-you))
- Medicare Module on CancerFinances.org ([TriageCancer.org/cancer-finances-medicare](https://www.TriageCancer.org/cancer-finances-medicare))
- All Triage Cancer Medicare Materials & Resources ([TriageHealth.org/medicare](https://www.TriageHealth.org/medicare))

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