

Curated by Colony Presents:

Medicare 101

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The Colony Group

Curated by Colony Presents:

Medicare 101

February 7, 2024 | 12:00-1:00 p.m. ET



The Colony Group

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The Colony Group

Services provided

- Group/Retiree vs Individual Health Insurance Comparisons
- Bridging the Gap Between Retirement and Medicare
- Navigating the Affordable Care Act and the transition Into Medicare
- Medicare enrollment assistance, education, and selection of the most cost-effective Medicare solution
- **Free Annual Medicare Enrollment Period Reviews**
- IRMAA Appeal assistance

What is Medicare?

You pay

DEDUCTIBLES

before Medicare pays

Part A: \$1,632 per
60-day occurrence

Part B: \$240 per
year

Original Medicare

Part A (Hospital)
\$0/month

Part B (Medical)
\$174.70/month
(+ any IRMAA)

Once you meet
your deductibles,
Original Medicare
covers roughly 80%
of your Hospital
and Medical costs



Turning 65? Here are your options:



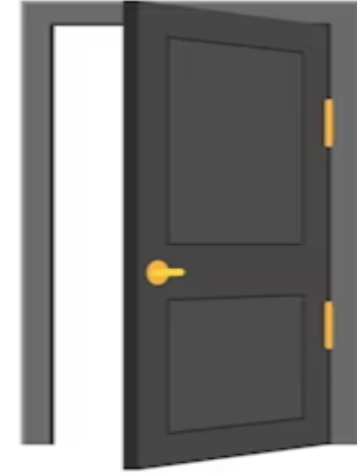
1) Do Nothing

- Makes the most sense for HSA eligible group plans when you fund the HSA
- *no penalty for not taking Part A if on a group plan with 20+ employees
- Need to be mindful of HSA contributions and the 6 month Part A lookback
- Group needs to be over 20 lives otherwise door #3 is the right choice



2) Enroll in Medicare Part A Only

- Makes the most sense for high income earners on traditional PPO style plans
- not funding an HSA
- spouse/kids still on group insurance
- Group needs to be over 20 lives otherwise door #3 is the right choice



3) Enroll in Medicare Part A and B

- Makes the most sense for < 20 employees
- Income under \$100k single/ \$200k married
- Group premiums of \$150/mo or more with high deductibles
- Can continue to work full time, delay SS, and use Medicare fully
- Keep dental/vision only through employer

Medicare and HSAs

HSA funding and Medicare do not mix well

- HSA funding needs to be stopped based off of the Part A effective date
- 2 common situations
 - Moving to Medicare right at 65 - A always starts 1st of the month they turn 65
 - Working past age 65 and then retiring - Part A is retroactive 6 months so funding needs to be shut off accordingly

Medicare and HSAs - Example

Client is 70 and is retiring 10/1/23....needs Medicare Part B to start 10/1/23

-They need to sign up a few months before to get the ball rolling but the month they enroll into Part A determines the retroactive effective date. Client signs up in March, Part A is effective 9/1/22.

- 2022 Funding needs to be capped at 8/12ths of the allowable amount

- 2023 Funding is not allowed

Medicare and HSAs - Example

If clients overfund HSAs they need to contact the custodian to remove excess funds

- For clients close to Medicare and setting up HSA plans for the first time consider opening 2 individual accounts for simplicity
- HSA funds can be used to pay for Medicare Part B + IRMAA fees (not Medicare supplement insurance)

How to Sign Up - aging into Medicare

If you are drawing any type of monthly SS benefit, enrollment is automatic.

Expect your card in the mail approximately 4 months before your 65th birthday.

If you are not drawing SS, enroll through SSA.gov

You'll need a username/password for ssa.gov

How to Sign Up - unique situations

If you are enrolling into Medicare in a non traditional way, give yourself extra time.

- Working past age 65 and retiring
- Clients who don't have enough quarters into the SS/Medicare system (40 quarters/10 years) on their own
- Educators
- Previous identity theft or issues creating ssa.gov accounts
- Immigrants, clients born outside of the US

2024 IRMAA (Income Related Monthly Adjusted Amounts)

Medicare premiums are income adjusted and use a 2 year look back. Your 2022 Modified Adjusted Gross Income (MAGI) determines what you would pay for Part B & Part D in 2024. The chart below shows the applicable costs for Part B & Part D with IRMAA added. If you had a qualifying event (IE Retirement) you can appeal the additional IRMAA fee. The amounts below do not include plan premiums.

If your yearly income in 2022 was as followed:

File Individual Tax Return	File Joint Tax Return	File Married/Seperate Tax Return	Part B	Part B IRMAA	Part D IRMAA	Total Surcharges/month
\$103,000 or Less	\$206,000 or Less	\$103,000 or Less	\$174.70	\$0.00	\$0.00	\$174.70
\$103,000 - \$129,000	\$206,000 - \$258,000	Not applicable	\$174.70	\$69.90	\$12.90	\$257.50
\$129,000 - \$161,000	\$258,000 - \$322,000	Not applicable	\$174.70	\$174.70	\$33.30	\$382.70
\$161,000 - \$193,000	\$322,000 - \$386,000	Not applicable	\$174.70	\$279.50	\$53.80	\$508.00
\$193,000 - \$500,000	\$386,000 - \$750,000	\$103,000 - \$397,000	\$174.70	\$384.30	\$74.20	\$633.20
\$500,000 or More	\$750,000 or More	\$397,000 or More	\$174.70	\$419.30	\$81.00	\$675.00

For more information on IRMAA please visit: <https://steinlageagency.com/irmaa/>

This can be appealed successfully if a client has a qualifying event like work stoppage, retirement, divorce, death of spouse, or other situation that results in a difference of income

Appeal IRMAA

If your current income has gone down due to any of the following situations, then you can successfully appeal your IRMAA.

- Recent marriage, divorce, or widow;
- **Recently stopped work or reduced work hours;**
- Lost income-producing property because of a disaster or other event beyond your control;
- Experienced a scheduled cessation, termination, or reorganization of an employer's pension plan; or
- Received a settlement from an employer or former employer because of the employer's closure, bankruptcy, or reorganization.
- Appeal form <http://www.socialsecurity.gov/forms/ssa-44.pdf>

The Different Moving Parts of Medicare

Original Medicare

Part A (Hospital) \$0/month
Part B (Medical) \$174.70/month
(+ any IRMAA)

DEDUCTIBLES

Part A: \$1,632
Part B: \$240/year

Original Medicare covers roughly 80%

Medicare Supplement

Plans N, G, F
\$80-\$270/month

+

Part D Rx

\$7-\$120/month

Part C/Medicare

Advantage

\$0-\$130/month
HMO/PPO Networks
Region/county specific

Original Medicare

Part A (Hospital) \$0/month

Part B (Medical)

\$174.70/month

(+ any IRMAA)

Medicare Supplement

Plans N, G, F

\$80-\$270/month

+

Part D Rx

\$7-\$120/month

Medicare + Supplement + Part D

- Medicare is primary payor; Supplement is secondary payor. This combo gives close to 100% coverage.
- Supplement plans cover the gaps in Medicare.
- Allows for nationwide access.
- Foreign care coverage.
- You can see any doctor so long as that doctor accepts Medicare.
- Part D covers prescriptions.

Standardized Medicare Supplement plans

Medigap Plans A-N										
Medicare Supplement Insurance Plans	A	B	C	D	F ¹	G	K ²	L ²	M	N
Basic Benefits*	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Part B Coinsurance	✓	✓	✓	✓	✓	✓	50%	75%	✓	Copay ³
Skilled Nursing			✓	✓	✓	✓	50%	75%	✓	✓
Part A Deductible		✓	✓	✓	✓	✓	50%	75%	50%	✓
Part B Deductible			✓		✓					
Part B Excess					100%	100%				
Foreign Travel Emergency			✓	✓	✓	✓			✓	✓
Preventive Care Part B Coinsurance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

States with Guaranteed Issue provisions for Medicare Supplement

Anniversary Rule - Missouri

Birthday Rule - Maryland, California, Illinois, Nevada, Oregon, and Idaho

Year round Guarantee Issue - Massachusetts, New York, Connecticut, Maine

Part C Medicare Advantage

- Medicare is no longer primary payor.
- Part C Medicare Advantage plan manages your care and provides Hospital, Medical, Prescriptions and Extra benefits.
- Typically \$0 or low monthly premiums.
- You pay deductibles, copays, coinsurance up to the plan's max out of pocket.
- Max out of pocket ranges \$1,900-\$10,000 depending on the plan.
- Must use in-network care to get best deal on copays.
- Extra benefits: Dental/vision/hearing/gym at \$0 premium. **Significant improvement for 2024!**

Original Medicare

Part A (Hospital) \$0/month
Part B (Medical) \$174.70/month
(+ any IRMAA)

Part C/Medicare Advantage

\$0-\$130/month
HMO/PPO Networks
Region/county specific
You pay copays up to max out
of pocket

Moving plans during AEP

Original Medicare

Part A (Hospital) \$0/month
Part B (Medical) \$174.70/month
(+ any IRMAA)

DEDUCTIBLES

Part A: \$1,632
Part B: \$240/year

Original Medicare covers roughly 80%

Medicare Supplement

Plans N, G, F
\$80-\$250/month

+

Part D Rx

\$7-\$95/month

No underwriting

Medical underwriting

Part C/Medicare Advantage

\$0-\$130/month
HMO/PPO Networks
Region/county specific

WHAT is the “AEP”?

Annual Enrollment Period

- Runs from **10/15 to 12/7** of each year and allows you to switch your plan for the upcoming year.
- During this period, you can rate shop your Part D plans and Medicare Advantage plans, without health questions.
- Any changes during this 7-week window will take effect on January 1st.
- Clients receive review forms from us in September of each year

WHAT is the “AEP”?

Annual Enrollment Period

- **NOTE: Medicare Supplement Plans are not subject to the Medicare AEP.**
 - You may rate shop your supplement anytime throughout the year but are subject to underwriting.
 - Some states have specific rules regulating health questions on your supplemental anniversary date/the month that your plan took effect.

NOTE

Plans are set to auto renew each year.
If you are satisfied, your plan will automatically
renew for the following year.

NO ACTION REQUIRED!



Instructions

Please fill out the following form to the best of your capabilities. Please feel free to copy & share with your friends & family. We will run a free analysis when the form is returned. Return by email to info@steinlageinsurance.com or via fax (636)625-1529. Call us with any questions at (636)561-5060.

Review Information

Name:	Street Address Including City, State, and Zip Code
Telephone:	Medicare ID Number (MBI):
Birthdate:	Part A Effective Date:
Email:	Part B Effective Date:
Advisor or referred by:	Current Broker: (Circle One) Margo/Eric/Karl/Kelsey/NA

Part D Plans:

Part D Plan Company Name: (i.e. AARP Rx, SilverScript)	Part D Plan Name: (i.e. Saver Plus, Choice, Preferred)
Preferred Pharmacy:	

Medicare Supplement Plans:

Medicare Supplement Plan Letter: (A, B, C, D, F, G, K, L, M, N)
Medicare Supplement Insurer: (i.e. Anthem, AARP)
Medicare Supplement Rate & Effective Date/Date Policy Began:

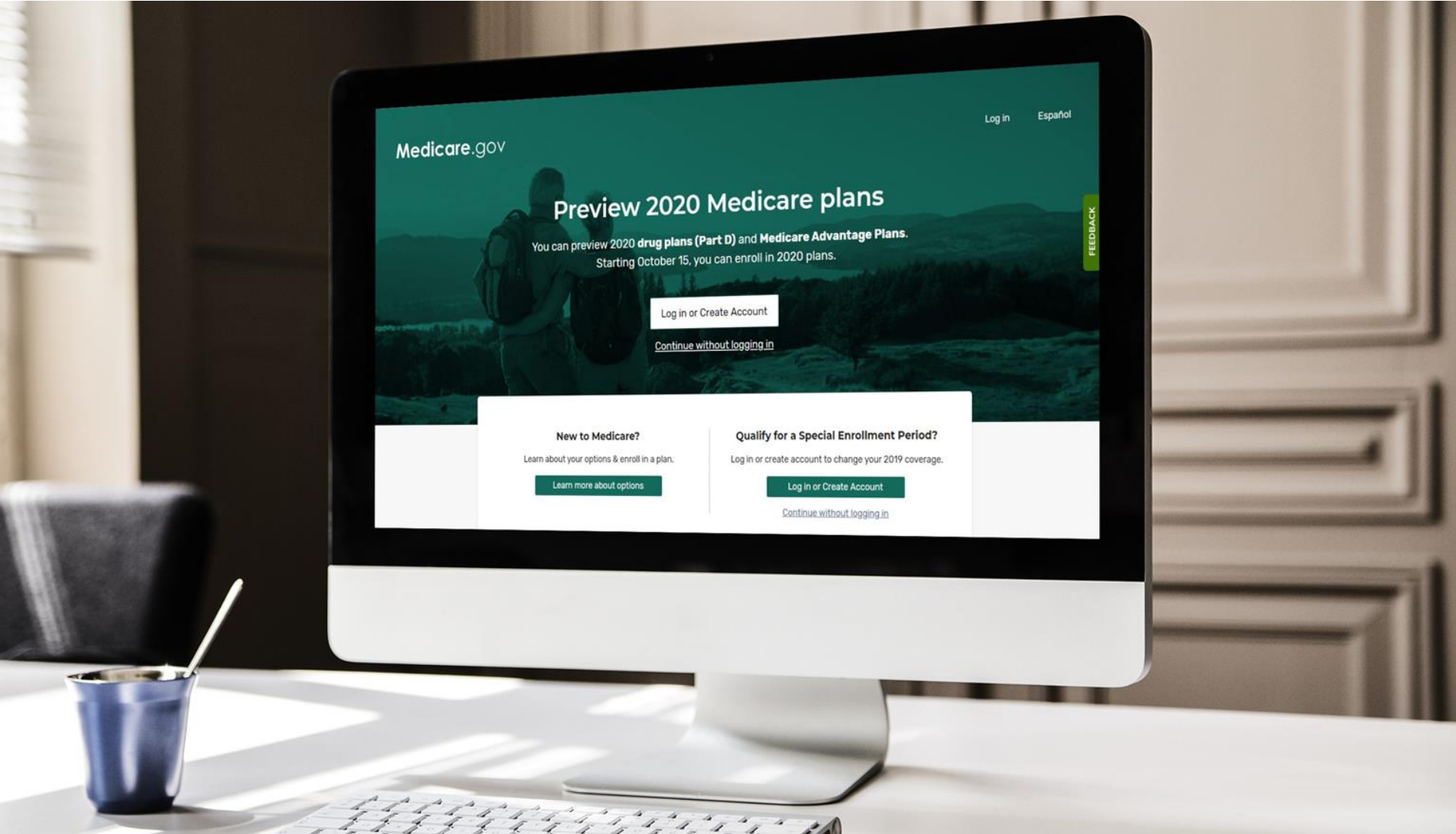
Medicare Advantage Plans:

MAPD Plan Type: (i.e. HMO, HMO/PPO)
MAPD Plan Company Name: (i.e. AARP, Anthem)
MAPD Rate:

Current Prescriptions: (Do NOT include over the counter (OTC) meds)

Drug Name	Dosage (mg, mL)	Modifier (XL, XR, CL)	# per day	Qty per Mth	Tablet/Capsule Ointment/Cream	Mail Order or Retail
<i>For Example: Lisinopril</i>	20 mg		1	30	Tablet	Retail

MEDICARE PLAN FINDER





DEDUCTIBLE PHASE

*You pay until your deductible amount is reached **\$545 in 2024***

INITIAL COVERAGE PHASE

*You pay co-pay and/or coinsurance
\$5,030 in 2024 (enter donut hole)*

COVERAGE GAP PHASE

“The Donut Hole”

*You pay **25%** of the costs of Brand name
Drugs and **25%** of the costs of Generic
Drugs*

***\$8,000 in 2024** (exit donut hole)*

CATASTROPHIC COVERAGE PHASE

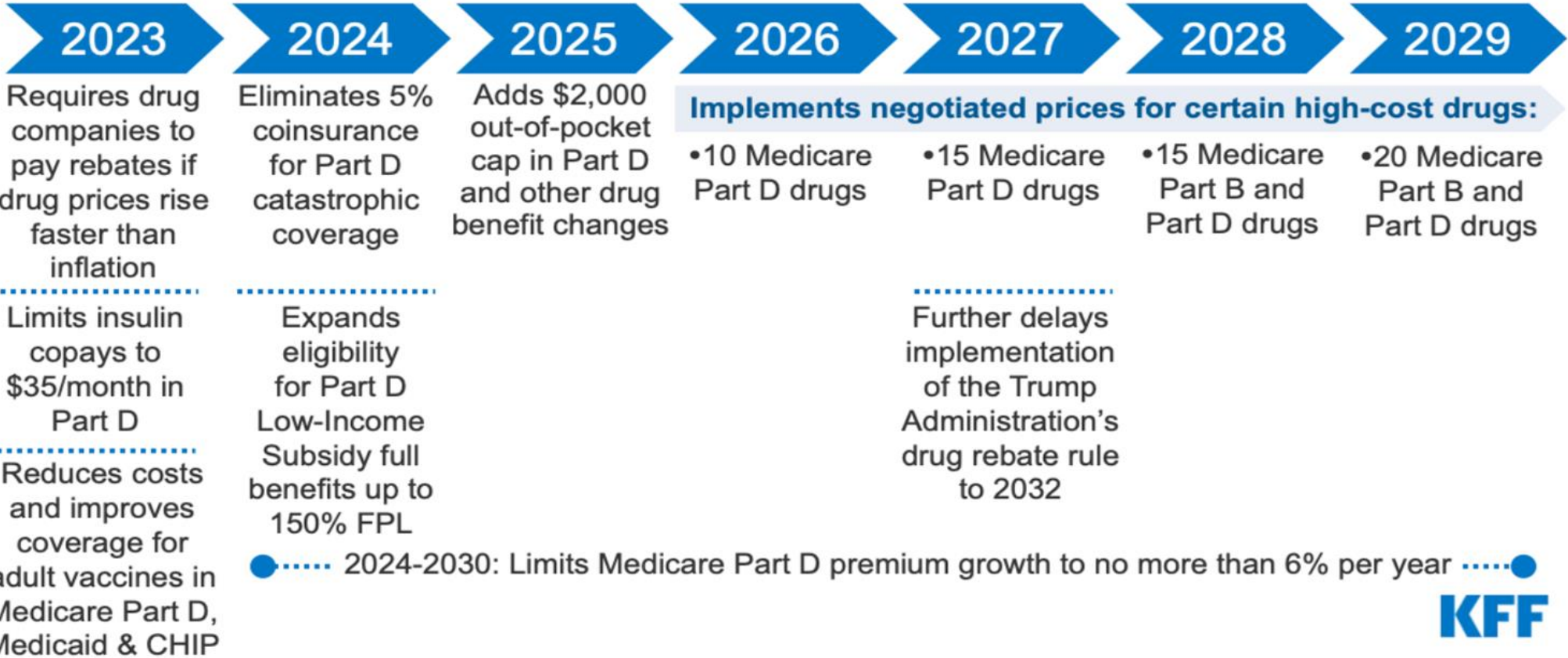
*You pay approx. **0%** of drug price once
reaching the out-of-pocket limit*

Plan resets January 1, 2025

IMPLEMENTATION OF THE INFLATION REDUCTION ACT 2023

Figure 1

Implementation Timeline of the Prescription Drug Provisions in the Inflation Reduction Act



Miscellaneous

Goodrx, costplusdrugs.com (Mark Cuban pharmacy), Amazon pharmacy for medications that are expensive through Part D

Silversneakers tuition program for Grandchildren - silversneakers.tuitionrewards.com/ - credits towards college tuition just for working out!

Market continues to move towards Medicare Advantage - If you've been on the fence about changing 2024 might be the year to move

Questions about Curated by Colony?
curated@thecolonygroup.com

Questions about Medicare enrollment options or your specific situation?
Karl has reserved his afternoon today for clients of The Colony Group.

Contact Karl Steinlage:

karl@steinlageinsurance.com

636-561-5060



The Colony Group