



Retiring^{with} Confidence

A Quick Guide to
Transitioning to Medicare

Retiring soon?

As you near retirement, you may receive a lot of information about the Medicare options available to you. While it might feel overwhelming at first, learning about Medicare doesn't need to be complicated.

Having served Nebraskans for more than 85 years, Blue Cross and Blue Shield of Nebraska can help

you navigate every step of the process, so you can focus on the things you enjoy.

From the basics of Medicare to understanding when you can enroll, this guide outlines many of the most important topics you'll need to know as you transition to Medicare.

MEDICARE BASICS



Who is eligible for Medicare?

Medicare benefits are available to United States citizens and permanent legal residents who have resided in the United States for five consecutive years.



How do you become eligible?

- **By Age** – When you turn 65 years old
- **By Disability** – If you are under 65 and have received Social Security disability benefits for 24 consecutive months
- **By Medical Condition** – If you have been diagnosed with end-stage renal disease (ESRD) or Amyotrophic Lateral Sclerosis (ALS), also known as Lou Gehrig's disease

	WHEN	WHAT YOU CAN DO
Initial Enrollment Period	Begins three months before you turn 65 and ends three months after you turn 65.	When you are first eligible for Medicare you have a seven-month initial enrollment period to sign up for Part A and/or Part B.
Annual Enrollment Period	Each year, from Oct. 15 - Dec. 7	Make changes to your Medicare Advantage or Medicare Part D prescription drug coverage for the upcoming year.



Late Retirees — As long as you are working full time, you have the option to delay enrolling in Part B of Medicare until you either go part time or retire completely, without being penalized. This also works if you are covered by your spouse's employer group coverage. Once you or your spouse retire or you go part time, be sure to contact Social Security within 90 days of that date to determine the effective date of your Medicare coverage.

Medicare Part A – Hospital Coverage



PREMIUM:

Generally, you will not pay a premium for Medicare Part A.



Inpatient
Hospital Care
and Services



Skilled
Nursing
Facility Care



Home Health
Care Services



Hospice Care



Inpatient Hospital Care and Services

- There is a deductible for Medicare Part A
- The current Medicare deductible is \$1,632 per benefit period*
 - If you go to a hospital or skilled nursing facility after one benefit period has ended, a new benefit period begins.
- Part A covers up to 90 days of inpatient hospital care each benefit period. Coinsurance (the amount paid after your Part A deductible is met) for a hospital stay is:

1-60 Days	\$0 – Covered in full after the \$1,632 deductible
61-90 Days	\$408 per day
91+ Days	\$816 per day for 60 lifetime reserve days**

After lifetime reserve days are used up, you pay all costs.

Source: CMS.gov



Skilled Nursing Facility

This is not long-term care, but intermediate, rehabilitative coverage

Days 1-20	Covered in full, no deductible
Days 21-100	\$204 per day
Days 100+	No coverage after day 100



Home Health Care

Includes part-time or intermittent skilled nursing care, home health care, physical therapy, occupational therapy, speech-language pathology services and Medicare social services



Hospice Care

Hospice services are paid for by Medicare and may include drugs to control symptoms and relieve pain, short-term respite care and home health services



Medicare Part B – Medical Coverage



PREMIUM:

The Part B monthly premium is based on when you enroll and your annual household income.



Physician
Services



Outpatient
Care



Durable
Medical
Equipment



Laboratory
Services



Preventive Care:

- One-time routine physical exam within the first 12 months you are enrolled in Part B coverage (Welcome to Medicare Visit)
- Annual wellness exam
- Certain screening and immunizations at \$0 cost



Deductible and Coinsurance

While Part A requires a per benefit period deductible, the Part B deductible is per calendar year. After you have met your deductible, you are responsible for coinsurance of 20%, which applies to most services. Additionally, **Medicare Part B does not have a “Stop Loss Limit.” This means you will pay 20% of the balance due for any medical expenses. There is no limit, meaning after you meet your deductible you will always be responsible for 20% of the cost of most services.**

Source: CMS.gov



Medicare Parts A & B (often called “Original Medicare”) do not cover everything. You’re responsible for:



All out-of-pocket costs – Beneficiary cost share with no out-of-pocket limit



Up to 15% excess charges from “non-participating” providers



Prescription drugs



Routine dental, vision and hearing care

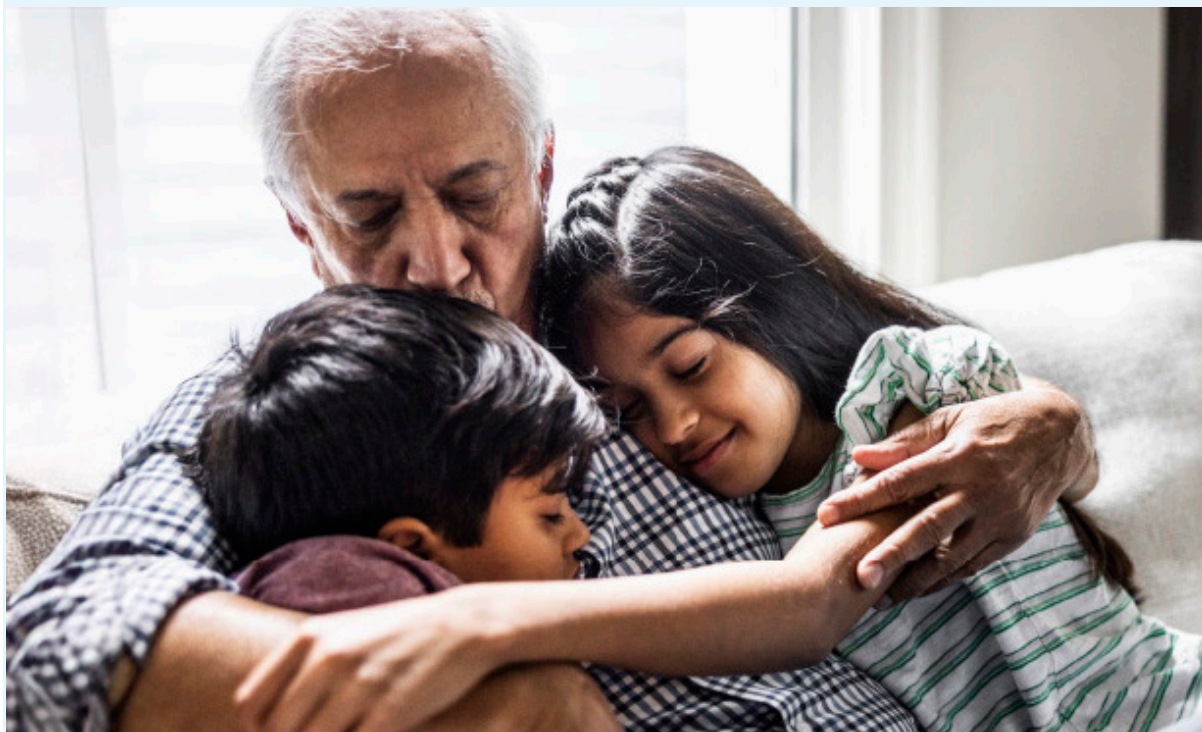


Corrective lenses or hearing aids

What will Medicare cost me?

There are many costs to take into consideration when making your decision about what Medicare plan options will work for you. Some, like your Part B premium, you will pay regardless of any private insurance coverage you select.

Additional costs such as Medicare Supplement coverage, Prescription Drug coverage or a Medicare Advantage plan will vary depending on the plan selected.



Medicare Part C – Medicare Advantage



PREMIUM:

Part C has a monthly premium that varies depending on the benefits of the plan. Some plans offer a \$0 premium option.

Medicare Part C, also known as Medicare Advantage plans, combine Medicare Part A, Medicare Part B and often Medicare Part D into one plan. All Medicare Advantage plans are required to offer benefits that are equal to or better than Original Medicare. Many Medicare Advantage plans provide coverage for things that Original Medicare does not, including prescription drugs, vision and dental care.

In order to enroll in a Medicare Advantage plan, you must first enroll in Original Medicare (Part A and Part B). You would then enroll in a Medicare Advantage plan through an insurance company.

Eligibility Requirements:

- Must have Medicare Part A and Part B to enroll
- Must continue to pay Medicare Part B premiums (in addition to your Medicare Advantage premium)
- Must reside in the plan's service area

Benefits of Medicare Advantage:

- Usually, plans offer low or no premiums
- Premiums are the same for everybody regardless of age or health status
- Plans typically have lower copayments or deductibles than Original Medicare
- Plans include a maximum out-of-pocket limit that Original Medicare doesn't have, making spending more predictable
- Plans often include additional benefits like routine vision, hearing, dental and health club benefit

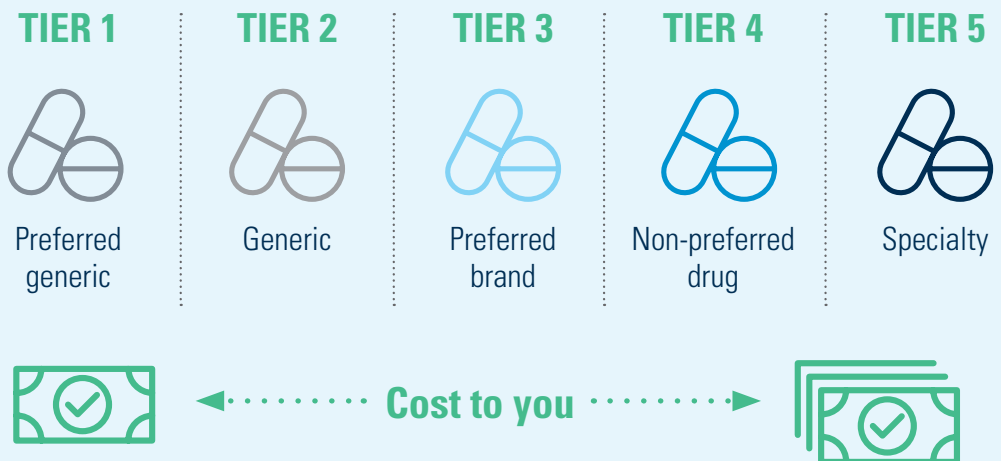
Preventive care services may cover:

- Welcome to Medicare Visit (one-time physical exam)
- Annual wellness visit
- Bone density test
- Diabetes
- Glaucoma
- Hepatitis C screening
- Cancer screenings
 - Colonoscopy
 - Mammogram
 - Pap smear
 - Prostate cancer screening
- \$0 cost immunizations
 - Flu
 - Hepatitis B
 - Pneumococcal
 - Covid-19



Medicare Part D – Prescription Drug Plans

Medicare Part D is an optional program to help you cover prescription costs. You can get this coverage either through a Prescription Drug (Part D) plan or by enrolling in a Medicare Advantage plan that offers drug coverage. Part D covers drug prices at different tiers. Common tiers are:



Part D Premium

You'll pay a monthly premium for a Part D plan. If your income is above a certain limit, you will also be responsible for an income-related adjustment in addition to your plan premium.



Common Medicare Coverage

OPTION 1

OR

OPTION 2

ORIGINAL MEDICARE

Medicare Part A (hospital stays)



Medicare Part B (outpatient care and doctors' services)



MEDICARE SUPPLEMENT INSURANCE

Helps pay some or all of the out-of-pocket costs not paid by Original Medicare



PRESCRIPTION DRUG (PART D) PLAN

Helps pay for prescription drugs



MEDICARE ADVANTAGE (PART C) PLAN

Combines **Medicare Part A** (hospital stays) and **Medicare Part B** (outpatient care and doctors' services) in one plan



Usually includes prescription drug coverage



May offer additional benefits like vision and dental coverage



For Blue Cross and Blue Shield of Nebraska Medicare plan information:



Call **844-448-3499** (TTY 711)

Hours: 8 a.m. to 9 p.m. CST, seven days a week from Oct. 1 through March 31; 8 a.m. to 9 p.m. CST, Monday through Friday from April 1 through Sept. 30



Visit **Medicare.NebraskaBlue.com**



Email **GetStarted@NebraskaBlue.com**

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