



Medicare made *easy*



2025

**A simple guide to
understanding plan basics
and comparing your options**

Excellus  
MEDICARE

New to Medicare? We're here to help.



Choosing the right Medicare plan is an important decision – and with the support of Excellus BlueCross BlueShield, it doesn't have to be a difficult one.

We've helped members navigate the world of health care for nearly 90 years, delivering quality coverage at an affordable cost. And now, as you start your Medicare journey, we can provide local, personalized support to help you understand your plan options and find the Medicare solution that's best for you. **That way, everybody benefits.**

Read on to learn more and discover how, with the right information and support, Medicare is a whole lot simpler than you'd expect. Ready to get started? **Let's do this together.**

Cost considerations

As you begin evaluating your plan options, it makes sense to start with a clear understanding of the various types of costs that may be associated with each.

Premium – A fixed amount you pay for Medicare coverage. You may pay the premium directly to the federal government, a private insurer like Excellus BCBS that provides additional Medicare options, or both, depending on your coverage. Most premiums are charged monthly.

Deductible – A dollar limit you must meet from the sum of your out-of-pocket payments for covered services before your plan begins to pay. For example:



Copayment (Copay) – The fixed dollar amount you pay for a covered health care service or benefit when you receive it. For example:



Coinsurance – A percentage of the cost you pay for a covered health care service or benefit when you receive it. For example:



Financial assistance and support

You should also be aware that there are various financial assistance programs and additional support options that may be available to help bring down the types of Medicare costs detailed above.

Extra Help

If you meet certain income limits, you may qualify for Extra Help, which helps pay for Medicare drug coverage such as plan premiums, deductibles, and prescription copays or coinsurance.

Elderly Pharmaceutical Insurance Coverage (EPIC)

A New York State program administered by the Department of Health, EPIC helps income-eligible people aged 65 and older supplement their out-of-pocket Medicare Part D drug plan costs.

Medicare Savings Program

You may be able to get help from New York State for paying your Medicare premiums. In some cases, the Medicare Savings Program may also pay Part A and Part B deductibles, coinsurance, and copayments.

Original Medicare – Part A and Part B

Original Medicare (sometimes called Traditional Medicare) is administered directly by the federal government and comes in two parts. If you have Original Medicare, you can enroll in other plans for additional coverage, which we'll discuss later.



Part A (Hospital insurance)

Medicare Part A is also known as hospital insurance because it primarily covers hospital care and other critical needs.

- Inpatient care in a hospital
- Skilled nursing facility
- Nursing home care (inpatient care in a skilled nursing facility that's not custodial or long-term care)
- Hospice care
- Home health care

Costs

Most people can get Part A premium-free (\$0) because they or their spouse paid Medicare taxes while working. However, it's important to keep in mind that Part A services can carry a substantial deductible, copayments, or coinsurance, which can drive up your out-of-pocket costs. In 2025, the deductible for Part A is \$1,676 per benefit period.

The benefit period begins the day you enter the hospital or facility and ends after you have not needed inpatient care for 60 days in a row.

Eligibility

You are eligible for Part A if you or your spouse paid into Social Security for at least 10 years through your employment and if you are a citizen or permanent resident of the U.S.



Part B (Medical insurance coverage)

Medicare Part B is also known as medical insurance because it covers ongoing medical needs including doctor appointments, laboratory tests, and X-rays.

- Doctors' and other health care providers' services
- Outpatient care
- Ambulance services
- Durable medical equipment
- Some preventive services
- Home health care
- Certain prescription drugs

Costs

In 2025, the standard Part B premium is \$185/month. Most people will pay this amount, but if the modified adjusted gross income reported on your IRS tax return two years before enrollment is above a certain amount, you may pay an additional charge.

Part B also has an annual deductible (\$257 in 2025) and other copayments and coinsurance (typically 20%) that may apply.

Eligibility

You are eligible for Part B if you reside in the United States (except residents of Puerto Rico) and have become entitled to Part A.

Additional Medicare options



Part C (Medicare Advantage)

With Medicare Part C, which is commonly known as Medicare Advantage, benefits are bundled under a single plan from a private insurer like Excellus BCBS. Medicare Advantage plans include all the benefits and services covered under Part A and Part B, and many come with extras such as dental, vision, fitness, and hearing. Medicare prescription drug coverage (Part D) is also included in most plans.

Copayments and coinsurance may apply. In addition to your Medicare Part B premium, you may have to pay a monthly premium for your Medicare Advantage plan, depending on the plan you pick.

There are several different types of Medicare Advantage plans:

Health Maintenance Organization (HMO)	Health Maintenance Organization Point-of-Service (HMO-POS)	Preferred Provider Organization (PPO)
Best for: Budget protection	Best for: Balance of cost conscious and some flexibility	Best for: Maximum flexibility and choice
Less flexible	Network flexibility	More flexible
Must choose in-network provider as your primary care physician Must use in-network providers for non-emergency or urgent care visits	Must choose in-network provider as your primary care physician Can see out-of-network providers for covered services	See any provider that accepts Medicare
Typically lower	Plan costs	Typically higher
May offer lower premiums, cost shares, and out-of-pocket maximums		May have higher premiums, cost shares and out-of-pocket maximums
Out-of-network service costs		
Out-of-network services are NOT covered (except for emergency and urgent care situations)	Costs may be higher if you choose to go out-of-network An annual dollar limit applies to out-of-network care	Costs may be higher if you choose to go out-of-network No limit to the number of covered services you receive out-of-network

Did you know?

Some Part C plans offer a Part B premium refund. If this type of plan is offered in your area, the amount of the refund will differ by plan, and how you will receive the refund will depend on how your Medicare Part B premium is paid:

- **Part B premium is withheld from your Social Security check** – you will receive your refund as part of your Social Security check balance.
- **You pay Part B premium directly** – you will see your Part B premium statement with the rebate amount credited to the balance that you owe.



Medicare Part D (Prescription drug coverage)

Medicare Part D helps cover the cost of prescription drugs. Many Excellus BCBS Medicare Advantage plans include Part D coverage.

Prescription drug tiers

Prescription drugs are categorized by tier based on the price and type of drug:

Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
Preferred generic drugs and Part D vaccines	Generic drugs	Preferred brand drugs	Non-preferred drugs	Specialty drugs

Least expensive



Most expensive

2025 Medicare Part D coverage phases and cost shares

Medicare sets the spending limits and how much a person pays versus what the plan pays at each benefit stage every year. These annual changes can affect the costs of your prescriptions.

Deductible phase (if applicable):

You pay

100% of medication costs until your deductible is met (if your plan has a deductible).

Initial coverage phase:

You enter this phase after the deductible is met or immediately if your plan doesn't have a deductible.

You (and others on your behalf*) pay

The copayment/coinsurance for your prescription drug.

New for 2025

\$2,000 out-of-pocket maximum

Once you (or others on your behalf) have paid \$2,000 out-of-pocket for your Part D prescription drugs, which includes your deductible and any copays or coinsurances, you will enter the catastrophic phase.

Plan pays

The remaining cost of your prescription drug outside of your copayment/coinsurance.

Catastrophic phase:

You enter this phase after the \$2,000 out-of-pocket maximum has been met.

You pay

\$0 for generic and brand drugs.

Plan pays

Your drug costs, in full.

You will remain in the catastrophic phase for the rest of the calendar year. On January 1 of the following year, you will begin again in the deductible phase.

Medicare Supplement (Medigap) Plans

Medicare Supplement plans, also known as Medigap plans, work hand-in-hand with Original Medicare to help pay hospital and medical-related costs that Original Medicare does not, such as copayments, coinsurance, and deductibles. In addition to your monthly Part B premium, you pay a monthly premium to a private health insurance company, like Excellus BCBS.

Dual Special Needs Plans (D-SNP)

A D-SNP is a Medicare Advantage plan designed to provide special coverage for people who are eligible for and enrolled in both Medicare and Medicaid. If you are age 65+ or have certain health conditions and meet income limit requirements, you may qualify for D-SNP.

*Others that pay on your behalf include but are not limited to: payments made by families and friends, Extra Help from Medicare, charities, NYS EPIC, and AIDS drug assistance programs.



Comparing your options

Even with all of the details, understanding your plan options and making a decision isn't always easy. It helps to see a simple, side-by-side comparison of the options available to you.

Benefits and features	Original Medicare (Part A and Part B)	Medicare Advantage (Part C)*	Medicare Supplement (Medigap)*
Helps pay for hospital stays	✓	✓	✓
Helps pay for some medical care, such as doctor visits	✓	✓	✓
Helps pay for preventive services, such as flu shots	✓	✓	✓
Limits your annual out-of-pocket medical costs		✓	✓
Helps pay for Part D prescription drugs		✓	
Helps pay for over-the-counter drug costs		✓	
Dental coverage		✓	
Routine vision coverage and eyewear allowances		✓	
Routine hearing exam and hearing aid coverage		✓	
Fitness benefits		✓	

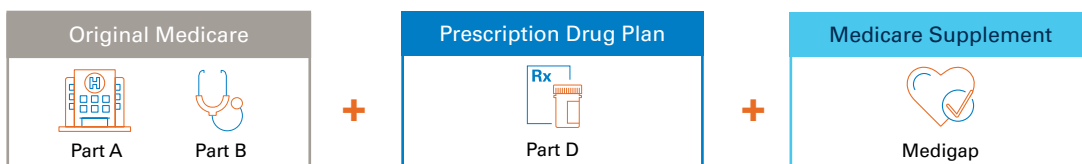
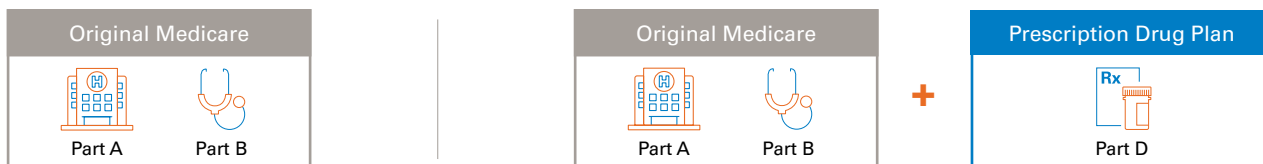
*Benefits vary by plan.

Medicare coverage combination options

Now that we've explored the various types of Medicare plans, it makes sense to take a look at how they can work together to provide the coverage that's right for you. The chart below highlights all the ways you can combine various types of Medicare to meet your needs.

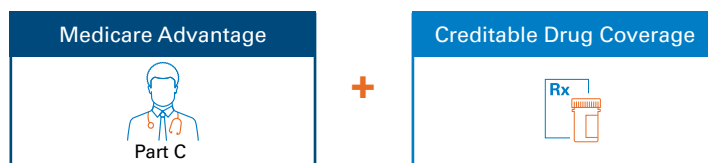
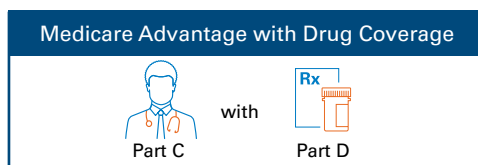
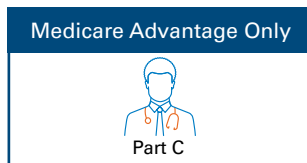
If you choose a combination that does **not** include Part D prescription drug coverage, to avoid a financial penalty, you must purchase or have separate drug coverage that is considered "creditable," meaning it covers at least as much as Medicare Part D.

Original Medicare combinations



Medicare Advantage combinations

Remember, if you choose a Medicare Advantage plan, you'll receive all of the benefits and services of Original Medicare, as well as additional coverage and extras.





When you can enroll and switch

Once you have an idea of what type of coverage is right for you, the next thing on your mind is probably when and how you can enroll or make the switch to another plan. Excellus BCBS can help you there, too.

Eligibility and enrollment

To be eligible for Medicare, you must meet one of the following requirements:

- Age 65 or older
- Under 65 with certain disabilities
- Any age with end-stage renal disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant) or amyotrophic lateral sclerosis (ALS)

Initial Enrollment Period (IEP)

If you're turning 65 planning to enroll in Medicare Part A and B for the first time, you have a seven-month window to do so, which starts three months before you turn 65 through the three months following the month of your 65th birthday. This is also the same period that you can elect additional coverage - such as Medicare Part C and/or Part D. You'll need **both** Part A and Part B before you can enroll in a Medicare Advantage (Part C) plan. You're required to have **either** Part A or Part B before you can enroll in a standalone Part D plan.



- Your enrollment will take effect on the first day of your birthday month or the first day of the month following your enrollment submission request if you enroll after you turn 65.
- If you will receive Medicare before age 65 due to a disability, you can join three months before or three months after the 25th month of your disability.

Special Enrollment Period (SEP)

You may be able to join or switch plans under special circumstances, including:

- If you enroll in Elderly Pharmaceutical Insurance Coverage (EPIC)
- When you lose or end your employer-sponsored coverage
- If you make a permanent move into or out of your plan's service area
- If you become approved for Low Income Subsidy (LIS – “Extra Help”)
- If you qualify for any other exceptional conditions determined by the Centers for Medicare & Medicaid Services (CMS)

If you qualify for an SEP and use this to enroll in Part A and Part B for the first time, you have two full months after the month of your qualifying event to add coverage outside of Part A and Part B.



Working past 65?

Here's what you need to know.

When eligible for Medicare, some people decide to remain on their employer-sponsored health insurance, or to continue working past 65 because they're not ready to retire. Everyone's situation is unique, so please review the information below and speak with your employer.

Even if you choose to keep working and have employer-sponsored coverage, you should generally opt-in to Medicare Part A when you turn 65, as there is no premium if you or your spouse contributed to Medicare payroll taxes for 10 years.

Part B enrollment is more complex and is based on the size of your employer:



Employer with 20+ employees:

You can wait to sign up for Medicare Part B because your employer insurance will still be the primary payer. To avoid potential penalties later on, be sure to ask your employer if the prescription drug coverage provided with your plan is "creditable," meaning it covers at least as much as Medicare Part D.

Part B Special Enrollment Period (SEP):

- You can enroll in Medicare Part B during the eight-month period after your employer-sponsored health coverage or employment itself ends, whichever comes first.
- SEP rules do not apply if employment or employer-provided health plan coverage ends during your Initial Enrollment Period (IEP). In addition, if you have COBRA coverage or a retiree health plan, that's not considered coverage based on current employment, so you are not eligible for a Part B SEP when that coverage ends. In these instances, you should be sure to sign up for Part B during your IEP.



Employer with less than 20 employees:

When you become eligible for Medicare, you should enroll in Part A **and** Part B because Medicare will be your primary insurance. If you do not enroll in Medicare, it will be as if you do not have any coverage, and you risk paying late enrollment penalties later on that will last the rest of your life.



Late Enrollment Penalties for Part A, Part B, and Part D

If you miss your Initial Enrollment Period (IEP) window and you don't qualify for special circumstances that permit you to delay enrollment, you may be subject to late enrollment penalties.



Part A

If you have to pay a premium for Part A, and you don't enroll when you're first eligible, the penalty will be 10% of your monthly premium. You'll pay the increased premium for twice the number of years you didn't sign up after becoming eligible.

Penalty example:

If you were eligible for Part A for three years but didn't sign up, you'll have to pay the higher premium for six years.

$$3 \times 2 = 6$$

Years of delay Years of penalty



Part B

If you didn't enroll in Part B when you were first eligible, your monthly premium will increase by 10% for each 12-month period in which you didn't sign up. This can become a large financial burden, as this penalty will last the rest of your life.

Penalty example:

If you delayed your enrollment for two years, you'll have to pay a 20% higher monthly premium for as long as you have Part B.

$$10\% \times 2 = 20\%$$

of Part B premium Years of delay Monthly penalty



Part D

If you don't have other creditable drug coverage when you become eligible for Medicare, you have 63 days to enroll in Part D (or a plan that includes it). For each full month after this that you delay enrollment, you will pay an additional 1% of the national base beneficiary premium (\$36.78/month in 2025), rounded to the nearest \$0.10. This penalty will last as long as you have Part D, and the penalty amount is subject to change each year.

Penalty example:

If you delayed enrollment in Part D for 24 months, you'll pay an additional 24% of the national base beneficiary premium. For 2025, this penalty example would be \$8.80/month.

$$\$36.78 \times 1\% \times 24 = \$8.80$$

National base beneficiary premium Months Monthly penalty (rounded to nearest \$0.10)



Switching plans

Even if you're already enrolled in a Medicare plan, it's wise to check regularly to ensure that you're getting all the benefits you deserve and have the right coverage for you. One place to start is by reviewing your Annual Notice of Change (ANOC).



What's an ANOC?

The ANOC is a notice you receive from your Part C or Part D insurance company in late September each year. This document provides a summary of any changes in the plan's costs and coverage that will take effect January 1 of the next year.

If you're happy with your current Medicare plan, you don't need to do anything. But if you find that switching makes sense, there are periods available for you to do so.

Annual Election Period (AEP)

The AEP runs from October 15 to December 7 of each year, and your coverage would begin on January 1 of the following year. During the AEP, you can:

- Change your Medicare Advantage plan (Part C)
- Change your standalone prescription drug plan (Part D)
- Add or drop prescription drug coverage
- Return to Original Medicare (Part A and Part B)

Medicare Advantage Open Enrollment Period (OEP)

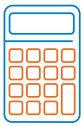
The Medicare Advantage OEP runs from January 1 to March 31 each year. The OEP allows individuals enrolled in a Medicare Advantage plan to make a one-time change to another Medicare Advantage plan or revert back to Original Medicare. Keep in mind, if you switch back to Original Medicare, you will need to ensure you have creditable drug coverage or enroll in a standalone Part D prescription drug plan.

Special Enrollment Period

If you qualify for an SEP, not only does it allow you to enroll in Medicare for the first time, but SEPs also entitle you to switch between plans if you are already enrolled in Medicare. Please see the **Special Enrollment Period** section on page 11 for more information.

Overall considerations

Whenever you're considering enrolling in or switching your Medicare coverage, there are a handful of factors to always keep in mind.



Your expected utilization and potential costs

When shopping for coverage, it can be tempting to focus on the monthly premiums. But, based on the specific care, benefits, and services you use and need, other costs like deductibles, copays, and coinsurance also play a role in the cost of your plan.

Remember that unlike with Original Medicare (Part A and Part B), Medicare Advantage (Part C) and Medicare Supplement plans place an annual limit on your total out-of-pocket medical costs.



Access to care

Provider and hospital networks may change over time, so it is important to determine whether your doctor and preferred hospital participates in the network of the plan you're considering, to keep your costs low.



Check your medications

A formulary is essentially a list of covered drugs and the tiers and costs that they fall into. In some plans, doctors must order or use only drugs listed on the plan's formulary. If prescription drug coverage is important to you, consider whether all of your drugs are included in the plan's formulary.



Importance of extras

If additional benefits and perks such as dental, vision, hearing, or fitness are important to you, you may consider a Medicare Advantage (Part C) plan. These are just a few of the possible extras that may come with a Medicare Advantage plan, but the costs and level of coverage will vary by plan as well.



Remember, with any plan you select now, you will have a chance to revisit it again every year, so you won't be locked into the plan you select now for the rest of your life. You can connect with local Medicare experts from Excellus BCBS anytime to make sure the coverage you selected is still right for you.

Medicare can be a big decision.

Our team is here to help.

We know that there's a lot to learn about Medicare, and it can seem overwhelming. That's why Excellus BCBS is here to support you and help keep things simple. We've been working to make health coverage more accessible and affordable for everyone in our community for nearly 90 years, and our local Medicare Consultants are available to help you with all things Medicare.

Meet with us

1-on-1 consultations

Our Medicare Consultants are available year-round in locations throughout the community. Reserve a FREE consultation, and we'll help you understand your options.

Request an appointment

Our Medicare Consultants are also available to meet at a time and place that's most convenient for you.

Medicare seminars

Attend a FREE local seminar and learn more about Medicare basics and the Excellus BCBS plans available to you in a low-key, group setting.

Call



1-877-353-6097
(TTY 711)

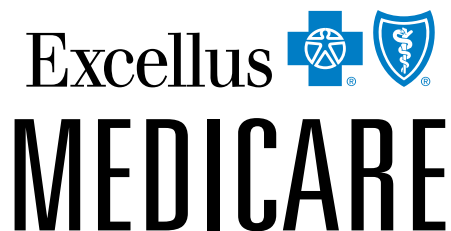
October 1 through March 31:
8 a.m. to 8 p.m., seven days a week
April 1 through September 30:
8 a.m. to 8 p.m., Monday - Friday

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