

# Medicare Resources for Financial Advisors and Clients

The transition from employer group health insurance to individual Medicare is a rocky road. Medicare is a dramatically different way to receive health insurance. The rules are seemingly endless and difficult to follow. Your clients are ill-prepared to be their own HR/Benefits department.

Help clients get ready for Medicare by suggesting they use the resources outlined below and prepare to ask key questions when shopping for plans.

Each client must choose how to get Medicare. Four different pieces are needed for comprehensive health insurance. They have two avenues to evaluate and consider. Spouses do not have to choose the same option.

## “The Quartet”

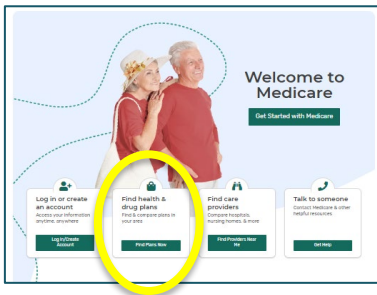
- Medicare Part A—Hospitalization Insurance
- Medicare Part B—Doctors and Outpatient Insurance
- Medicare Part D—Prescription Drug Insurance
- Supplemental Insurance—Medigap plans

OR

## “The Trio”

- Medicare Part A—Hospitalization Insurance
- Medicare Part B—Doctors and Outpatient Insurance
- Medicare Advantage Plan including prescription drug coverage

## STEP 1: RESEARCH & EXPLORE



Encourage each client to research and explore their options to find a Medigap and Part D, or a Medicare Advantage plan that works for them. These plans are offered specifically in their zip code and county. The [“Find Plans” tools on Medicare.gov](#) is the place to go.



On average, retired clients have 43 Medicare Advantage plans to choose from and 24 stand-alone Part D plans.

That’s about 90% too many!

(as of 2023)

## STEP 2: SIGN UP FOR MEDICARE

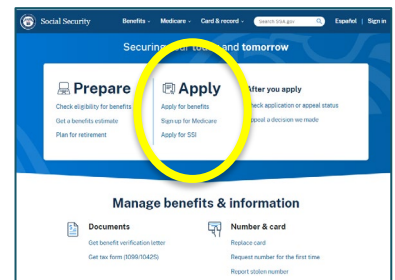


Medicare’s Open Enrollment Period runs from **Oct. 15 – Dec. 7** each year.

Retired or disabled clients need to re-shop their prescription drug plans each year. Even if their prescriptions don’t change.

When it’s time to sign up for Medicare Parts A and B, clients use [Social Security’s website \(SSA.gov\)](#) “apply” section.

Each client should set up their personal [mySocialSecurity online account](#) before applying for Medicare.




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## Key Information clients need to ask each insurance company or broker/agent

The entire Medicare program is overwhelming, largely due to the fact it is a gigantic law. Thinking clients can simply sign up then enjoy retirement is not a strategy. Advise clients to start 1-to-2 years before they switch to Medicare. Suggest they attend webinars, info sessions, and read so they are prepared to ask good questions.

### STEP 3: ASK GOOD QUESTIONS

- What are the key differences between Medigap and Medicare Advantage plans?
- If I don't take any prescription drugs, do I need a Part D plan? Why?
- How easy is it for me to switch from Medicare Advantage to Original Medicare plus buy a new Medigap plan? Any restrictions? Any timing issues?
- Based on my employer plan, when exactly do I need to sign up for each of the Medicare pieces? Will I have comprehensive coverage on time?
- How involved do I need to be in my care based on the different insurance options? Do I ever see a bill? Will I have to fight to get care?
- How do you (broker/agent) get paid? Which products do you get a higher commission on? How often are you paid?

 If a client enrolls in Social Security before age 65, Medicare Parts A & B automatically start the first day of the month containing their 65<sup>th</sup> birthday.

And a month earlier if their birthday is on the 1<sup>st</sup> of a month.

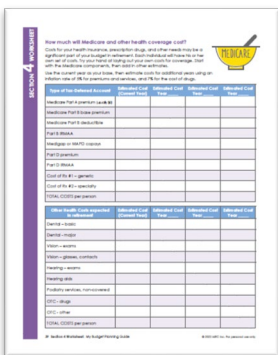
Surprise!

### STEP 4: BUDGET FOR ALL HEALTHCARE COSTS

#### Encourage clients to build a comprehensive budget and share it with you

Healthcare costs in retirement can be a significant part of a client's budget. Encourage each client to research all future costs including Medicare Part B premiums, costs for prescription drugs, and costs for care and services when using other parts of the healthcare system.

Importantly, communicate that Medicare does not cover all healthcare costs in retirement. They need to plan for dental, vision, podiatry, hearing costs. And should factor in any non-prescription drug needs and other over-the-counter items needed to maintain their health.



You and your clients can download a free Medicare budget worksheet on [BoomerRetirementBriefs.com](https://www.boomerretirementbriefs.com)



A healthy 65-year-old client, retiring in 2023, may need to budget between \$500 - \$700 per month for comprehensive health insurance when on Medicare.

*(Estimate assumes standard Part B premium, Medigap and 1 generic prescription, plus estimates for dental, vision, and OTC.)*