

GET TO KNOW MEDICARE WITH HELP FROM ALIGHT

# Alight's Guide to Understanding Medicare

**alight**

Alight Retiree Health Solutions™



# Welcome

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Medicare is something you've earned, a benefit you count on. Understanding how it works, your plan options, and how to be sure you're making the right choice is no easy task, especially on your own.

As an advisory service, Alight can help you navigate and understand your choices by offering objective and personalized guidance.

## Alight makes Medicare easier

Alight Retiree Health Solutions is a Medicare marketplace where you can shop for additional health insurance, enroll in coverage, and receive support. You get access to one-stop shopping and time-saving tools that help you choose benefits that cover your needs and fit your budget.

Here are just some of the services we offer:

- National and regional insurers, all in one place
- Coverage of all types, including Medicare Advantage, Medigap, prescription drug, dental, vision, and hearing plans\*
- Personalized, unbiased guidance from licensed Benefits Advisors
- Assistance before, during, and after enrollment
- Online tools and resources to help you make informed decisions

Our services are provided at no additional cost to you. You only pay for the coverage you enroll in.





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# Things to consider before you start



## Your health care needs

Make an honest assessment of your overall health. Think about how often you visit doctors, clinics, hospitals, or specialists. Also, consider your budget for health-related expenses, both monthly and annually.



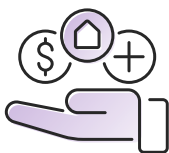
## Your doctors

Do you already have a doctor you prefer or specialists you see? Are you open to different doctors if it means lower costs or different benefit options?



## Your prescription drugs

Make a list of your medications and estimate your annual out-of-pocket costs.



## Other insurance needs

Some plans offer additional vision, dental, and hearing benefits as well as fitness programs to help you stay healthier. You may save money by choosing a plan that includes these additional benefits.

Medicare may be overwhelming, but with Alight by your side, you have professionals who live and breathe Medicare—so you have a shoulder to lean on. We can break it down and help you to choose the coverage that works for your needs.



## TIP

You must have Original Medicare Parts A and B before enrolling in additional coverage through Alight, including Medicare Advantage, Medigap, and prescription drug plans.







# Original Medicare and how to enroll

Medicare is a health insurance program for people age 65 or older. People younger than 65 can also qualify for Medicare, including those with disabilities and permanent kidney failure.

Created in 1965 as a government program, Original Medicare started with Part A and Part B. Later, Part C and Part D were added as the needs of Medicare beneficiaries changed.

## To qualify:

-  You must be age 65 or older, a U.S. citizen or a permanent U.S. resident and have lived in the U.S. continuously for five years prior to applying.
-  You can be younger than 65 with a qualifying disability.
-  You have been diagnosed with end-stage renal disease or amyotrophic lateral sclerosis (ALS; also known as Lou Gehrig's disease) at any age.
-  You should be automatically enrolled in Original Medicare if you're already receiving Social Security or Railroad Retirement Board benefits when you become eligible. If you're not receiving either of these benefits, you need to sign up with Social Security to get Original Medicare Parts A and B when you become eligible.

## You can enroll in Medicare in one of 3 ways



**1.** Visit your local Social Security office



**2.** Call Social Security at 1-800-772-1213 (TTY 1-800-325-0778) 8 a.m. – 7 p.m., Monday – Friday



**3.** Apply online at [ssa.gov](https://ssa.gov)

If you worked for a railroad but are not receiving benefits, call your local Railroad Retirement Board office or 1-877-772-5772, general TTY 312-751-4701, 9 a.m. – 3 p.m., Monday – Friday

## Additional enrollment information:

- If you're still working and covered by employer health insurance when you turn 65, you can sign up for Medicare Part A (hospital coverage) and delay enrolling in Part B. But you must sign up for Part B no later than eight months after you leave your job and lose group coverage, or if you're still employed and lose creditable coverage. Otherwise, you may pay a lifetime penalty and have a gap in coverage.
- If you sign up for Medicare Part B after the initial enrollment period, your coverage starts on the first day of the month following your enrollment.
- It may take up to 60 days to get approved for Original Medicare Part B, and up to three weeks to receive your Medicare card in the mail.

## What's covered

Original Medicare Parts A and B help pay for hospital stays and doctor visits, but it doesn't cover everything.

### Part A

- Inpatient hospital care
- Inpatient care in a skilled nursing facility
- Hospice care
- Home health care

### Part B

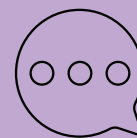
- Medically necessary services (services or supplies to diagnose or treat a condition that meets accepted standards of medical practice)
- Preventive care (health care to prevent illness or detect it at an early stage, when treatment is most likely to work best)
- Doctor visits
- Outpatient hospital care
- Durable medical equipment and supplies

## What's not covered

- Most prescription drugs
- Long-term care (also referred to as Custodial care)
- Most dental care
- Eye exams related to prescribing glasses
- Dentures
- Cosmetic surgery
- Acupuncture
- Hearing aids and exams for fitting them
- Routine foot care

Even if a service or item is covered, you'll generally have to pay deductibles, coinsurance or copays without any annual limit on those costs.

There is no out-of-pocket maximum for Original Medicare Parts A and B, which means your share of costs is unlimited. Enrolling in an individual Medicare insurance plan can help protect your pocketbook.



### TIP

Once you're enrolled in an individual Medicare plan, you can make changes during Medicare annual enrollment, October 15 – December 7.

## Why you might want additional coverage



If you're looking for more value and more coverage, consider an individual Medicare plan to help pay for costs not covered by Original Medicare. The added protection can help cover out-of-pocket expenses like copays and deductibles, prescription drugs, and other services like hearing, dental, or vision. There are three main categories of individual plan coverage:

- **Medicare Advantage**

(Part C) combines Part A and Part B, and often includes prescription drug coverage. Some plans may offer additional benefits like coverage for routine vision and dental care.

- **Medigap**

(also called Medicare Supplement Insurance) helps pay some of the out-of-pocket costs that aren't covered under Original Medicare.

- **Prescription drug plans**

(Part D) help pay for covered medications.



# Medicare Advantage

Medicare Advantage plans can be a good value if you're looking for bundled medical and drug coverage. Often referred to as Part C, Medicare Advantage plans provide the same hospital and medical benefits as Original Medicare, but with greater financial protection. Many Medicare Advantage plans also include prescription drug coverage.

In most cases, you'll have no deductibles, and you'll have a copay instead of coinsurance for most services.

Medicare Advantage plans have a maximum amount you'll pay out of pocket, which sets a yearly cap on your cost for health services. Most plans have provider networks, so check that your preferred doctors and facilities are in the plan's network.

To enroll in a Medicare Advantage plan, you must first be enrolled in Original Medicare Parts A and B.

Each set of triangles represents a different part of Medicare. Part C (Medicare Advantage) shows a full triangle because it includes Parts A, B and, in many cases, prescription drug coverage (Part D), under one plan.

Depending on the plan, your costs may include:

## Premium

A fixed, monthly amount you pay for your Medicare plan coverage.

## Copay

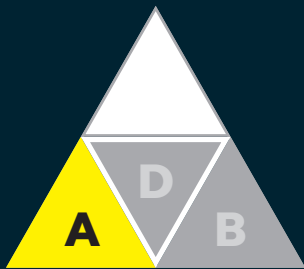
A flat dollar amount (for example, \$20) you pay each time you receive care or fill a prescription.

## Coinsurance

A percentage (for example, 20%) you pay for your care or drugs after you meet your deductible.

## Deductible

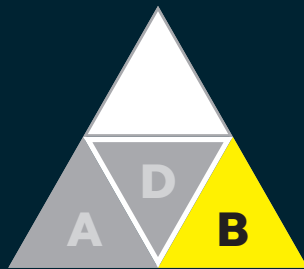
The amount you pay for medical costs before the plan begins to pay its share of your medical costs. Some plans have a separate drug deductible before they start to pay for your prescriptions.



Original Medicare  
**Part A**

Hospital insurance that covers:

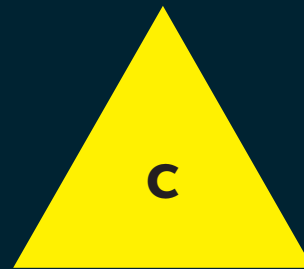
- Inpatient hospital care
- Skilled nursing facility care
- Nursing home care
- Hospice care
- Home health care



Original Medicare  
**Part B**

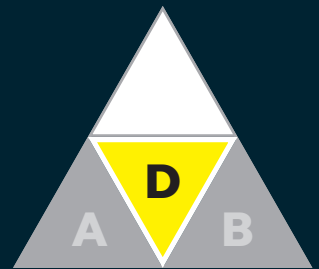
Medical insurance that covers:

- Medically necessary services
- Preventive services
- Clinical research
- Ambulance services
- Durable medical equipment
- Mental health
- Limited outpatient prescription drugs



Medicare Advantage  
**Part C**

- Covers all services under Parts A and B
- Many plans cover prescription drugs
- Many plans cover dental and vision



Prescription Drug Plan  
**Part D**

- Covers prescription drugs

# Medigap

Also known as Medicare Supplement Insurance, Medigap plans help fill “gaps” in coverage that Original Medicare doesn’t cover and can help pay some of the unpaid out-of-pocket health care costs, like copays, coinsurance, and deductibles. With this option, most people buy two separate plans—a Medigap plan for medical expenses and a Part D prescription drug plan for medications.

To enroll in a Medigap plan, you must be enrolled in Original Medicare Parts A and B. You’ll pay a monthly premium in addition to your monthly Medicare Part B premium. If you choose a Medigap plan, and want coverage for medications, you must enroll in a separate prescription drug plan.

Even if you have health conditions, all standardized Medigap plans are guaranteed renewable, meaning insurance companies can’t cancel your plan if you’re making your premium payments. Your policy will also renew automatically each year.



## TIP

If you have a Medigap plan, you can change plans anytime, subject to underwriting.

You don’t have to wait until annual enrollment. If you want to keep your plan, it will automatically renew every year.



# Types of Medigap plans

A variety of Medigap plans are available. Each plan provides different benefits, so it's important to compare before deciding. Your monthly premium is based on the coverage offered and the insurance company you choose.

Note: Plans C and F aren't available to people newly eligible for Medicare on or after January 1, 2020. If you were eligible before this date, or if you already have or were covered by Plan C or F (or the Plan F high deductible version) before January 1, 2020, you can keep your plan if you wish.

Coverage									Medicare-eligible before 2020 only	
	A	B	D	G <sup>1</sup>	K <sup>2</sup>	L <sup>2</sup>	M	N <sup>3</sup>	C	F <sup>1</sup>
<b>Medicare Part A coinsurance and hospital costs</b> (up to 365 days after Medicare benefits are used up)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Medicare Part B coinsurance</b>	✓	✓	✓	✓	50%	75%	✓	✓	✓	✓
<b>Blood</b> (first three pints)	✓	✓	✓	✓	50%	75%	✓	✓	✓	✓
<b>Medicare Part A hospice care coinsurance or copayments</b>	✓	✓	✓	✓	50%	75%	✓	✓	✓	✓
<b>Skilled nursing facility care coinsurance</b>			✓	✓	50%	75%	✓	✓	✓	✓
<b>Medicare Part A deductible</b>		✓	✓	✓	50%	75%	50%	✓	✓	✓
<b>Medicare Part B deductible</b>									✓	✓
<b>Part B excess charges</b>				✓						✓
<b>Foreign travel emergencies</b> (up to plan limits)			80%	80%			80%	80%	80%	80%

(A ✓ indicates areas where the plan pays 100% of the benefit cost.)

<sup>1</sup> Plans F and G also offer a high-deductible plan in some states. With this option, you must pay for Medicare-covered costs (coinsurance, copay, and deductibles) up to the deductible amount of \$2,800 in 2024 and \$2,840 in 2025 before your policy pays anything. Note: 2025 deductible may change.

<sup>2</sup> For Plans K and L, after you meet your out-of-pocket yearly limit and your yearly Part B deductible, the Medigap plan pays 100% of covered services for the rest of the calendar year.

<sup>3</sup> Plan N pays 100% of the Part B coinsurance, except for a copay of up to \$20 for some office visits and up to a \$50 copay for emergency room visits that don't result in inpatient admission.

Medigap plans are standardized differently in Massachusetts, Minnesota and Wisconsin. Visit our website to review the plans available in your area or discuss your options with an Alight licensed Benefits Advisor.

For details on deductibles and costs, visit [medicare.gov](https://www.medicare.gov).





## Prescription Drug Plans

Prescription drug plans (Part D) can help reduce the cost of your medications, while providing more predictable charges. Remember: Original Medicare doesn't cover most prescription drugs.

The federal government sets guidelines that all Part D prescription drug plans must meet. Each plan has a list of drugs that it covers (known as a formulary). Before choosing a Part D prescription drug plan, review its formulary to make sure your drugs are included. Plans also have different charges, so check the annual deductible, premiums, copays, and coinsurance to ensure costs are covered.

- Medicare Part D coverage is not automatic. You must enroll for coverage to begin.
- If you have other prescription drug coverage, such as Veterans Affairs (VA) coverage, you may not need an additional drug plan. Discuss any other coverage you have with a licensed Benefits Advisor.
- Part D charges a late enrollment penalty if you don't sign up when you're first eligible—unless you qualify for an exception. The penalty is a fee set by Medicare that gets added to your premium, and you pay it for as long as you have Part D.
- To enroll in a Part D prescription drug plan, you must first be enrolled in Original Medicare Parts A and/or B.

The Inflation Reduction Act of 2022 may help Medicare beneficiaries save money, improve access to affordable treatment, and strengthen the Medicare program. Visit [medicare.gov](https://www.medicare.gov) to find out how it impacts you.



# Medicare Part D

## HOW IT WORKS

### 2025 out-of-pocket drug costs

\$0 —————→ \$2,000

Deductible phase	Initial coverage phase
\$0 – \$590 Your cost: 100%	Until you hit \$2,000 out-of-pocket maximum Your cost: Varies
You pay at most \$35/month for covered insulin products (deductible is waived) Covered vaccines are free of charge (deductible is waived)	

**Deductible phase** You'll pay the full cost for your first \$590 in covered prescription drug charges for the year before your drug plan begins to pay its share of costs. An exception is made for covered insulin products and vaccines, which do not require payment of a deductible.

**Initial coverage phase** After satisfying your \$590 deductible, you'll pay a copayment or coinsurance for each covered drug (as defined by your plan) and the plan pays its share. The initial coverage continues until you have paid a total of \$2,000. After the initial coverage period, the plan pays all remaining costs.

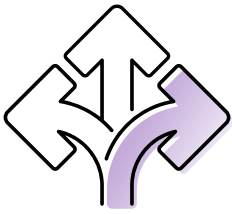
#### Drug-related costs that count toward your total out-of-pocket costs:

- Covered drug costs subject to your annual deductible
- Coinsurance and copays you paid

#### Drug-related costs that do not count toward your out-of-pocket costs:

- Plan premiums
- Pharmacy dispensing fees (if any)
- Costs of drugs not covered under your plan

These values are accurate as of October 2024.  
For the most current amounts, please visit [medicare.gov](https://www.medicare.gov).



## Let's recap your options

Option 1  

Original Medicare

Option 2   + 

Original Medicare plus a Medigap plan

Option 3   + 

Original Medicare plus a Medicare prescription drug plan

Option 4   +  + 

Original Medicare plus Medigap and prescription drug plans

Option 5 

Medicare Advantage plan with drug coverage

Option 6  + 

Medicare Advantage plan plus a prescription drug plan

You cannot have a Medicare Advantage plan and a Medigap plan at the same time.



## Get help finding coverage

Our licensed Benefits Advisors can help you explore your options, understand the differences between plans and help you enroll—at no additional cost to you. You only pay the costs of the plans you choose.

In addition, our online plan recommendation tool can save you time sorting through options. It's built on powerful algorithms that use information you provide about your doctors, prescription drugs, and health needs to give each plan a score that's tailored to you. The higher the score, the better the match.

With our plan recommendation tool, you can:

- Quickly sort through a wide range of options because each plan is scored based on your needs
- Find plans that cover your prescription drugs and your preferred doctors and hospitals
- Find plans that include vision and dental coverage or buy a stand-alone plan
- Get access to a variety of well-known insurance companies
- Compare the total estimated out-of-pocket cost between Medicare Advantage and Medigap plus Part D prescription drug plan to see if the difference impacts you
- Enroll online



# How to get started

1. Create an online Alight account or use your Alight ID to activate your account
2. Shop and compare plans
3. Enroll

You get the convenience of 24/7 one-stop shopping, plus information you need to make informed decisions about your health care coverage.

When you're ready to shop and enroll, be sure to:

- ✔ Create a list of needs that you'd like your benefits to cover
- ✔ Have your Medicare ID card available
- ✔ Gather all legal documents if a Power of Attorney will be signing your enrollment forms on your behalf
- ✔ Log in and enter your personal information, doctors and medications



## After you enroll

Once your application has been submitted, the insurance company may contact you to verify your enrollment (as required by the Centers for Medicare & Medicaid Services). Carefully review the insurance cards and plan information you receive.

After you enroll, if you have an issue regarding a bill or have a coverage question, call your insurance company directly.

If you need to change your plan after your initial enrollment, please call an Alight licensed Benefits Advisor. We can also help with Medicare questions, insurance claims, access to care, and other issues.

Why take on Medicare alone when you have concierge service and expertise from Alight? We can help guide you so you can be confident in your health care decisions. You can depend on the professional service and value of Alight.



## About Alight Solutions

Alight is a leading cloud-based human capital technology and services provider that powers confident health, wealth, and wellbeing decisions for 36 million people and dependents. Our Alight Worklife® platform combines data and analytics with a simple, seamless user experience. Supported by our global delivery capabilities, Alight Worklife is transforming the employee experience for people around the world. With personalized, data-driven health, wealth, pay, and wellbeing insights, Alight brings people the security of better outcomes and peace of mind throughout life's big moments and most important decisions. Learn how Alight unlocks growth for organizations of all sizes at [alight.com](https://alight.com).

\*Plans may not be available in all areas.

Medicare has neither reviewed nor endorsed this information.

We do not offer every plan available in your area. Currently, we represent 68 organizations nationally which offer 3932 products nationally. Please contact [Medicare.gov](https://www.medicare.gov), 1-800-MEDICARE, or your local State Health Insurance Program (SHIP) to get information on all of your options.

The number of organizations and products available will vary by ZIP Code area and may be updated periodically. Any information we provide is limited to those plans we do offer in your area.

Alight Retiree Health Solutions is available through Alight Health Market Insurance Solutions Inc., a third-party marketing organization (TPMO), retained to promote or sell a plan sponsor's Medicare products on the plan sponsor's behalf who holds the contract with the Federal government. Alight Retiree Health Solutions represents Medicare Advantage (HMO, PPO, PFFS) organizations and stand-alone PDP prescription drug plans. Each of the organizations represented by Alight Retiree Health Solutions has a Medicare contract. Enrollment in any plan depends on contract renewal. Alight Health Market Insurance Solutions Inc. is contracted to represent insurance plans in your state. California Agency License Number: 0E97576, Arkansas Agency License Number: 100102657, DBA in North Dakota: Alight Health Market Insurance Solutions Inc, Fictitious Name in New York: Alight Health Market Insurance Agency.

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