



Basics of Medicare

▶ Traditional Medicare

Part A

HOSPITAL COVERAGE

Typically no charge if you or a spouse have worked and paid payroll taxes for 10+ years.

Part B

MEDICAL COVERAGE

Premiums of \$174.70/month (starting January 2024) or more if you are a high earner.

▶ When to Sign Up

To avoid Part B penalties, sign up for Medicare within your enrollment window. Ask your licensed advisor for more information about Part B premiums or enrollment windows.

What Is Covered Under Parts A & B?

Traditional Medicare (Parts A & B) covers up to 80% of costs for Medicare services.

What Is Not Covered Under Parts A & B?

Traditional Medicare leaves you responsible for paying at least 20% of most medical costs.



Medicare pays at most 80%

You pay at least 20%

- There is no out-of-pocket maximum for Traditional Medicare
- Over 75% of people choose additional coverage to avoid paying uncovered medical costs
- Traditional Medicare does not include coverage for most prescription drugs or services like dental, vision, and hearing care

ADDITIONAL COVERAGE

▶ Medicare Supplement

- Helps you cover the 20% gap of costs not covered by Traditional Medicare
- Does not include coverage for dental, vision, hearing care, or prescriptions
- Sits “on top” of Traditional Medicare
- Includes an option to add Part D prescription drug coverage

▶ Medicare Advantage

- Substitute for Traditional Medicare (must cover the same services)
- Administered through private insurance companies
- Often includes additional benefits

▶ If you have any questions, please reach out to your D.A. Davidson financial professional.



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