

# RETIREE HEALTHCARE

Retiree healthcare can involve a number of components listed here. It can be confusing and it takes some time to sort through it all. Do your research in order to have the best possible coverage at the most reasonable price.

## Retiree Health Care Components

Coverage	Free	Pay Premium	Deductible	Coinsurance
<b>Medicare Part A</b> Hospital insurance	Yes, if you qualify*	Only if you've worked fewer than 40 quarters	Yes	Yes
<b>Medicare Part B</b> Doctor visits, outpatient services	No	Yes	Yes	Yes
<b>Medigap</b> Medicare supplement insurance	No	Yes	Yes, for Plans F and G	Medigap benefits cover Medicare coinsurance gaps
<b>Medicare Part D</b> Prescription drug plan	No	Yes	Yes	Yes
<b>Long-term Care Insurance</b>	No	Yes	Yes, Deductible period	Policies vary greatly

\* No premium on Part A Medicare coverage if you have worked 40+ quarters of Medicare-covered employment

### Medicare Part A

Medicare Part A hospital insurance helps pay for:

- Inpatient care in hospital
- Skilled nursing facility
- Hospice care
- Some home healthcare
- In patient care in a religious non-medical healthcare institution"

There is usually no monthly premium for Part A.

### Medicare Part B

Medicare Part B medical insurance is intended to cover a portion of some basic medical services and to help pay for treatment both in and out of the hospital. It helps pay for:

- Services from doctors and other healthcare providers (except routine physical examinations<sup>1</sup>)
- Outpatient care
- Some home healthcare
- Durable medical equipment (such as wheelchairs, walkers, hospital beds and other equipment)
- Many preventive services (such as screenings, shots or vaccines, and yearly "wellness" visits<sup>1</sup>)

<sup>1</sup> Federal law prohibits the health care program from paying for annual physicals. Annual physicals are more "physically" extensive exams typically performed by a doctor, nurse practitioner or physician's assistant. Medicare wellness visits, usually performed by a nurse, include assessments but don't include the "physical" tests where the provider has to physically touch you.

<sup>2</sup> Source: [www.medicare.gov](http://www.medicare.gov)

In 2020, the standard monthly premium is \$144.60.<sup>2</sup> Your premium would be higher if your adjusted gross income on your 2018 federal income tax return was \$87,000 or more if you filed as single, or \$174,000 or more if you are married and filed jointly. In these cases, premiums would range from \$202.40 to \$491.60 per month.

### Medicare Part C (Medicare Advantage)

Medicare Advantage (Part C) is optional managed care coverage in addition to original Medicare.

- Run by private insurance companies that follow rules set by Medicare
- Includes all benefits and services covered under Parts A and B
- Usually includes Medicare prescription drug coverage (Part D)
- May include additional benefits and services at additional cost, such as dental, vision, hearing and more
- In most cases, doctors who are in the plan's network must be used

*Continued*

## Medicare Part D

Medicare Part D is optional and helps cover the cost of prescription drugs, including many recommended shots or vaccines.

- Run by private insurance companies that follow rules set by Medicare
- Monthly premiums vary by the plan you choose
- Premiums may be higher depending on your income (as with Part B)

## For More Information

Your choices under Medicare can be complex and may require a lot of comparisons among available plans, such as traditional Medicare and the various Medicare Advantage plans. And you'll have a choice you'll need to make for prescription drug coverage.

Obtain additional information at:

- [www.medicare.gov](http://www.medicare.gov)
- 1-800-MEDICARE (1-800-633-4227)
- [www.HFCUFiancial.com](http://www.HFCUFiancial.com)

## Essential Reading

The U.S. Department of Health and Human Services, which administers Medicare, publishes an annual guide to Medicare called "*Medicare & You*." It covers Medicare (Parts A, B, C and D) and Medigap insurance policies.

The 2020 "*Medicare & You*" edition can be downloaded and viewed or printed at [https://www.medicare.gov/sites/default/files/2020-03/10050-Medicare-and-You\\_0.pdf](https://www.medicare.gov/sites/default/files/2020-03/10050-Medicare-and-You_0.pdf).

Or, call Medicare at 1-800-633-4227 to request that a copy be mailed to you.

## Web Resources

**Medicare:** [www.medicare.gov](http://www.medicare.gov)

**Long-term care:** [www.longtermcare.gov](http://www.longtermcare.gov)

**Preventive health information:**

- [www.everydayhealth.com](http://www.everydayhealth.com)
- [www.webmd.com](http://www.webmd.com)
- [www.HFCUFiancial.com](http://www.HFCUFiancial.com)

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