



# Understanding Medicare Basics

# *Introducing* Robert McFillin

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Robert McFillin has over 20 years of experience across Group Health and Government Programs. His expertise in retiree health transitions has given him the opportunity to work nationally with hundreds of thousands of beneficiaries, brokers and carriers. He is a nationally respected speaker on the topic of retiree health, requested by corporations, employers and associations across the U.S.



# Let's Explore Medicare

There are many scenarios in which people need help with Medicare.



**I am new to Medicare:** just turning 65, retiring and leaving my employer's insurance plan.



**I am Medicare eligible:** still actively working and enrolled in my employer health plan and want to know if Medicare is a better option.



**I currently have a Medicare Supplement or Medicare Advantage** plan and want to re-evaluate my coverage.



**I am thoroughly confused** about Medicare. I don't know what to think and I'm worried about all the notices I'm getting.

# The Parts of Medicare

**A**

**Hospital Care  
Insurance**

**B**

**Doctor Visits /  
Outpatient Care**

**C**

**Medicare  
Advantage**

**D**

**Prescription Drug  
Insurance**

# Original Medicare | Parts A and B

Original Medicare consists of Parts A and B and are administered by the Federal Government.

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- Original Medicare consists of Parts A and B and are administered by the Federal Government.
- To be eligible for Original Medicare, you must be 65 or older, under 65 with a qualifying disability, or have end stage renal disease (ESRD).

# 2026 Part B Cost Chart

If your yearly income in 2024 (for what you pay in 2026) was:			IRMAA Part B Monthly Premiums	IRMAA Part D Monthly Premiums
File individual tax return	File joint tax return	File married & separate tax return		
\$109,000 or less	\$218,000 or less	\$109,000 or less	\$202.90	Your premium
above \$109,000 up to \$137,000	above \$218,000 up to \$274,000	Not applicable	\$284.10	\$14.50 + your plan premium
above \$137,000 up to \$171,000	above \$274,000 up to \$342,000	Not applicable	\$405.80	\$37.50 + your plan premium
above \$171,000 up to \$205,000	above \$342,000 up to \$410,000	Not applicable	\$527.50	\$60.40 + your plan premium
above \$205,000 less than \$500,000	above \$410,000 and less than \$750,000	above \$109,000 less than \$391,000	\$649.20	\$83.30 + your plan premium
\$500,000 or above	\$750,000 and above	\$391,000 and above	\$689.90	\$91.00 + your plan premium

- Based on Modified Adjusted Gross Income (MAGI)
- Based on tax returns from 2 years prior
- Part B is required to enroll into a Medicare Advantage or Medigap plan
- Deducted or invoiced based on whether the individual receives social security benefits

# Original Medicare Coverage

**If you only have Original Medicare, there are some expenses you must cover on your own.**

- For most people, there is no premium for your Part A hospital coverage. However, before Part A covers your hospital expenses, you must first pay a deductible of \$1736. If your stay is longer than 60 days, you will have a per-day copay.
- There is a monthly premium for Part B coverage; the amount depends on your income and will be deducted from your Social Security.
- There is also an annual deductible for Part B. In 2026, that amount is \$283. After you pay the deductible, Medicare covers 80% of the Part B-eligible expenses.
- There is no limit on your annual out-of-pocket costs if you only have Original Medicare coverage.



# Medicare Advantage | Part C

Part C is also known as the Medicare Advantage plan

A

Hospital Care  
Insurance

B

Doctor Visits /  
Outpatient Care

C

Medicare  
Advantage

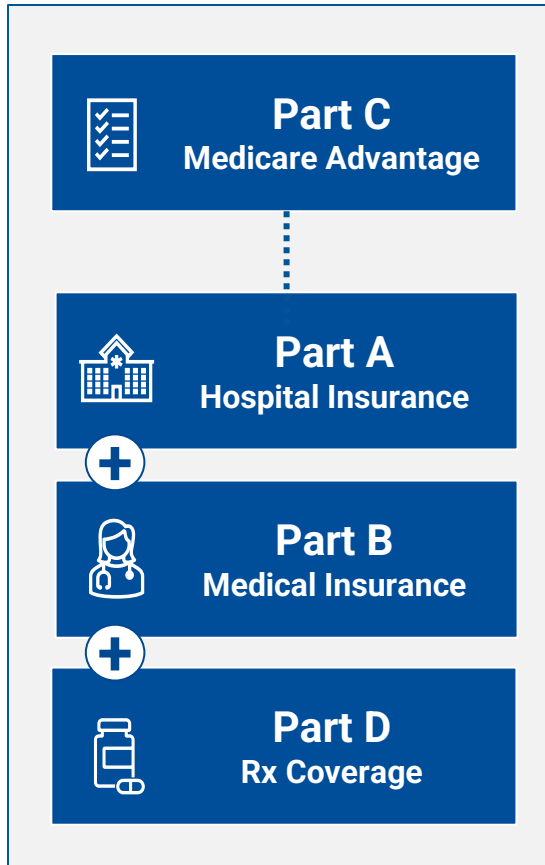
D

Prescription Drug  
Insurance

Part C refers to **Medicare Advantage** plans.

- This plan combines Part A and B coverage and may include enhanced coverage for items such as doctor visits and hospital stays, as well as prescription drug coverage and additional benefits.
- Medicare Advantage plans are offered through private insurance companies. To purchase a Medicare Advantage plan, you must be enrolled in Parts A and B and live in the plan's service area

# What is Medicare Advantage



Covers the same benefits as Original Medicare and may include additional benefits, such as:

- Co-pay structure for doctor visits
- May have lower costs for inpatient hospital stays
- Include prescription drug coverage
- Gym membership discounts, transportation and telehealth options

Medicare Advantage plans also have yearly limits on out-of-pocket costs for covered medical services.

# Prescription Drug Coverage | Part D

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# Prescription Drug Coverage | Part D



## **DEDUCTIBLE / INITIAL COVERAGE PERIOD**

Beneficiary pays a deductible up to \$615. Beneficiary will then pay a copay for their medications based on the formulary tier. The plan will track beneficiary spend until the beneficiary spends a maximum of \$2,100 in 2026.



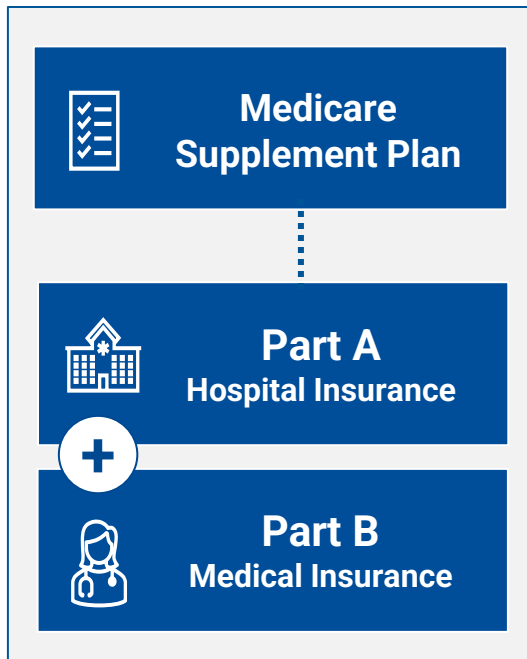
## **CATASTROPHIC COVERAGE**

Once your out-of-pocket spending reaches **\$2,100** you won't have to pay a copayment or coinsurance for covered Part D drugs for the rest of the calendar year.

People with Medicare will benefit from lower prescription drug costs and a redesigned prescription drug program. Benefits include:

- Insulin available at \$35/month per covered prescription
- Access to recommended adult vaccines without cost-sharing
- A yearly cap of \$2,100 on out-of-pocket prescription drug costs in Medicare
- Expansion of the low-income subsidy program (LIS or “Extra Help”) under Medicare Part D to 150% of the federal poverty level starting in 2024

# What is Medicare Supplement



- Medicare Supplement plans cover some of the gaps in Original Medicare coverage, such as copayments, deductibles or a portion of the coinsurance expense, and have annual limits on out-of-pocket costs.
- Medicare Supplement plans cover visits to any doctor that accepts Medicare, it is not managed care.
- Individual Medicare Supplement plans do not include Part D (prescription drug coverage); you typically need to purchase that separately.
- Individual Medicare Supplement plans are sold by private insurance companies, and occasionally offered by former employers on a group basis.

# When should I enroll in Medicare?

## Enrolling in Part A, B, C or D?

- If you are not getting Social Security when you turn 65, you need to sign up for Parts A and B by contacting Social Security. You have seven months to enroll in Parts A and B – starting three months before you turn 65 and ending three months after the month you turn 65.
- You have the same seven-month window to enroll in a Part C or Part D plan.
- If you do not enroll when you are first eligible, you may have to pay penalties.

# What if I currently have an HSA plan?

## The impact Medicare has on an HSA plan

- If you enroll in Medicare Part A and/or B, you can no longer contribute pre-tax dollars to your HSA. This is because to contribute pre-tax dollars to an HSA you cannot have any health insurance other than a HDHP.
- You may continue to withdraw money from your HSA after you enroll in Medicare to help pay for medical expenses, such as deductibles, premiums, copayments, and coinsurances.
- Health coverage from an employer with 20 or more employees pays primary to Medicare, so you may choose to delay Medicare enrollment.
- If you choose to delay Medicare enrollment because you are still working and want to continue contributing to your HSA, you must also wait to collect Social Security retirement benefits.
- Stop contributing to your HSA at least six months before you do plan to enroll in Medicare. When you enroll in Medicare Part A, you receive up to six months of retroactive coverage, subjecting you to a possible tax penalty.

# Recently Lost Employer Coverage

## Next steps after losing your employer coverage:

- Sign up for Part B and Part D as soon as it is needed
- Part B – you have an 8-month special election period to enroll without penalty
- The sooner you enroll in Part B, the sooner your supplemental coverage can begin
- Enrolling in Part B also triggers a 6-month Medigap open enrollment period
- Part D – you only have 63 days to enroll in Part D plan without penalty
- Your plan will begin the first of the month following the month you enroll



# How do I enroll?

**Medicare enrollment is handled by the Social Security Administration.**



Can be completed online at [ssa.gov/benefits/Medicare](https://ssa.gov/benefits/Medicare)



Completion of a 40B and L564 will be needed to enroll into Part B if actively working



Toll Free Number to Social Security 1-800-772-1213



Appointments can be made for local offices through the toll-free number



# Who is Insurance Trust for Delta Retirees



- A non-profit, managed by a Board of Directors made up of Delta retirees, supported by professional insurance partners
- ITDR, or “the Trust” for short
- Formed in 2007 with Delta’s support at bankruptcy, to offer high quality healthcare coverage options to the Delta family 65+
- Administered by the ITDR Retiree Service Center in Iowa
- Top notch insurance partners offering the same plans and services across all 50 states and PR: Anthem Blue Cross and Blue Shield, Delta Dental, EyeMed

# Choose to stay part of the Delta family

## Medicare Plans from Insurance Trust for Delta Retirees

- Medicare solutions designed with the Delta family in mind
- All 65+ former Delta employees, spouses and former spouses are eligible, regardless of length of service
- Over 26,000 of your fellow Delta associates have already chosen insurance coverage through ITDR
- Exclusive group insurance plan options not available elsewhere
- Medicare Supplement-type and Medicare Advantage plan choices, packaged with Medicare Part D Prescription Drug plan
- Options to meet the diverse needs of our Delta Family, with monthly premiums as low as \$0

# How ITDR is Different

- ✓ Group insurance means premiums don't increase based on your age, Five plan options - Medicare Supplement-type and Medicare Advantage
- ✓ Ability to change your plan option each year, with no proof of health
- ✓ Plans with low or no out-of-pocket Medical cost, including options where you may never see another medical bill
- ✓ No network restrictions
- ✓ Prescription Drug Plan with coverage for over 99% of Medicare-approved drugs used by Delta Retirees
- ✓ Options for Dental and Vision coverage
- ✓ Many extras like Silver Sneakers, Travel Assistance and Foreign Travel Emergency Coverage and a Personal Health Advocate

# ITDR 2026 Medicare Plan Options From Anthem Blue Cross and Blue Shield

Medical & Rx Plan	Annual Deductible	Out of Pocket Maximum	Monthly Premium
Medicare Advantage Standard Plan	\$1000	\$4,200	\$0
Medicare Advantage Enhanced Plan	\$0	\$2000	\$133.90
Medicare Advantage Enhanced Plus Plan	\$0	ER \$100 copay only - \$500 max/yr	\$378.52
Medicare Supplement-Type Standard Plan	\$300	\$1500	\$338.79
Medicare Supplement-Type Enhanced Plan	\$0	\$0	\$511.55

## Medicare Advantage Options

- **Standard & Enhanced:** most services covered at a copay
- **Enhanced Plus:** no out of pocket medical cost other than ER copay

## Supplement-Type Options

- **Standard:** most services covered at 10% coinsurance
- **Enhanced:** no out of pocket medical cost after premium

## The decision is designed for simplicity!

- ✓ You may change your plan option each year at annual enrollment in October.
- ✓ All plans are packaged with Prescription Drug Coverage

# ITDR 2026 Medicare Part D Prescription Drug Plan



- Over 99% of Medicare's approved drugs used by Delta Retirees.
- \$250 Brand Drug only deductible,
- No deductible on generics
- You will always pay the lower of the cost of the drug or the copay
- Over 65,000 pharmacies nationwide, including national chains and locally-owned and operated independent and specialty pharmacies
- Extra savings with our Preferred Value Network of 28,000+ pharmacies, including CVS, Walmart, Costco, Safeway, Harris Teeter, Kroger, Publix, and Albertsons, and more



# Ready to hit the easy button?



1

**Watch your mail and email** for enrollment-related materials from us starting six months before your 65<sup>th</sup> birthday, and in October for Annual Enrollment

2

## **Enroll in Medicare Part A & B**

You will need your Medicare ID number to enroll in additional coverage to fill Medicare's gaps

3

**Call our Retiree Service Center at: 877-325-7265**

**itdr.com/callback Visit to** schedule a phone appointment

4

**Visit [itdr.com](http://itdr.com)** for additional details including plan comparison and prescription pricing tools on our Future Members page.

## **Take advantage of the exclusive first-class benefits you've earned.**

- The Insurance Trust for Delta Retirees was created *exclusively* as a non-profit to assure access for the Delta family to high quality healthcare into retirement.



**Thank You!**