Medicare 101

Understanding Medicare and the Medicare Marketplace

August 25, 2025

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What is Medicare?

Definition: A federal health insurance program primarily for people aged 65+ and some people under 65 with certain disabilities or conditions.

Purpose: Helps cover healthcare costs, though it does not cover all medical expenses.

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Who is eligible for Medicare?

Age 65+: You must be age 65 and a US Citizen or Legal Resident to be Medicare-eligible.

- Most people are automatically enrolled at age 65 if they are receiving Social Security benefits.
- If not receiving Social Security, you must sign up for Part A and Part B.
- If you are under age 65, there is a seven-month enrollment window close to your 65th birthday to apply for Medicare Part A and Part B.

Special Cases: People under age 65 with certain disabilities, end-stage renal disease (ESRD), or Lou Gehirg's Disease (ALS) are Medicare-Eligible.

Parts of Medicare

Original Medicare

Part A (Hospital Insurance) – Inpatient care in hospitals, skilled nursing facility care, hospice, and some home health care.

Part B (Medical Insurance) – Doctor visits, outpatient care, preventive services, durable medical equipment.

Part D (Prescription Drug Coverage) – Helps cover cost of medications.

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Medicare Advantage

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Alternative to Original Medicare (Parts A and B) offered by private insurance companies. It bundles coverage of Part A, Part B, and usually Part D, often with additional benefits like dental, vision, or hearing coverage.

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Original Medicare vs. Medicare Advantage

Original Medicare

- Includes Part A and Part B.
- You can join a separate Medicare drug plan to get drug coverage (Part D).
- You can use any doctor or hospital that takes Medicare, anywhere in the U.S.

Medicare Advantage

- Medicare-approved plan from a private company that includes Part A, Part B, and usually Part D.
- In many cases, you can only use doctors who are in the plan's network.
- Different out-of-pocket costs than Original Medicare or supplemental coverage like Medigap. You may also have an additional premium.
- Plans may offer some extra benefits that Original Medicare does not like vision or hearing coverage.

Medicare Advantage vs. Medigap

Part C (Medicare Advantage)

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Medicare Supplemental Insurance (Medigap)

Extra insurance you can buy from a private company that helps cover costs that Original Medicare does not cover. Medigap plans are standardized, and in most states named by letters, like Plan G or Plan N or Plan K. Each lettered plan offer the same basic benefits no matter where you live or which insurance company you buy the policy from. You have to be enrolled in Medicare Part A and Part B before you can buy a Medigap plan.

What is the Medicare Marketplace?

Definition: A private exchange where retirees can compare and purchase Medicare Advantage, Medigap, and Part D plans.

Purpose: Offers personalized plan recommendations based on your health, providers, medications, budget, and location.

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How does the marketplace work?

1. **Consultation:** Speak with a benefits advisor.
2. **Compare Plans:** Look at costs, coverage, and provider networks.
3. **Enroll:** Choose the plan that meets your needs and enroll. (You must already be enrolled in and remained enrolled in Part A and Part B.)
4. **Annual Review:** Revisit choices during Open Enrollment period.

Tips for choosing a plan:

- Check if your doctors/hospitals are in-network.
- Consider your prescription drug needs.
- Compare out-of-pocket costs, not just premiums.
- Think about extra benefits (vision, dental, fitness).

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UVM Open Enrollment Timeline

Aug 2025

Announcement about Medicare Marketplace

Sept 2025

Detailed letter with vendor's info. Call center open to speak with a benefit advisors answer any questions you may have and scheduling enrollment appointments.

Oct 2025

Open enrollment begins. UVM will host in-person and virtual meetings for you to ask questions and learn more about the change.

Dec 2025

Open enrollment ends. Retirees and their eligible dependents must have enrolled in new plans by the end of the open enrollment to avoid a gap in coverage.

Jan 1, 2026

Individual marketplace coverage goes into effect.

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Key Enrollment Periods

Special Enrollment Period:

- October 1 - December 31, 2025
- Coverage starts January 1, 2026
- For life changes like moving or losing other coverage.
- For UVM retirees losing coverage with Vermont Blue Advantage in 2025.

Open Enrollment Period:

- October 15 – December 7, 2025
- Coverage starts January 1, 2026
- To make annual plan changes or enroll without life change.
- For UVM retirees who currently waived group coverage with Vermont Blue Advantage in 2025.

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Questions?

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