

Medicare Part B & Federal Employer Health Benefits (FEHB)

A DECISION TOOL

Created especially for the clients of
i65 and 65 Incorporated



IMPORTANT **About This Tool**

- ▶ *i65* and *65 Incorporated* recommend using this comparison tool only if all of the following apply:
 - ✓ You will be completing your RoadMap through *i65* or a one-on-one consultation with *65 Incorporated*,
 - ✓ You are keeping your Federal Employee Health Benefits (FEHB) plan, and
 - ✓ You want to determine whether enrolling in Medicare Part B, medical insurance, will be beneficial and cost-effective.
- ▶ This tool is designed to provide you with an *estimate* of your potential out-of-pocket costs in two scenarios:
 - Continuing with your current FEHB plan, without Medicare Part B.
 - Enrolling in Part B and keeping your current FEHB plan.
- ▶ Please take the following steps to complete this tool:
 - Refer to your plan brochure. It will list your out-of-pocket costs for the various healthcare services. Enter these costs, as indicated, in the left column on page three of this tool.
 - Then, check the plan brochure or visit <https://www.opm.gov/healthcare-insurance/healthcare/plan-information/compare-plans/> to determine whether your plan will waive the cost-sharing amounts, if you enroll in Medicare Part B. Include this information in the right column on page three.
 - This tool will automatically calculate totals that reflect your costs with just your FEHB plan (left column) compared to the costs of coordinating your plan with Medicare Part B (right column).
- ▶ If you have questions regarding this tool or your Medicare decision, please contact your Medicare advisor.

FEDERAL EMPLOYEE HEALTH BENEFITS PLAN (FEHB)		FEHB + MEDICARE PART B		
PREMIUMS	Enter your portion of the monthly FEHB plan premium. <i>Learn more at https://www.opm.gov/healthcare-insurance/healthcare/plan-information/compare-plans/</i>		2024 Part B Premium	\$ _____
	\$ _____		Estimate of Number of Years of Late Enrollment in Part B ¹	_____
			Estimated Part B Penalty ¹	\$ _____
			Part B IRMAA, if applicable ²	\$ _____
	SUBTOTAL	\$ _____	SUBTOTAL	\$ _____
CO-PAYS/COINSURANCE	Your total out-of-pocket healthcare costs on this plan in the previous year. <i>Do not include prescription medication costs here.</i>		Does your plan waive deductibles, copayments, and coinsurance, if you enroll in Medicare Part B?	Yes
	\$ _____		<i>Learn more at https://www.opm.gov/healthcare-insurance/healthcare/plan-information/compare-plans/</i>	No (Costs from the left column get added to this column)
	SUBTOTAL	\$ _____	SUBTOTAL	\$ _____
ANNUAL TOTAL		ANNUAL TOTAL		
	\$ _____		\$ _____	

¹ Please refer to page 4 for assistance in calculating a Part B Late Enrollment Penalty. ² Determine IRMAA costs using the chart on page 5.

Part B Late Enrollment Penalty

- ▶ An individual has eight months to enroll in Part B when the owner of the FEHB plan quits working. If not enrolling, the penalty takes effect after one full year (12 continuous months) without current employment.
- ▶ This penalty adds 10% of the standard Part B premium (\$174.70 in 2024 for each full year of late enrollment. This penalty gets added monthly Part B premium for the rest of your life.
- ▶ *Example: Judy forgot to enroll in Medicare until her 66th birthday. She must pay a Part B late enrollment penalty for the 1 year of late enrollment added to her Part B plan premium each month for the rest of her life.*

1 Total number of years (12 months) of late enrollment	X	\$17.47 10% of the standard Part B premium in 2024	=	\$17.47 The total amount added to the monthly Part B premium
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IRMAA

- ▶ Higher-income beneficiaries are subject to IRMAA (Income-related Monthly Adjustment Amount) and will pay more in premiums for Part B, medical insurance.
- ▶ Social Security uses two items from your income tax statement two years prior to the current calendar year. The items are tax-exempt interest income (line 2A) and adjusted gross income (line 11). If these two total \$103,000+ for a single filer or \$206,000+ for an individual filing jointly, Social Security will send a letter stating you need to pay higher premiums.
- ▶ Every fall, Social Security will look back two years to determine the premiums for the next calendar year. It may be necessary to submit another life-changing event notice.

- ▶ The additional amounts for IRMAA in 2024 which are added to your standard monthly Part B premiums, are:

2022 Adjusted Gross Income + Tax-exempt Interest Income		2024 IRMAA	
Single Filers	Individuals Filing Jointly	PART B	PART D
≤\$103,000	≤\$206,000	\$0.00	\$0.00
>\$103,000 to ≤\$129,000	>\$206,000 to ≤\$258,000	\$69.90	\$12.90
>\$129,000 to ≤\$161,000	>\$258,000 to ≤\$322,000	\$174.70	\$33.30
>\$161,000 to ≤\$193,000	>\$322,000 to ≤\$386,000	\$279.50	\$53.80
>\$193,000 to <\$500,000	>\$386,000 to <\$750,000	\$384.30	\$74.20
≥\$500,000	≥\$750,000	\$419.30	\$81.00
Married Individuals Filing Separately		PART B	PART D
≤\$103,000		\$0.00	\$0.00
>\$103,000 to <\$397,000		\$377.70	\$74.20
≤\$397,000		\$412.10	\$81.00



Disclaimer:

65 Incorporated and i65 provide guidance and information to our clients, based primarily on third-party sources, so that our clients can make informed decisions after reviewing their options.

65 Incorporated and i65 do not make decisions or choices as to which option is best for a particular client; that is the obligation of each client, after carefully considering the information contained on i65.com, 65incorporated.com and from other sources. We urge our clients to study all their options carefully. 65 Incorporated and i65 disclaims responsibility for any option chosen by a client, and for the information prepared by third party sources. In the event of any claim by a client against 65 Incorporated or i65, the liability of 65 Incorporated or i65 shall be limited to the consideration paid by such client to 65 Incorporated or i65.

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