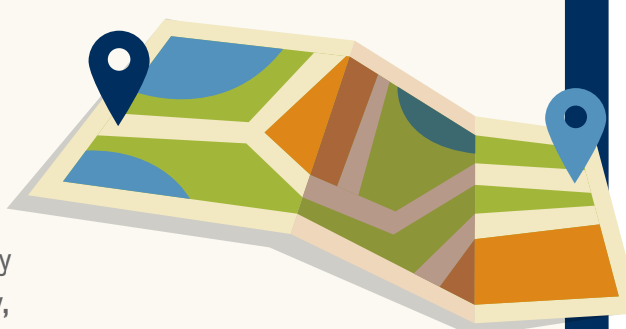


NAVIGATING MEDICARE

The Medicare mile marker is on the horizon. Most U.S. citizens become eligible at age 65 for the health insurance program facilitated by the federal government, with an open enrollment period at the end of each calendar year thereafter. Given the somewhat complicated coverage options – Part A, Part B, Part D, Part C, Medigap – it's easy to get lost on the Medicare enrollment journey. Fortunately, we can get you there.



GETTING STARTED: Eligibility
 Most U.S. citizens become eligible for Medicare on the first day of the month in which they turn 65.

▶ **ARE YOU NEARING 65?**

YES – You remain eligible for health insurance offered through the Marketplace or an employer. This is your exit. See you down the road!

NO – You remain eligible for health insurance offered through the Marketplace or an employer. This is your exit. See you down the road!

▶ **ARE YOU ALREADY ENROLLED IN MEDICARE?**

YES – Take the express lane

NO

ARRIVING ON TIME: Enrollment
 If you already collect Social Security benefits, you will be automatically enrolled in Parts A and B – no speed bumps for you. If not, there are three enrollment scenarios:

- 1 Initial Enrollment Period:** You can apply during a seven-month window around your 65th birthday – the month of your birthday, plus the three months prior and three months after.
- 2 Special Enrollment Period:** If you have group coverage through current employment, yours or your spouse's, check whether the employer requires you to enroll in Medicare when first eligible. If not, you can wait for a special enrollment period that extends to eight months after the employment or coverage ends.
- 3 General Enrollment Period:** If you did not sign up during initial or special periods, you can enroll each year from Jan. 1 to March 31. **Be aware: You could pay a higher premium for late enrollment.**

CHANGING LANES: Open enrollment
 Each year from Oct. 15 to Dec. 7, you can review your itinerary – er, coverage choices – and change your selections.

CHOOSING ACCOMMODATIONS: Coverage options
 You've arrived at a crossroads: You need to choose between original Medicare and Part C. Consider the options carefully.

OPTION 1: ORIGINAL MEDICARE

PART A – HOSPITAL INSURANCE
 Helps pay for a stay in the hospital or skilled nursing facility, home healthcare, hospice care and medicines administered to inpatients.
BOTTOM LINE: Typically, everyone benefits from Part A.

PART B – MEDICAL INSURANCE
 Helps pay for physician and outpatient services such as office visits, rehab therapy, lab tests, medical equipment and doctors' services in the hospital.
BOTTOM LINE: You can opt out of Part B if you have another source for medical insurance.

PART D – PRESCRIPTION DRUG COVERAGE (OPTIONAL)
 Offered by private companies, helps pay for prescription drugs you use at home, plus insulin supplies and some vaccines.
BOTTOM LINE: Part D is optional, but if you do not sign up when first eligible, you could pay more later. You must be enrolled in Part A or B.

MEDIGAP – SUPPLEMENTAL INSURANCE (OPTIONAL)
 Offered by private companies, helps fill in the potholes in original Medicare coverage to minimize out-of-pocket expenses such as deductibles, copays and coinsurance.
BOTTOM LINE: Medigap is optional, but you must be enrolled in Parts A and B. Benefits are similar in all states, but new policies do not offer prescription drug coverage.

OPTION 2: PART C – MEDICARE ADVANTAGE

Provided by private HMOs/PPOs, Part C includes Part A and Part B services except hospice; most plans include Part D prescription drug coverage, and some cover vision, hearing, dental and wellness programs that are not part of original Medicare.
BOTTOM LINE: You must be enrolled in Parts A and B, but cannot select Part D or Medigap. The Part C premium is in addition to the Part B premium.

- 60%** Medicare pays only about 60% of medical costs.
- You'll still have premiums, deductibles and copays.
- Original Medicare does not cover dental, vision or hearing costs.
- Medicare does not cover long-term care costs.

GET UP TO SPEED
 Contact your Raymond James advisor for additional information about Medicare and how to incorporate healthcare coverage and expenses into your financial plan.

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NOTE: Premiums and other costs listed are for the majority of people, according to the official Medicare website. Amounts could be higher for people with an annual household income of more than \$170,000. For additional details, visit the government's Medicare website: www.medicare.gov. You can sign up for Medicare in person at your Social Security office, by telephone at 1.800.772.1213 or online at www.Medicare.gov. ©2016 Raymond James & Associates, Inc., member New York Stock Exchange / SIPC. 16-RPRet-0182 JK/KM 9.16