



Medicare

Your Health Insurance at 65+

A 2026 Guide for Minnesotans Approaching Medicare

Presented by Fred Lang

Licensed Medicare Insurance Agent · Minnetrista, MN

763.292.9837 · lakeshealthinsurance.com

Why This Matters

If you're approaching 65 or already Medicare-eligible, the choices you make now affect your costs, your access to care, and your peace of mind for years to come. Some decisions have hard deadlines. Missing them can mean permanent penalties.

Today's goal:

Help you understand your options and make an informed choice, without pressure.

FIVE THINGS TO KNOW

- 1 Medicare becomes your primary health insurance at 65
- 2 You usually must actively enroll; it isn't automatic
- 3 You have important decisions to make within specific timeframes
- 4 Your choices affect costs, coverage, and which doctors you can see
- 5 Missing deadlines can result in permanent penalties

What is Medicare?

The basics

- Federal health insurance for people 65+ and some under 65 with disabilities
- Administered by the government, but many services delivered through private companies
- Different from Medicaid, which is need-based assistance

KEY FACTS

Most people must actively enroll

It is not automatic unless you are already on Social Security.

Your choices affect your costs and coverage

What you pick at 65 can shape the next decade of healthcare.

Some decisions have limited enrollment windows

Medigap especially. Guaranteed acceptance has time limits.

Your Two Main Paths

PATH 1

Original Medicare + Add-ons

- Original Medicare (Parts A & B) from the government
- Plus Medicare Supplement insurance (Medigap) to cover the gaps
- Plus a stand-alone Part D prescription drug plan

PATH 2

Medicare Advantage

- Medicare Advantage (Part C) from a private insurer
- Replaces Original Medicare with one bundled plan
- Usually includes prescription drugs
- Often includes dental, vision, and other extras

Important: You cannot have both Original Medicare + Supplement AND Medicare Advantage at the same time.

Original Medicare: Parts A & B

PART A

Hospital Insurance

Covers:

- Inpatient hospital stays and skilled nursing
- Hospice care and some home health care

2026 costs:

\$0 premium for most people

\$1,736 deductible per benefit period

20% after deductible (no maximum)

PART B

Medical Insurance

Covers:

- Doctor visits, outpatient and preventive care
- Medical equipment and some home health care

2026 costs:

\$202.90 standard monthly premium

\$283 annual deductible

20% after deductible (no maximum)

Inpatient copays: Days 1-60 \$0 after deductible · Days 61-90 \$434/day · Days 91-150 \$868/day (lifetime reserve)

What You Need to Add to Original Medicare

MEDICARE SUPPLEMENT · MEDIGAP

Closes the 20% gap

Why you need it:

Original Medicare leaves you paying 20% of costs with no annual limit. Medigap pays your share of those costs.

- Standardized plans, same benefits regardless of carrier
- Enroll within 6 months of getting Part B for guaranteed acceptance
- Premium varies by company and plan letter

PART D · PRESCRIPTION DRUGS

Separate plan for your medications

2026 limits:

\$615 maximum annual deductible (plans may charge less)

\$2,100 out-of-pocket maximum, after which you pay \$0

Late enrollment penalty

If you delay Part D without other creditable drug coverage, you pay a permanent penalty added to your premium each month.

Medicare Advantage: How It Works

How Medicare Advantage works

- Replaces Original Medicare; you still have Medicare, but it is delivered through a private plan
- Must include everything Original Medicare covers
- Usually includes prescription drugs
- Often includes dental, vision, and hearing aid benefits
- May include extras like gym memberships and transportation

KEY FEATURES

NETWORK

Usually must use plan doctors and hospitals

PREMIUMS

Often \$0, varies by plan and county

COST-SHARING

Copays and coinsurance with an annual out-of-pocket maximum

COVERAGE AREA

Limited to specific geographic regions

Medicare Advantage Plan Types

HMO

Health Maintenance Organization

- Must use network providers
- May need referrals for specialists
- Typically the lowest cost option

PPO

Preferred Provider Organization

- Can go out of network (at higher cost)
- No referrals needed for specialists
- More flexibility, generally higher costs

OTHER TYPES AVAILABLE

PFFS Private Fee-for-Service **MSA** Medical Savings Account **Cost Plans** Limited availability in MN

Comparing Side by Side

Feature	Original Medicare + Supplement	Medicare Advantage
Monthly cost	Higher premiums	Often \$0 premium
Cost-sharing at point of care	Little to none with a good Medigap	Copays for each service
Doctor choice	Any doctor accepting Medicare	Network doctors primarily
Prescription drugs	Separate Part D plan required	Usually included
Extra benefits	Limited	Often dental, vision, hearing
Travel	Works nationwide; some plans cover foreign travel emergency	Limited to plan service area
Changing plans	Medigap can be hard to change later	Can change annually during AEP

Decision-Making Factors

Choose Path 1 if you...

Original Medicare + Supplement

- Want maximum doctor choice
- Travel frequently or live part-time elsewhere
- Prefer predictable, low cost-sharing
- Have ongoing conditions requiring specialist care
- Can afford higher monthly premiums

Choose Path 2 if you...

Medicare Advantage

- Want to minimize monthly premiums
- Are comfortable with network restrictions
- Want dental, vision, and other extras included
- Prefer an annual out-of-pocket maximum
- Generally stay in one geographic area

Important Enrollment Periods

IEP	<h2>Initial Enrollment Period</h2> <p>WHEN 7 months around your 65th birthday <i>3 months before, your birthday month, and 3 months after.</i></p>	<p>WHAT IT'S FOR</p> <p>Enroll in Medicare Parts A & B.</p> <p><i>Missing this can mean permanent late-enrollment penalties.</i></p>
AEP	<h2>Annual Enrollment Period</h2> <p>WHEN October 15 through December 7 <i>Every year.</i></p>	<p>WHAT IT'S FOR</p> <p>Change Medicare Advantage plans; change Part D; switch from Advantage back to Original Medicare.</p> <p><i>Changes take effect January 1.</i></p>
MEDIGAP OE	<h2>Medigap Open Enrollment</h2> <p>WHEN 6 months from when you first get Part B <i>One-time window.</i></p>	<p>WHAT IT'S FOR</p> <p>Guaranteed acceptance for Medicare Supplement regardless of health.</p> <p><i>After this, you may be denied or charged more based on health.</i></p>

Common Mistakes to Avoid

COSTLY ERRORS

Mistakes that hit your wallet

- Delaying Part B enrollment without other creditable coverage: 10% lifetime penalty for every 12 months late
- Missing the Medigap open enrollment window: you may be denied or charged more later
- Not comparing Part D plans annually: formularies and costs change every year
- Assuming Medicare Advantage is always cheaper: total annual cost includes copays and coinsurance
- Not understanding network restrictions on Advantage plans

RED FLAGS

When to walk away

- Anyone pressuring you to enroll immediately
- Plans that sound “too good to be true”
- Unsolicited calls or door-to-door sales
- Agents who won’t put things in writing
- Anyone asking for your full Medicare number before you've signed a Scope of Appointment

Your Next Steps

BEFORE YOU ENROLL

- List your current medications and preferred pharmacies
- Identify your preferred doctors and hospitals
- Consider your budget for both premiums and out-of-pocket costs
- Think about your health needs and likelihood of travel

TIMELINE

- 3 months before 65: start researching options
- Birthday month: enroll in Parts A & B
- Within 6 months of Part B: enroll in Medigap if choosing Path 1

RESOURCES

- Medicare.gov: official Medicare plan finder
- 1-800-MEDICARE: official Medicare helpline
- State Health Insurance Program (SHIP): free local counseling
- Lakes Health Insurance: 763.292.9837

Questions to Ask Yourself

COVERAGE

- Do I want to keep my current doctors?
- How important is coverage when traveling?
- Do I need dental, vision, or hearing aid coverage?
- What prescription medications do I take?

FINANCIAL

- Do I prefer predictable monthly costs, or lower premiums with variable costs?
- What's my budget for healthcare premiums?
- How much can I afford for out-of-pocket medical expenses?

LIFESTYLE

- Do I spend time in multiple states?
- Am I comfortable navigating insurance networks?
- Do I prefer comprehensive coverage or minimal monthly costs?

The 2026 Minnesota Medicare Market

WHAT CHANGED FOR 2026

UCare exited Minnesota's Medicare Advantage market

Tens of thousands of Minnesotans needed to choose a new Medicare Advantage plan or move to Original Medicare with a Supplement for the 2026 plan year. If you were a UCare member, you've likely already heard from CMS and from your plan; if you haven't picked a new plan, talk to a licensed agent quickly.

CARRIERS OFFERING MAPD IN THE TWIN CITIES METRO

- Blue Cross Blue Shield of Minnesota
- Medica
- HealthPartners
- UnitedHealthcare
- Allina Health Aetna Medicare
- Humana

Plan availability and provider networks vary. Quartz serves southeastern MN counties only, not the metro.

Coverage at a Glance

	Original Part A	Original Part B	Medicare Advantage (Part C)	Part D Drug Plan	Medigap / Supplement
Hospital care	Yes	No	Yes	No	Pays your share
Doctor visits	No	Yes	Yes	No	Pays your share
Preventive care	No	Yes	Yes	No	Pays your share
Annual out-of-pocket max	No	No	Yes	Yes	No
Prescription drugs	No	No	Sometimes	Yes	No
Extra benefits (dental, vision, hearing)	No	No	Sometimes	No	No

Medigap pays your share of Part A and Part B costs (deductibles, copays, coinsurance) for covered services. Sometimes = depends on the specific plan; MA plans usually include drugs, dental, vision, and hearing, though not all do.

Part A: In Depth

PART A HELPS COVER

- Inpatient hospital care: semi-private room, meals, general nursing, supplies
- Inpatient rehab and inpatient mental health (190-day lifetime limit in psych hospital)
- Skilled Nursing Facility (SNF) after a qualifying 3-day inpatient stay
- Blood (3 pints, inpatient)
- Home health care after an inpatient stay of 2+ days, ordered by your doctor
- Hospice care
- Certain care in religious nonmedical health care institutions

NOT COVERED BY PART A

- Private duty nursing
- Private room, unless medically necessary
- TV and phone (if there's a separate charge)
- Personal care items (razors, slipper socks, etc.)
- Long-term custodial care

2026 INPATIENT STAY COPAYS

Days 1-60 \$0 after deductible **Days 61-90** \$434/day **Days 91-150** \$868/day (uses 60 lifetime reserve days)

Part B: In Depth

PART B HELPS COVER

- Doctors' services and outpatient medical and surgical care
- Clinical lab tests
- Durable medical equipment (DME); may require approved suppliers
- Diabetic testing and supplies
- Preventive services (flu shots, annual wellness visit)
- Home health care when ordered by your doctor
- Medically necessary outpatient PT, OT, speech-language therapy
- Outpatient mental health services

2026 PART B COSTS

Monthly premium	\$202.90
Annual deductible	\$283
Coinsurance after deductible	20%
Out-of-pocket maximum	None

Important: 10% late enrollment penalty per 12 months delayed, for life.

NOT COVERED: Self-administered prescription drugs (those go through Part D) · Over-the-counter medications

Advantage vs Supplement: A Closer Look

Medicare Advantage	CATEGORY	Original + Supplement
Premiums as low as \$0; copays/coinsurance with annual out-of-pocket max	COSTS	Higher monthly premium; little or no copays with strong Medigap plans
Part A + Part B coverage with some copays, coinsurance, and a maximum out-of-pocket	MEDICAL	Part A + Part B coverage with most cost-sharing gaps filled by Medigap
Lowest cost in-network; out-of-network may cost more or be unavailable	NETWORK	See any provider who accepts Medicare assignment
Part D drug coverage usually included	Rx	Part D not included; purchase a stand-alone PDP for additional cost
Dental, hearing, and vision benefits often included	EXTRAS	Dental, hearing, and vision benefits not included
Limited to plan service area; some plans cover travel up to 12 months	TRAVEL	Nationwide coverage; some plans cover foreign travel emergency; plan moves with you



Ready to Find the Right Plan?

Free, no-pressure consultation. In person, by phone, or virtually.

PHONE	763.292.9837
EMAIL	Flang@LakesHealthInsurance.com
WEB	lakeshealthinsurance.com
ADDRESS	920 Evans Way, Minnetrista, MN 55364
HOURS	Mon-Fri 9:00 AM - 5:00 PM

IMPORTANT LEGAL INFORMATION

Lakes Health Insurance is not affiliated with or endorsed by the federal Medicare program. Calling the number listed will direct you to a licensed insurance agent. We represent 10 organizations offering 54 products in your area. We do not offer every plan available. To get information on all your options, contact Medicare.gov, 1-800-MEDICARE, or your local State Health Insurance Program (SHIP). Plans subject to Medicare contract renewal annually.



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