2026 Medicare Changes

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Who We Are

The mission of the Pikes Peak Area Agency on Aging is to help older area residents remain in their homes by removing barriers to independent living.
We assist with the coordination and development of a comprehensive system of services for older persons in El Paso, Park, and Teller counties.
We provide leadership and advocacy for the needs and concerns of the elderly.

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What We Do

The Colorado State Health Insurance Assistance Program (SHIP) provides free, unbiased, in-depth, one-on-one insurance counseling and assistance to Medicare beneficiaries, their families, friends, and caregivers for:

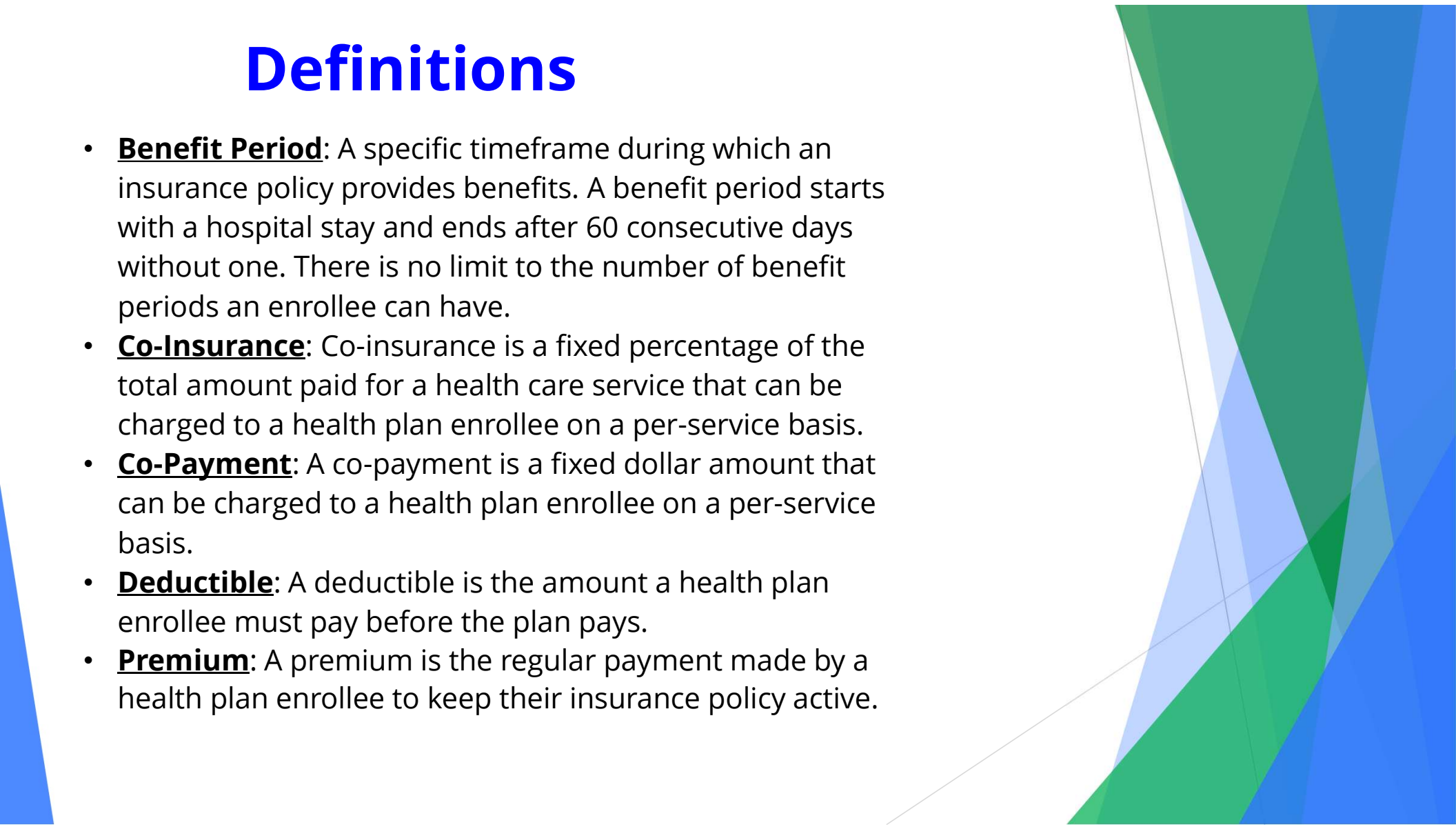
- Original Medicare (Parts A and B), Medicare Advantage Plans (Part C), Prescription Drug Plans (Part D), and Medigap Plans (also known as Supplemental Plans)
- Insurance plans for retirees (ex. Tricare for Life, PERA, etc.)
- Applying for assistance programs for those with low incomes and resources
- Serving 9 counties in Colorado: Chaffee, Custer, El Paso, Fremont, Huerfano, Lake, Las Animas, Park, and Teller

Colorado Springs Office: (719) 471-2096 ext. 142
Statewide SHIP Office: (888) 696-7213

SHIP
State Health Insurance Assistance Program
Navigating Medicare

Definitions

- **Benefit Period**: A specific timeframe during which an insurance policy provides benefits. A benefit period starts with a hospital stay and ends after 60 consecutive days without one. There is no limit to the number of benefit periods an enrollee can have.
- **Co-Insurance**: Co-insurance is a fixed percentage of the total amount paid for a health care service that can be charged to a health plan enrollee on a per-service basis.
- **Co-Payment**: A co-payment is a fixed dollar amount that can be charged to a health plan enrollee on a per-service basis.
- **Deductible**: A deductible is the amount a health plan enrollee must pay before the plan pays.
- **Premium**: A premium is the regular payment made by a health plan enrollee to keep their insurance policy active.



Review of Medicare Part A and Part B

Medicare Part A:

- Free for most people
- Covers in-patient hospitalization, skilled nursing facility, medically necessary home health care, and hospice services
- Some deductibles and co-insurance costs may apply

Medicare Part B:

- Everyone pays a Part B premium (unless you qualify for a Medicare Savings Plan)
- Cost sharing is 80% Medicare, 20% beneficiary
- Annual deductible and coinsurance apply

*These are considered Original Medicare benefits

Quick Review of Medicare Part C and Part D

Medicare Part C:

- Also known as Medicare Advantage Plan
- Includes Health Maintenance Organizations (HMO's), Preferred Provider Organizations (PPO's), Private Fee for Service (PFFS), Program for All-Inclusive Care for the Elderly (PACE), and Special Needs Plans (SNP's)

Medicare Part D:

- Medicare sponsored drug coverage provided through private companies
- Co-payments based on tiers, prior authorization, quantity limits, step therapy, and pharmacy networks (preferred vs. standard)

Part A Changes

- **Premium**:
  - At least 30 working quarters (can "piggyback" on spouse's working quarters): $285/month → $311/month
  - Fewer than 30 working quarters: $518/month → $565/month
- **Deductible (In Patient Hospitalization)**:
  - $1,676/benefit period → $1,736/benefit period
- **Co-Insurance (In Patient Hospitalization)**:
  - Days 61-90: $419/day → $434/day
  - Lifetime Reserve Days: $838/day → $868/day
- **Co-Insurance (Skilled Nursing Facility)**:
  - Days 21-100: $209.50/day → $217/day

Part B Changes

- **Premium**: $185/month → $202.90/month
- **Deductible**: $257/year → $283/year
- **Income Related Monthly Adjustment Amounts (IRMAA)**:
  - Charges are assessed based on modified adjusted gross income using tax returns from the prior two years (2024 and 2023)
  - Collected from higher-income beneficiaries based on the theory that higher-income beneficiaries can pay more for their healthcare
  - Changes each year (see following slide)

Income Related Monthly Adjustment Amounts (IRMAA) Changes

Full Part B Coverage			
Beneficiaries who file individual tax returns	**Beneficiaries who file joint tax returns**	**Income-Related Monthly Adjustment Amount**	**Total Monthly Premium Amount**
Less than or equal to $109,000	Less than or equal to $218,000	$0.00	$202.90
Greater than $109,000 and less than or equal to $137,000	Greater than $218,000 and less than or equal to $274,000	$81.20	$284.10
Greater than $137,000 and less than or equal to $171,000	Greater than $274,000 and less than or equal to $342,000	$202.90	$405.80
Greater than $171,000 and less than or equal to $205,000	Greater than $342,000 and less than or equal to $410,000	$324.60	$527.50
Greater than $205,000 and less than $500,000	Greater than $410,000 and less than $750,000	$446.30	$649.20
Greater than or equal to $500,000	Greater than or equal to $750,000	$487.00	$689.90

Part C/Medicare Advantage Plan Changes

- **Plans with Drug Coverage**:
  - 28 Plans with Drug Coverage
  - Premiums range from $0/month - $189/month
- **Special Needs Plans**:
  - Special Needs Plans are for dual-eligible beneficiaries residing in an institutional setting or have specific chronic or disabling conditions
  - 17 Special Needs Plans
- **In Network Out-of-Pocket Cap**:
  - $9,350/year → $9,250/year

Part D/Prescription Drug Plan (PDP) Changes

- **Deductible**:
  - $590/year → $615/year
- **Max Out of Pocket**:
  - $2,000/year → $2,100/year
- **Available Plans**:
  - 16 plans → 10 plans
  - Aetna (1), HealthSpring (2), Humana (3), United (2), and Wellcare (2)
- **Plan Cost**:
  - Premiums range from $0/month - $151/month

Part D/Prescription Drug Plan (PDP) Changes

- **<u>Medicare Prescription Payment Plan (MPPP)</u>**:
  - Part D enrollees have the option of spreading out their out-of-pocket costs over the year (AKA “Smoothing”) rather than face high out-of-pocket costs in any given month
  - Enrollees can “opt-in” during any month as of year and as early as October 15th by completing an election request form as part of the Part D member ID card issuance when an individual enrolls, mailing an application, by phone, or online
  - Plans must process the request within 24 hours
  - Enrollees can “opt out” at any time during the plan year
  - Starting in 2026, you’ll automatically stay enrolled in 2027 unless you “opt out”
  - Enrollment CANNOT be done at pharmacy

No Changes

- **Vaccines**: There continues to be zero cost sharing for adult vaccines including COVID, Influenza, Tetanus, Diphtheria, Pertussis (TDAP), Measles, Mumps, Rubella (MMR), Varicella (Chickenpox), Shingles, and RSV
- **Insulin**: Monthly insulin costs for Medicare beneficiaries continues to be capped at $35/month

Contact Information

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We have one full time counselor, two part time counselors, and one part time volunteer, all fully trained and certified by Medicare and the State of Colorado to assist you!

(719) 471-2096 – Chaffee, Custer, El Paso, Fremont, Huerfano, Lake, Las Animas, Park, and Teller counties

(888) 696-7213 - toll free, state-wide, will route you to the SHIP office closest to you

For more information about the SHIP program and volunteer opportunities, please visit www.shiptacenter.org

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Questions?