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2025

Medicare quick reference

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Medicare parts and plans

Part A	Covers hospital, skilled nursing facility, home health and hospice care. Part of Original Medicare.
Part B	Covers physician services, preventative care, durable medical equipment, hospital outpatient, mental health and ambulance services. Part of Original Medicare.
Part C (Medicare Advantage)	A private insurance alternative to Original Medicare that generally incorporates Parts A, B and D into a single insurance plan option.
Part D	Covers prescription medications through plans issued by private insurance companies. Coverage can be obtained as a stand-alone plan under Original Medicare or as part of a Medicare Advantage offering.
Medigap/Medicare supplement	Supplemental coverage for certain expenses not covered by Original Medicare. Covered expenses may include deductibles, copays, coinsurance and foreign travel emergency care. These plans are issued by private insurance companies.

Medicare costs

Part A

Base premiums	None (up to \$518 for those without sufficient work credits or spousal eligibility)
Deductible	\$1,676/benefit period. A benefit period begins on the day you are admitted to the hospital or skilled nursing facility and ends after 60 consecutive days of no inpatient or skilled nursing care.
Copayments	Hospital stays: <ul style="list-style-type: none">• Days 1-60: \$0 after deductible• Days 61-90: \$419/day• Days 91+: \$838 coinsurance per available reserve day (up to 60 days over lifetime) or full cost Skilled nursing facility: <ul style="list-style-type: none">• Days 1-20: \$0 for each benefit period• Days 21-100: \$209.50/day• Days 100+: Full cost

Part B

Base premiums	\$185 standard premium (may be less if covered by “hold harmless” provision*)
High income surcharge	Varies by income and tax filing status. See <i>High Income Premium surcharge table</i> .
Deductible	Annual: \$257
Copayments	20% for most other services. None for most preventative services.

* Hold harmless premium applies for most Social Security recipients

Part C

- MA plans are a private alternative to Original Medicare.
- Plan premiums vary, but will not be less than the Part B premium cost of (“hold harmless” premium) or \$185 (standard premium)
- Issued by private insurance companies generally under HMO or PPO structure.
- May include dental, hearing or vision coverage.
- Plan availability and provider networks vary by geographic region.

Part D

Base premiums	Varies by plan and location. National base premium: \$36.78
High income surcharge	Varies by income and tax filing status. See <i>High Income Premium surcharge table</i> .
Maximum deductible	Annual: \$590
Copayments	Depends on plan and phase of coverage
Coverage phases	Standard: \$0 – \$2,000 in prescription costs Catastrophic: >\$2,000 in prescription costs

Part D — Coverage gap and phases

Under standard guidelines, in 2025, Part D expenses work as follows:

- Participant pays an initial deductible up to \$590.
- Medicare Part D standard coverage is at least 75% until the participant reaches annual out-of-pocket spending limit of \$2,000. Most plans have predetermined co-payments or co-insurance for each drug.
- Once all Part D and participant out-of-pocket expenses total \$2,000, the participant enters the catastrophic coverage phase. Future out-of-pocket expenses for the remainder of the year will be \$0.

Limits	%Paid by participant
\$590	Deductible (100%)
	Standard (25%)
\$2,000	Catastrophic (0%)

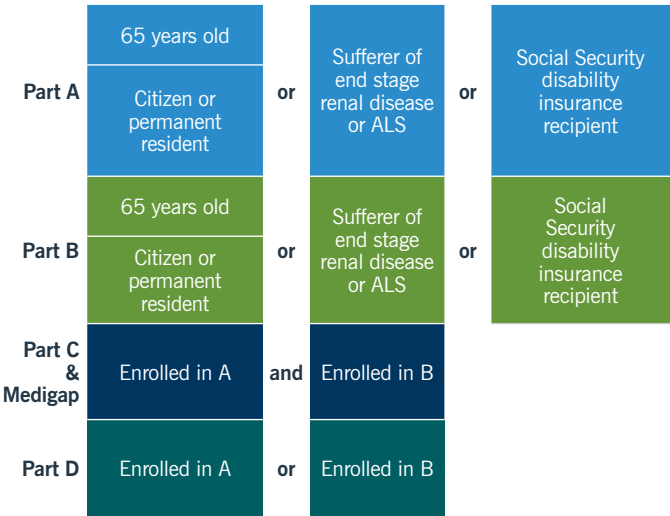
Other key changes to Part D Under the Inflation Reduction Act of 2022

- Insulin cost cap of \$35 per month
- Cost-sharing for recommended adult vaccines eliminated
- Option to participate in Medicare Prescription Payment Plan to spread out-of-pocket drug payments throughout the calendar year.
No cost reductions.

Medigap

- Must be enrolled in Part A & B in order to purchase.
- Only available under Original Medicare and must be selected within 60 days of Part B enrollment to avoid underwriting.
- Premiums vary by plan type and insurer selected.
- Supplemental plans are typically available in 10 variations depending on desired coverage.
- Plans may cover all or portions of copays, deductibles, coinsurance, Part B excess charges and foreign travel emergency coverage.

Eligibility requirements



Enrollment periods

Initial enrollment



Annual election period



General enrollment



Open enrollment



Enrollment periods

Initial enrollment: Begins three months prior to 65th birthday and ends three months after.

Annual election period: Opportunity to make changes to selected coverage an effective date of January 1 the following year. May change MA or Part D plan, move from Original Medicare to MA or vice versa.

General enrollment: Opportunity to enroll if you did not enroll when first eligible. Coverage will begin on July 1st and enrollment penalties may apply. See *penalties for late enrollment*.

Open enrollment: Only for beneficiaries who are enrolled in an MA plan. One time chance to drop MA plan and return to original Medicare Part A and Part B, sign up for stand-alone Medicare Part D prescription drug plan, and/or switch from one MA plan to another MA plan.

Special enrollment: Available after 65, anytime while covered by a current employer’s plan or within eight months of separation.

Penalties for late enrollment

	Part A ¹ (if applicable)	Part B	Part D
Amount	10% flat penalty	10% incremental penalty	1% incremental penalty, based on National Base Premium of \$36.78
Rate of increase	Does not increase	Increases 10% for each 12 month period participant was eligible for Part B but was not enrolled	Increases 1% for each full month participant was eligible for Part D coverage but was not enrolled
Duration	Twice as long as participant was eligible for Part A, but was not enrolled	As long as participant has Medicare	As long as participant has Medicare
Initiation	As soon as initial or special enrollment period ends	As soon as initial or special enrollment period ends	After 63 continuous days without creditable prescription drug coverage

¹ Only applies to individuals who do not qualify for premium free Part A coverage.

High income premium surcharges

Modified adjusted gross income in 2023 (determines what you pay in 2025)			Monthly premium	
File individual	File married & joint	File married & separate	Part B	Part D
\$106,000 or less	\$212,000 or less	\$106,000 or less	\$185.00 ²	Plan premium
\$106,001 to \$133,000	\$212,001 to \$266,000	Not applicable	\$259.00	\$13.70 + premium
\$133,001 to \$167,000	\$266,001 to \$334,000	Not applicable	\$370.00	\$35.30 + premium
\$167,001 to \$200,000	\$334,001 to \$400,000	Not applicable	\$480.90	\$57.00 + premium
\$200,001 to \$500,000	\$400,001 to \$750,000	\$106,001 to \$394,000	\$591.90	\$78.60 + premium
above \$500,000	above \$750,000	above \$394,000	\$628.90	\$85.80 + premium

² May pay less if held harmless.

Source: CMS.gov

Key enrollment considerations

Signing up at the proper time: In order to avoid penalties, participant must either sign up for Medicare during the initial enrollment period or be eligible to delay coverage.

Delaying coverage past age 65:

Medicare can be delayed without penalty, if participant has creditable health care coverage through an employer or spouse's employer.

Transitioning from employer coverage to delayed Medicare coverage:

Participants who delayed coverage can sign up for Medicare through a Special Enrollment Period (SEP). Participant may sign up while covered by another plan or up to eight months after other coverage ends.

Combining Medicare and group plan coverage:

If participant has both Medicare and plan coverage, payments will depend on the size of the employer providing the coverage. The group plan will be the primary payer if the plan is offered by a firm with 20 or more employees. For plans through firms with 20 or fewer employees, which coverage is primary will depend on the plan. Participants should consult with plan provider to determine how the plan will integrate with Medicare.

Medicare and health savings accounts (HSAs):

Upon enrollment in any part of Medicare (including Part A), participant may no longer contribute to an HSA. However, participant may use remaining HSA funds to pay for medical services while enrolled in Medicare.

Nuveen
333 West Wacker Drive
Chicago, IL 60606
312.917.7700

nuveen.com

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