

Thanks for joining

How Medicare Parts & Prices Fit into Your Retirement Plan

The webinar will start in **10** minutes.



FINANCIAL WELLNESS SERIES

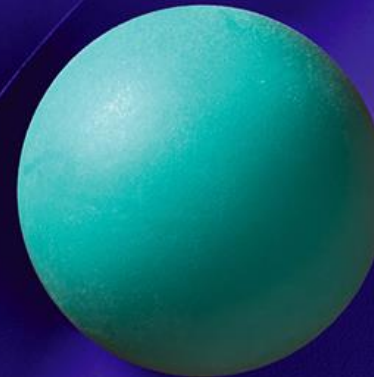
How Medicare Parts & Prices Fit into Your Retirement Plan

Taking steps towards
planning a fit retirement



Presenter Name

Presenter Title



Agenda



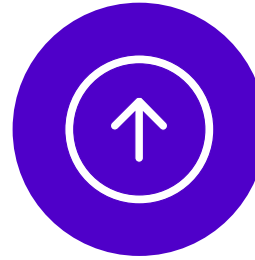
1

Health care costs
in retirement



2

Medicare parts:
A, B, D...and more



3

Medicare prices:
“It’s not free?”



4

Where Medicare
costs fit in your
retirement plan

Health care costs in retirement

Do you know?

What percent of retirees report their health care costs are somewhat or much higher than they expected?

A) 12%

B) 24%

C) 38%

D) 46%

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Source: EBRI, Retirement Confidence Survey, 2023 <https://www.ebri.org/retirement/retirement-confidence-survey>

Health care costs in retirement

Total annual health care expenditures for those age 65 and older



Source: BLS, Consumer Expenditure Surveys <https://www.bls.gov/cex/tables/calendar-year/mean-item-share-average-standard-error.htm#rf-age>

Health care costs in retirement

When planning for your own health care costs in retirement

Consider the realities of aging



Medicare Parts A, B, D.... and more

Do you know?

How many retirees are covered by Medicare today?

A) 25 million

B) 35 million

C) 45 million

D) 58 million

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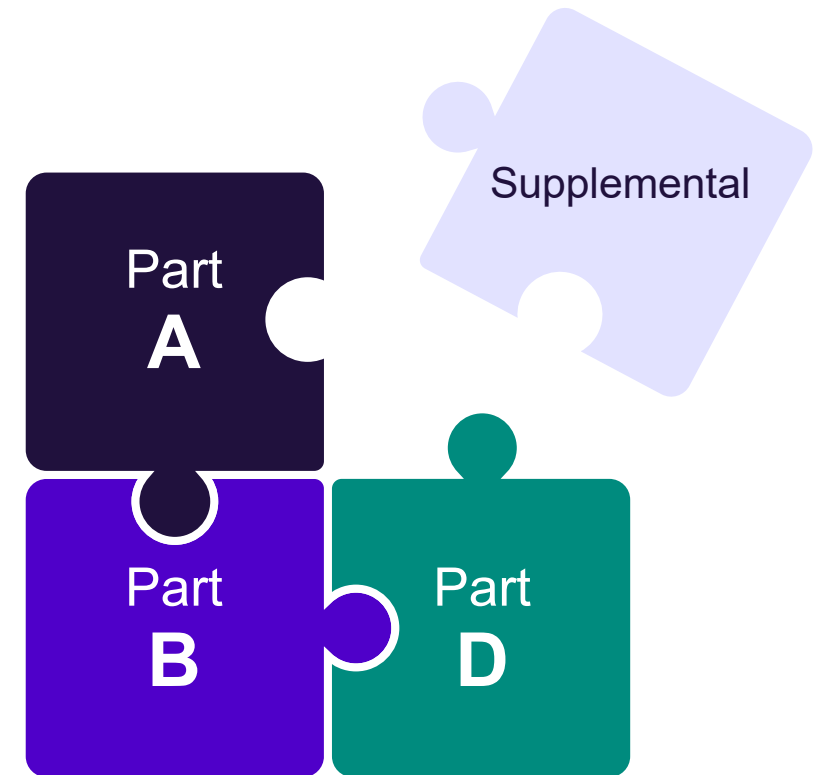
Source: CMS Fast Facts, published Oct 2023 <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/CMS-Fast-Facts>

Medicare parts A, B, D...and more

What is Medicare?

The health insurance program for US citizens age 65 and older

- Permanent legal residents who have been in the US for 5+ current years
- Green card holder married to a fully-insured US citizen or green card holder for at least 1 year
- Qualify by paying FICA taxes for 10 years or more



Medicare parts A, B, D...and more

When does Medicare start?

1



First day of the month containing your 65th birthday

2



After 24 consecutive months on Social Security Disability (SSDI)

3



If you have certain illnesses

Medicare parts A, B, D...and more

How do you “get into” Medicare?



Automatically Enrolled

- If you claimed Social Security early, before age 65



Proactively Apply

- During your Initial Enrollment Period around your 65th birthday month
- When you are no longer an active-employee in a large group health insurance plan



Delay first Then apply

- You have coverage from a large employer group health plan
- May delay both Part A and Part B
- Sign up during a Special Enrollment Period when coverage is ending

Medicare parts A, B, D...and more

Medicare Part A: Hospitalization

Inpatient hospital stays

Skilled Nursing Facilities

Hospice Care

Certain home-health services

Part A

Medicare parts A, B, D...and more

Medicare Part B: Doctors and Outpatient Services

Physicians and Specialists

Outpatient Services, such as chemo

Certain home-health services



Part B

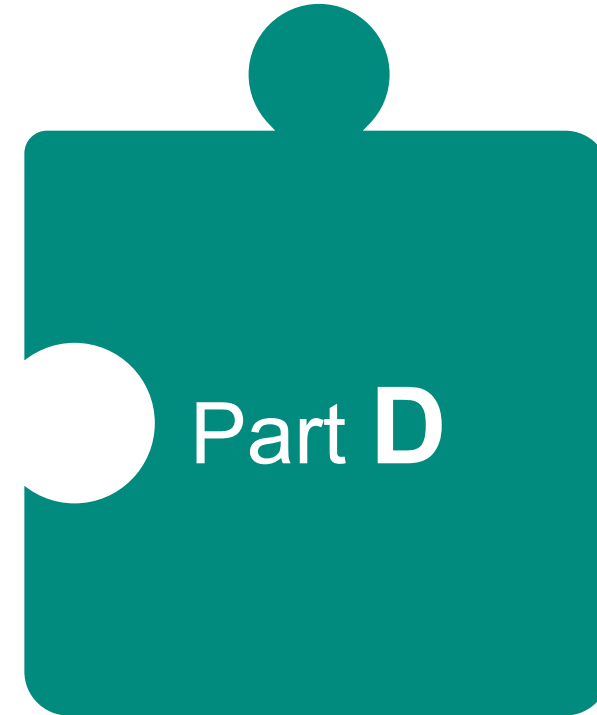
Medicare parts A, B, D...and more

Medicare Part D: Prescriptions

Prescriptions requested by a physician or health provider

May be generic or brand

Only limits your OOP spending on Rx's



Medicare parts A, B, D...and more

Medicare Supplemental Insurance Coverage

Additional coverage for Medicare-approved costs that you would otherwise pay OOP

Can choose a “Medigap” policy

Or can choose a “Medicare Advantage” plan



Important: You may have another form of supplemental coverage available to you (Federal or State government, union, certain types of “retiree” plans, TriCARE for Life, etc.). It is up to you to check your options.

Medicare Prices:

“It’s not free?”

Do you know?

How much was spent on Medicare Part A and Part B services in 2021?

\$400 billion

\$500 billion

\$600 billion

\$1 trillion

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Source: CMS Fast Facts, published Oct 2023 <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/CMS-Fast-Facts>

Medicare prices: “It’s not free?”

\$325,000!

\$295,000!

\$390,000!

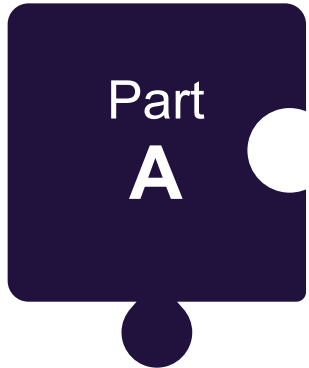
\$5,700/yr – or – \$475/mo

Estimated annual cost for the average retiree’s spending on Medicare, Medigap, Part D, or Medicare Advantage Plans for premiums and out-of-pocket expenses

Sources (top): EBRI, Fidelity Investments, Healthview Services (bottom) MarketWatch, How to pay for health care costs in retirement, Robert Powell, April 10, 2021

Medicare prices: “It’s not free?”

Medicare Part A: Hospitalization – Usage Costs



Inpatient Hospitalization

- \$1,600 deductible per benefit period
- \$400, daily room rate after 60 days
- \$800, daily room rate after 90 days (max. for 60 lifetime days)
- 100% after day 150

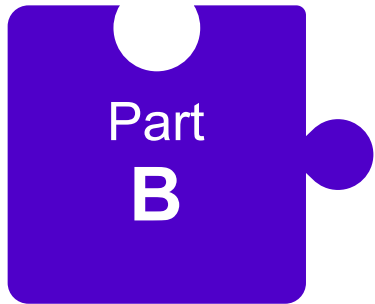
Skilled Nursing Facility

- Days 1–20: \$0 for each benefit period
- Days 21–100: \$200 per day of each benefit period
- Days 101 and beyond: 100% of daily rates

Medicare.gov for 2023. Generally, costs will increase each year.

Medicare prices: “It’s not free?”

Medicare Part B: Doctors and Outpatient Services – Monthly Premiums & Cost-Sharing



Monthly premiums are means-tested

- \$164.90 per person per month
- Additional “IRMAA” charges for higher MAGI
- Up to \$594+ per person per month for highest MAGI earners

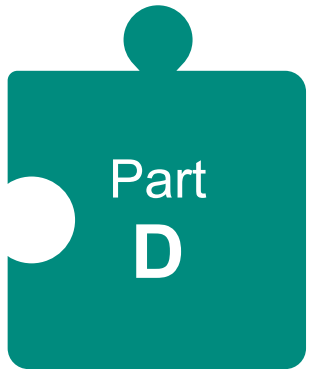
Cost-sharing

- Annual deductible is \$226
- Then, Part B pays for 80% of approved services and doctor visits
- You pay the remaining 20% out of pocket

Medicare.gov for 2023. Generally, costs will increase each year. “IRMAA” is income-related monthly adjustment amount. “MAGI” is modified adjusted gross income.

Medicare prices: “It’s not free?”

Medicare Part D: Prescriptions – multiple types of payments



Insurance Company

- Monthly premium
- Annual drug deductible
- Generic drug prices
- Brand name drug prices

Medicare

- If you have high MAGI and pay a Part B IRMAA surcharge, you also pay a Part D surcharge
- Part D IRMAA ranges from \$12.20 to \$76.40 per person per month

Important: Your specific costs depend on your exact drugs and dosages, and your state, zip code and county, plus the insurance companies pricing and pharmacy network in your area.

Medicare.gov for 2023. Generally, costs will increase each year. "IRMAA" is income-related monthly adjustment amount. "MAGI" is modified adjusted gross income.

Medicare prices: “It’s not free?”

Medicare Supplemental Insurance Coverage: Medigap



- You pay a monthly premium to a private insurance company
- You choose the types of Medicare expenses you want insurance to cover
- There may be as many as 30 or 50+ plans offered in your zip code and county!

Medicare prices: “It’s not free?”

Medicare Supplemental Insurance Coverage: Medicare Advantage Plans



- Choose a network to provide your physicians and services
- You may or may not have a monthly premium
- Your total OOP – up to \$8,300 in 2023
- Typically, you’ll choose a plan that includes prescription drug coverage
- There may be as many as 30 or 50+ plans offered in your zip code and county!

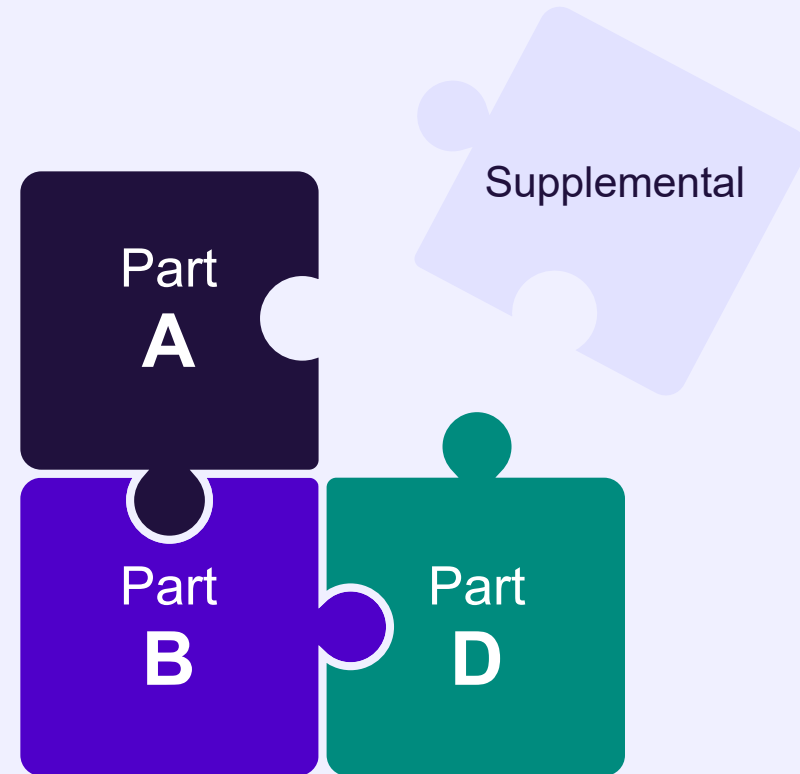
Medicare.gov for 2023. Generally, costs will increase each year.

Where Medicare costs fit in your retirement plan

Where Medicare costs fit in your retirement plan

Scenario 1: Example of Medicare costs with Medigap

Part A	\$0
Part B	\$164.90
Part D plan premium	\$15
Your Rx's	\$30
Supplemental/Medigap	\$200
Monthly Cost Est.	\$409.90
Annual Cost Est.	\$4,919

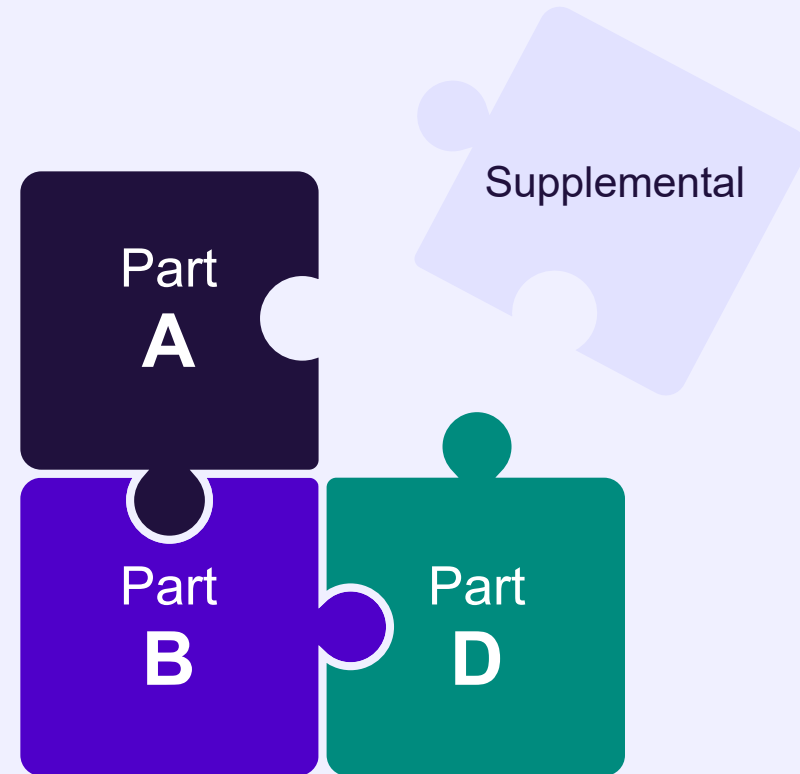


Hypothetical example for illustrative purposes only. Part B cost is standard tier for 2023. Part D assumes low Rx usage and generic drugs. Medigap cost is a mid-range among plans offered across the country with a wide range of pricing. Each individual person's costs will be different.

Where Medicare costs fit in your retirement plan

Scenario 2: Example of Medicare costs with Medicare Advantage with PD

Part A	\$0
Part B	\$164.90
Part D	\$0
Your Rx's	\$35
MAPD Premium (avg)	\$15
Your copays, co-insurance, etc.	Up to \$8,300
OOP estimate/mo	\$226 - \$857
Annual Cost Est.	Up to \$9,371



Hypothetical example for illustrative purposes only. Part B cost is standard tier for 2023. Part D assumes low Rx usage and small coinsurance. MAPD is the national average for 2023. Maximum OOP is \$8,300 for MAPD for 2023 in-network services and costs. Each individual person's costs will be different.

Where Medicare costs fit in your retirement plan

Step 1: Use Medicare.gov to estimate your costs

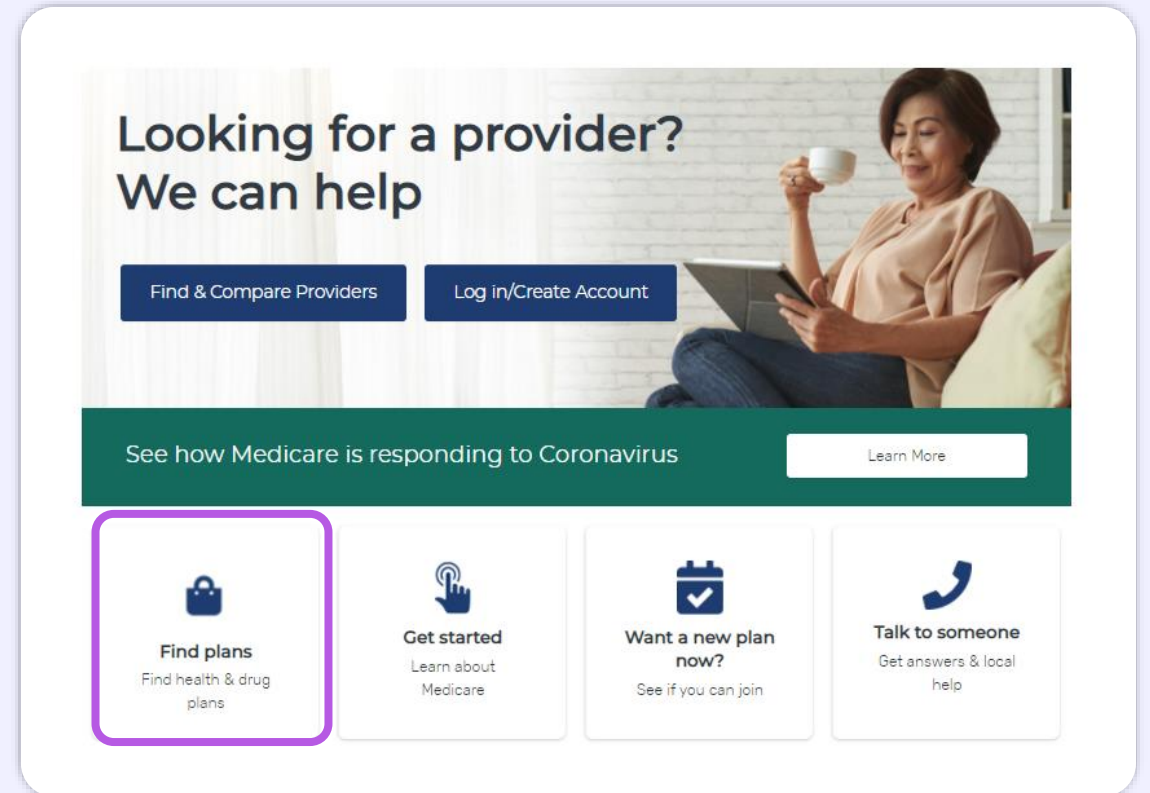
Shop “Find Plans” for:

Medigap

Part D

Medicare Advantage

Medicare.gov home page



Where Medicare costs fit in your retirement plan

Step 2: Estimate your total health care costs in retirement

Part A	\$0
Part B	\$xxx
Part D	\$xxx
Your Rx's	\$xxx
Supplemental plan	\$xxx
Monthly Cost Est.	\$xxx
Annual Cost Est.	\$xxx

Medicare.gov home page on 10/31/2023.

Where Medicare costs fit in your retirement plan

Step 3: Use the Corebridge Retirement Pathfinder® to build your retirement income plan

Register or log in to your online account to:

- Define your future goals
- Model scenarios instantly using a variety of market conditions
- Explore and adjust saving strategies



It's quick.
There's no cost to you.
We're always here to help.

Action steps

- Sign up corebridgefinancial.com/rs/register and get answers to help you plan for a more secure financial future.
- Enter this Registration Code: [REGISTRATION CODE]



[Advisor Phone]
[Advisor Email]

[Advisor Phone]
[Advisor Email]

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Thank you

Questions?



Presenter Name

Presenter Title
Phone number
Email address