



MASTERING MEDICARE

The Basics

Part A + Part B

COURSE 01

Where Every Medicare Conversation Begins

myicbn.com

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These materials are for Medicare Insurance Broker training only and are not intended for client use.



You're **RTS**. Now What?

From Ready to Sell to Ready to Serve

YOU HAVE . . .

- ✓ YOUR LICENSE
- ✓ YOUR APPOINTMENT(S)
- ✓ YOUR CERTIFICATIONS
- ✓ YOUR RTS STATUS

But, what's next:
“Where do I start?”

Today, we're going to build
your Medicare mental map.

You're **RTS**. Now What?

THE PROBLEM WITH LEARNING MEDICARE

Most new brokers start here:

Plans → Carriers → Commissions → Applications

That's **BACKWARDS.**

Before you learn plans, you need to understand:

THE MEDICARE FOUNDATION

Medicare



Coverage Options



Client Needs



Plan Selection



Enrollment

MASTER MEDICARE

before you master the plans.

TODAY. Original Medicare



AGENDA:

Part A, Part B & What Clients Actually Pay

- Explain the purpose of Part A and Part B
- Explain what each part covers—and what it doesn't
- Understand deductibles, coinsurance and benefit periods
- Explain the 2026 Medicare costs clients are facing including IRMAA
- Recognize how Original Medicare's cost structure creates the need for additional coverage
- Explain why Option 1 and Option 2 exist

Medicare Vocabulary

**The words you'll
hear EVERY DAY**

PREMIUM

What you pay for coverage.

DEDUCTIBLE

What you pay before certain coverage begins.

BENEFIT PERIOD

A period that begins when you're admitted as an inpatient and ends after you've been out of the hospital or skilled nursing.

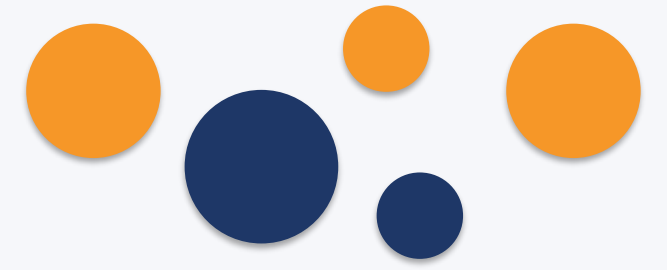
COPAYMENT

A fixed amount you pay for a covered service.

COINSURANCE

The percentage of the cost you pay for a covered service.

The FOUNDATION.



PART A
Hospital Insurance
+
PART B
Medical Insurance
=
**ORIGINAL
MEDICARE**

This distinction needs to become second nature . . .

Part C / Medicare Advantage is **NOT Original Medicare.**

Medicare Supplement (Medigap) is **NOT Medicare.**

Part D is **NOT Original Medicare.**

You need to understand **ORIGINAL MEDICARE**
Because every Medicare **conversation starts HERE.**

A Simple Explanation



PART A **= HOSPITAL INSURANCE**

Part A generally helps cover:

- Inpatient hospital care
- Skilled nursing facility care
- Hospice care
- Certain home health care

PART B **= MEDICAL INSURANCE**

Part B generally helps cover:

- Doctors and other health care providers
- Outpatient services
- Preventive services
- Durable medical equipment
- Certain home health services
- Medically necessary services

Part A vs. Part B



Primary purpose
Inpatient hospital
Doctor services
Outpatient services
Skilled nursing facility
Hospice
Preventive services
Durable medical equipment
Monthly premium
Deductible
Co-payments/Co-insurance

PART A	PART B
Hospital/facility	Medical/outpatient
✓	—
—	✓
—	✓
✓	—
✓	—
—	✓
—	✓
\$0*	Generally required
Per Benefit Period	Annual
Yes	Yes

**Most people do not pay a monthly premium for Medicare Part A if they or their spouse have at least 40 quarters (10 years) of Medicare-covered employment. Individuals with fewer than 40 quarters may qualify for Part A by paying a monthly premium. Eligibility and premium amounts depend on the individual's work history and circumstances*

2026 Part A – Premium



Medicare Part A Premium is generally \$0*

Most people do not pay a monthly premium for Medicare Part A if they or their spouse have at least 40 quarters (10 years) of Medicare-covered employment.

Individuals with fewer than 40 quarters may qualify for Part A by paying a monthly premium. Eligibility and premium amounts depend on the individual's work history and circumstances.

Cost component	2026 amount	Notes
Part A premium (40+ quarters)	\$0 per month	Most people pay no premium
Part A premium (30-39 quarters)	\$311 per month	Buy-in premium
Part A premium (<30 quarters)	\$565 per month	Buy-in premium

2026 Part A – Deductible

Medicare Part A deductible is \$1,736 per Benefit Period

The Centers for Medicare & Medicaid Services (CMS) releases new premiums, deductibles, and coinsurance amounts for Medicare Parts A and B, as well as Part D income-related monthly adjustment amounts, each fall. The 2026 Part A deductible is \$1,736, an increase of \$60 from 2025. The official 2027 Medicare Part A deductible has not yet been released and is expected to be announced by CMS around November 2026. Based on projections in the 2026 Medicare Trustees Report, the 2027 deductible is estimated to be approximately \$1,788 per benefit period.

Deductible — A deductible is the amount you pay for certain medical expenses or prescription drugs before your insurance plan starts paying any of the costs

Benefit Period — A benefit period begins the day you're admitted to a hospital/skilled nursing facility and ends when you haven't spent the night in one of them for 60 consecutive days. If you're admitted to a hospital/skilled nursing facility after one benefit period has ended, then a new one begins. You will pay another deductible.

In-Patient Hospital Care



The most important number for hospital coverage is the **Part A deductible**, which applies to each benefit period. A benefit period begins when you are admitted to the hospital and ends after you have been out of inpatient or skilled nursing care for 60 consecutive days.

If a hospital stay extends beyond 60 days in a benefit period, daily coinsurance amounts apply. Medicare also allows up to **60 lifetime reserve days**, which can be used for extended hospital stays.

Cost component	2026 amount	Notes
Inpatient hospital deductible	\$1,736 per benefit period	Benefit period rules apply
Inpatient coinsurance, days 61–90	\$434 per day	Per benefit period
Inpatient coinsurance, lifetime reserve days	\$868 per day	Up to 60 lifetime reserve days
Skilled nursing facility coinsurance	\$217 per day	Days 21–100 each benefit period

2026 Outpatient Care



Medicare Part B Premium

In 2026, the standard monthly premium for Medicare Part B enrollees is \$202.90* (↑ +\$17.90 vs. 2025)

That's \$2,434.80/year for the standard premium (Not everyone pays the same amount – See IRMAA)

The Centers for Medicare & Medicaid Services (CMS) releases new premiums, deductibles, and coinsurance amounts for Medicare Part A and Part B, as well as Medicare Part D income-related monthly adjustment amounts, each fall. For 2027, the latest Social Security and Medicare Trustees Report estimates that the standard Medicare Part B premium will increase by approximately 3.5%, reaching \$209.50 per month, or \$6.60 more than the 2026 premium of \$202.90. The official 2027 Part B premium has not yet been announced by CMS and is expected to be released around November 2026.

2026 Outpatient Care



Medicare Part B Annual Deductible

Medicare Part B deductible is \$283 before Original Medicare starts to pay.
You pay this deductible once each year. (↑ +\$26.00 vs. 2025)

The Centers for Medicare & Medicaid Services (CMS) releases new premiums, deductibles, and coinsurance amounts for Medicare Part A and Part B, as well as Medicare Part D income-related monthly adjustment amounts, each fall. The Part B deductible is projected to reach \$292 in 2027, up \$9 from \$283 in 2026. This represents an estimated 3.2% increase, roughly in line with the projected 3.5% increase in the standard Part B premium. The official 2027 Part B deductible has not yet been announced by CMS and is expected to be released around November 2026. The \$292 figure is based on projections in the latest Medicare Trustees Report.

2026 Outpatient Care



Medicare Part B Co-Insurance

After your deductible is met, typically you pay 20% of the Medicare-approved amount for these services.

There is no benefit period for Part B coverage.

The Centers for Medicare & Medicaid Services (CMS) release new premiums, deductibles, and coinsurance for Part A, Part B, and Medicare Part D income-related monthly adjustments every fall.

Outpatient Care

After you meet the deductible, Medicare typically **pays 80% of the Medicare-approved amount** for covered services, while you pay the remaining 20%.

Cost Component	2026 Amount	Notes
Standard Part B premium	\$202.90 per month	Applies if you are not subject to IRMAA
Annual Part B deductible	\$283 per year	After this, Part B generally pays 80%
Part B coinsurance	20% of Medicare-approved amount	After deductible is met

What is **IRMAA**?



Income-Related Monthly Adjustment Amount

IRMAA is an additional amount some higher-income Medicare beneficiaries pay on top of their:

- Part B premium
- Part D premium

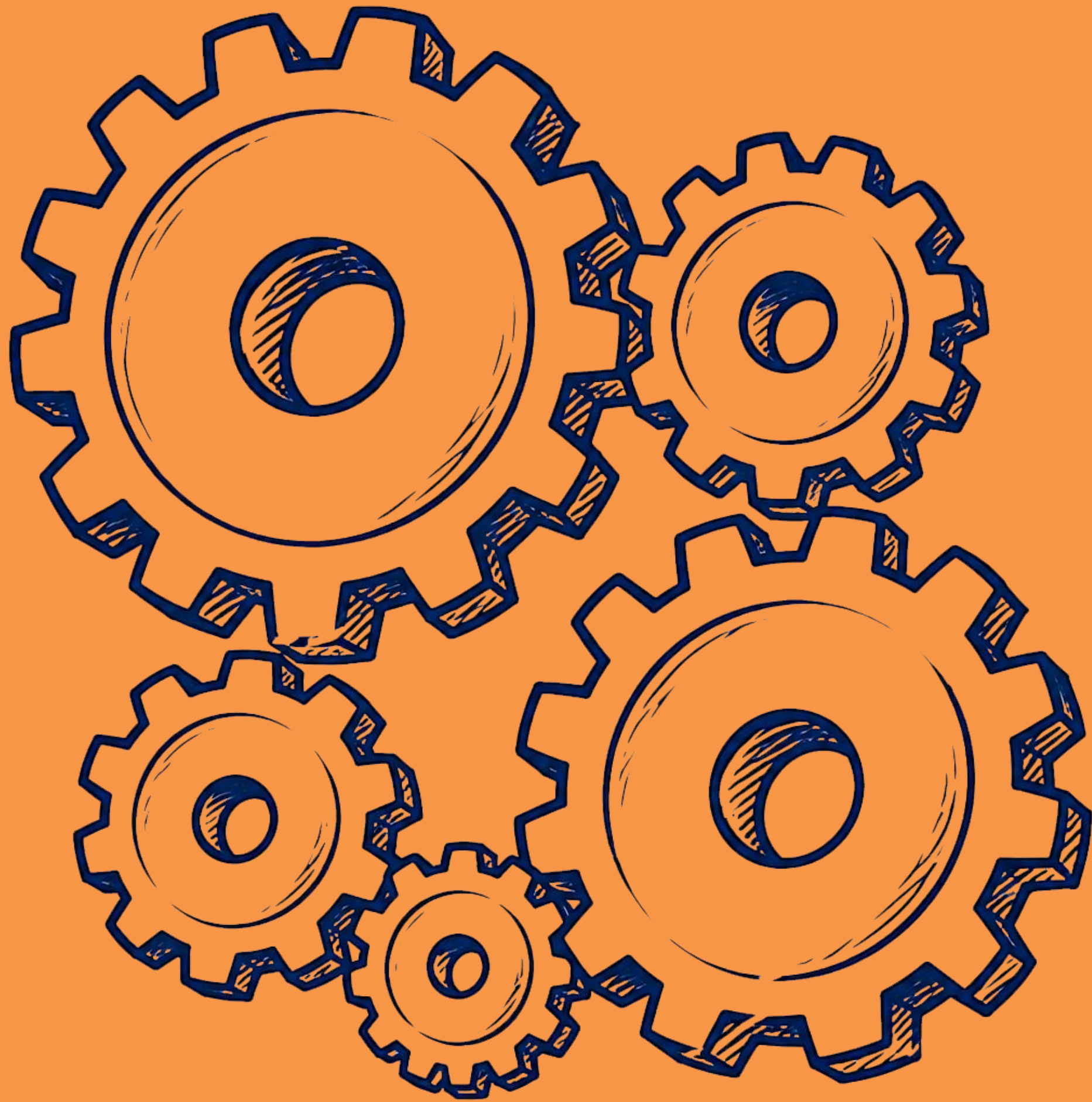
Important:

IRMAA is **not a Medicare plan premium.**

It is an income-related surcharge.

CMS says fewer than 5% of people with Medicare are affected by higher premiums through IRMAA.

How **IRMAA** works



Medicare generally looks at:

Modified Adjusted Gross Income (MAGI) from the tax return filed two years earlier.

Example:

2027 Medicare looks at 2025 income reported on the client's tax return.

Broker takeaway:

When you're helping a client estimate Medicare costs:
Don't just ask, "What's your income this year?"

Ask:

"What was your income two years ago, and has anything changed substantially since then?"

2027 **ESTIMATED** IRMAA Chart

About the Numbers

The client doesn't simply pay an “IRMAA fee.” Their **total Part B premium increases** based on their income tier.

Beneficiaries who file individual tax returns w/modified adjusted gross income	Beneficiaries who file joint tax returns w/modified adjusted gross income	Part B Total Monthly Premium Amount	Part D Total Monthly Premium Amount
Less than or equal to \$112,000	Less than or equal to \$224,000	\$209.50	Premium Varies
Greater than \$112,001 and less than or equal to \$142,000	Greater than \$224,001 and less than or equal to \$284,000	\$293.20 (\$209.50 + \$83.70)	Premium + \$15.40
Greater than \$142,000 and less than or equal to \$177,000	Greater than \$284,001 and less than or equal to \$354,000	\$418.90 (\$209.50 + \$209.40)	Premium + \$39.70
Greater than \$177,001 and less than or equal to \$212,000	Greater than \$354,001 and less than or equal to \$424,000	\$544.60 (\$209.50+ \$335.10)	Premium + \$64.00
Greater than \$212,001 and less than or equal to \$499,999	Greater than \$424,001 and less than \$749,999	\$670.20 (\$209.50 + \$460.70)	Premium + \$88.30
Greater than \$500,000	Greater than or equal to \$750,000	\$712.10 (\$209.50 + \$502.60)	Premium + \$96.40

IRMAA = Income-Related Monthly Adjustment Amount

- Two-Year Lookback:** Your 2025 tax return (filed in 2026) determines your 2027 IRMAA.
- MAGI:** IRMAA applies if your Modified Adjusted Gross Income exceeds the baseline thresholds.
- Appeals:** You can appeal if your income has significantly decreased due to specific life events (like job loss, divorce, or death of a spouse).

Source: 2026 Medicare Trustees Report; 2027 IRMAA figures are estimates based on projected Medicare costs and are not yet final CMS amounts.

Medicare Isn't Free.



WHY BROKERS NEED TO UNDERSTAND COSTS

MA client may say:

“I have Medicare.

Doesn't Medicare pay for everything?”

Your answer:

No. Original Medicare generally requires the beneficiary to share in the cost of covered care.

That can include:

- Premiums
- Deductibles
- Copays | Coinsurance
- Other cost-sharing

And Original Medicare generally has
NO annual out-of-pocket maximum.

The Beneficiary's Share!

**PREMIUM ≠
TOTAL COST**

A Medicare client can have:

PREMIUMS

What they pay to have coverage.

DEDUCTIBLES

What they pay before certain coverage begins.

COPAYS

Fixed amounts.

COINSURANCE

Percentage of costs.

IRMAA

Income-related surcharges.

POTENTIAL EXPOSURE

What they could pay when they need care.

Always look at the whole picture.

What Comes **Next?**

WHAT DOES A CLIENT DO ABOUT THAT EXPOSURE?

A Medicare client can have:

PART A + PART B

Original Medicare provides the foundation.

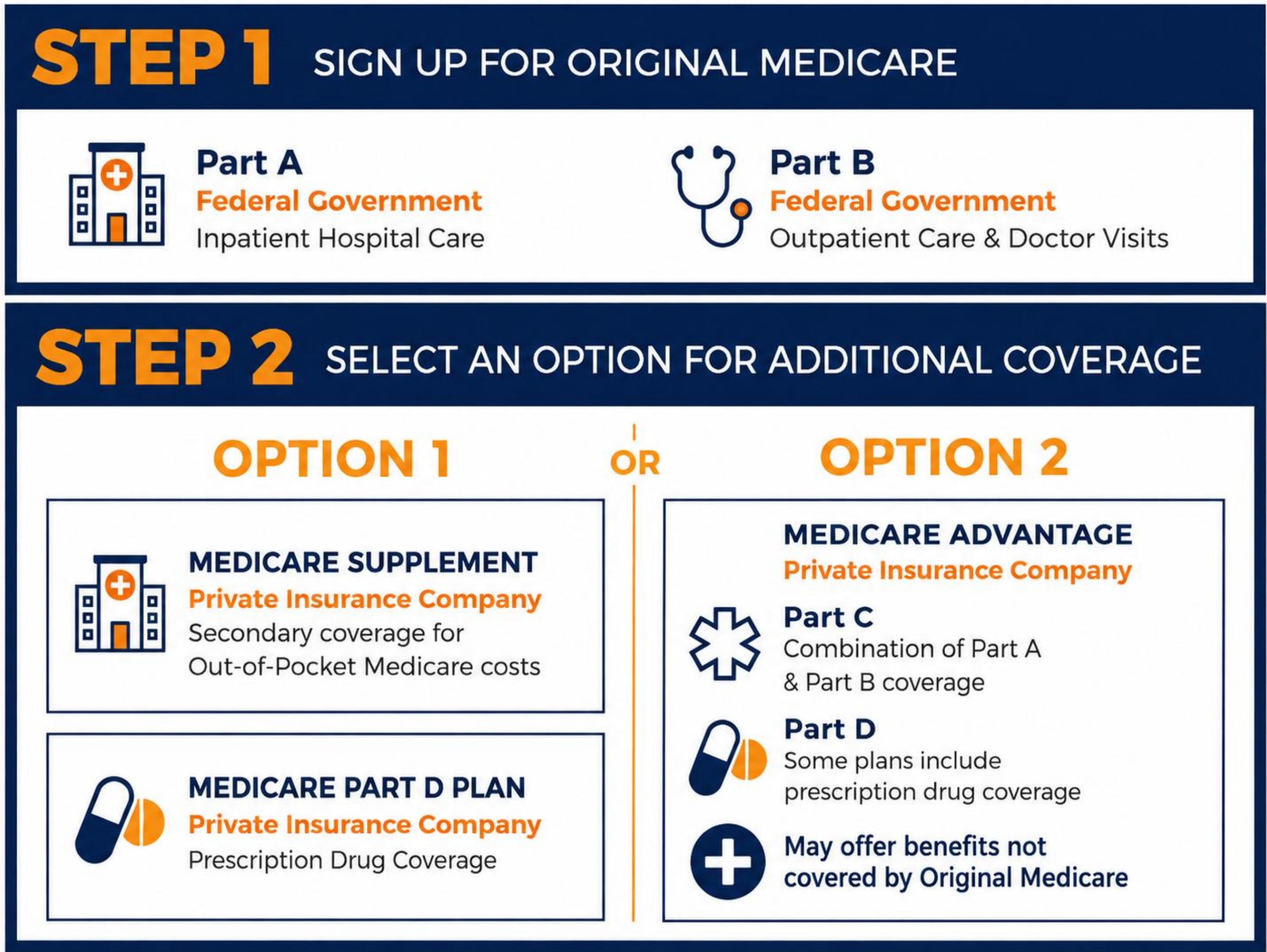
But Original Medicare doesn't cover every cost—and it doesn't have an annual out-of-pocket maximum.

That's where your next conversation begins:

HOW WILL THE CLIENT BUILD THEIR COVERAGE?

There are two primary paths:

Two Approaches to Coverage.





Thank you!

Your job as the broker isn't to choose a path before understanding the client.



Your job is to understand the trade-offs between the two paths—and determine which one best fits the client's needs.

