



Original Medicare Alone — and Two Ways to Protect Yourself

Original Medicare (Parts A & B) is the foundation. By itself, however, it leaves you responsible for significant costs. Here is the risk — and the two most common ways people close the gap.

ORIGINAL MEDICARE (Parts A & B Only)

- Any doctor or hospital that accepts Medicare
- No referrals required
- Works nationwide
- Part A hospital deductible (\$1,736 in 2026) can apply more than once per year (new benefit period after 60 days out)
- Part B: you pay 20% of approved amounts after the deductible — with no annual out-of-pocket maximum
- Separate Part D plan needed for prescriptions
- No dental, vision, or hearing coverage included

WHY THE 20% CAN BECOME A BIG PROBLEM

Part A uses benefit periods. A new benefit period (and a new \$1,736 deductible) starts after you have been out of the hospital or skilled nursing facility for 60 consecutive days. Part B still charges 20% of approved amounts with no annual cap.

Example: Three separate hospital stays in one year (three different benefit periods)

- $3 \times \text{Part A deductible } (\$1,736 \text{ each}) = \$5,208$
- Plus 20% of all Part B costs (doctors, surgeries, outpatient care) — easily several thousand more dollars

Without extra coverage, these costs are yours. This is the exact risk the two solutions below are designed to reduce.

Two Common Solutions

Solution 1: Add a Medigap Policy

- Keeps full doctor freedom of Original Medicare
- Helps pay the Part A deductible and the 20% Part B coinsurance
- Plans G and N are the most popular choices today
- Once premiums are paid, costs are much more predictable
- Still need a separate Part D drug plan
- Works anywhere in the U.S. — excellent for travelers
- Best for people who want maximum flexibility + protection

Solution 2: Medicare Advantage (Part C)

- Combines A, B, and usually D into one plan
- Annual maximum out-of-pocket limit (hard cap)
- Often includes dental, vision, hearing, and fitness
- Lower (sometimes \$0) premiums common
- Usually requires using the plan's network
- Referrals for specialists often required
- Best for people who want extras + predictable costs

HOW HUGS CAN HELP

By giving you the knowledge that is available and by reviewing your current situation, we can determine which direction is best for you going forward. At HUGS we have no greater joy than to hear that our clients are walking with confidence.