



MEDICARE IN 2026

HERE'S WHAT YOU NEED TO KNOW

Open enrollment starts on October 15th and ends on December 7th, 2025. During enrollment, you can compare coverage options on the Medicare website, which is updated in October with the latest Medicare health and prescription drug plan information. Be sure to review available plans as roughly 15% of plans have been decommissioned.

Part B Changes

Part B covers two main services: medically necessary and preventative. This can include physician fees, ambulance services, medical equipment, outpatient services, and some medications and home health services.

Monthly premiums have increased for 2026. Here's what you should know:

- **The standard monthly Part B premium is projected to increase \$21.50 and will be \$206.50 in 2026.**
- The annual deductible for all Medicare Part B beneficiaries will be \$288 in 2026, an increase of \$31 from 2025.

Income-Related Monthly Adjustment Amount (IRMAA) surcharges thresholds have increased. In 2026, surcharges apply to individuals with an income of \$109,000 or more, or joint filers with an income of \$218,000 or more (income based off of 2024). IRMAA Surcharges could add as much as \$488 for Part B premiums and \$91 for Part D premiums to your monthly expense. The Centers for Medicare & Medicaid Services website has a comprehensive breakdown of the premium adjustments.

Six States- Arizona, New Jersey, Ohio, Oklahoma, Texas and Washington- will test a new model that essentially requires Medicare approval for the treatment before you can receive care (excluding inpatient and emergency services).

Part A Changes

Part A covers inpatient hospital stays, nursing home care, hospice care, and home health care. Most Medicare participants don't pay a monthly premium for Part A because they have 40 or more quarters of Medicare-covered employment.

However, if you haven't reached 40 quarters of coverage yet, here are the changes to be aware of:

- Hospital deductibles are estimated to remain \$1,716 in 2026.
- If you or your spouse have at least 30 quarters in coverage, you may buy into Part A at an estimated reduced rate of \$285 in 2026.
- If you have fewer than 30 quarters, you will pay the estimated full premium of \$518 per month.

Medicare Parts C and D

Medicare Part C, also called Medicare Advantage, combines parts A and B, while Part D covers prescription drugs. Both of these plans are optional and covered through private insurance, so plans may vary depending on the provider. You can compare plans via the Medicare website.

- Average premiums, benefits, and plan choices for Medicare Advantage and the Medicare Part D prescription drug program will decrease slightly in 2026.
 - The average monthly premium for Medicare Advantage plans with prescription drug coverage is expected to decrease to \$14 in 2026 (previously \$16 in 2025).
 - The monthly premium for standalone Part D plans is projected to drop to \$34 in 2026-down from \$38 in 2025.
 - Premiums for Part D that are part of Medicare Advantage are expected to be \$11 in 2026, as opposed to \$13 in 2025.
- Insurance companies, however, will be allowed to raise Part D premiums to \$50 (up from the \$35 ceiling in 2025).
- Beginning in 2026 Medicare Advantage (Part C) has new limitations for Special Supplemental Benefits for the Chronically Ill (SSBCI). It will now exclude non-healthy food, alcohol, tobacco and life insurance.
- Through the Inflation Reduction Act, people with Medicare Part D prescription drug coverage will continue to have more affordable benefits (out-of-pocket maximum is \$2,100 for 2026), including recommended adult vaccines at no cost. And 10 new high-cost, single-source drugs have new lower negotiated prescription costs.

Healthcare access and costs are always changing. If you'd like to learn more about how Medicare may affect your finances, or want more information on premium costs and coverage and how they interact with your financial plan, contact the office today.



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