

## Open enrollment: Optimize your coverage

It's important to be proactive when choosing insurance coverage each year, and this guide will help you navigate the process.

**See page 6 for important updates to the Medicare Prescription Payment Plan**



# Ensure your healthcare insurance works for you

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Open enrollment is a period set aside toward the end of each year for you to review your healthcare and prescription drug plans, and then renew or change your coverage as you see fit. But more importantly, **it's a chance for you to have a say in optimizing your health insurance each year as your needs change.**

This guide can help you navigate the open enrollment process. There are many different plans out there, and the goal is to help you find one that covers everything you need, like doctors, hospitals, services, and medications at the lowest possible overall cost to you.

## Helpful terms

**Providers**—Doctors, hospitals, pharmacies, and others that provide your healthcare.

**Premium**—The monthly fee associated with a private health insurance plan or public plans such as Medicare Parts A, B, C, and D.

**Out-of-pocket costs**—Any healthcare fees you incur on top of your insurance premium, such as co-pays, co-insurance, deductibles, etc.

**Deductible**—An initial amount you must pay each year before your insurance begins covering most of your healthcare costs.

**MA-PD**=Medicare Advantage Prescription Drug

**PDP**=Prescription Drug Plan

# Public insurance coverage options

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To get started, it is important to determine whether you have public or private insurance coverage. If the government provides your healthcare benefits, then you have what is known as public insurance.

## Public insurance coverage

Public insurance programs, which provide coverage for millions of people who meet certain eligibility requirements, include:

- **Medicare**—for people aged 65 or older
- **Medicaid**—for families and individuals whose income is below a certain level
- **Government insurance**—for federal, state, county, city, and municipal employees
- **Military benefits**—for retired and active-duty service members

### Medicare questions?

Call 800-633-4227 or visit [Medicare.gov](https://www.Medicare.gov)

### Medicaid questions?

Call 877-267-2323 or visit [Medicaid.gov](https://www.Medicaid.gov)

### VHA questions?

Call 877-222-8387 or visit [va.gov/health-care](https://www.va.gov/health-care)

### TRICARE questions?

Call 800-538-9552 or visit [tricare.mil/milconnect](https://www.tricare.mil/milconnect)

## Tips for exploring your public insurance options

### Medicare

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- **Part A** covers hospital (emergency or inpatient), skilled nursing facility, hospice, and certain home health services. If you are receiving Social Security benefits when you turn 65, you are automatically enrolled (no monthly premium for most people enrolled)
- **Part B** covers physician visits and other medical services, outpatient hospital care, durable medical equipment, and certain home health services. If you are receiving Social Security benefits when you turn 65, you are automatically enrolled (with a monthly premium for most people enrolled)
- If you expect to make frequent hospital and doctor visits:
  - Explore **Medigap** plans, which can offset costs not covered by **Part A and B plans**
  - Explore **Part C plans** to see if they're more affordable or offer better coverage for your hospital and medical needs than Medicare **Part A and B**
- If you expect to fill a lot of prescriptions:
  - Explore **Part C and Part D plans** if you expect to fill a lot of prescriptions. Find the plan that covers the drugs you expect to need at the lowest cost to you (premiums + deductibles + Part C co-pays or Part D co-insurance)



### Medicaid

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- Many states offer a traditional Medicaid plan as well as Managed Medicaid plans
- Before selecting a Managed Medicaid plan, call a customer service representative from that plan to ask how it differs from the traditional Medicaid plan and any other Managed Medicaid options

### Government insurance

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- See page 12 for tips on selecting the type of plan that's best for you

### Military benefits

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- You're likely eligible for coverage through the Veterans Health Administration (VHA) or the Department of Defense's TRICARE
- If you're not eligible through the VHA or TRICARE, you may be eligible for a qualified health plan (see page 10)

Updates for 2026

# The Medicare Prescription Payment Plan

All Medicare prescription drug plans—including Medicare Part D plans and Medicare Advantage Part C plans with prescription drug coverage—offer enrollees the option to pay prescription drug costs in more affordable monthly installments. This option is designed to be the most helpful for those with high out-of-pocket costs early in the calendar year. This new program will allow enrollees to spread their out-of-pocket expenses toward the annual maximum threshold (capped at \$2,100 in 2026) throughout the remaining months of the year instead of paying the full amount up front at the pharmacy.

**There is no additional cost to receive this helpful payment plan option.**

Any Medicare beneficiary with a prescription drug benefit who is not enrolled in the Prescription Payment Plan will be automatically notified about this new benefit if they:

- Spent \$2,000 or more in out-of-pocket costs for covered prescription drugs between January 1 and September 30, 2025
- Has a single prescription with an out-of-pocket cost of \$600 or more per month
- Is identified by their prescription drug plan as likely to benefit from the program

**All Medicare beneficiaries who opt for prescription drug coverage will be able to enroll in the Prescription Payment Plan.\***

- You can enroll anytime during the calendar year but it's best if you sign up early in the year
- Your current plan will automatically renew your 2025 enrollment for 2026 unless you opt out or change plans
- Enrollees may opt in or out anytime throughout the year at no cost

For more information, you may contact your Medicare Part D or Part C Prescription Drug Plan or download the Medicare & You 2026 handbook at <https://www.medicare.gov/publications/10050-Medicare-and-You.pdf>

\*Includes Medicare Part D (PDPs), Medicare Part C with prescription drug coverage (MA-PDs), and those enrolled in Medicare Savings Programs and the Medicare Part D Extra Help Program.



# Private insurance coverage options

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If you pay for your own healthcare insurance, or if you're insured through your or your partner's employer, then you have what is known as private insurance. There are two major types of private insurance: commercial insurance plans and qualified health plans.

## Commercial insurance plans

These plans, which are purchased directly from a private insurance company by you or an employer, are categorized as follows:

- **Health Maintenance Organization (HMO)** plans require you to select an in-network primary care physician (PCP) who then refers you to in-network specialists, as necessary. Generally, HMOs do not cover care from out-of-network providers
- **Preferred Provider Organization (PPO)** plans cover both in-network (or "preferred") and out-of-network providers, but will charge you a higher co-pay for the latter
- **Exclusive Provider Organization (EPO)** and **Point of Service (POS)** plans are hybrids of HMO and PPO plans
  - EPO plans are more flexible than HMOs and less pricey than PPOs—you don't need a referral to see a specialist, but out-of-network providers are not covered
  - POS plans do require PCP referrals for specialists, but you can see both in-network and out-of-network providers (the latter at an increased cost)



### Tips for exploring your commercial insurance options

- Employers often provide 2 to 3 healthcare insurance options to choose from, so make sure the option you select:
  - Provides coverage you want (example: if being able to see out-of-network doctors is important for you, make sure the plan you select covers that)
  - Minimizes yearly out-of-pocket costs (example: if you expect to need healthcare regularly, a high premium/low deductible plan may cost you more each month, but less over the course of a year)

# Private insurance coverage options (continued)

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## Qualified health plans

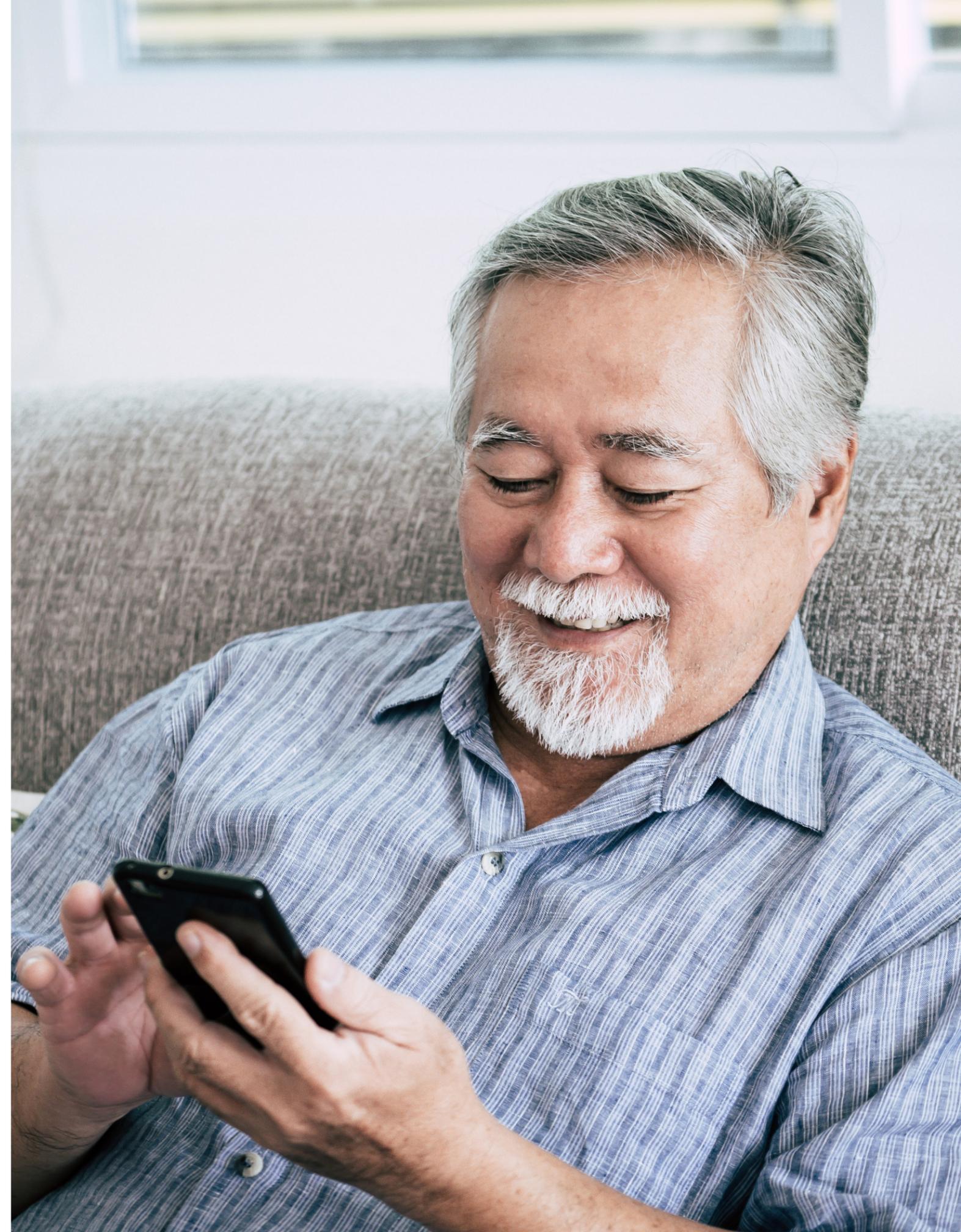
These are plans that you can purchase directly from your state's healthcare insurance marketplace. They're categorized as follows, with platinum plans having the highest premiums and bronze plans having the lowest:

- **Platinum** plans cover ~90% of medical costs; you pay 10%
- **Gold** plans cover ~80% of medical costs; you pay 20%
- **Silver** plans cover ~70% of medical costs; you pay 30%
- **Bronze** plans cover ~60% of medical costs; you pay 40%



### Tips for exploring your qualified plan options

- Each state may offer more than one plan option per category, and these options can change every year, so be sure to select a plan that provides the coverage you want or expect to need (example: coverage for specific medical services or medications) to minimize your total out-of-pocket expenditures
- Consider both the monthly premium and the coverage percentages shown above. Remember, a higher premium plan may offer better coverage of the services you need, which can reduce your annual costs overall



# Finding the right insurance for you

When reviewing your healthcare insurance needs and coverage each year during open enrollment, always remember the **three Es: estimate, evaluate, and ensure.**

First, you'll want to estimate your past medical expenses so that you can evaluate the pros and cons of your current plan and any other plans you're considering. Then, you'll want to ensure that your doctors, hospitals, services, and medications are covered under the plan you ultimately select.



## Step 1: Estimate

When considering a change in coverage, it's important to assess your past medical and pharmacy usage so that you can predict the variable costs of your healthcare needs above and beyond the monthly premium. A simple way to do this is by logging on to your current healthcare plan's website or calling your insurance provider to find the following information:

What was your deductible last year?

Did you meet your deductible?  Yes  No

What was your out-of-pocket maximum for in-network medical services?

Did you meet your maximum?  Yes  No

What was your out-of-pocket maximum for out-of-network medical services?

Did you meet your maximum?  Yes  No

What was your out-of-pocket maximum for prescription medication?

Did you meet your maximum?  Yes  No

***If you answered "No" to any of these questions, you may have been paying too much for your insurance coverage. Moving forward, you may want to consider a plan with a lower monthly premium.***



## Step 2: Evaluate

Generally, healthcare insurers take a couple of different approaches with the plans they offer. So, given what you've learned about your healthcare usage in Step 1, it's now time to narrow down your choices by evaluating whether you need a plan that offers:

- Higher premiums with a lower deductible and lower co-pays/co-insurance**—If you tend to pay a lot out-of-pocket and you're short on savings or you're on a fixed income, this may be a good choice.
- Lower premiums with a higher deductible and higher co-pays/co-insurance**—If you rarely meet your deductible and have enough savings to cover a healthcare emergency, this may be a good choice.

## Step 3: Ensure

Finally, you'll want to ensure that your doctors, hospitals, and services are in-network and that your prescription drugs are covered under the plans you're considering. Simply fill in the information below, and then cross-check this list against each plan's coverage status, if available.

**In the past year:**

<i>I've seen the following physicians:</i>	<i>How many times?</i>	<i>Out-of-pocket cost</i>
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____

<i>I've filled the following prescriptions:</i>	<i>How many times?</i>	<i>Out-of-pocket cost</i>
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____

**My preferred hospital is:** \_\_\_\_\_

*Now that you have the details on open enrollment*  
**Keep these key dates in mind**

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### **Commercial health insurance**

Open enrollment varies by employer and insurance company. Check with your human resources department (or insurance broker if you are self-employed) to confirm when open enrollment begins and ends.

### **Health Insurance Marketplace®**

Open enrollment begins November 1, 2025, and ends January 15, 2026.\* Check your state's Marketplace website to verify the deadline.†

### **Medicare**

Open enrollment is from October 15, 2025, through December 7, 2025.

### **Medicaid**

You can apply at any time. Once you're approved, your state may require you to select a Managed Medicaid plan from the options offered by your state.

\*Enroll by December 15, 2025, for coverage that starts January 1, 2026. Enroll by January 15, 2026, for coverage that starts February 1, 2026.

†Some state-run Marketplaces may have enrollment deadlines earlier or later than the federal January 15, 2026, deadline.

