



Medicare Enrollment Rules & Information

MEDICARE BASICS

You are eligible for Medicare if:

- ✓ You are age 65
- ✓ Have been on Social Security disability for at least 24 months
- ✓ Have been diagnosed with End Stage Renal Disease or amyotrophic lateral sclerosis (ALS)

Medicare is not free.

You will pay monthly premiums as well as copays, co-insurance and deductibles depending on which Medicare insurance options you select.

Medicare coverage starts on the first of the month.

Typically, it will start on the first of the month that you turn 65. There are exceptions if you delay enrollment or if your birthday falls on the first day of the month. If that is the case, then your Medicare will start on the first day of the prior month.

Medicare and Medicaid are not the same thing.

The coverage and out of pocket costs are different.

Medicare – is a federal health insurance program administered by the Centers for Medicare and Medicaid Services (CSM) for people that are age 65 or older, disabled and collecting social security disability for at least 2 years, diagnosed with End Stage Renal Disease or ALS (amyotrophic lateral sclerosis)

Medicaid – is state assistance for those people with limited income and resources

Open enrollment runs every year from October 15 through December 7.

During this time, you can review and change your Part D drug plan or Medicare Advantage plan for the upcoming year. Plans are available to view around October 1 but you cannot enroll in a new plan until October 15. It is critical to review your plan each year as the plan premiums, deductible, copays, and formularies can change considerably each year as can your health and medications.

Traditional Medicare does not cover any dental, routine vision or hearing services.

Many Medicare Advantage plans include coverage for basic routine dental, vision, and hearing. Many of the Medicare Advantage and Medicare Supplement carriers offer options to purchase more comprehensive, stand-alone plans for an additional monthly premium. You can also search the open market for stand alone plans as well, for example Delta Dental or VSP.

ENROLLING IN MEDICARE

You enroll in Medicare through the Social Security Administration (SSA).

You can do so by calling or visiting your local SSA office or by going to SSA.gov and completing the online application.



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ENROLLING IN MEDICARE

You have a seven-month Initial Enrollment Period (IEP) to sign up for Medicare Parts A & B.

Your IEP begins the three months before you turn 65, includes the month you turn 65, and the three months after you turn 65.

✓ **It is best to enroll as soon as possible**

It is important to understand that delaying enrollment into Medicare Part B could cause a gap in your insurance coverage.

✓ **If you miss your seven-month Initial**

Enrollment Period, you will have to wait to enroll during the General Enrollment Period. This runs annually from January 1 through March 31. Your coverage will not start until July 1 of that year, and you may incur late enrollment penalties.

Once you enroll in Medicare, allow 2-4 weeks to receive your card by mail.

You cannot enroll in Medicare plans until your Medicare card has been issued. You can create a Medicare.gov account and click “Print my Medicare card” to see if your card has been issued. If it has, you will see an image of your card with your name, Medicare number, and Part A & B effective dates. You can print a copy of your card to use until the original arrives.

HOW SOCIAL SECURITY BENEFITS IMPACT YOUR MEDICARE ENROLLMENT

Enrollment in Medicare is separate from enrolling in your Social Security Benefits, although they can both be done on the same application. Your choices are:

① **Enroll in Medicare only at age 65** and wait to enroll for your Social Security Benefits when you retire or reach your full retirement age.

② **Enroll in SSA benefits as early as age 62** and then enroll in Medicare at age 65 or when you retire/lose employer coverage. Choosing to collect Social Security benefits before full retirement age means you will take a permanent reduction in your SSA benefits. Your cash benefit amount will not increase when you reach your full retirement age. See ssa.gov/benefits/retirement/planner/agereduction.html for more information.

✓ **If you start drawing Social Security before age 65**, you will automatically be enrolled in Medicare Parts A & B. You will receive your card by mail 2-3 months before your 65th birthday month.

✓ **If you have active employer coverage through your employer or your spouse’s employer**, you may choose to delay enrolling in Part B. If this is the case, you MUST decline Part B. If you do not, SSA will automatically start deducting the monthly Part B premium from your Social Security Check. Follow the instructions you receive on your Medicare card to decline part B. You will be issued a new Medicare card that has only Part A.



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WORKING BEYOND 65

If you are still working and covered under an active employer insurance plan, you may not need to enroll in any part of Medicare when you turn age 65. You do not need to notify SSA or Medicare that you plan to work beyond age 65.

Your choices are:

- 1 Enroll in Part A which is FREE for most people.** This will be considered secondary insurance for Part A services only (inpatient hospital stays, in patient skilled nursing stays, home health care and hospice).
 - 2 Enroll in Medicare Part A & B at the same time when you retire or lose employer coverage.**
- NOTE:** if your employer has 20 employees or less you need to consult with your employer to see if you need to enroll in Medicare even if you are actively employed and have employer coverage.

Once you enroll in Medicare Part A, your employer plan must be “credible,” to delay enrollment in Part B.

This means the plan must have coverage as good, if not better than the plans offered by Medicare. If it is not a creditable plan you will incur a late enrollment penalty. Check with your Human Resources Department to confirm if your plan qualifies.

If you are enrolled in Medicare Part A you can no longer contribute to a Health Savings Account (HSA) per IRS rules.

If you do, you will incur a tax penalty. To avoid the tax penalty, stop contributing to your HSA at least six months before you enroll in Medicare. SSA will retro your Part A effective date six months from when you applied but not back to your original Part A effective date.

At age 65+ COBRA and retiree health plans, including plans through your spouse’s employer, are not considered creditable coverage.

If you do not enroll in Medicare when eligible, you will incur a late enrollment penalty.

Once you are over age 65 and decide to retire, you and your employer are required to fill out the CSM-L564 Request for Employment Information Form, which can be found at SSA.gov.

This form provides proof that you have had employer insurance from age 65 to present. This form is what will prevent Medicare from charging you a late enrollment penalty.

When you retire, your employer will mail you a document titled “Evidence of Creditable Coverage.”

Keep this document with your important papers, as SSA and CMS may request a copy as poof of coverage from age 65 to present to avoid a late enrollment penalty.

We hope you find this information helpful, and if you have any questions, your SourcePoint insurance specialists are always here to help!
Visit us online at MySourcePoint.org/insurance or call 740-363-6677.