

Medicare Timeline Tips

Original Medicare – Parts A and B

- With very few exceptions, nearly everyone must enroll in *Medicare Part A* (hospitalization insurance) during the Initial Enrollment Period. It is usually free of cost if you or your spouse paid medical taxes when employed.
- During the Initial Enrollment Period, most people also enroll in *Medicare Part B* (basic medical insurance), which is associated with a monthly premium based on income levels. However, enrollment in Part B may be optional. If you receive medical benefits from an employer (or a spouse's employer), you may decide to delay enrollment (penalty-free) in Part B until you (or your spouse) stops working or loses coverage. Enrollment must then be completed within 8 months of retirement or losing coverage for other reasons (whichever comes first).
- Take great caution in deciding to decline Part A or Part B Medicare coverage during your Initial Enrollment Period. In doing so, you will have to wait to sign up for another open enrollment period (typically in one year) or change in personal status. Unless you meet specified criteria, this may cause a gap in your coverage and you may have to pay a lifetime late enrollment penalty—and that penalty increases the longer you wait.

Additional Medicare Coverage

- *Medicare Part C, a Medicare Advantage* plan that combines and extends your Original Medicare and prescription drug coverage into one plan, is optional. If desired, it must be elected during your Initial Enrollment Period. You must be enrolled in Parts A and B to qualify.
- Alternatively, a *Medicare Supplement* plan, also known as *Medigap* insurance, provides separate, private additional coverage and greater flexibility. It can be applied for at any time, as long as you are enrolled in Parts A and B. The best time to apply, because coverage cannot be denied, is during the *Medicare Supplement Open Enrollment Period*. This starts the month that you're 65 or more years old and enrolled in Medicare Part B.
- *Medicare Part D, Medicare Prescription Drug Plan*, must be selected during the Initial Enrollment Period if you do not have other allowable coverage from Medicare Part C or an employer. Penalties are applied to the life of your *Part D* policy if your drug coverage lapses for more than 63 days.

Every individual or family has a unique situation, and the Medicare system has many special rules and exceptions. With all these variables, it is extremely helpful to speak to a qualified insurance adviser (either at your place of employment or independently) at least 3 months in advance of your Initial Enrollment Period to ensure that you meet the appropriate Medicare deadlines.