

I'M TURNING 65, SHOULD I ENROLL IN MEDICARE?

Enrolling in Medicare will depend on your individual situation. You may or may not need to enroll. If you cannot get insurance through current active employment, you may need to enroll in Medicare or risk paying a penalty. Consider the steps on the other side if you need to enroll in Medicare.

I'm currently working and can get insurance through work.

Many people are working past age 65. If that's you, or you are insured under your spouse's work insurance, you have some decisions to make about your health insurance. Most people have the option to stay with their work insurance, enroll in Medicare, or have a combination of both. You have a seven-month window to enroll at age 65, known as your Initial Enrollment Period.

When choosing whether to keep your work insurance or enroll in Medicare, there are a few things to consider: What type of coverage is offered? Does the work insurance offer better coverage than Medicare? What is the cost? Is the work insurance less expensive than Medicare? If the answer is yes, you may be able to decide to keep your work insurance.

If I keep my work insurance do I need to enroll in Medicare?

If you have coverage through a current employer, you are not required to enroll in Medicare Part A and B. Below are some things to keep in mind about Medicare.

Part A: For most people, Part A is premium-free. Part A covers inpatient hospital care and typically pays after your work insurance.

Part B: Medicare Part B has a standard monthly premium. Part B covers outpatient medical care and typically pays after your work insurance.

(Note: In some cases Part A and Part B pays before work insurance, typically when the employer has less than 20 employees. In this case, enrollment into Medicare may be necessary to have primary insurance. Failure to enroll may result in little or no coverage.)

Medicare Supplements: Enrolling in Part B will start your one-time guarantee issue period to purchase a Medicare Supplement. This is a six-month period that cannot be stopped. For this reason, you may want to wait until work insurance ends to enroll in Part B.

Part D: Part D plans have a monthly premium. If you have other "creditable coverage," you do not need to enroll in a Part D plan. Creditable coverage means the insurance is as good as, or better than, a standard Part D plan. You should verify if your policy is considered "creditable coverage." If so, you may not need to enroll in Part D.

Medicare Advantage (Part C): This Medicare-approved plan offers an alternative to Original Medicare. You must have Part A and B to enroll in an Advantage plan. Plans provide Part A and B coverage and may include Part D, prescription drug coverage, and extra benefits like hearing, vision, and dental services.

I have a Health Savings Account (HSA). Does that change anything?

Yes! If you currently have an HSA and enroll in any part of Medicare, you (or your employer) can no longer contribute pre-tax dollars to your HSA. For more information on the impact of Medicare enrollment on your HSA consult a tax professional.

What happens when I am ready to retire?

When you are ready to retire and your employer coverage ends, you will have a Special Enrollment Period. This means for a limited time you are able to enroll in Medicare without penalty. Each part of Medicare has its own rules regarding when you should enroll during the Special Enrollment Period.



step one

If you are receiving early retirement benefits from Social Security, you will be automatically signed up for both Medicare A and B. Watch the mail for your new Medicare card. It should arrive about two or three months before your 65th birthday. *(If you do not want to enroll in Medicare when you receive the card, follow the instructions on the card to decline.)*

If you are not receiving early retirement from Social Security and want Medicare to begin, you must enroll yourself.

Where: Social Security Administration
1-800-772-1213
www.ssa.gov, or;
Visit your local Social Security office

When: You may enroll one to three months before you want Medicare A and B to begin. Coverage will begin on the first of your birthday month.

How do I pay my premium?

If you are receiving Social Security benefits, your Part B premium will be automatically deducted.

If you are not receiving Social Security benefits, you will be sent a bill and need to make your payment.

enrolling in a **Medicare Supplement**

If you want a Medicare Supplement policy, you must apply for it. You can contact Nebraska SHIP for unbiased information about supplement options in your area.

step two

How do I pay my premium?

Supplement premiums are paid directly to the insurance company; they cannot be deducted from your Social Security payments. The company will send you a bill.

Where: The insurance company that sells the specific policy you wish to purchase; or, An insurance agent that sells the specific policy you wish to purchase.

When: You may want to consider apply at least 30 days before you want the policy to start. If you do not have 30 days, apply as soon as possible.

enrolling in **Medicare Part D or Medicare Advantage (Part C)**

step three

You may need to enroll in Part D, a Medicare Drug Plan, or a Medicare Advantage plan (Part C). Remember if you are getting a Medicare Supplement, you should not get a Medicare Advantage plan (Part C).

Where: Nebraska SHIP
1-800-234-7119

When: Enroll in a Part D or Medicare Advantage plan the month before you would like it to start.

How do I pay my premium?

You can choose one of two options.

Social Security Withholding - The premium will be deducted from your Social Security benefits.

Direct Pay - You make monthly payments directly to the plan.