

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

Enrolling in Medicare will depend on your situation. If you can get insurance through you or your spouse's current employer, then you might not want to enroll in any or all parts of Medicare.

**If you CANNOT get insurance through a current employer, you need to enroll in Medicare or risk paying a penalty.** Follow the steps on the other side 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.

When choosing to keep your work insurance there are a few things to consider like the type of coverage offered and cost of your work insurance. **Is it less expensive than Medicare? Does it offer better coverage than Medicare?** If the answer is yes, you may want 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 each part of Medicare.

**Part A:** For most people, Part A does not charge a premium. Typically, Part A pays after your work insurance. Part A probably won't pay much of the bill, but doesn't cost anything to have. For that reason, **most individuals enroll in Part A at age 65.**

**Part B:** Everyone pays a monthly premium for Part B. Part B typically pays after your work coverage. Enrolling in Part B will also start your one-time guarantee to purchase a Medicare Supplement. Once this 6-month time frame starts, it cannot be stopped. For these reasons, **most people wait until their work coverage ends to enroll in Part B.**

**Part D:** Everyone pays a monthly premium for Part D. As long as you have other "creditable coverage," you do not have to enroll in a Part D plan. Creditable coverage means the insurance is as good as, or better than, a standard Part D plan. Check with your HR department to verify if your policy is creditable coverage. Typically, prescription insurance through work (and other sources like VA) offers better coverage than what you can get through Medicare. For this reason, **most people wait until their work coverage ends to enroll in Part D.**

***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 with out penalty. Follow the steps on the other side for when and where to enroll.

NEBRASKA  
SHIP

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 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, you must enroll yourself in Medicare.

**Where:** Social Security Administration  
1-800-772-1213  
www.socialsecurity.gov  
Visit your local Social Security office

**When:** We recommend you enroll about three months before you want Medicare A and B to become effective. If you do not have three months, enroll in Medicare A and B as soon as possible.

**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. Contact Nebraska SHIP for a complete list of supplement companies and their monthly premiums.

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:** We recommend you 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 Part C**

step three

You must apply for a Medicare Drug Plan (Part D) 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  
Visit your local SHIP office

**When:** You need to apply for 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 1 of 2 options.  
Social Security Withhold - The premium will be deducted from your Social Security benefits.

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