

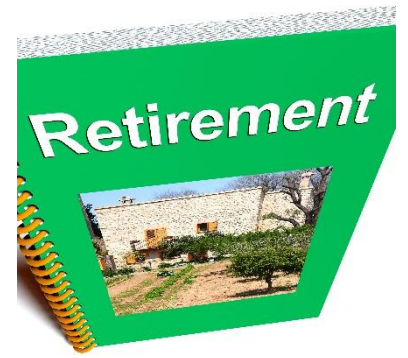
LEARN ABOUT MEDICARE

Considering Retirement? Learn More About Medicare

Whether you have chosen the date or just curious about what happens to your benefits as you plan for retirement, you may have benefits questions about:

- When is the right time to sign-up for Medicare
- Can my benefits continue after retirement?

Remember, no two situations are the same. We encourage you to take learn the options that are right for you and your family. A number of resources are available to help answers these and other questions as you begin planning.



When to Enroll in Medicare

Medicare eligibility kicks in at age 65 but you don't need to wait for your 65th birthday to enroll. You have a seven (7) month window to enroll if you are already retired. Your enrollment begins three (3) months before the month you turn 65, you have the month of your 65th birthday and it ends three (3) months after the month in which you turn 65.

If you have health insurance through FPU or any employer with more than 20 employees, you don't have to enroll in Medicare when you turn 65 because your employer sponsored health plan is your primary form of insurance.

However, since Medicare, Part A is free for most people, it pays to enroll in it as soon as you are eligible. **There is one exception to this.** If you are still have employer sponsored coverage and you contribute to an HSA, you have to make a choice: continue to the HSA or join Medicare. **You cannot have an HSA if you are on Medicare**

Defining the 4 Parts of Medicare

Let's review the Medicare Plans

- **Part A** is for hospitalization
- **Part B** covers services such as doctor's appointments, diagnostic tests and outpatient care.

If you are still working and have health insurance through FPU or any other employer with 20 or more employees, you can hold off on enrolling in Part B until you retire. You will not be penalized if you enroll in Part B within eight (8) months of no longer being on an employer plan. At that time you will be provided with a special enrollment period. That period will begin the month after your group coverage end or the month after you leave your job, whichever comes first.

If you are about to retire, you want to sign up for Part B upon your initial eligibility so you don't face 10% annual penalties that will remain for the rest of your life.

Medicare A and B do not cover everything. There are "gaps" or "holes" in coverage so you'll want to look into a Medicare **Supplement Insurance**, sometimes called **MediGap**.

Supplement plans are standardized by the government but not sold through the government. You will have to go to a private insurer such as Harvard Pilgrim, Anthem, United Health Care just to name a few. Medicare Supplemental plans are only available once you have Medicare A and B.

- **Part C** is called Medicare Advantage and allows you to have your benefits administered through a private insurer. They combine the traditional Part A and B with additional coverage. Some offer prescriptions too. To simplify, you either enroll in Part A, B and/or D or you enroll in Part C.
- **Part D** is your Medicare Prescription plan, which is a voluntary election. Private insurers off these plans and you pay the premiums directly to the insurer.

Part C is referred to as **Medicare Advantage** and provides one-stop shopping for your hospital, outpatient, and prescription coverage. These plans are sold through private insurers, not the government. These

Additional Resources

This information scratches the surface and we encourage you to learn more about your options through one of the following websites.

Social Security Administration:

www.ssa.gov/pubs/EN-05-10043.pdf

Medicare:

www.medicare.gov

Celebrating 65! – Harvard Pilgrim Health Care:

www.harvardpilgrim.org/public/docs/celebrating-65-brochure