

ENROLLING IN MEDICARE

Understand how and when to enroll in the different parts of Medicare to avoid delayed coverage or permanent cost penalties.

When it comes to healthcare in retirement, a lot of attention is focused on what Medicare does and doesn't cover. Once you have all the parts sorted out, it's just as important to figure out how to enroll and when, so you get the coverage you need before you need it. There are several enrollment periods you need to know about to avoid coverage lapses or permanently increased premiums.

For starters, you should know that Medicare generally kicks in at age 65, unless you are disabled, in which case it may begin earlier. Once you become eligible, you will automatically be enrolled in Medicare Parts A and B if you're already receiving Social Security benefits. If you are not already receiving Social Security benefits, you won't get an official notice to enroll in Medicare, so you'll need to be proactive and contact the Social Security Administration during what's known as your initial enrollment period.

INITIAL ENROLLMENT

Your initial enrollment period for Medicare Parts A and B is the seven-month period that begins three months before you turn 65. You might consider signing up early to avoid a delay in coverage for Part B services. For example, if you want your coverage to begin the month you turn 65, sign up anytime during the first three months of your initial enrollment period. If you wait, your start date for coverage will be delayed one to two months.

YOUR INITIAL ENROLLMENT PERIOD:

3 months before the month you turn 65	2 months before the month you turn 65	1 month before the month you turn 65	The month you turn 65	1 month after the month you turn 65	2 months after the month you turn 65	3 months after the month you turn 65
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ENROLLING IN AND MAKING CHANGES TO YOUR MEDICARE COVERAGE

After your initial enrollment period, you'll have other opportunities throughout the year to make changes or enroll, if you neglected to do so when first eligible. The chart below explains how to enroll in each part of Medicare, Medigap and Medicare Advantage plans.

WHAT IT IS	WHEN TO ENROLL	WHEN TO MAKE CHANGES	WHAT ELSE YOU SHOULD KNOW
<p>PART A – Hospital Insurance</p> <p>Helps pay in-hospital expenses, skilled nursing care, home healthcare and hospice</p>	<p>Automatic enrollment at age 65 if you're collecting Social Security retirement benefits.</p> <p>If you're not collecting benefits, enroll three months before you turn 65.</p>	<p>If you did not sign up for Part A when you were first eligible, you can enroll between January 1 and March 31 each year. Coverage will begin on July 1.</p>	<p>The full retirement age for Social Security is climbing to 67, but Medicare eligibility begins at 65, so it's important to apply three months before your 65th birthday.</p>
<p>PART B – Medical Insurance</p> <p>Covers outpatient hospital care, doctors' services and physical therapy, among other services</p>	<p>Automatic enrollment at age 65 if you're collecting Social Security retirement benefits.</p> <p>If you decide not to keep Part B, you must decline by the date printed on the front of your Medicare card.</p> <p>If you're not collecting benefits, your seven-month initial enrollment period begins three months before you turn 65.</p>	<p>If you did not sign up for Part B when first eligible, you can enroll during general enrollment January 1 to March 31 each year. Coverage will begin on July 1. Failure to enroll when first eligible may result in permanently increased premiums if you need these services later.</p> <p>A special enrollment period that may help avoid penalties generally runs while covered under an employer's plan through the end of the eighth month after you leave the company.</p>	<p>The month you enroll will affect when your coverage starts. For example, if you turn 65 and wait until your birth month or later to apply, you'll have a one- or two-month gap in coverage.</p>

WHAT IT IS	WHEN TO ENROLL	WHEN TO MAKE CHANGES	WHAT ELSE YOU SHOULD KNOW
<p>PART D – Prescription Drug Coverage</p> <p>Provided by private insurance and helps pay for prescription drugs that you use at home, plus insulin supplies and some vaccines</p>	<p>Enrollment in Part D is voluntary, but you must be enrolled in Part A or B to be eligible.</p> <p>You can generally join during your Part B initial enrollment period, certain open enrollment periods or during special enrollment periods.</p>	<p>Every year during open enrollment October 15 to December 7, you can make changes for the following year.</p>	<p>Many Medicare Advantage plans, sometimes referred to as Part C, include prescription drug coverage.</p>
<p>PART C* – Medicare Advantage Plans</p> <p>In addition to covering all the services under Parts A and B, some Medicare Advantage plans provide coverage for:</p> <ul style="list-style-type: none"> • Extra covered days in the hospital • Foreign travel • Prescription drugs • Hearing • Dental • Vision 	<p>You can generally join during your Part B initial enrollment period.</p> <p>To join a Medicare Advantage plan, you must:</p> <ol style="list-style-type: none"> 1. Already be enrolled in Parts A and B 2. Continue to pay the Part B premium 3. Live in the plan's service area 	<p>Every year during open enrollment October 15 to December 7, you can make changes for the following year.</p> <p>You may also be eligible to make changes if you move or lose coverage.</p> <p>January 1 to February 14 is the annual disenrollment period, when you can drop your plan, switch to original Medicare and join a Part D prescription drug plan.</p>	<p>You can also switch plans midyear if you're moving from Medicare to a plan with a quality rating of five stars, but you can only do so once a year. To find a five-star plan, visit Medicare.gov or call 800.633.4227.</p>
<p>MEDIGAP* – Supplemental Insurance Plans</p> <p>Supplemental insurance policies issued by private insurance companies to fill in "holes" in Original Medicare</p>	<p>You have a six-month window after turning 65 and enrolling in Part B. During this initial enrollment period, you are guaranteed the right to buy a Medigap policy.</p> <p>Generally, you need to be enrolled in Parts A and B before purchasing a Medigap policy.*</p>	<p>If you don't enroll within six months after enrolling in Part B, you may not be able to enroll later or you could be charged more.</p>	<p>Costs and coverage levels vary by provider, so be sure to shop around.</p>

*You can't use a Medicare Advantage plan in conjunction with a Medigap policy.

PLANNING TIP

Open enrollment occurs each year from October 15 to December 7. Make it a goal to review your coverage and make any necessary changes before Thanksgiving so you won't be overwhelmed during the holidays.

After you've enrolled, make a point of reviewing your coverage at least once a year. Even if you're happy with what you have, benefits and premiums may have changed over the year.

It's a good idea to:

- ▶ Review your options to see if another choice suits your needs better. Medicare.gov offers a Plan Finder function to help you compare different plans.
- ▶ Make any changes during the annual Medicare open enrollment windows.
- ▶ Visit your primary care physician to review your medications.

For more information about enrolling in Medicare Parts A and B, call the Social Security Administration at 800.772.1213. For more detailed information about Medicare Advantage plans or prescription drug coverage, visit Medicare.gov or call 800.633.4227. Your financial advisor can also help answer many of the questions you may have. ■