



# Top 10

## things to know about Medicare

Reaching age 65 is a milestone—it's when eligibility for Medicare begins.

There are many different parts to Medicare, and it can be confusing.

Knowing how it all works is important, whether you decide to continue working or retire.

As part of your Health Advocate benefit, paid for by your employer or plan sponsor, your Personal Health Advocate can walk you through Medicare so you can choose what's right for you.

## 1 You're eligible for Medicare if you're 65 and a U.S. citizen or permanent legal resident. You're also eligible if you:

- Are under age 65 and receiving social security disability insurance payments (SSDI)
- Have End Stage Renal Disease (ESRD) and are on dialysis
- Have Lou Gehrig's disease

## 2 There are two main ways to get Medicare

- **Original Medicare** – offered by the federal government, includes Part A (covers hospital) and Part B (covers doctor visits, preventive services, outpatient care, durable medical equipment, ambulance).
- **Medicare Advantage Plans** (Part C) offered by private insurance companies—combines Part A and Part B and usually Part D (prescription drug coverage), and has additional features and benefits.

## 3 Medicare is not free and does not cover everything

- Original Medicare only pays for about half of lifetime health expenses. It does not cover dental care, vision, prescription drugs, or nursing home care.
- Annual deductibles, co-pays, co-insurance and monthly premiums (for Parts B and D) apply.
- Medicare Supplement Insurance (Medigap) offered by private insurance companies, helps with out-of-pocket costs of Original Medicare.
- Part D includes drug coverage (may be part of Medicare Advantage Plans).

## 4 Enrollment in Medicare isn't always automatic – you have to sign up

- Enrollment is only automatic if you're collecting Social Security benefits by your 65th birthday. If you're not collecting Social Security benefits, you must enroll in Medicare.
- Enroll in Medicare through Social Security, either online ([ssa.gov](https://ssa.gov)) or by phone (800-772-1213).
- To enroll in Medicare Part D to cover your prescription drugs, call 1-800-MEDICARE (1-800-633-4227), visit [Medicare.gov](https://medicare.gov) or call the Part D plan directly.

## 5 If you take Medicare, you can no longer contribute to an HSA

- Six months before you enroll in Medicare, stop making contributions to your HSA (Health Savings Account) that's connected to your employer's high deductible health plan—or you may pay a tax penalty.
- Once you enroll in Medicare, you can make withdrawals from your HSA at any time to pay for medical expenses.

## 6 You must enroll on time to avoid any penalties or denied coverage

- Your initial enrollment period is a 7-month period: three months before your 65th birthday month, your birthday month, and three months after your birthday month.
- In most instances, unless you have insurance from your (or your spouse's) current job, you will pay a 10% premium penalty for delaying Part B when you become eligible for as long as you have Medicare.
- With a few exceptions, if you buy a Medigap policy within six months of enrolling in Part B, insurers cannot deny you coverage based on your health or pre-existing medical conditions. If you wait, you could be denied coverage or pay a higher premium.

## 7 If you're actively working and covered under employer-sponsored medical insurance, you can postpone getting Medicare

- Employer-based plans typically cover what Part B covers, so you can delay Medicare enrollment until you retire (without a penalty).
- In some cases, you may want to enroll in Medicare anyway, as it can work with your employer-based plan as "secondary" coverage.
- If you are covered by a small group health plan, you must enroll in Medicare as it will be the primary payor, in some instances.

## 8 After you retire or stop getting employer-paid coverage, you must enroll in Medicare within a certain time period

- Sign up for Medicare within 8 months of when your employer-paid coverage ends to avoid the penalty.

## 9 You must renew Medicare coverage every year

- During Open Enrollment each year, it's important to review your options if you have prescription plan coverage through a Medicare Part D or Medicare Advantage Plan. Open Enrollment is when you can change your plan coverage for the next calendar year.
- Check with your current plans and ask if your coverage will automatically renew for the next calendar year.
- If your health needs have changed, you may want to consider choosing a different Medicare plan option.
- Read the Annual Notice of Change that is sent each September for Medicare Advantage and Part D plans to see cost and plan changes for the following calendar year.

## 10 You may be eligible for financial assistance to pay for Medicare

- Includes Extra Help to cover prescription drug costs.



**Sign up early!** To make sure you get Medicare coverage when you turn 65, sign up during the 3 months BEFORE the month you turn 65.

## How Health Advocate Can Help

- Explain/compare Medicare options
- Inform about enrollment deadlines
- Clarify how Medicare works with your current coverage
- Tell you if your providers participate within Medicare
- Let you know if your medications are in the pharmacy formulary
- Identify resources for financial assistance

We'll also help find Medicare-participating providers, schedule appointments, resolve billing and claims issues and more.



**Email:**

[answers@HealthAdvocate.com](mailto:answers@HealthAdvocate.com)

**Web:**

[HealthAdvocate.com/members](https://HealthAdvocate.com/members)

“ I was recently diagnosed with diabetes and when I was finally ready to retire, going through the Medicare options just floored me. What a relief to have someone patiently go through the pros and cons of each option so I could choose one that fit both my health needs and budget. ”

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