



Delaying Medicare Enrollment

A Medicare Scholar Presentation



Medicare Enrollment

As you approach age 65, you need to decide whether or not you'll be signing up for Medicare

Why Delay Medicare?

- Still working and have group coverage
- Currently contributing to a Health Savings Account
- Do not qualify for Premium-free Part A
- Utilize VA for all health services
- Have insurance from the Health Insurance Marketplace

How To: Delay Part A

First, determine if you will be getting, or are already receiving, benefits from Social Security or the Railroad Retirement Board (RRB).

- If yes – you cannot delay Part A
- If no – you do not need to do anything when you turn 65 to delay Part A

How To: Delay Part B

If you will be getting benefits from Social Security or the RRB at least 4 months before you turn 65, you will automatically get both Part A and Part B starting the first day of the month you turn 65.

There are two way to delay Part B:

- Follow the instructions that come with your Medicare card and send it back declining coverage, or:
- Contact Social Security at 800-772-1213



How To: Delay Part B

If you won't be getting benefits from Social Security or the RRB at least 4 months before you turn 65, you do not need to do anything when you turn 65 to delay Part B enrollment.

Signing Up for Benefits

Signing Up for Part A

If you are eligible for premium-free Part A:

- There is no penalty for delaying Part A
- You can enroll in Part A any time after you're first eligible for Medicare
- Your Part A coverage will go back (retroactively) 6 months from when you sign up, but no earlier than the first month you are eligible for Medicare
- Contact Social Security to enroll

Signing Up for Part A

Example: Sam turn 65 in March of 2018. He was covered by his employer group plan and was actively contributing to a Health Savings Account (HSA), so he delayed Social Security, Part A and Part B. Sam is retiring in July and will sign up for his benefits in June:

- Part A will start January 1st (6 months retroactive)
- Part B will start July 1st, the month after he signs up
- Sam will need to stop contributing to his HSA as of January 1st to avoid paying penalties to the IRS

Signing Up for Part A

If you are not eligible for premium-free Part A:

- There is a 10% penalty for every 12-month period you were eligible for, but did not have Part A
- You will have to pay the penalty for twice the number of years you went without coverage
 - Example: If you delayed enrollment for 2 years, you would pay the Part A penalty for 4 years

You must sign up for Part B (or be actively enrolled)
in order to buy Part A

Signing Up for Part B

- Apply online at Social Security – ssa.gov/benefits/medicare
- Visit your local Social Security office
- Call Social Security at 800-772-1213
- If you worked for a railroad, call the RRB at 877-772-5772
- If you already have Part A and want to sign up for Part B, complete the application for enrollment in Part B (CMS-40B) and the CMS-L564 if you were covered through employer coverage

Part B Sign Up Periods

- Initial Enrollment Period

- 3 months before, the month of, and 3 months after your 65th birthday month
- When you sign up determines your start date:

If you sign up for Part B in this month:	Your coverage starts:
3 months prior to your 65 th birthday month	The 1 st of the month you turn 65
The month you turn 65	1 month after you sign up
1 month after you turn 65	2 months after you sign up
2 months after you turn 65	3 months after you sign up
3 months after you turn 65	3 months after you sign up

Part B Sign Up Periods

Covered under employer or union coverage based on you or your spouse's current employment:

- Sign up any time you're covered by the plan, or up to 8 months after your coverage or employment ends, whichever happens first

Otherwise, sign up during the General Enrollment Period

- January 1st through March 31st
- Coverage begins the following July 1st

Part B Late Enrollment Penalty

If you delay Part B, you may have to pay a late enrollment penalty

- 10% for every 12-month period since you were eligible
- Penalty waived if you were covered by employer or union coverage based on you or your spouse's current employment, and you sign up during the Special Election Period (8-months)
- Retiree plans, individual health, ACA plans and Veterans benefits are not creditable coverage for delaying Part B



Recap

- Some people may delay their Medicare benefits
- Review *CMS Fact Sheet: Deciding Whether to Enroll in Medicare Part A and Part B When You Turn 65* (CMS Publication No. 11962)
- Make a decision before your 65th birthday to avoid paying penalties



Questions?



Thank You For Attending

Sources

- <https://www.cms.gov/Outreach-and-Education/Find-Your-Provider-Type/Employers-and-Unions/FS3-Enroll-in-Part-A-and-B.pdf>
- <https://www.medicare.gov/sign-up-change-plans/how-do-i-get-parts-a-b>
- <https://www.medicare.gov/sign-up-change-plans/how-do-i-get-parts-a-b/should-i-get-parts-a-b>
- <https://www.medicare.gov/sign-up-change-plans/how-do-i-get-parts-a-b/when-will-my-coverage-start>