

Medicare Cheatsheet



A Few Key Medicare Do's and Don'ts

Medicare is a key program for millions of older and disabled Americans, but many don't really understand how Medicare works because they lack accurate information. Medicare is a complex program, but the following key elements are things you need to know right from the start:

- **Don't expect to be notified when it's time to sign up.** Unless you're already receiving Social Security retirement or disability benefits, you must apply for Medicare. But you won't get any official notice on when or how to enroll.
- **Do enroll when you're supposed to.** To avoid the late enrollment penalty, be sure to enroll either during your initial enrollment period around age 65 or during a special enrollment period if you continue to have health insurance after age 65 from an employer for whom you or your spouse is still working.
- **Don't despair if you haven't "worked long enough" to qualify.** You may qualify for Medicare Part A (hospital insurance), without paying premiums for it, on your current or former spouse's work record. Or you may be able to buy into Part A by paying premiums. But you can get Part B benefits (coverage for doctors' services, outpatient care, and medical equipment) and Part D (prescription drug coverage) regardless of how long you worked (or even if you never have), just by paying the required premiums — provided that you're a U.S. citizen or a legal permanent resident (green card holder) who's lived in the United States for at least five years before applying for Medicare.
- **Don't worry that poor health will affect your coverage.** If you qualify for Medicare, you receive full benefits. You can't be denied coverage or asked to pay higher costs because of current or past health problems.
- **Do remember that Medicare isn't free.** You pay premiums for coverage and deductibles and co-payments for most services.
- **Don't assume that Medicare covers everything.** It covers a wide range of medical services (including expensive ones like organ transplants), prescription drugs, and medical equipment. But there are gaps, such as coverage for routine vision, hearing, and dental care. And Medicare doesn't cover the non-medical costs of long-term care in nursing homes and assisted living facilities.
- **Don't expect Medicare to cover your dependents.** Nobody can get Medicare under age 65, except those who qualify through disability. Medicare has no family coverage.

- **Do compare Medicare supplement plans to find the best priced plan for your needs.** Because there are large gaps leftover by Original Medicare it is a good idea to buy a plan that helps pay what Medicare does not cover in full. Bluewave Insurance Services specializes in Medicare plans. We are an independent agency and can help you see all the plans that are available. We can be contacted at **800-208-4974** or emailed at alex@bluewaveinsurance.com

Enrolling in Medicare at the Right Time for You

The right time for Medicare enrollment depends on your circumstances. But if you don't enroll in Medicare at the right time for you and then you try to enroll later, you risk permanent Medicare late penalties and a delay in coverage. Here are your options for enrolling in Medicare (without risking penalties) for the first time at age 65 or later:

- **Initial enrollment period (IEP):** Your IEP lasts seven months — starting three months before the month in which you turn 65, the month of and three months after. (For example, if your birthday is in September, your IEP begins June 1 and ends December 31.) *You can sign up during this period but it is best to sign up for parts A and B during the first month you are eligible to avoid any delays.*
- **Special enrollment period (SEP):** You qualify for this SEP if you're beyond 65, have group health insurance from an employer for whom you or your spouse actively works. If you meet these conditions, you can delay Medicare enrollment after turning 65. The SEP lasts throughout the time you have this coverage and extends for eight months after it ends or the employment ends — whichever comes first. For example, if you stop work at the end of February, you can enroll in Medicare without risking late penalties until your SEP ends on October 31 — but to avoid a gap in coverage, you'd probably want to enroll in February so that your Medicare benefits begin March 1.
- **Automatic enrollment:** If you start receiving retirement benefits from Social Security or the Railroad Retirement Board, you'll be enrolled automatically in Medicare Parts A and B at age 65 or later instead of having to apply. You can decline Part B enrollment if you want to delay it because you qualify for an SEP, as described in the preceding bullet.
- **General enrollment period (GEP):** This GEP allows you to sign up for Medicare if you failed to do so during your IEP or SEP. It lasts for three months each year, from January 1 to March 31. If you sign up during a GEP, your Medicare coverage doesn't begin until the following July 1. You may also be hit with late penalties that are added to your Part B premiums for all future years.