

## **FAQ's for Medicare Part A and Medicare Part B Inquiries (Internal Mailbox System)**

### **Question:**

I will turn 65 this year; however, I am still working and receiving employer-sponsored health benefits. My plan is to continue working for several more years. Is it necessary for me to apply for Medicare at this time?

**Response:** If you are nearing age 65, working and receiving employer-sponsored health coverage, you can delay enrolling in Medicare and enroll later without penalty during the special enrollment period (SEP). The SEP allows you to enroll any time you're still working and covered under the employer-sponsored health plan or up to 8 months after your employment ends or the coverage ends, whichever happens first. If you sign up during an SEP you should not have to pay a late enrollment penalty. Please visit the [employer community page](#) for additional information.

**Note 1:** This SEP doesn't apply to people who are eligible for Medicare based on End-Stage Renal Disease (ESRD).

**Note 2:** If you have a disability, and the group health plan coverage is based on current employment of a family member, the employer offering the group health plan must have 100 or more employees for you to get an SEP. Before you decide to delay enrolling in Medicare, check with your employer or benefits administrator to find out how your coverage works with Medicare.

**Note 3:** To avoid incurring an IRS tax penalty, individuals should stop contributing to their Health Savings Accounts (HSA) six months before applying for Medicare.

**Question:** I turn 65 in October and I'm still working. I have healthcare and my employer says I can enroll in Medicare without a penalty even though there are less than 20 employees. I know I can sign up for Part A. Do I need documentation from my employer that I'm working and have health coverage so I don't have to pay a penalty after I retire and sign up for Part B? If so, what works as documentation for Part B? I have documentation that my Part D coverage is creditable.

**Response:** In order to apply for Part B coverage without incurring a penalty, you will need documentation showing evidence of your current employment from your employer or union sponsored group health plan (GHP) or large group health plan (LGHP) for a special enrollment period (SEP) or premium surcharge rollback. The following list below can be used as evidence or proof of coverage and to determine if you can enroll without a penalty even though there are less than 20 employees. If you are enrolling in Part B and are currently employed, you must give your employer the [Form L564](#) to complete.

**Note 1:** A letter of Creditable Coverage (for the purposes of Medicare Part D) is not proof of GHP coverage for SEP or premium surcharge rollback purposes.

**Note 2:** If a person is eligible for Medicare due to age, insurance from current work is primary to Medicare if the employer has more than 20 employees.

**Question:** When I turned 65, I enrolled in Medicare Part A & B. I receive a bill from CMS every quarter for this which I pay directly to CMS. I am still working full time; my employer is withholding \$32.62/month from my salary for employer group health plan coverage. Should the amount being withheld continue; or should it have stopped when I enrolled in Medicare? If it is supposed to continue, should it be credited against my quarterly Medicare premiums?

**Response:** If you or your spouse (or family member if you have a disability) is still working and you have health coverage through that employer or union, contact your employer or union benefits administrator to find out how your coverage works with Medicare. This includes federal or state employment and active-duty military service. It might be to your advantage to delay Part B enrollment. Here is a link on [medicare.gov](https://www.medicare.gov/sign-up-change-plans/how-do-i-get-parts-a-b/when-will-my-coverage-start) regarding coverage start dates: <https://www.medicare.gov/sign-up-change-plans/how-do-i-get-parts-a-b/when-will-my-coverage-start>

And here is a link to what is covered under A: <https://www.medicare.gov/what-medicare-covers/what-part-a-covers>

And covered under B: <https://www.medicare.gov/what-medicare-covers/what-part-b-covers> .

**Note:** Remember, coverage based on current employment doesn't include: COBRA, retiree coverage, VA coverage and Individual health coverage (Health Insurance Marketplace)

**Question:** Do I need to sign up within 3 months before or after my 65th birthday even if I am not ready to begin using the Medicare program? How soon after I enroll do my Medicare benefits begin? What does Part A and Part B cover?

**Response:** If you are eligible for premium-free Part A, you can sign up for Part A once your initial enrollment period starts. Your Part A will start 6 months back from the date you apply, but no earlier than the first month you were eligible for Medicare. However, you can only sign

up for Part B (or Part A if you have to buy it) during certain times. In most cases, if you don't sign up for Part B (or Part A if you have to buy it) when you're first eligible, you may have to pay a late enrollment penalty.

Here is a link on medicare.gov to coverage start dates: <https://www.medicare.gov/sign-up-change-plans/how-do-i-get-parts-a-b/when-will-my-coverage-start>. And here is a link to what is covered under A: <https://www.medicare.gov/what-medicare-covers/what-part-a-covers>. And covered under B: <https://www.medicare.gov/what-medicare-covers/what-part-b-covers>

**Note:** If you are contributing to an HSA, you will need to stop contributing to it at least six months prior to the month you intend to enroll in Medicare. If you contribute to your HSA after your Medicare coverage starts, you may have to pay a tax penalty.

**Question:** How do I sign up for Medicare?

**Response:** If you're already getting benefits from Social Security or the Railroad Retirement Board (RRB), you'll automatically get Part A and Part B starting the first day of the month you turn 65 (if your birthday is on the first day of the month, Part A and Part B will start the first day of the prior month). If you're under 65 and have a disability, you'll automatically get Part A and Part B after you get disability benefits from Social Security or certain disability benefits from the RRB for 24 months.

If you're close to 65, but not getting Social Security or Railroad Retirement benefits, you'll need to sign up for Medicare. Contact your local Social Security office 3 months before you turn 65. You can also apply for Part A and Part B at <https://www.ssa.gov/planners/retire>. If you worked for the railroad, contact the Railroad Retirement Board, 1-877-772-5772, TTY: 1-312-751-4701. Remember, in most cases, if you don't sign up for Medicare Part B when you're first eligible, you may have to pay a late enrollment penalty for as long as you have Part B.

**Note 1:** If you live in Puerto Rico and get benefits from Social Security or the Railroad Retirement Board (RRB), you automatically get Part A the first day of the month you turn 65 or after you get disability benefits for 24 months. However, you don't automatically get Part B, you'll need to sign up for it by completing an "Application for Enrollment in Part B Form" (CMS-40B). If you don't sign up for Part B when you're first eligible, you may have to pay a late enrollment penalty for as long as you have Part B.

Visit the CMS website to get Form [CMS-40B](#) in English or Spanish or contact your local Social Security office or RRB or more information.

**Note 2:** For additional information, call Social Security at 1-800-772-1213 for more information about your Medicare eligibility and to sign up for Part A and/or Part B. TTY users can call 1-800-325-0778. If you worked for a railroad or get RRB benefits, call the RRB at 1-877-772-5772. TTY users can call 1-312-751-4701.

**Note 3:** For personalized health insurance counseling from your State Health Insurance Assistance Program (SHIP) visit <https://www.shiptacenter.org/>

**Question:** When a 66-year-old beneficiary's employment ends, should the beneficiary enroll in Part B instead of enrolling in COBRA? If they had Part A and delayed Part B due to still working, would they be able to enroll in Part B upon the termination of employment without a penalty?

**Response:** There is a federal law that may allow you to temporarily keep employer or union health coverage after your employment ends or after you lose coverage as a dependent of the covered employee. In most cases, if you delay Part B enrollment because you or your spouse were working and you have coverage based on that work, you can sign up later, without penalty, during the special enrollment period (SEP). Under the SEP, you can sign up for Part B any time you or your spouse is still working and have group health plan (GHP) coverage based on that work, or up to 8 months after either the employment ends or the GHP coverage ends, whichever occurs first. Remember, you are not eligible for an SEP if you have COBRA or retiree coverage.

**Question:** I am currently working and have health care insurance and a Health Savings Account (HSA) through my employer. I also contributed to my HSA January through March 2016. I will be retiring August 5, 2016. I would like Medicare Part B to begin September 1, 2016 when my health insurance through my employer ends. However, because you cannot contribute to an HSA and have Medicare in the same month without a tax penalty, I would like Medicare Part A to begin April 1, 2016. We are aware that Medicare Part A is retroactive six months. If I were to wait and apply for Medicare Part A in November, would there be any penalty incurred through Social Security and/or Medicare? I am waiting to take my social security retirement benefits until I turn 70.

**Response:** You can't contribute to your HSA once your Medicare coverage begins. However, you may use money that's already in your HSA after you enroll in Medicare to help pay for deductibles, premiums, copayments or coinsurance. If you contribute to your HSA after your Medicare coverage starts, you may have to pay a tax penalty. If you'd like to continue contributing to your HSA, you shouldn't apply for Medicare, Social Security, or Railroad Retirement Board (RRB) benefits.

**Note:** If you are eligible for premium-free Part A, you can sign up for Part A coverage once your Initial Enrollment Period (IEP) starts. Your Part A coverage will start 6 months back from the date you apply for Medicare (or Social Security/RRB benefits), but no earlier than the first month you were eligible for Medicare. To avoid a tax penalty, you should stop contributing to your HSA at least 6 months before you apply for Medicare. For more information about Health Savings Accounts, please visit [www.irs.gov](http://www.irs.gov) or contact IRS 1-800-829-4933.

**Question:** I will turn 65 in September, 2016. I am currently collecting Social Security. Do I need to enroll in Medicare or is it automatic?

**Response:** If you're already getting benefits from Social Security or the Railroad Retirement Board (RRB), you'll automatically get Part A and Part B starting the first day of the month you turn 65. If your birthday is on the first day of the month, Part A and Part B will automatically start the first day of the prior month. The IEP package is sent out 3 months before the person turns 65. It includes the Welcome to Medicare Brochure and letter, as well as, the Medicare Card.

**Question:** Does Medicare cover health costs while traveling outside of the United States?

**Response:** Usually Medicare does not cover health care while you are traveling outside the United States. However, there are some exceptions which in some cases Medicare Part B (Medical Insurance) may pay for services you get on board a ship within the territorial waters adjoining the land areas of the United States. In rare cases, Medicare may pay for inpatient hospital, doctor, ambulance services, or dialysis you get in a foreign country. Examples:

- You're in the U.S. when a Medical emergency occurs, and the foreign hospital is closer than the nearest U.S. hospital that can treat your medical condition.
- You're traveling through Canada without unreasonable delay by the most direct route between Alaska and another state when a medical emergency occurs, and the Canadian hospital is closer than the nearest U.S. hospital that can treat the emergency.
- You live in the U.S. and the foreign hospital is closer to your home than the nearest U.S. hospital that can treat your medical condition, regardless of whether an emergency exists.

**NOTE:** In some cases, Medicare may cover Medically necessary health care services you get on board a ship within the territorial waters adjoining the land areas of the U.S. Medicare won't pay for health care services you get when a ship is more than 6 hours away from a U.S. port.

**NOTE:** Medicare drug plans don't cover prescription drugs you buy outside the U.S.

**NOTE:** Medicare supplement insurance (Medigap) policies may cover you when you travel outside the U.S.

**NOTE:** Foreign hospitals aren't required to file Medicare claims for your travel medical costs. You need to [submit an itemized bill](#) to Medicare for your doctor, inpatient, and ambulance services if both of these apply:

- You're admitted to a foreign hospital under one of the situations above
- The foreign hospital doesn't submit Medicare claims for you

**NOTE:** To find out how much your test, item, or service will cost, talk to your doctor or health care provider. The specific amount you'll owe may depend on several things, like:

- Other insurance you may have
- How much your doctor charges
- Whether your doctor accepts assignment
- The type of facility
- Where you get your test, item, or service

**NOTE:** Because Medicare has limited travel medical coverage outside the U.S., you may choose to buy a travel insurance policy to get more coverage. An insurance agent or travel agent can give you more information about the cost of travel medical insurance. Travel insurance doesn't necessarily include health insurance, so it's important to read the conditions or restrictions carefully.

**Question:** I will be age 65 soon, but not getting Social Security or Railroad Retirement Board (RRB) benefits, what do I need to do?

**Response:** You will need to sign up for Medicare. Contact Social Security, 3 months before you turn 65, 1-800-772-1213. You can also apply for Part A and Part B at [socialsecurity.gov/retirement](https://www.socialsecurity.gov/retirement). If you worked for a railroad, contact the RRB, 1-877-772-5772; TTY users can call 1-312-751-4701. In most cases, if you don't sign up for Part B when you're first eligible, you may have a delay in getting Medicare coverage in the future, and you may have to pay a late enrollment penalty for as long as you have Part B.

**Question:** When do I enroll in Medicare?

**Response:** Individuals eligible for premium-free Part A can enroll in Part A at any time after they are first eligible for the coverage.

Individuals who want premium Part A, Part B or both may only enroll during certain enrollment periods that are outlined in law. The following enrollment periods apply to both premium Part A and Part B:

- Initial enrollment period
- General enrollment period, and
- Special enrollment period for the working aged, and the working disabled.

### **Initial Enrollment Period (IEP)**

The IEP is a 7-month period that begins 3 months before the month a person turns 65 and ends 3 months after the person turns 65. For someone under age 65 who becomes entitled to Medicare based on disability, entitlement begins with the 25<sup>th</sup> month of disability benefit entitlement. For these individuals, the IEP begins 3 months before the 25<sup>th</sup> month of disability benefit entitlement, includes the 25<sup>th</sup> month, and ends three months after. The IEP for people with ESRD and ALS varies based on their situation.

Coverage begins based on when you enroll during the IEP. If a person enrolls in the first 3 months of the IEP, coverage begins the first month the person is eligible for Medicare. If a person enrolls in any other month of the IEP, coverage will be delayed. Disabled individuals are automatically enrolled in Medicare Part A and Part B after they have received disability benefits from Social Security for 24 months.

**NOTE:** In most cases, if someone does not enroll in Part B or premium Part A when first eligible, they will have to pay a late enrollment penalty. The Part B penalty is assessed for as long as the person has Part B.

### **General Enrollment Period (GEP)**

The GEP takes place from January 1 through March 31 of each year. Part B and Premium Part A coverage begins July 1 of that same year.

### **Special Enrollment Period (SEP) for the Working Aged and Working Disabled.**

Individuals who do not enroll in Part B or premium Part A when first eligible because they were covered under a group health plan based on their own or a spouse's current employment (or the current employment of a family member, if disabled) may enroll during the SEP. The individual can enroll at any time while covered under the group health plan based on current employment, or during the 8-month period that begins the month the employment ends or the group health plan coverage ends, whichever comes first.

**Question:** Can I cancel my Medicare Coverage at any time?

**Response:** Individuals entitled to premium-free Part A cannot voluntarily terminate their Part A coverage. This is not permitted by law. Generally, premium-free Part A ends due to:

- Loss of entitlement to Social Security or Railroad Retirement Board benefits; or
- Death.

There are special rules for when premium-free Part A ends for people with ESRD. Contact Medicare for more information 1-800-MEDICARE (1-800-633-4227) TTY 1-877-486-2048.

Premium Part A and Part B coverage can be voluntarily terminated because premium payments are required. Premium Part A and Part B coverage ends due to:

- Voluntary disenrollment request (coverage ends prospectively);
- Failure to pay premiums;
- For individuals under age 65 (disabled and ESRD), because their Part A entitlement ended (Part B terminates at the same time as Part A); or
- Death.

**Question:** Can I complete my Medicare application online?

**Response:** Yes, you can apply for Medicare online [here](#).

### **FAQ's for Medigap Inquiries (Internal Mailbox System)**

**Question:** When is the Open Enrollment Period for Medigap?

**Response:** The Open Enrollment Period lasts for 6 months and begin on the first day of the month in which you are both 65 years of age or older and enrolled in Medicare Part B. Some States have additional Open Enrollment Period including those for people under the age of 65.

**Question:** When can I purchase a Medigap policy without underwriting?

**Response:** You can purchase a policy without underwriting during your Medigap Open Enrollment Period or if you meet certain conditions that provide guaranteed issuance or trial rights.

**Question:** When is the best time to buy a Medigap Policy?

**Response:** The best time to buy a Medigap policy is during your Open Enrollment Period.

## **FAQ's regarding the intersection between Medicare and the Marketplace**

**Question:** Does Medicare coverage meet the Affordable Care Act's requirement that most adults have health insurance?

**Response:** People enrolled in premium-free Part A or a Medicare Advantage plan meet the requirement. In order to receive premium-free Part A coverage, you must have worked and received at least 40 quarters of work credits. Recent immigrants or someone who is not eligible under another person's work history (like a spouse's) will not be covered under Part A. Part B coverage alone does not meet the Affordable Care Act's criteria for health insurance.

**Question:** I have Medicare. Do I need to enroll in a Marketplace plan?

**Response:** Medicare isn't part of the Health Insurance Marketplace, so if you have Medicare coverage now you don't need to do anything. The Marketplace won't affect your Medicare choices or benefits. No matter how you get Medicare, whether through Original Medicare or a Medicare Advantage Plan (like an HMO or PPO), you won't have to make any changes.

**Question:** I have Medicare. Can I chose a Marketplace plan instead of Medicare?

**Response:** Generally, no. It's against the law for someone who knows you have Medicare to sell you a Marketplace plan.

But there are a few situations where you can choose a Marketplace private health plan instead of Medicare:

If you're paying a premium for Part A. In this case you can drop your Part A and Part B coverage and get a Marketplace plan instead.

If you're eligible for Medicare but haven't enrolled in it. This could be because:

- You'd have to pay a premium
- You have a medical condition that qualifies you for Medicare, like end-stage renal disease (ESRD), but haven't applied for Medicare coverage
- You're not collecting Social Security retirement or disability benefits before you're eligible for Medicare

If you're getting Social Security retirement or disability benefits before you're eligible for Medicare, you'll automatically be enrolled in Medicare once you're eligible.

Before choosing a Marketplace plan over Medicare, there are 2 important points to consider:

- If you enroll in Medicare after your initial enrollment period ends, you may have to pay a late enrollment penalty for as long as you have Medicare.
- Generally you can enroll in Medicare **only** during the Medicare general enrollment period (from January 1 to March 31 each year). Your coverage won't start until July. This may cause a gap in your coverage.

**Question:** I have a Marketplace plan. Can I get Medicare in addition to Marketplace coverage?

**Response:** No. It's against the law for someone who knows that you have Medicare to sell or issue you a Marketplace policy. This is true even if you have only Medicare Part A or only Part B.

**Question:** If I'm getting health coverage from an employer through SHOP Marketplace, can I delay enrollment in Part B without a penalty?

**Response:** Yes. You can delay Part B enrollment if you're getting health coverage through the SHOP Marketplace based on your or your spouse's job.

You have a special enrollment period to sign up for Part B without penalty:

- Any time you're still covered by the job-based health plan based on your or your spouse's current employment
- During the 8-month period that begins the month after the job or the coverage ends, whichever happens first

If you don't sign up during this special enrollment period:

- You may have to pay a late enrollment penalty for as long as you have Medicare.

**Question:** If I have Medicare, can I get health coverage from an employer through SHOP Marketplace?

**Response:** Yes, coverage from an employer through the SHOP Marketplace is treated the same as coverage from any job-based health plan. If you're getting health coverage from an employer through the SHOP Marketplace based on your or your spouse's current job, Medicare Secondary Payer rules apply.

