



Medicare Enrollment Guide for Employees Approaching Age 65

If you have coverage based on your or your spouse's current employment when you become eligible for Medicare at age 65, you will need to decide whether to enroll in Medicare when you are first eligible or whether to delay enrollment.

You should start thinking about these Medicare enrollment decisions around three or four months before you turn 65.



Medicare basics

First, let's review the basics. Medicare is a federal government-run health insurance program for U.S. citizens and many permanent legal residents age 65 and older (it also covers some younger people with disabilities). Once you join, it provides coverage for the rest of your life.

Medicare enrollees can choose between two options – Original Medicare or Medicare Advantage. Original Medicare has three forms of coverage:

Part A:

This covers inpatient hospital stays and also limited amounts of inpatient rehabilitation services offered at skilled nursing facilities.

Part B:

This covers doctors' visits and other outpatient care, plus ambulance services, some medical equipment and preventive health care aimed at keeping you from getting sick.

Part D:

This helps cover the cost of prescription drugs, both generic and brand-name.

Medicare Advantage is also known as **Part C**. This is an alternative to original Medicare parts A and B that allows you to choose to receive all of your Medicare health care benefits through a plan from a private insurer.

This guide covers the enrollment decisions and timelines for these three parts of Medicare.

www.aarp.org/learnmedicare

Deciding whether to delay enrollment

Medicare Part B

In most cases you should only delay Part B enrollment if your job-based insurance is the primary payer.

- **Job-based insurance is primary** if it is from an employer with 20+ employees. Medicare is secondary in this case, and some people choose not to enroll in Part B because of the additional monthly premium. Many people choose to still enroll in Medicare Part A as secondary coverage, since it is premium-free for most people.



You should enroll in Part B when you are first eligible if your job-based insurance is the secondary payer.

- **Job-based insurance is secondary** if it is from an employer with fewer than 20 employees. Medicare is primary in this case, and if you delay Medicare enrollment, your job-based insurance may provide little or no coverage. You should enroll in Part B to avoid having high costs for your care.

DID YOU KNOW?

[Medicare.gov](https://www.medicare.gov) is an important resource to learn more about Medicare and enrollment.

www.medicare.gov

1-800-633-4227

Medicare Part A

You can delay Part A enrollment if your job-based insurance is going to be primary. However, many people qualify for premium-free Part A and decide to enroll in Part A as secondary coverage, since they do not have to pay anything to be enrolled. You are eligible for premium-free Part A if you have at least 40 calendar quarters of work in any job where you paid Social Security taxes in the U.S. If you do not have the required work history but your spouse does, you can qualify for premium-free Part A based on their work record.

If your job-based insurance is going to be secondary, you should enroll in Part A when first eligible.

Medicare Part D

You can delay Medicare Part D enrollment without penalty if your job-based insurance provides creditable drug coverage. Creditable drug coverage is as good as or better than Medicare Part D. Contact your benefits administrator or plan to learn if your drug coverage is creditable.

If you do not have creditable drug coverage, you should enroll in Part D when first eligible.



When and how to enroll in Medicare

Part B enrollment

Enrolling in Part B when first eligible

If Medicare will be your primary insurance, you should enroll in Medicare during your Initial Enrollment Period (IEP). The IEP is the three months before, the month of, and the three months after your 65th birthday month.



It is best to enroll in Medicare during the three months before you turn 65 so that your Medicare coverage begins on the first day of your birthday month. If you enroll in Medicare later during your IEP, your Medicare start date will be delayed by a few months.

To enroll in Medicare during your IEP:

- ☐ Call the Social Security Administration (SSA) at 800-772-1213
- ☐ Enroll online at <https://secure.ssa.gov/iClaim/rib>

Visit a local Social Security office:
<https://www.ssa.gov/locator>

Delaying Part B enrollment

If you are delaying Medicare Part B enrollment because your or your spouse's job-based insurance will be primary, it is best to enroll in Medicare Part B a month or two before losing job-based insurance. You will use the Part B Special Enrollment Period (SEP) to enroll in Part B.

To enroll in Medicare using the Part B SEP, you'll need two forms:

- ☐ CMS 40B
(Application for enrollment in Medicare)
- ☐ CMS L564
(Request for employment information)

You can access these forms online or contact SSA to request copies.

Fill out and sign CMS 40B and ask your employer to complete CMS L564. Be aware that if you have had job-based insurance from multiple employers since you became eligible for Medicare, you should ask each employer to complete a separate CMS L564 form.

Once you have gathered all needed documents, either go to your local Social Security office to drop off your application or send your application to their mailing address. To find your local Social Security office, visit <https://www.ssa.gov/locator> or call Social Security at 800-772-1213. Be sure to make copies of everything you submit.

You can also use the Part B SEP online at <https://secure.ssa.gov/mpboa/medicare-part-b-online-application>. You will not need form CMS 40B, but you will still need form CMS L564 from your employer. You will be asked to upload it as proof that you had coverage based on current work.

When and how to enroll in Medicare (continued)

Part A enrollment

Enrolling in Part A when first eligible

If Medicare will be your primary insurance, you should enroll in Part A during your IEP so that your Part A coverage begins as soon as possible. To enroll in Medicare using your IEP:

- ☐ Call the Social Security Administration (SSA) at 800-772-1213
- ☐ Enroll online at <https://secure.ssa.gov/iClaim/rib>
- ☐ Visit a local Social Security office: <https://www.ssa.gov/locator>

Delaying Part A enrollment

If you are eligible for premium-free Part A, you can enroll in Part A at any time. To enroll in premium-free Part A outside of your IEP, call SSA at 800-772-1213 or visit a local Social Security office (<https://www.ssa.gov/locator>). When you enroll, Part A will be retroactive up to six months.

Part D enrollment

Enrolling in Part D when first eligible

If you do not have creditable drug coverage, you should enroll in Part D when you are first eligible. Once you have used your IEP to enroll in Medicare Parts A and B, contact 1-800-MEDICARE (1-800-633-4227) to enroll in a Part D plan. To ensure coverage begins the month you turn 65, you should enroll in a Part D plan during the three months before you turn 65. You can also enroll later during your IEP, but your coverage start date will be delayed by a few months.

Delaying Part D enrollment

If you are delaying Part D enrollment because you have creditable drug coverage, you will have a Special Enrollment Period (SEP) to enroll in Part D later. This SEP begins the month you are told your creditable coverage will end, and it lasts for either two months after you lose coverage or two months after you are notified that coverage ended, whichever is sooner.

Your new coverage begins on the first of the month after the month you enroll, so you should enroll in Part D the month before your creditable drug coverage ends. For example, if you will retire on September 30 and lose creditable drug coverage as of October 1, you should enroll in Part D in September. Your Part D coverage will then begin on October 1.

Resources

For help understanding Medicare enrollment decisions:

AARP:

- ☐ **AARP Medicare Enrollment Guide**
www.aarp.org/learnmedicare | 877-634-8213
A step by step guide to help you navigate Medicare enrollment
- ☐ **AARP Live and On Demand Webinars**
www.aarp.org/medicareemployer
Free webinars to help you explore how the program works, how and when to enroll, your menu of choices, how much it costs and where to get help

- ☐ **Medicare.gov**
www.medicare.gov | 800-633-4227
The official US government website for Medicare offering helpful information, useful tools and more
- ☐ **Medicare Rights Center**
<https://www.medicarerights.org> | 800-333-4114
A national, not-for-profit consumer service organization and reliable, independent source of Medicare information
- ☐ **State Health Insurance Assistance Program (SHIP)**
www.shiphelp.org | 877-839-2675
A resource for local Medicare help, providing you with trusted, unbiased, one-on-one counseling and assistance