Medicare Information for Individuals 65+ Who Are Still Working
Make Your Medicare Decisions Carefully

Are you 65+, still working and wondering what to do about Medicare? You’re not alone.
Medicare eligibility begins at age 65, or earlier if you qualify due to disability. Full retirement age used to be 65, however that has changed. According to the Social Security Administration, beginning with people born in 1938, full retirement age gradually increases until it reaches 67 for people born after 1959. That means there are a lot of employed 65-year-old people out there that have other health insurance coverage and are wondering what to do about Medicare.

If you are still working and covered by an employer-sponsored health care plan, it may be a good idea to stay in your current plan in addition to, or instead of enrolling in Medicare.

Medicare and Other Insurance
It is very important to understand how Medicare works with other health insurance plans. For example, you need to know which plan pays the bills first. Part B may be of limited value when you have health insurance through an employer, because the employer’s coverage would pay first. Therefore, consider carefully whether enrolling in Part B is to your advantage or not.

Start with Basic Coverage
Many people who work past age 65 enroll only in Medicare Part A (hospital coverage) because most don’t have to pay a monthly premium for this coverage. Some choose to enroll in both Parts A and B. However, Part B (doctor and outpatient coverage) comes with a monthly premium ($104.90 in 2015).

Many people don’t enroll in Part B until they lose their current employer-sponsored coverage. Enrollment can be done during a Special Enrollment Period without penalty. You have eight months after employer sponsored coverage ends to sign up for Part B without penalty. This does not mean after COBRA ends. This means after coverage through actual employment ends.

Is Enrollment Required?
You are not required to enroll in Medicare Part A or B unless you are already receiving, or sign up to receive Social Security Benefits. If you are not receiving and do not sign up to receive Social Security Benefits, you will not be automatically enrolled in Medicare. You need to actively sign up to be enrolled.

If you are receiving Social Security, you will automatically be enrolled in Part A and Part B. In most cases, there is no down side to enrolling in Medicare Part A since you usually don’t pay a monthly premium for Part A coverage if you or your spouse paid Medicare taxes while working.

The one exception is if you are enrolled in a CDHP plan and are making contributions, and/or your employer is making contributions, to an HSA. You cannot enroll in Medicare Part A or Part B and continue to contribute to, or to have your employer contribute to an HSA. In that case you can simply not inform Social Security that you have turned 65 and you will therefore not be enrolled in Medicare. When you do
contact Social Security to begin receiving your Social Security check or to enroll in Medicare Part A and/or Part B, it is then that both your and Juilliard’s contributions to the HSA will cease. Any money left in your HSA account is yours to keep.

**Thinking About Retirement?**
If you’re thinking about retirement, there are a few things you need to consider. If you didn’t sign up for Part A and/or Part B when you were first eligible because you’re covered under a group health plan based on current employment, you can sign up for Part A and/or Part B with no penalty 1) anytime you’re still covered by the group health plan or 2) during the 8-month period that begins the month after employment ends or the coverage ends, whichever happens first. Your employer will be asked to complete a form verifying that you had employer coverage. It’s best to sign up before you retire to avoid a gap in coverage.

Please remember that COBRA coverage is not considered coverage based on current employment. If you wait until COBRA coverage ends, you’re not eligible to enroll in Medicare without a penalty. To avoid paying a higher premium, make sure you sign up for Medicare when your health insurance through an employer ends.

Since Juilliard does not offer retiree coverage, you will probably want to sign up for both Medicare Parts A and B and a supplemental plan which also includes prescription drug coverage (Part D). If you need help understanding the options available to you, please contact Health Advocate at (866) 695-8622. You can also make an appointment with the Benefits Coordinator, Dylan Flynn. He can be reached at dflynn@juilliard.edu or at ext. 356.

It's important to know when you are eligible to enroll in Medicare. If you miss your window of opportunity, you may have to pay a penalty or have fewer choices.

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