

Spotlight on Medicare

By: Barbara Deveau, SHINE Assistant Director, Executive Office of Elder Affairs

Every day for the next 20 years, approximately 10,000 people in the U.S. will turn 65 and over half of them will remain in the workforce. Turning 65 prompts many workers to wonder what to do about Medicare and it can also raise questions for human resource professionals.

Employees often ask: “**Do I have to sign up for Medicare when I turn 65 if I plan to keep working?**” The answer to that question depends on different factors!

Most employees who plan to work beyond age 65, and are covered under an employer group health plan due to **active employment**, can opt to delay Medicare enrollment until they retire. They can also delay if they are covered under a spouse’s employer group health plan.

About 90% of workers are eligible for premium free **Medicare Part A (hospital coverage)** because they contributed to Social Security for 40 quarters/credits. They can enroll in Part A (by contacting the Social Security Administration) even though they have health insurance from their employer. However, employees should determine through the HR department if signing up for Medicare Part A has consequences related to workplace insurance benefits (such as contributing to a Health Savings Account).

Workers covered under employer group health plans can **delay** signing up for **Medicare Part B (medical coverage)** until **8 months** after they leave active employment. Those who work past age 65 and have health coverage at work won’t need Part B until they leave active employment if they work for a company with 20 or more people. Those who elect COBRA coverage still need to sign up for Part B. **Delaying Part B enrollment results in a lifetime penalty.**

For companies with **less than 20 employees**, Medicare is the primary payer source for those working over 65. Different rules apply and workers should sign up for Medicare A and B three months before turning 65 to avoid a lapse in coverage.

Medicare Part D is the prescription drug component of Medicare. Employees with creditable coverage (as good as Medicare) from the workplace have **2 months** to choose a Part D plan upon retirement or risk a lifetime penalty.

Where can human resource professionals and employees turn for assistance?

The SHINE Program (Serving Health Insurance Needs of Everyone – on Medicare) helps Medicare beneficiaries navigate the complex health insurance system. SHINE is funded by the federal Administration for Community Living to provide free health insurance information, counseling and assistance to Massachusetts residents with Medicare, and is administered by the Massachusetts Executive Office of Elder Affairs in coordination with community agencies. SHINE counselors are available in almost every town in Massachusetts at a variety of settings, by phone and by email.

To contact the SHINE program, employees can call **1-800-243-4636** to be connected to the SHINE program closest to where they reside.

Medicare enrollment: contact Social Security at www.ssa.gov **1-800-772-1213**.

Medicare: Medicare.gov **1-800-633-4227**

SHINE Program staff is available to offer presentations at the workplace for groups of employees planning for Medicare or approaching retirement.

To schedule a presentation, please contact Barbara Deveau at 617-222-7454 or barbara.deveau@state.ma.us

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