

Learn about Medicare before you turn 65



I'm going to be 65; what's next?

Q: This Christmas I'm going to be 65, my wife is 59. I plan to retire while she continues working for another five years. Should I stay on her employer health plan or apply for Medicare? And, must I apply for Social Security now?

A: You may remain on her employer group health insurance, sign up for Medicare, or do both. One of the insurances will be 'primary' and the other will be 'secondary'. Evaluate the coverages as well as the cost before deciding.

If you don't stay on your wife's employer plan, you must apply to Medicare within three months of your 65th birthday.

If you're late, the Part B penalty is a 10% premium increase for every 12 months that you are late. For instance, if you enroll 30 months after you became eligible, you will pay a 20% higher (2 full 12 month periods) Medicare Premium. This is forever and ever. You may delay Medicare for as long as you need without a penalty as

long as you have qualifying employer health coverage. Part B covers doctors and costs between \$104.90/ and \$335/month with a \$147/yr deductible. Higher income earners pay higher premiums based on income tax returns from two years earlier.

Part D is optional and covers prescriptions. The premiums are \$0-50/month and there is a 1% premium increase penalty for each month not covered.

Medicare Part A pays for hospital stays and is free to anyone over age 65.

Medigap policies are supplemental insurance that pay for the 'out of pocket' Medicare expenses. You automatically qualify for Medigap within the first six months of enrolling in Medicare without medical screening. If you wait, you will have to go through medical screening to see if you qualify.

Part C is for Medicare Advantage plans that combine parts of Medicare (A, B, D, and Medigap). There are many types of Medicare Advantage plans offered by private insurance companies. Beware, unlike original Medicare, these plans often have cost and coverage restrictions as well as limited provider access.

It is NOT a requirement to sign up for Social Security when enrolling in Medicare. SS benefits may be started any time between the ages of 62 and 70. Your Full Retirement Age (FRA) is 66 and your benefit will continue to increase up to age 70 if you delay. This is a very personal decision.

Medicare can be a challenge. For free, confidential and objective counseling (in Florida) visit www.floridashine.org. SHINE is a group of specially trained volunteers working to help seniors with Medicare, Medicaid and health insurance questions.

A free national resource for Medicare questions is SHIP and their website is www.ncdoi.com/shiip.

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