



Thinking About Retiring? You Need to Think About Health Care Too

Once you turn 65, you have a big decision. Do you still work or retire? The answer could depend on your health care needs and available options.

Think of it like a garden. You plant, weed, fertilize, and nurture. Now, you must decide – is it time to reap the rewards? You could continue working away. Or you could enjoy the harvest. Either way, your garden still needs care, so it stays healthy and strong. And that's where Medicare comes in.

Working or Retiring, Consider Enrolling

If you're 65, you may want to sign up for Medicare. That's even if you don't plan on retiring yet and have health insurance from your employer.

Why? Medicare can work with your employer's health insurance and fill any coverage gaps. And, by enrolling now, you can avoid paying possible penalties later.

You can enroll as early as three months before you turn 65. If you're already getting Social Security benefits, you'll automatically get Medicare.

Planning on Working Beyond 65?

When you have other insurance and Medicare, there are rules for whether Medicare or your other coverage pays first.

If you or your spouse's employer has less than 20 employees:

- Medicare pays health care costs first. Employer insurance pays second.
- Ask your employer if you need to sign up for Parts A and B when you turn 65.

If you or your spouse's employer has more than 20 employees:

- Employer insurance pays health care costs first. Medicare pays second.
- You can wait until you're no longer working to sign up for Medicare Parts A and B. But often people sign up for Part A because most don't have to pay a monthly premium for it. So, there's no reason to wait. And remember Medicare can help cover any gaps.
- If your employer's prescription drug coverage is not "Part D Creditable Coverage," you may pay a penalty when you enroll in Medicare Part D (prescription drug coverage) later.

You may also consider dropping your employer health insurance and going with a Medicare Advantage (Part C) Plan, especially if it offers better overall benefits.

Working or Retiring, You Might Need Other Coverage

Along with Original Medicare, you have other options to help pay for out-of-pocket expenses. You could:

- Add Medicare Part D (prescription drug plan) with your Original Medicare. It helps control costs if you take specific brand-name drugs or a lot of generic drugs. If you choose Medicare Advantage, that's easy because many plans include Part D.
- Add Medicare Supplement Insurance, often called a Medigap plan, with your Original Medicare. It pays for other costs, even deductibles and coinsurance.
- Choose Medicare Part C (Medicare Advantage). It caps annual out-of-pocket expenses, unlike Original Medicare Parts A and B. It generally combines medical, hospital, and prescription drug coverage under one plan. And it often includes extras like dental, eye, and ear coverage.

Remember, you won't need Medicare Supplement Insurance (Medigap) and may not need Medicare Part D if you join a Medicare Advantage Plan instead of Original Medicare.

Don't Want Penalties?

A few points to remember:

- You're not eligible to make contributions to a Health Savings Account (HSA) after you have Medicare Part A and/or B coverage. Otherwise, you'll pay a tax penalty. To avoid paying a penalty, make your last HSA contribution the month before your Part A coverage begins. Premium-free Part A coverage starts 6 months before the month you apply for Medicare, Social Security, or Railroad Retirement Board (RRB) benefits. But no earlier than the month you turn 65. Other rules apply depending on when you apply for Medicare.
- Apply for Medicare when turning 65 to avoid a monthly Part B late enrollment penalty when you are:
 - Self-employed.
 - Have health insurance that's not available to everyone at the company—ask your insurance provider if your coverage is an employer group health plan coverage as defined by the IRS. If it's not, sign up for Medicare when you turn 65.
 - Have COBRA coverage — sign up for Medicare when you turn 65 to avoid gaps in coverage and a monthly penalty. If you have COBRA before signing up for Medicare, your COBRA will probably end once you sign up.

Ready to Dig In?

Once you turn 65, your health is more of a priority than ever. Just like that garden, regular care and attention keeps you flourishing year after year – and that includes making the right Medicare choices.

The plans are PDP, HMO, PPO with a Medicare contract. Their SNPs also have contracts with State Medicaid programs. Enrollment in any plan depends on contract renewal. Medicare Transition Services (MTS) is not connected with or endorsed by the U.S. Government or the Federal Medicare Program. MTS is a program offered by Carefree Insurance Services, Inc.® We do not offer every plan available in your area. Any information we provide is limited to those plans we do offer in your area. Please contact Medicare.gov or 1-800-MEDICARE (TTY: 1-877-486-2048), 24 hours a day, 7 days a week, to get information on all your options. This is a solicitation of insurance. Plans not available in all states. Contact may be made by a licensed insurance agent or insurance company. The MTS program is not offered as part of an employer sponsored benefit plan. Recommendations made by an MTS employee or licensed agent are recommendations of MTS and should not be deemed to be endorsed by your employer. Please refer to aetnamedicare.com/en/footers/disclaimers.html for Nondiscrimination, Language Assistance, and Effective Communication for Individuals with Disabilities.

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