

### Why Medicare Awareness Matters

Employees nearing age 65, or those eligible due to disability, often have questions about Medicare. HR professionals play a vital role in helping them understand enrollment timing, coverage coordination, and plan choices to avoid costly penalties or gaps.



### Key Points Every HR Professional Should Know

#### 1 Quick Reference: Medicare Basics



- **Part A** - Hospital coverage (*usually free if the employee worked 10+ years*)
- **Part B** - Outpatient/physician services (*monthly premium based on income*)
- **Part C** - Medicare Advantage (*bundles A & B, often includes Part D*)
- **Part D** - Prescription drug coverage
- **Medigap** - Private Supplemental plans to cover out-of-pocket costs

#### 2 Eligibility & Enrollment Tips

- Most people qualify at **age 65** or after **24 months of disability**.
- Enroll via **Social Security** or **Medicare.gov**.
- **Missing deadlines** can lead to **lifetime penalties** or delayed coverage.
- Know your **Initial Enrollment Period (IEP)** and **Special Enrollment Period (SEP)**.



#### 3 Working Employees & Medicare

Employees with **group health coverage** may delay Medicare, but rules vary.

- **Why delay?** If an employee is enrolled in a qualified high-deductible health plan, delaying Medicare allows continued tax-advantaged contributions to a Health Savings Account (HSA).
- **Important:** Medicare enrolment can be backdated up to 6 months, so employees should stop HSA contributions at least 6 months before enrolling to avoid tax penalties

Confirm your **group drug plan is "creditable"** (as good as Medicare Part D).

**COBRA is not creditable coverage** and can trigger penalties.

#### 4 Coordination of Benefits

- **Employees with 20+ employees:**  
Group plan pays primary.  
Medicare is secondary
- **Employees with <20 employees:**  
Medicare pays primary, group plan is secondary.
- **Missteps in coordination** can lead to **denied claims** and **unexpected costs**.

