

# When Should You Enroll in Medicare?

Wealth Management Insights | November 2016

*For many people turning 65, the question of when to enroll in Medicare has been answered, at least partly: By filing for Social Security, you're automatically enrolled in Medicare Parts A and B. For everyone else, though, the timing behind enrollment becomes a lot more complicated. November's Wealth Management Insights looks at the factors that come into play when deciding to enroll in Medicare.*

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What else do workers approaching age 65 need to think about when it comes to Medicare? Check out the **April 2016 issue** of Wealth Management Insights at [rwbaird.com](http://rwbaird.com).  
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## What you should know:

If you are not receiving Social Security at age 65, you will need to sign up for Medicare during one of three enrollment periods.

**1. Most people turning 65 enroll in the initial enrollment period, especially those who have individual coverage or are on a small-employer insurance plan.**

- If you work for a small company (<20 people), when you turn 65, Medicare becomes your primary source of insurance coverage, with your company plan providing supplemental coverage. That means your company's coverage does not kick in until your Medicare-covered expenses

have been satisfied – expenses that those not on Medicare will be required to pay out-of-pocket.

- If you work for a large company (20+ people), your employer's plan remains your primary source of insurance coverage when you turn 65, with Medicare providing supplemental coverage. For these employees, Medicare coverage is considered optional for as long as the employer plan remains in effect.
- The initial enrollment period lasts for seven months, opening three months before your age-65 birth month and closing three months after your age-65 birth month. ▶

**2. The special enrollment period is for those who are covered under a large-company (20+ employees) insurance plan and have not signed up for Parts B or D in the initial enrollment period.**

- Anyone enrolling in Part B has eight months after their employer's coverage ends to avoid a late-enrollment penalty.
- Anyone enrolling for Part D coverage has 63 days after their employer's coverage ends to avoid a late-enrollment penalty.
- You may find it easier to enroll in Medicare before your employer's coverage ends and designate when you want your Medicare coverage to begin. Doing so will also avoid any potential gaps in coverage.

**3. The general enrollment period applies to those who should have signed up during the initial or special enrollment periods but didn't.**

- The general enrollment period is open from January 1 through March 31, and coverage begins on July 1.

- Anyone enrolling in Parts B and D during the general enrollment period will be required to pay a monthly late-enrollment penalty.

**What you should do now:**

It's critical that people approaching age 65 understand which deadlines apply to them: If you enroll in the wrong window and miss your deadline, you may be subjecting yourself to a recurring, lifelong penalty as well as potentially devastating gaps in coverage. Your Baird Financial Advisor can help you navigate the complexity of Medicare enrollment and choose the plan – and the time – that's right for you. ■