

Access to quality healthcare is likely to be one of the biggest expenses you'll face in retirement. While Medicare is designed to help reduce some of those costs, the enrollment process can be quite complex depending on your situation. Whether you're enrolling in Medicare for the first time or re-evaluating an existing strategy, it's important to understand the many decisions you'll need to make about your coverage. We summarize the basic elements of Medicare and the enrollment process below, along with important deadlines, information about special enrollment periods and more.

Westmount's Financial Planning team can help you navigate through this process. Give us a call at 310-556-2502, email financialplanning@westmount.com or contact your advisor directly.

Medicare Coverages

- **Part A (Hospital Insurance)** covers hospital stays, limited-duration skilled nursing care, medically related nursing home care (but not assistance with daily living activities), hospice, and intermittent home health/skilled nursing services.
- **Part B (Medical Insurance)** covers services to prevent or treat a disease/medical condition, i.e., doctor visits, medical equipment, outpatient procedures, mental health, ambulance, diagnostic tests, etc.
- **Costs:** The Part A deductible is \$1,556 in 2022, and there is no premium if you or your spouse worked long enough to qualify for Social Security benefits (10 years). The Part B basic premium is \$170.10/month (yearly increases cannot exceed social security check increases) with an annual \$233 deductible, after which there's a 20% copayment of the Medicare approved amount for covered services.
- Your **Modified Adjusted Gross Income** from two years prior determines if you pay a higher Part B premium. This can be appealed if your income has dropped significantly since then (due to retirement, etc.). Part B Premium Appeal Form
- **Medigap/Supplement Plans** cover expenses not covered by Parts A and B, such as copayments/coinsurance (20% on Part B). Options A - N are standardized (same benefits for each insurer), so you can fairly compare pricing from each insurance company. (Refer to "Medigap/Supplement Plans" in the "Helpful Links section to the right).
- **Part C (Medicare Advantage) Plans** are private-version alternatives to Parts A, B, and typically D. Roughly 2/3 are HMO-style and the rest are PPO-style ([Advantage Plans](#)). These plans also cover copayments/coinsurance like Medigap and cannot be combined with Medigap. They may also cover hearing aids, dental, and vision expenses, which are generally not covered by traditional Medicare/Medigap (although some Medigap providers may mitigate the risk of such expenses).
 - You must be enrolled in both Parts A and B to join. You may sign up for Part C during the Initial Enrollment Period.
- **Part D** covers prescription drugs. (See "Helpful Links" under "Prescription Drug Coverages" in the column to the right. Enter your ZIP code and answer questions to see options.)

Helpful Links

Medicare Coverages

- [Coverage Questions](#)
- [2022 Medicare Costs](#)

Medigap/Supplement Plans

- [Medigap Sign-Up](#)
- [What is Medigap?](#)

Prescription Drug Coverages

- [Find a Drug Plan](#)
- [Part D - Late or Non-Enrollment Penalty](#)

Additional Resources

- [1-800-MEDICARE](#)
- [HICAP](#)
- [CA Health Advocates](#)

Medicare Enrollment

If you are already receiving Social Security, you are automatically enrolled in Parts A & B, and you will receive a Medicare card and welcome packet before your 65th birthday ([Info Packet](#)).

If not, you should enroll in Parts A & B near the beginning of the **initial enrollment period (IEP)**, a seven-month window starting three months before the month of your 65th birthday.

- When you first join Medicare, you can also take advantage of a one-time “Welcome to Medicare” visit, which includes a doctor review of your medical history. It also includes a vision test and an assessment of depression risk, and you’ll receive a written plan from your doctor with recommended screenings, shots, and other preventive services. After that, Medicare also provides yearly wellness visits to keep your vital information up to date.
- If you miss the IEP, you can still sign up during the General Enrollment Period (GEP), which runs Jan. 1 – March 31 each year. You may incur a late enrollment penalty, and coverage does not start until July 1. Learn more about Late Enrollment Penalties
- If you (or your spouse) are still working and covered by an employer plan at 65, check with your H.R. department or insurance company about whether you should enroll in Medicare. If your employer has fewer than 20 employees, you may need to sign up for Medicare during the IEP in order to have primary insurance (even though you will lose the ability to contribute pre-tax to your HSA), since the employer health coverage will pay secondary to Medicare. If you do not enroll, you may have little or no health coverage because your health plan does not have to pay until after Medicare pays.

Special Enrollment Periods (SEPs)

SEPs are typically triggered by specific circumstances. The Part B SEP is an 8-month period to enroll in Medicare Part B after your employment (or spouse’s employment) ends. Even if you have extended coverage as part of severance, the period still starts at the end of employment. This SEP creates an exception to the Part B late enrollment penalty (LEP).

Health Savings Account (HSA)

You cannot have any health insurance other than a High Deductible Plan when contributing to an HSA (Part A does not qualify as high deductible). You may, however, continue to withdraw from your HSA after Part A coverage starts. Also, you cannot decline Part A while collecting Social Security benefits, so you should delay Social Security if you wish to continue contributing funds to your HSA without tax penalties.

Enrollment Methods

- Online: [Medicare signup](#)
- Call: 1-800-MEDICARE
- In Person: visit a [Social Security Office](#)
- Have Westmount connect you with a Medicare specialist.

Need Help?

Call us at [310-556-2502](tel:310-556-2502), email financialplanning@westmount.com or contact your Westmount advisor directly.

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