**5 things you need to know about signing up for Medicare**

**1. People are eligible for Medicare for different reasons.**

It’s important to know the different ways people qualify for Medicare. You’ll be able to help current and former employees and their dependents get ready for Medicare, and make timely and appropriate decisions about signing up.

People are eligible for Medicare when they turn 65. People under 65 are eligible if they’ve gotten Social Security Disability Insurance (SSDI) or certain [Railroad Retirement Board](https://rrb.gov/) (RRB) disability benefits for at least 24 months. If they have amyotrophic lateral sclerosis (ALS), there’s no waiting period for Medicare. Some people with [End Stage Renal Disease](https://www.medicare.gov/people-like-me/esrd/getting-medicare-with-esrd.html) (ESRD) may be eligible for Medicare.

**2. Some people get Medicare**[**Part A**](https://www.medicare.gov/what-medicare-covers/part-a/what-part-a-covers.html)**(Hospital Insurance) and**[**Part B**](https://www.medicare.gov/what-medicare-covers/part-b/what-medicare-part-b-covers.html)**(Medical Insurance) automatically, and some people need to sign up.**

People living in the U.S. and U.S. Territories (except Puerto Rico) who are already getting Social Security—either because of disability or retirement—are automatically signed up for Part A and Part B when they’re first eligible. They get a packet of information a few months before they turn 65 or when they get their 25th month of Social Security Disability or Railroad Retirement Board (RRB) benefits. At that time, they can choose to keep or decline Part B, but can’t they decline Part A unless they withdraw their original application for Social Security and pay back all Social Security cash benefits.

People aren’t automatically enrolled in Medicare if they aren’t getting Social Security or aren’t eligible for Social Security retirement. They can sign up by completing an application for Part A (Hospital Insurance) ([CMS 18-F-5](https://www.cms.gov/files/document/cms-18f5.pdf)) or by contacting the [Social Security](https://www.ssa.gov/agency/contact/) Administration (SSA).

People living in Puerto Rico or foreign countries who already have Part A need to sign up for Part B by completing an [Application for Enrollment in Part B](https://www.cms.gov/Medicare/CMS-Forms/CMS-Forms/CMS-Forms-Items/CMS017339) (CMS-40B). This form is also available in [Spanish (PDF)](https://www.cms.gov/Medicare/CMS-Forms/CMS-Forms/Downloads/CMS40B-S.pdf).

**3.**[**People can only sign up for Medicare at certain times**](https://www.medicare.gov/sign-up-change-plans/get-parts-a-and-b/when-sign-up-parts-a-and-b/when-sign-up-parts-a-and-b.html)**.**

If someone is eligible for premium-free Part A because of their age, and isn’t automatically enrolled, they can sign up for Part A any time after they’re first eligible for Medicare  beginning with their [Initial Enrollment Period](https://www.medicare.gov/Pubs/pdf/11036-Enrolling-Part-A-Part-B.pdf) (IEP). An individual may be eligible for premium-free Part A if they or their spouse paid Medicare taxes while working. If they’re eligible for premium-free Part A, coverage for Part A begins 6 months back from the date they apply, but no earlier than the first month they were eligible for Medicare. Individuals must stop contributing to their health savings account 6 months before applying for Medicare to prevent paying an IRS penalty.

People can sign up for Part B and premium-Part A during:

**Initial Enrollment Period (IEP)** – The 7-month period when someone is first eligible for Medicare. For those eligible due to age, this period begins 3 months before they turn 65, includes the month they turn 65, and ends 3 months after they turn 65. Coverage begins the month after a person signs up during their IEP. For those eligible due to disability, this period begins three months before their 25th month of disability payments, includes the 25th month, and ends 3 months after. Disabled individuals who have gotten disability benefits from Social Security for 24 months are automatically enrolled in Medicare.

**General Enrollment Period (GEP)** – People can sign up between January 1–March 31 each year. Coverage will start the month after the person signs up.

[**Special Enrollment Period**](https://www.medicare.gov/basics/get-started-with-medicare/get-more-coverage/joining-a-plan/special-enrollment-periods)**(SEP) Related to Coverage Under Group Health Plans**

* This SEP is an opportunity for people who didn’t sign up for Medicare when first eligible because they had group health plan coverage based on current employment (their own, a spouse’s, or a disabled family member’s).
* A person may sign up for Medicare while they’re still covered under the group health plan based on current employment, or the first month when their coverage isn’t based on current employment. They may choose to have coverage begin on the month they sign up or at the beginning of any of the three months after they sign up.
* If they sign up for Medicare during any of the remaining seven months of this SEP, coverage will begin the month after they sign up.
* If a person qualifies for Medicare based on disability, and the group health plan is based on a family member’s current employment (other than a spouse’s employment), the employer offering the plan must have 100 or more employees. People who qualify for Medicare based on a disability may be eligible for an SEP based on their spouse’s current employment, or if a family member’s current employer has 100 or more employees.

**4. Determining whether a person qualifies for a Special Enrollment Period Related to Coverage Under Group Health Plans is an important factor to consider when making the decision about Part B enrollment.**

It’s critical that employees and their dependents consider whether Part B is right for them when they’re first eligible for Medicare. Decisions about signing up for Part B for people with employer–based insurance first depends on whether a person has insurance based on current employment.

Generally, if a person (or their spouse) is still working and has employer-sponsored group health plan coverage based on that employment, they can delay enrollment in Part B until a Special Enrollment Period. But, there are special rules for qualifying for the SEP Related to Coverage Under Group Health Plans.

COBRA allows people to temporarily keep employer or union coverage after their employment ends or after they lose coverage as a dependent of the covered employee. A person with COBRA who doesn’t sign up for Medicare when first eligible may have to pay a life-long late enrollment penalty. Since COBRA coverage isn’t considered coverage based on current employment, they won’t qualify for the SEP Related to Coverage Under Group Health Plans after their COBRA coverage ends.

It’s important for people to sign up for Medicare, if they’re eligible, as soon as their employment ends. A person who’s eligible for Medicare, but gets COBRA coverage instead, may be responsible for significant bills.

**5. Knowing who pays first is another important factor to consider when deciding when to sign up for Part B.**

When Medicare and another health insurance plan are responsible for paying the same medical claim, [coordination of benefits](https://www.cms.gov/medicare/coordination-of-benefits-and-recovery/coordination-of-benefits-and-recovery-overview/overview) rules determine how Medicare works with other health coverage. When someone is considering delaying or declining Part B, it’s important for them to know:

* Whether their employer-sponsored group health plan coverage will pay first and,
* If their employer-sponsored group health plan pays after Medicare, whether and how it will pay if the person doesn’t sign up for Part A and/or Part B.

**Note**: Most retiree and small employer plans (with less than 20 employees) require people to sign up for Part A and Part B as soon as they’re eligible.  If the retiree plan you offer requires Medicare enrollment, please tell your employees planning to retire well in advance. If someone doesn’t sign up for Part B when first eligible, they may have to pay late enrollment penalties, in addition to the standard Part B premium amount, for as long as they have Part B. They also may experience periods when they have limited or no health coverage.