

## 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

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### 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



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### 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)**.



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### 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 enrollment 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.

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### Coordination of Benefits

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





## HR Action Steps

- **Start early:** Reach out to employees around age 64.
- **Recommend experts:** Suggest licensed Medicare specialists or NABIP professionals.
- **Review annually:** Share updated creditable coverage notices.
- **Integrate guidance:** Include Medicare info in open enrollment and retirement planning materials.

## Important Reminders

- Medicare enrollment can **be backdated up to 6 months:** plan HSA contributions accordingly.
- COBRA coverage **does not count** as creditable for Medicare: communicate this clearly.



## Need Help?

Encourage employees to seek **personalized Medicare advice** from licensed professionals.

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