

# Don't Make These Medicare Mistakes

In short, Medicare is complicated, and many make what may become a lifetime decision without fully understanding their options or requirements. [This document refers you to the specific references provided by Medicare to answer these important questions.](#)

## 1. Understand your coverage options

Many, unfortunately, pick a coverage option that may not be the right fit for their unique needs and fail to recognize that they may be making a lifetime choice. Carefully explore your Medicare options. Finding a trusted (and licensed) advisor can help you navigate these confusing options.

- Medicare Parts A and B are designed to cover ~ 80% of your health care needs
- You have two options to cover the other 20%
  - A [Medicare Supplement Plan](#) – there are many types of plans from which to choose
  - A [Medicare Advantage Plan](#) – each carrier has several plan options. Note (!) that if you choose an Advantage Plan, you no longer will have Medicare but will have coverage through a private insurance company.

## 2. Don't assume you'll be automatically enrolled in Medicare when you turn 65.

- Unless you receive your red, white, and blue Medicare card in the mail three months before your 65th birthday (or before your 25th month of disability), you should plan to manually enroll in Medicare through the Social Security Administration.
- You'll only be enrolled in Medicare Part A and Part B automatically if:
  - You're already receiving Social Security or Railroad Retirement Board (RRB) benefits as you turn 65
  - You're younger than 65 and have been receiving disability benefits from either Social Security or the Railroad Retirement Board for at least 24 months
  - You have Amyotrophic Lateral Sclerosis (ALS/Lou Gehrig's disease)

## 3. Do not wait too long to enroll

- Failing to enroll in Medicare Part B when you are first eligible could mean that your premium will go up 10% for each 12-month period you could have been covered but weren't enrolled.
- Click [here](#) to learn when you can enroll in Medicare
- If you meet certain conditions that allow you to sign up for Part B during a Special Enrollment Period, you won't have to pay a late enrollment fee.
- Click [here](#) to learn more about Medicare Special Enrollment Periods.

## 4. Be sure to understand Medicare if you have retiree coverage or coverage through your spouse

If you (or your spouse) are still working, Medicare works a little differently. Read the details [here](#)

## 5. Understand that Medicare has only very limited prescription drug coverage

- You can get comprehensive prescription drug coverage through either a separate Part D Medicare Drug plan that will take into consideration the specific drugs that you require or
- A Medicare Advantage Plan in that these plans typically include prescription drug coverage.

## 6. Be sure to account for out-of-pocket costs

- Account for your share of out-of-pocket health insurance costs, including premiums, coinsurance, copayments, deductibles, and services not covered by Medicare.
- Original Medicare covers does not cover services like dental, vision, hearing needs or long-term care.
- Learn more about your Medicare out-of-pocket costs [here](#).

## 7. Do not confuse Medicare Supplement Plans (Medigap) with Medicare Advantage Plans

- Medigap plans provides coverage for some of the out-of-pocket costs left by Original Medicare that were mentioned earlier, such as deductibles, copayments, and coinsurance.
  - There are 10 standardized Medigap plans available in most states, so you can most likely find a plan that fits well with your unique health care needs and budget.
  - You must be at least age 65 and are enrolled in Medicare Part B to be eligible for a medigap plan
- Medicare Advantage can be purchased as an alternative to Original Medicare.
  - These private health plans include all the same benefits as Part A and Part B and may include additional benefits (such as vision, hearing, dental services, and prescription drug coverage).
  - Medicare Advantage plans have their own out-of-pocket costs (deductibles, copayments, and coinsurance) and unlike Medigap plans, most are oriented to provide coverage is specific geographies.
- You cannot use a Medigap plan with a Medicare Advantage plan.
- Learn more about the differences [here](#)

## 8. Medicare plans do not cover “families.”

Each Medicare plan covers a specific person and is oriented to meet that individual’s needs. You may be eligible for a discount if you choose to obtain a plan for you and your partner from the same carrier.

## 9. You should check to see if you qualify for financial assistance.

Medicare and its many expenses (copays, deductibles, premiums, prescription drug costs, etc.) can be difficult for many people to pay.

Some of the financial assistance programs available to people with limited incomes and financial resources include:

- Extra Help is a program that helps Medicare beneficiaries pay for their Part D prescription drug coverage.
- Medicare Savings Programs in your state may help you pay your Medicare Part A and/or Part B premiums.
- Medicaid is a federal program that helps millions of Americans pay for their medical care costs.
- PACE helps provide coordinated care in the community for seniors

Learn more about Medicare cost assistance programs [here](#) and [here](#).

## 10. People often confuse Medicare’s **Open Enrollment Period** with Medicare’s **Initial Enrollment Period**

**Medicare’s Open Enrollment Period** is October 15 - December 7 of each year. Open Enrollment Periods are for people who have either Medicare Advantage Plans or Medigap plans with Prescription Drug plans.

Medicare Advantage and Prescription Drug plans make changes each year—things like cost, coverage, and what providers and pharmacies are in their networks. October 15 to December 7 is when all people with Medicare can change their Medicare Advantage plans and Prescription Drug Plans for the following year to better meet their needs.

People who have Medigap plans are not constrained to change their plans during the Open Enrollment Period and can change their plans at any time they choose if they are medically eligible (able to pass underwriting with a specific carrier of their choice).

**Medicare’s Initial Enrollment Period** is for people who are new to Medicare. More information can be found [here](#).