

Is Medicare Enrollment Easy or Complicated?

Are you turning 65 this year? If you will become eligible for Medicare soon, take note. You have a little work ahead of you! The first thing you'll need to do is enroll in Medicare Parts A (hospital) and B (physicians and services) through the Social Security Administration. If you are already receiving benefits, your Medicare enrollment will be automatic but, if not, you'll need to enroll in person or online at <https://ssa.gov/medicare>. You may apply up to three months ahead of your birth month, and I recommend you do so because it can take several weeks for Medicare applications to process. As long as you enroll ahead, you should receive your Medicare card in the mail with a typical effective date at the beginning of your birth month. You will pay a monthly premium for Medicare Part B: \$164.90/mo. for most people in 2023. That's the easy part.

Now, fasten your seatbelts because this is where it can get complicated. Once you are enrolled, Medicare will cover approximately 80% of your basic health expenses excluding prescriptions. As you're likely aware, if you use health services, 20% of costs can add up quickly and prescriptions can be expensive; this is why most people do not stop with basic Medicare coverage. To avoid this coverage gap, you'll need to choose whether you'd like to add a Medicare Supplement (aka

Medigap) plan which costs extra, or switch to a Medicare Advantage plan (aka Medicare Part C) which, in most cases, does not add an additional monthly premium and usually includes prescription coverage.

Most folks choose Advantage plans because they are heavily advertised, often have no or low premiums, and they offer additional benefits and perks not included in original Medicare. Many Advantage plans offer limited dental, vision, and hearing benefits as well. Original Medicare does not.

Alternatively, you can stay in original Medicare and add a Medicare Supplement and Prescription Drug Plan (PDP) to make up for what Medicare doesn't cover. Going this route will mean added premiums for each the Supplement and PDP. Why would someone add a Supplement and PDP instead of switching to an Advantage plan, given the extra premium expense? Generally speaking, staying in original Medicare and adding a Supplement plan will provide the most comprehensive coverage. You can see doctors and specialists throughout the United States and be treated at acclaimed health centers like Johns Hopkins or the Mayo Clinic where Advantage plans aren't accepted. Choosing an Advantage plan may limit you to a local network (HMO), charge higher copays outside it (PPO), and you may incur maximum out-of-pocket expenses in the thousands during a heavy use year.

Picking the right plan can be like getting a tailored suit or dress: one size does not fit all! Our goal as your independent, certified Medicare broker is to learn about your particular needs, educate you about the options before you, and fit the right plan just for you. Give us a call!