
Tax Planning & Retirement: Claiming Medicare

Medicare eligibility starts at age 65, but you can begin the filing process up to three months prior to your 65th birthday.

Can I wait to file?

You can, but doing so could potentially result in late enrollment penalties, which can be costly and last for a very long time. That's why it's usually better begin the process of filing for Medicare as soon as you're eligible. The possible exception is if you continue to receive health insurance through an employer, though if that applies to you, we should examine your health insurance benefits to see if you're required to apply to have Medicare be your primary coverage.

What is Medicare?

Medicare is broken out into a handful of parts, some of which are optional:

Part A

- Covers hospitals
- Generally free to most people

Part B

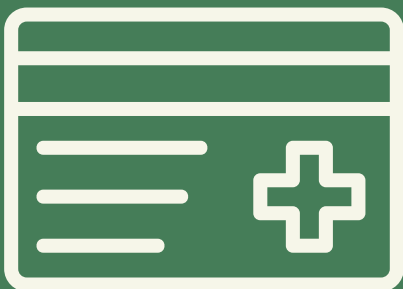
- Covers doctors, medical care, etc.
- Monthly premium, paid out of pocket or withheld from Social Security benefits

Part D

- Prescription drug coverage
- Monthly premium, paid out of pocket or withheld from Social Security benefits
- Optional; should be reviewed annually

Medigap

- Covers elements that Part B does not
- Referred to using letters (e.g., Plan A- Plan J)
- Differ in terms of coverage and cost



What Happened to Part C?

Some folks elect to forego traditional Medicare and instead use Medicare Advantage Plans ("Part C").

The decision to use a Medicare Advantage Plan instead of traditional Medicare can be complicated and should be approached with the appropriate amount of analysis and discussion.

You can begin the enrollment process for Basic Medicare (Parts A and B) at [Medicare.gov](https://www.medicare.gov). We can talk about your options for Part D and Medigap either together or with the help of an expert.