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Care needed on timing for enrolling in Medicare Part B

Elder Law Answers recently posted two articles about the pitfalls of failing to sign up for Medicare Part B in a timely fashion (www.elderlawanswers.com). Medicare, for a limited time, is offering some people relief from the penalty for failing to sign up for Medicare Part B.

If an individual does not elect Medicare Part B when he or she is first eligible and does not have "creditable" coverage from some other source, there is a ten percent penalty for every 12 months that the individual fails to choose such coverage. This penalty is permanent. However, some individuals purchased marketplace plans with financial assistance from the Affordable Care Act (ACA or Obamacare) because it appeared less expensive than purchasing Medicare Part B coverage. However, *no* Medicare recipients are eligible for marketplace plans; therefore, such plans are not considered equivalent coverage or creditable coverage. The plans in question were not purchased through an employer.

The Centers for Medicare and Medicaid Services (CMS) sent notice to the affected individuals but it may have been too late to avoid the penalty. Some people did drop their marketplace plans but still are assessed a late enrollment penalty. CMS realizes that there may have been confusion about utilizing the marketplace after age 65 years of age; therefore, for a limited time, they are permitting those who had a marketplace plan to enroll in Medicare Part B without a penalty. Furthermore, those individuals who dropped a marketplace plan and are currently paying a late enrollment penalty for Part B coverage may be able to reduce their penalty. In order to qualify, the Medicare beneficiary must have had an initial Medicare enrollment period that began on April 1, 2013 or later, or have been notified of a retroactive premium-free Medicare Part A award on October 1, 2013 or later.

This offer is only available for a short time, that is, it must be requested by **September 30, 2017**. Contact Social Security at 1-800-772-1213 or visit the local Social Security office and request to take advantage of the "equitable relief."

There are other situations where people fail to choose to enroll in Medicare Part B that is not part of the equitable relief action. Those who are entering the enrollment period should carefully research as to whether Medicare would be primary coverage or secondary coverage. It is often not obvious when the individual is continuing to work and has employer coverage. Insurance paid through COBRA benefits is not creditable coverage which allows the individual to avoid enrolling in Medicare Part B. It is very important that if you or your spouse has employer insurance, that you learn if Medicare is the primary coverage or secondary. If a beneficiary fails to sign up for Medicare Part B coverage when first eligible will result in a penalty that you cannot erase.

Careful consideration must be given to signing up for Medicare benefits in the three months before and the three months after one turns age 65 years. Contact the Social Security Administration or a knowledgeable person in Medicare matters for more information.