

## **Medicare Special Rules for Employees 65 +**

**Rules regarding whether an employee needs to enroll into Medicare when they turn 65:**

- 1. If the employer has LESS THAN 20 employees then the employee HAS to enroll in Medicare Parts A & B**
  - a. If 20 OR MORE employees then the employee can choose whether or not to enroll into Medicare
    1. Medicare Part A is FREE
    2. Medicare Part B costs \$144.60 per month unless household income is 170k + if married or 85k + for singles
- 2. If the employee or their spouse is disabled and on Medicare and has LESS THAN 100 employees then the employee or spouse HAS to enroll into Medicare Parts A & B**
  - a. If 100 OR MORE employees then the employee can choose whether or not to enroll into Medicare
    1. Medicare Part A is FREE
    2. Medicare Part B costs \$144.60 per month unless household income is 170k + or if married or 85k + for singles
- 3. It is recommended that the employee contact our Medicare department when they are 64 ½ for a Medicare analysis to determine if they should continue coverage under the group or terminate group coverage and enroll into Medicare and a Medicare supplement or Medicare Advantage plan**

**Rules regarding employees age 65 + and enrolling into an HSA plan and contributing to an HSA**

- 1. If an employee or their spouse is 65 + and want to contribute into an HSA account they must NOT enroll into Medicare at all. Neither Part A alone or Parts A & B**
- 2. If they do waive Medicare Part A & B at age 65 and enroll in Medicare Part A & B at a later date - then there is a 6 month lookback in which they can NOT contribute to an HSA - i.e. Employee turns 65 on 1-1-2019 and waives Medicare on 1-1-2019. He then wants to enroll into Medicare on 1-1-2020. They can ONLY make HSA contributions thru 7-1-2019 or 6 months BEFORE 1-1-2020**
- 3. If an employee or spouse age 65 + has is eligible for contributing into an HSA plan their Group plan is NOT creditable drug coverage and they need to enroll into a Part D plan or Senior Care or they will be subject to a LEP ( late enrollment penalty )**



Insurance  
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