

## Marketplace

Health insurance through the Marketplace can also be referred to Affordable Care Act (“ACA”). Some households may qualify for an advance premium tax credit (“APTC”) or “subsidy”, depending upon their projected income for the given year. You are not required to provide an income projection on your Marketplace application, but it can be beneficial to do so, depending upon your situation.

Once you submit your Marketplace application, they may request additional documents to verify your information. Typical requests for verification include projected household income, adoption status, and immigration status. Documents to confirm this information can include a recent copy of a paycheck or tax return, an adoption record, a Green Card, or a foreign passport.

If you have questions about your income projection or are concerned about the potential need to verify your information, please contact us; our team is able and glad to serve you in this manner.

## Health Savings Accounts

Health Savings Accounts are often abbreviated to HSA’s. If an individual has coverage only through an HSA-eligible High Deductible Health Plan (“HDHP”), they may open an HSA. If an individual has Medicare Part A, they may not contribute to an HSA for themselves though, if their spouse is only covered through the HSA-eligible HDHP, their spouse may still contribute to the HSA for the spouse. The Wise Money Show also provides insights regarding HSA eligibility; watch it [here](#).

Individuals eligible to contribute to an HSA have multiple means by which they may do so. You may fund it directly from your bank account. You may also fund your HSA via payroll deduction. The Wise Money show details the benefits between these; watch it [here](#).

The IRS has published resources regarding HSAs, as well as what medical and dental expenses may be claimed. This information is included in the IRS’ [Publication 502](#) and [Publication 969](#).

## Initial Enrollment Period

Most individuals become eligible for Medicare Part A and Part B the first day of the month that they turn 65. This is called the Initial Enrollment Period (“IEP”). One may apply for Medicare Part A and Part B up to three months before and up to three months after the month that they turn 65.

For example, if Mary will turn 65 on Aug. 6<sup>th</sup>, she may apply for Medicare Parts A and B as soon as May 1<sup>st</sup> and as late as Nov 30<sup>th</sup>. If the application is submitted before the month Mary is eligible for Medicare (August), Medicare will begin Aug. 1<sup>st</sup>. If the application is submitted between Aug. 1<sup>st</sup> and Nov. 30<sup>th</sup>, Medicare will begin the first day of the month after the application’s submission. Note that, if Mary’s existing health insurance ends July 31<sup>st</sup>, she will want to be prompt in submitting her Medicare application, to avoid a break in coverage and the potential penalties associated with this.

To apply for Medicare Part A and Part B (assuming you are not also applying for Social Security benefits), go to [www.ssa.gov/benefits/medicare/](http://www.ssa.gov/benefits/medicare/). A helpful resource in applying in this is [this](#) video explanation; the main content begins at 1:50.

Note that it does take time for the Social Security Administration to process the Medicare application; a typical processing time is three (3) to six (6) weeks. Some individuals should enroll in Medicare and supplementary Medicare plan(s) when in their IEP. This largely depends upon the parameters, premiums, and coverage of any existing health insurance.

It is important to be aware that some individuals qualify for Medicare before they turn 65. Those on Social Security Disability Income (“SSDI”) are automatically enrolled into Medicare Part A and Part B after twenty-four (24) months of receiving SSDI. Individuals who are turning 65 and already drawing Social Security Retirement benefits will also be automatically enrolled into Medicare Part A and Part B the first month that they are eligible.

## Special Enrollment Period

Some individuals rightfully decline enrollment into Medicare when they turn 65, as they have job-based coverage through an employer of more than twenty (20) employees. When these individuals retire or otherwise drop their job-based coverage, they have a Special Enrollment Period (“SEP”). They may use this SEP to enroll in Medicare Parts A and B.

As outlined in the Initial Enrollment Period details above, to apply for Medicare Part A and Part B, (assuming you are not also applying for Social Security benefits), go to [www.ssa.gov/benefits/medicare/](http://www.ssa.gov/benefits/medicare/). A helpful resource in applying in this is [this](#) video explanation; the main content begins at 1:50.

To apply for Medicare Part B when in an SEP (assuming you already have Medicare Part A and are not also applying for Social Security benefits), go to [secure.ssa.gov/mpboa/medicare-part-b-online-application/](http://secure.ssa.gov/mpboa/medicare-part-b-online-application/). You will need to already have Medicare Part A to do this, as the application does require your Medicare number.

## General Enrollment Period

Some individuals do not enroll in Medicare when in their Initial Enrollment Period and do not have a Special Enrollment Period. There is a General Enrollment Period (“GEP”) for these scenarios. The GEP is Jan. 1<sup>st</sup> – Mar. 31<sup>st</sup> of each year. Applications for Medicare submitted during this time enable Medicare to begin July 1<sup>st</sup> of that year.

## Original Medicare

Medicare Part A and Part B are what many may first think of when they hear “Medicare”. This is an accurate understanding. Medicare Parts A and B are administered by the Centers for Medicare and Medicaid Services (“CMS”), which is a federal agency. Medicare Parts A and B are also known as Original Medicare.

## Supplementary Medicare Plans

There are also supplementary Medicare plans that work alongside Original Medicare. These supplementary plans are offered through private health insurance carriers. There are various supplementary Medicare plans. The most common are Medicare Advantage Prescription Drug Plans (“MAPD’s”), Medicare Supplements, and Prescription Drug Plans (“PDP’s”).

## Medicare Advantage Prescription Drug Plans

MAPD's can also be referred to as Medicare Part C. These plans include medical, prescription, dental, and vision benefits. The greatest amount of coverage is offered when services are obtained in-network. These networks are established by the health insurance carrier; this is a similar concept to the networks that many individuals are familiar with from having group health insurance through an employer.

## Medicare Supplements

Medicare Supplements can also be referred to as Medigap plans. These plans work alongside Original Medicare to provide supplementary coverage for what Original Medicare will not pay. Medicare Supplements do not have a network; the provider simply must bill Medicare. There are various Medicare Supplement plans; some of the most well-known are Medicare Supplements Plan N and Plan G.

## Prescription Drug Plans

PDP's can also be referred to as Medicare Part D. These plans provide prescription drug coverage and are ideally purchased alongside a Medicare Supplement. In most situations, an individual cannot enroll in both an MAPD and a PDP; it is, however, quite possible, and often ideal to enroll in both a Medicare Supplement and PDP, once an individual knows they want at least a Medicare Supplement.

Each of these supplementary plans has advantages and disadvantages. It is important to assess your full situation, to determine what is appropriate for you. Please contact us if you would like to speak with one of our professionals about the options available and your unique situation.

## Dental and Vision Plans

There are dental and vision plans offered through the Marketplace, as additional benefits on Medicare Advantage Prescription Drug Plans, and as stand-alone plans. These plans can be of value to some individuals. However, it is important to be aware that it is not always wise financially to enroll in one of these plans, as depending upon the frequency of dentist or optometrist visits, an individual may pay more in premiums than they save in claims. If you are trying to assess whether you should enroll in a dental and/or vision plan, don't do it alone; our team would be glad to walk you through a cost-analysis to determine what best suits your unique situation.