



# Delaying Part B

Medicare can be expensive. The Part B premium, plus any income-related adjustment, can cost hundreds of dollars per month. As a result, many people who are turning 65 choose to delay enrolling in Medicare Part B to save on costs until they truly need Medicare. Here, we will outline the rules for the initial Medicare enrollment period (at age 65), special enrollment periods (SEP) that allow you to delay Part B enrollment without penalty, and the penalties for signing up late for Part B and Part D.

## Initial Enrollment Period

The initial enrollment period (IEP) for somebody who is eligible for Medicare and turning 65 is as follows:

Description	Example
The IEP is a 7-month period which begins 3 months prior to your 65 <sup>th</sup> birthday month, includes your birth month, and ends 3 months after your birth month.	For somebody with a birthday on June 6 <sup>th</sup> , the IEP begins on March 1 <sup>st</sup> and ends on September 30 <sup>th</sup> .
If you sign up during the 3 months leading up to your birth month, then Medicare coverage begins on the 1 <sup>st</sup> of your birth month.	For somebody with a birthday on June 6 <sup>th</sup> , if they enrolled in March, April, or May, then Medicare coverage would start on June 1 <sup>st</sup> .
If you sign up during your birth month, or during the 3 months following your birth month, then Medicare coverage begins on the 1 <sup>st</sup> day of the following month.	For somebody with a birthday on June 6 <sup>th</sup> , if they enroll in June, coverage begins July 1 <sup>st</sup> . If they enroll in July, coverage begins August 1 <sup>st</sup> . Enroll in August, coverage begins September 1 <sup>st</sup> . Enroll in September, coverage begins October 1 <sup>st</sup> .

If you miss the IEP, and you do not qualify for a special enrollment period (SEP), then you can still sign up for Medicare during the **General Enrollment Period (GEP)**; but you will have to pay a permanent late enrollment penalty that is added to your monthly Part B premium.

Now let's take a look at all of the special enrollment periods that you can use to delay enrolling in Part B without getting hit with that penalty.



## Special Enrollment Periods

Special enrollment periods (SEP) are offered for specific reasons for a limited amount of time. **If you enroll during an SEP, then coverage will begin on the 1<sup>st</sup> day of the following month.** If you did not enroll during your initial enrollment period and you miss your SEP, then you can only sign up for Part B during the annual general enrollment period, and you will be charged a late enrollment penalty on top of your monthly premium.

Below is a list of each of the special enrollment periods that are recognized by the Centers for Medicare & Medicaid Services (CMS).

<b><i>Special Enrollment Period (SEP)</i></b>	<b><i>Description</i></b>	<b><i>Example</i></b>
<b><i>Working Age with an Employer Group Health Plan (Most Common)</i></b>	<p>Individuals who are covered by a group health plan, either through their own or a spouse's employer, and did not enroll in Part B when first eligible can enroll at any time while they are still covered by that plan or during an <b>8-month period</b> that begins the month after the employment ends or employer group health plan coverage ends—whichever comes first.</p> <p><b>Note:</b> Individuals with ESRD cannot use this SEP.</p>	<p>John is 67 and his wife is 68 and neither of them have enrolled in Part B because they are covered by a group health plan through John's current employer. He plans to retire on February 12<sup>th</sup>. Both he and his wife can enroll in Medicare Part B while he is still employed, or anytime during the 8-month period following retirement. Their special enrollment periods will begin on March 1<sup>st</sup> and end on October 31<sup>st</sup>.</p>
<b><i>International Volunteers</i></b>	<p>Individuals who do not enroll in Part B when first eligible because they were performing volunteer service outside of the United States for at least 12 months on behalf of a tax-exempt organization and had health insurance that provided coverage for the duration of the volunteer service may enroll using this SEP.</p> <p>The SEP is a <b>6-month period</b> that begins the first day of the month following the month for which the individual was no longer serving as a volunteer outside of the United States; the organization no longer has tax-exempt status; or the individual no longer has health insurance that provides coverage outside of the United States.</p>	<p>Jane has been serving in the Peace Corps for 18 months outside of the United States. The Peace Corps provides comprehensive health insurance to volunteers. She just returned to the United States yesterday, May 2<sup>nd</sup>. Her 6-month special enrollment period will begin on June 1<sup>st</sup> and end on November 30<sup>th</sup>.</p>

*Certain TRICARE Beneficiaries*

<p>Eligible individuals are those who are:</p> <ul style="list-style-type: none"> <li>• <b>Under age 65</b></li> <li>• Eligible for Medicare due to disability or ESRD</li> <li>• Eligible for TRICARE Standard at the time of Part A entitlement</li> <li>• Active-duty or retired service member, or the family member of an active-duty or retired service member.</li> </ul> <p>When the SEP begins:</p> <ul style="list-style-type: none"> <li>• If they were notified of their Medicare entitlement during their IEP, then the SEP begins the month after the IEP ends.</li> <li>• If they were notified of their Medicare entitlement after their IEP, then the SEP begins the month of notification.</li> </ul>	<p>Maria, age 58, is a military retiree family member.</p> <p>She becomes entitled to Medicare Part A at 58 due to disability. She’s also covered under TRICARE Standard. Because TRICARE Standard covered her needs, she refused Part B during her IEP.</p> <p>Now, a year later, TRICARE tells her she should have Part B to avoid gaps or costs. Since she was notified of Medicare entitlement during her IEP, but refused Part B then, her SEP starts the month after the end of her IEP.</p> <p>She can enroll anytime from then on using this SEP. Coverage begins the month that she enrolls.</p>
---	---

*Emergency or Disaster*

<p>This SEP is for people who were impacted by a declared emergency or disaster. The SEP is a <b>6-month period</b> after the later of:</p> <ul style="list-style-type: none"> <li>• The end date identified in the disaster or emergency declaration</li> <li>• The end date of any extensions or the date when the declaration has been determined to have ended or has been revoked, or</li> <li>• The date of the declaration, if such date is after the end of the disaster.</li> </ul> <p>Coverage begins the 1<sup>st</sup> day of the month following enrollment.</p>	<p>Paul turned 65 on March 3<sup>rd</sup> but he was unable to enroll in Medicare Part B because his home was destroyed by a hurricane during his IEP. FEMA and his state’s government declared a disaster on March 15<sup>th</sup> with a disaster end date of June 3<sup>rd</sup>.</p> <p>He can use this SEP to enroll without a Part B penalty either:</p> <ul style="list-style-type: none"> <li>• During the declared disaster period, March 15<sup>th</sup> to June 3<sup>rd</sup>.</li> <li>• During the 6-month period following the end of the disaster period: June 3<sup>rd</sup> to December 3<sup>rd</sup>.</li> </ul> <p>He decides to sign up for Medicare Part B on September 15<sup>th</sup>. Coverage begins on October 1<sup>st</sup>.</p>
---	--

*Health Plan or Employer Misrepresentation*

To be eligible, you must demonstrate (by documentation or written attestation) both of the following:

- You did not enroll in part B during an enrollment period in which you were eligible based on information received from an employer or GHP, agents or brokers of health plans, or any person authorized to act on such organization’s behalf.
- An employer, GHP, agent or broker of a health plan, or their representative materially misrepresented information or provided incorrect information relating to enrollment in part B.

This SEP is a **6-month period**, beginning on the day that you notify the Social Security Administration.

Coverage begins the first day of the month following enrollment.

If a person did not enroll in Medicare due to being incarcerated, they can sign up anytime within the first **12 months** after their release from incarceration.

This SEP begins the day an individual is released from the custody of penal authorities and ends the last day of the 12<sup>th</sup> month after that release.

*Formerly Incarcerated Individuals*

Individuals have the option to select a retroactive effective date (not to begin prior to their release date and not to exceed 6 months). If individuals choose this retroactive option, they will be responsible for paying Medicare premiums back to the date of coverage. Medicare benefits will be effective the first day of the month following enrollment, or up to 6 months retroactive, if the beneficiary, chooses retroactive coverage.

Chris decided to retire right when he turned 65. In an email communication between him and his employer’s group health benefits manager, the health benefits manager insisted that he did not need to enroll in Part B until his 66<sup>th</sup> birthday. As a result, he missed his initial enrollment period (IEP) and did not sign up for Medicare.

Once he realized the mistake, he notified Social Security on February 12<sup>th</sup>. that he had relied on incorrect information and provided a copy of the email communication with his old employer’s health benefits manager. He was approved to use this SEP. The SEP will last from February 12<sup>th</sup> to August 12<sup>th</sup>. He decides to sign up on February 20<sup>th</sup>. Coverage therefore begins on March 1<sup>st</sup>.

Jimmy was just released from prison at age 68. He missed his Medicare IEP while he was incarcerated, so he qualifies for the 12-month special enrollment period.

He was released on November 11<sup>th</sup>, so he can enroll anytime between November 11<sup>th</sup> and November 10<sup>th</sup> of the next year.

He signed up for Medicare on July 20<sup>th</sup>, so his coverage will start on August 1<sup>st</sup>; Or he can choose to start the coverage up to 6 months retroactively, meaning coverage can either begin on the 1<sup>st</sup> of any month between January and July.

If he chooses the retroactive option, he will pay the Part B premium for every month that has already passed.



*Termination of  
Medicaid Coverage*

A person may be eligible if they have lost Medicaid entirely, missed a Medicare enrollment period and their Medicaid coverage was terminated on or after January 1, 2023.

The SEP begins when an individual is notified of an upcoming termination of Medicaid eligibility and ends six months after the Medicaid termination.

Medicare benefits start the month after Medicare enrollment unless the individual elects a start date back to the first day of the month the individual lost Medicaid and agrees to pay all prior premiums.

Steph was notified on January 1<sup>st</sup> that her Medicaid coverage would be terminated on March 1<sup>st</sup>.

Can sign up any time between January 1<sup>st</sup> and March 1<sup>st</sup>, or for 6 months following the termination of her coverage, between March 1<sup>st</sup> and September 1<sup>st</sup>.

She signs up on March 3<sup>rd</sup>, so her coverage begins on April 1<sup>st</sup>.

*Other Exceptional  
Conditions*

Individuals who do not enroll in Part B or premium Part A when first eligible because conditions beyond their control caused them to miss an enrollment period may enroll using this SEP. This SEP is available for individuals whose unique conditions do not qualify for other SEPs.

SSA will determine when this SEP begins on a case-by-case basis, but the SEP will end no less than 6 months after it begins. Medicare benefits will be effective on the first day of the month following enrollment.

Matthew was in a coma from age 62 to age 67 and completely missed his Medicare initial enrollment period.

He submitted an appeal to Social Security and they approved his eligibility for this SEP since he missed his IEP due to circumstances completely out of his control.

He signs up for Medicare on March 16<sup>th</sup>, so his coverage will begin on April 1<sup>st</sup>.