

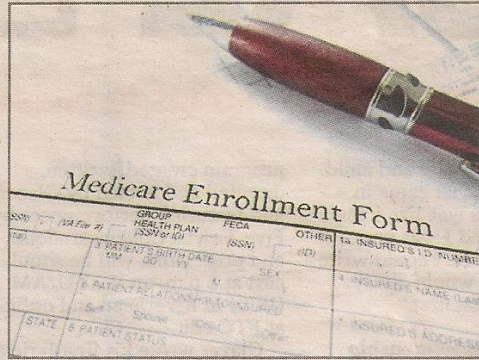
Those turning 65 should note crucial deadlines for Medicare

Are you turning 65 this year and thinking about retiring? Your work deadlines may be ending, but the clock begins ticking on some choices you must make about Medicare.

You can sign up for Medicare Part A (hospital coverage) and Part B (doctors' visits) during the Initial Enrollment Period that begins three months before the month you turn 65, the month you turn 65, and the three months after the month you turn 65. (Those already receiving Social Security benefits will automatically be enrolled in Parts A and B.)

There's no charge for Part A, but Part B has a premium — \$104.90 a month for most people. Many who are covered by a spouse's group health plan or who will receive health coverage from their former employer after they retire delay taking Part B, so they don't have to pay the premium. If you lose that group coverage, you are eligible for a Special Enrollment Period where you can sign up for Part B. This period lasts eight months, beginning the month after your group coverage ends.

If you don't enroll during the Special Enrollment Period,



you will pay a penalty when you do sign up, says Paula Muschler of Allsup Medicare Advisor, a service that, for a fee, helps people choose Medicare plans. Medicare enacts a 10 percent late-enrollment penalty for each full 12 months you could have been covered by Part B. The penalty grows each year you don't enroll, so if you wait two full years, you'll pay a 20 percent penalty; if you wait three years, you'll pay a 30 percent penalty, and so on. "And that's a permanent penalty," Muschler says. "The deadlines are critical deadlines."

For those who didn't sign up during their Initial Enrollment or Special

Enrollment Periods but have decided they want Part B now, there's one more deadline, and it's approaching fast. You must enroll in Part B during the General Enrollment Period Jan. 1 through March 31. Coverage won't begin until July 1. If you miss this deadline, you will have to wait until Jan. 1, 2015, to sign up and coverage won't begin until July 1, 2015.

"Don't wait for the last minute," Muschler advises. "Make sure you haven't missed an enrollment period and that you haven't made a decision that can't be undone."

For more information, download "Medicare & You" at bit.ly/medicare-2014.