



Welcome to Medicare!

Today you join more than 50 million Americans who have health care coverage from Medicare, the federal health insurance program run by the Centers for Medicare & Medicaid Services (CMS).

Because you're entitled to Social Security retirement or disability benefits, **you're automatically enrolled in Medicare Part A (hospital insurance)**. You don't need to pay a monthly premium for Part A. We'll send you a Medicare card showing you have Medicare Part A only.

You have a choice to enroll in Medicare Part B (medical insurance). **You only get Part B if you sign up for it.** You do have to pay a monthly premium for Part B if you choose to enroll.

IMPORTANT! In most cases, if you don't enroll in Part B now, you will have to pay a late enrollment penalty for as long as you have Part B. Also, you will have to wait until the next General Enrollment Period (from January 1 through March 31) to enroll in Part B and coverage will begin July 1 of that year.

You may have coverage through the Health Insurance Marketplace or have heard about it. Medicare isn't part of the Marketplace. You may also have heard about the requirement that all Americans have health coverage. Once your Medicare starts, you're considered covered and you won't need a Marketplace plan. If you joined a Marketplace plan before you were eligible for Medicare, you can terminate the Marketplace plan once your Medicare coverage starts.

This letter has information about Part B to help you make your decision about enrolling in this coverage. Read it over carefully before making any decisions.

Should I enroll in Part B?

Deciding whether to enroll in Part B depends on your situation.

- **I don't have other medical insurance.** If you don't have medical insurance, you may want to enroll in Part B. If you enroll, you'll have coverage for the types of items and services listed in the enclosed brochure. You'll need to have Part B to join a Medicare Advantage plan or buy a Medigap policy.
- **I have TRICARE coverage.** If you have TRICARE (insurance for military retirees, and their families), you must have Part B to keep TRICARE coverage. However, if you're an active-duty service member or the spouse or dependent child of an active-duty service member, you may not have to get Part B when first eligible. You can get Part B during a Special Enrollment Period without a penalty.
- **I'm eligible for CHAMPVA coverage.** You must have Part B to get CHAMPVA coverage.

- **I'm still working.** Or my spouse (or a family member, if I'm disabled) is still working. If you have health insurance benefits through an employer because you or your spouse (or a family member, if you're disabled) is still working, you may want to keep that coverage. You may have a Special Enrollment Period to sign up for Part B later without a penalty.

How much does Part B cost?

Most people pay the standard monthly premium for Part B. In 2016, the standard premium is \$121.80. The premium will automatically be deducted from your Social Security benefit payment when your coverage starts. If your benefits aren't enough to pay the whole Part B premium, the Social Security Administration will bill you for your premium. You'll pay more if you have a higher income. The premium amount can change each year. Visit Medicare.gov/eligibilitypremiumcalc to get an estimate of your Part B premium.

Can I enroll later?

Medicare limits when you can enroll in Part B. **In most cases, if you don't sign up for Part B within 8 months of the date on this letter, you will have to pay a late enrollment penalty for as long as you have Part B. Also, you will have to wait until the next General Enrollment Period (from January 1 through March 31) to enroll in Part B and coverage will begin July 1 of that year.**

If you wait to enroll, you'll pay 10% more for each full 12-month period you could have had Part B but didn't take it. Here's an example:

If you waited 2 full years (24 months) to sign up for Part B and didn't have other coverage, you'll have to pay a 20% late enrollment penalty (10% for each full 12-month period that you could have been enrolled), plus your standard Part B monthly premium (\$121.80 in 2016).

\$121.80 (2016 Part B standard premium)
+ \$12.18 (10% [of \$121.80] for each full 12-month period you could have had Part B)

\$134.00 will be your Part B monthly premium for 2016. This amount is rounded to the nearest \$.10 and includes the late enrollment penalty.

You'll have to pay this late enrollment penalty as long as you have Part B. Visit Medicare.gov/eligibilitypremiumcalc to get an estimate of your premium based on when you think you'll want to enroll in Part B.

You can enroll in Part B later, without penalty, if:

- you're 65 or older, you or your spouse is currently working, and you're covered by an employer or union group health plan based on that employment.
- you're under 65 and disabled, you or a family member is working, and you're covered by an employer or union group health plan (with at least 100 employees) based on that employment.

You can sign up for Part B anytime while you're covered by an employer or union group health plan based on current employment, or for up to 8 months after the group health plan coverage or the employment ends, whichever happens first.

Note: If you have COBRA coverage or a retiree health plan, you don't have coverage based on current employment. You're not eligible to enroll when that coverage ends.

If you're still working and plan to keep your employer or union coverage, you should talk to your employer benefits administrator to help you decide the best time to enroll in Part B.

How do I enroll in Part B?

You need to complete an enrollment application to get Part B. Social Security must get your request no later than 8 months after the date of this letter. The earlier you send the form, the sooner your Part B coverage can start.

To enroll you can:

- Go to [Medicare.gov/forms-help-and-resources/forms/medicare-forms.html](https://www.medicare.gov/forms-help-and-resources/forms/medicare-forms.html) and download Form CMS-40B (Application for Enrollment in Medicare Part B). Complete the application and sign it. Then, return the completed application to your local Social Security office,
- Call Social Security at 1-800-772-1213. TTY users should call 1-800-325-0778, or
- Visit your local Social Security office.

Get answers to your Medicare questions

If you have questions about how to enroll in Medicare, you can visit [socialsecurity.gov](https://www.socialsecurity.gov) or call Social Security's toll-free number, 1-800-772-1213, Monday through Friday between 7:00 a.m. and 7:00 p.m. TTY users should call 1-800-325-0778. When you call have your Social Security number handy.

For information about Medicare in general, and Medicare health and prescription drug plan choices in your area, visit [Medicare.gov](https://www.medicare.gov), or call 1-800-MEDICARE (1-800-633-4227) any time. TTY users should call 1-877-486-2048.

Get the Most from your Medicare

- **Start a file for your Medicare information.** Keep all of your Medicare information in one place so you can refer back to it when you need it.

We're committed to providing you with reliable, high-quality health care. If you have questions, visit [Medicare.gov](https://www.medicare.gov) or call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

Medicare documents, including this letter are available in alternate formats, including large print, Braille, and audio. Call 1-800-MEDICARE (1-800-633-4227) to request a copy. TTY users should call 1-877-486-2048.