

What if I become eligible for Medicare after I join a Marketplace plan?

You can get a Marketplace plan to cover you before your Medicare coverage begins. You can cancel the Marketplace plan when your Medicare coverage starts. When you're eligible for Medicare, you'll have an Initial Enrollment Period to sign up (see page 25). In most cases it's to your advantage to sign up when you're first eligible because:

- When you're considered eligible for Medicare Part A, you won't qualify for Marketplace tax credits to help pay your **premiums** or reductions in cost-sharing that may be available through the Marketplace.
- If you enroll in Medicare after your Initial Enrollment Period ends, you may have to pay a late enrollment penalty for as long as you have Medicare.

Note: You can keep your Marketplace plan after your Medicare coverage starts. However, once your Part A coverage starts, any premium tax credits and reduced cost-sharing you get through the Marketplace will stop.

Where can I get more information?

To learn more about how Medicare works with the Marketplace, visit HealthCare.gov and Medicare.gov.

How much does Part A coverage cost?

You usually don't pay a monthly premium for Part A coverage if you or your spouse paid Medicare taxes while working. This is sometimes called premium-free Part A. If you aren't eligible for premium-free Part A, you may be able to buy Part A if:

- You're 65 or older, and you have (or are enrolling in) Part B and meet the citizenship and residency requirements.
- You're under 65, disabled, and your premium-free Part A coverage ended because you returned to work. (If you're under 65 and disabled, you can continue to get premium-free Part A for up to 8 1/2 years after you return to work.)

Note: People who have to buy Part A will pay up to \$407 each month in 2015.

Definitions of blue words are on pages 145–148.

In most cases, if you choose to **buy** Part A, you must also have Part B and pay monthly **premiums** for both. If you have limited income and resources, your state may help you pay for Part A and/or Part B. See pages 115–116. Call Social Security at 1-800-772-1213 for more information about the Part A premium. **TTY** users should call 1-800-325-0778.

What’s the Part A late enrollment penalty?

If you aren’t eligible for premium-free Part A, and you don’t buy it when you’re first eligible, your monthly premium may go up 10% when you decide to enroll. You’ll have to pay the higher premium for twice the number of years you could have had Part A, but didn’t sign up.

Example: If you were eligible for Part A for 2 years but didn’t sign up, you’ll have to pay the higher premium for 4 years. Usually, you don’t have to pay a penalty if you meet certain conditions that allow you to sign up for Part A during a Special Enrollment Period. See pages 25–26.

How much does Part B coverage cost?

You pay the Part B premium each month. Most people will pay the standard premium amount, which is \$104.90 in 2015.

Some people may pay a higher Part B premium

If your modified adjusted gross income as reported on your IRS tax return from 2 years ago (the most recent tax return information provided to Social Security by the IRS) is above a certain amount (\$85,000 if you file individually or \$170,000 if you’re married and file jointly), you may pay more. This doesn’t affect everyone, so most people won’t have to pay a higher amount. Your modified adjusted gross income is your adjusted gross income plus your tax exempt interest income.

Each year, Social Security will tell you if you have to pay more than the standard **premium**. The amount you pay can change each year depending on your income. If you have to pay a higher amount for your Part B premium and you disagree (for example, if your income goes down), call Social Security at 1-800-772-1213. **TTY** users should call 1-800-325-0778. If you get benefits from RRB, you should still contact Social Security because the RRB doesn't make income determinations.

If your yearly income in 2013 was			You pay (in 2015)
File individual tax return	File joint tax return	File married & separate tax return	
\$85,000 or less	\$170,000 or less	\$85,000 or less	\$104.90
above \$85,000 up to \$107,000	above \$170,000 up to \$214,000	N/A	\$146.90
above \$107,000 up to \$160,000	above \$214,000 up to \$320,000	N/A	\$209.80
above \$160,000 up to \$214,000	above \$320,000 up to \$428,000	above \$85,000 up to \$129,000	\$272.70
above \$214,000	above \$428,000	above \$129,000	\$335.70

What's the Part B late enrollment penalty?

If you don't sign up for Part B when you're first eligible, you may have to pay a late enrollment penalty for as long as you have Part B. Your monthly premium for Part B may go up 10% for each full 12-month period that you could have had Part B, but didn't sign up for it. Usually, you don't pay a late enrollment penalty if you meet certain conditions that allow you to sign up for Part B during a Special Enrollment Period. See pages 25–26.

Example: Mr. Smith's Initial Enrollment Period ended September 30, 2011. He waited to sign up for Part B until March 2014 during the General Enrollment Period. His Part B premium penalty is 20%. (Even though Mr. Smith waited a total of 30 months to sign up, this included only 2 full 12-month periods.) He'll have to pay this penalty for as long as he has Part B.