



Enrolling in Medicare can be confusing. In 2020, about 1.4% of beneficiaries — an estimated 776,200 people — paid a late enrollment penalty,* which drove their monthly cost up about 27%.

Individuals can only sign up during one of the following enrollment periods:

Initial Enrollment Period (IEP)

People become **eligible** for Medicare Part A (hospital care) and Part B (outpatient care) the first day of the month they turn 65. Individuals do not need to sign up if they have coverage through an employer.

People who want to sign up have a seven-month period to apply. If they enroll during the three months before their 65th birthday, then their Part A and Part B coverage will take effect on the first day of the month in which they turn 65.

For those who sign up during the month they turn 65 or the three months that follow, Part A coverage takes effect the month they turn 65. The start date for Part B coverage for this group varies, from the month after they turn 65 to as many as six months after they turn 65, depending on when they submit their application.

Starting January 2023, the start date for Part B coverage is the first of the month after an individual applies.

Individuals who start receiving Social Security Benefits before age 65 are automatically enrolled in Part A and Part B the first day of the month they turn 65. They can opt out of Part B if they are on an employer-sponsored health plan.

Special Enrollment Period (SEP)

This sign-up period is for special situations. For example, people who leave employer-sponsored coverage after turning 65 have up to eight months to sign up for Part A and Part B without incurring a late enrollment penalty. The application process includes a requirement to submit an employer-signed form to confirm coverage. Part B takes effect the month after a person signs up. Part A's effective date is six months before a person's Part B effective date.

General Enrollment Period (GEP)

This Part B sign-up period is for individuals who did not apply during their IEP and do not have employer coverage. Applications are submitted between January 1 and March 31. Part B coverage does not take effect until July 1.

Starting January 2023, the start date for Part B coverage is the first of the month after an individual applies.

** The late enrollment penalty is 10% for each 12-month period an eligible person goes without Part B.*

Questions? A licensed, professional agent or broker can help you enroll in coverage that suits your needs and budget.