

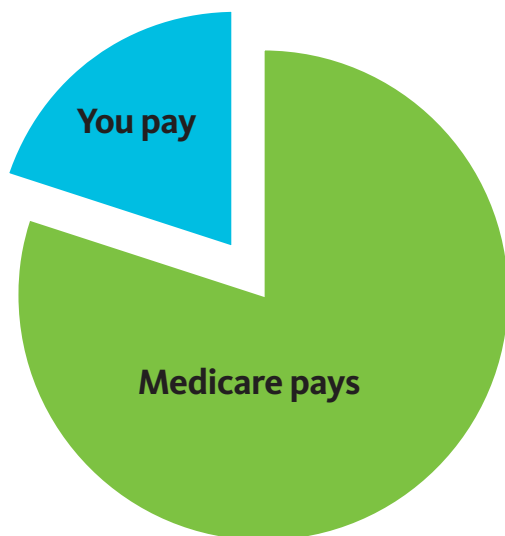
Five Common Medicare Enrollment Mistakes

1 Medicare Enrollment Mistake #1: Forgetting About Premiums

Medicare might not be easy to navigate for new users. Several features can be confusing—starting with how you pay for it. Since almost everyone qualifies for Medicare Part A with no cost, many assume that Medicare is premium free. However, Part B does require a monthly premium, which can vary based on income and increase annually.

Typically, the premium for Part B is deducted directly from your Social Security check. It's important to note that this premium only covers about 80 percent of your medical costs, and it doesn't cover prescription drugs.

It's common for Medicare beneficiaries to seek additional coverage; for example, they may purchase a Medicare supplement plan, as well as a Part D Prescription Drug plan to be protected in case of illness or injury. Depending on the coverage you choose, you could be paying a premium for Part B, Part D drug coverage and a separate supplement plan to cover the 20 percent Original Medicare doesn't cover. These premiums can add up quickly, so be sure to examine your options carefully and find a plan that works for you.



2 Medicare Enrollment Mistake #2: Not Paying Attention to Medicare Star Ratings

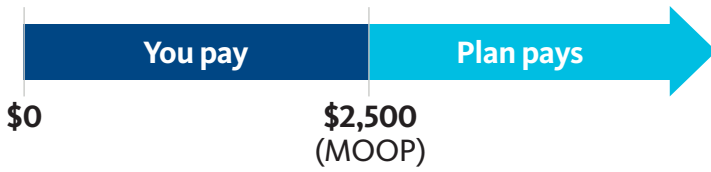
Star Ratings offer an unbiased evaluation of the various Medicare options available to you. Plans are evaluated every year by the Centers for Medicare & Medicaid Services (CMS), based on a number of criteria, including:

- If members received important screenings and tests
- How consumers rate their own plan
- How well the plan handles customer service

Medicare plans can earn from 1 to 5 stars, with 1 being poor and 5 being excellent. They can change from year to year, so check Medicare.gov for current year results. Click on "Find health & drug plans," and complete the general search for current year results.

The number of stars show how well a plan performs.

- ★ ★ ★ ★ ★ Excellent
- ★ ★ ★ ★ ☆ Above Average
- ★ ★ ★ ☆ ☆ Average
- ★ ★ ☆ ☆ ☆ Below Average
- ★ ☆ ☆ ☆ ☆ Poor



Medicare is complicated, and not all options provide the same benefits. Your situation may be different from that of your friend, and you might need to take advantage of different features. In addition, Medicare is constantly changing, and your options might be different than those that were available when your friend enrolled.

Because you're an individual with your own individual needs, talk to your friends, but do your own research as well. Be sure to pick a plan that best meets your needs.

5 Medicare Enrollment Mistake #5: Delaying Your Enrollment

If you wait too long, you might have fewer choices or face penalties and higher premiums. Your monthly premium for Part B may go up 10 percent for each full 12-month period that you could have had Part B but didn't sign up for it. You'll have to pay this penalty for as long as you have Part B.

Most people don't have to pay a premium for Part A, but if you do, signing up late can result in a penalty. You'll have to pay your normal Part A premium plus 10 percent, and you'll have to pay this penalty for twice the number of years that you didn't sign up.

Do the legwork to be informed.

The biggest Medicare enrollment mistake of all is simply not being informed. There are resources available to help you understand the ins and outs of Medicare so that when you're ready to enroll, you can make the best decision for you.



3 Medicare Enrollment Mistake #3: Not Considering the Maximum Out-of-Pocket (MOOP) Amount

An increasingly popular option for receiving Medicare benefits is a Medicare Advantage plan. Also known as Medicare Part C, Medicare Advantage plans are offered by private companies that have been approved by Medicare. Medicare pays these companies to cover the members' Medicare benefits. Medicare Advantage plans offer Medicare Parts A, B and D and usually also provide extra benefits like dental, vision, hearing coverage, fitness club memberships and more.

When choosing a plan, it's important to note how much you'll have to pay out of your own pocket. For example, a plan might have a maximum out-of-pocket (MOOP) spending limit of \$2,500. That means that no matter the injury, sickness or how long you need care, you'll never spend more than \$2,500 in a year for covered services. If you feel a Medicare Advantage plan is the right option for you, make sure it has a MOOP that works for your budget.

4 Medicare Enrollment Mistake #4: Choosing a Medicare Plan Based on a Friend's Advice



A referral or advice from a friend means a lot. So naturally, when people are new to Medicare, they seek guidance from a friend or acquaintance who's already on Medicare. It's great to learn the ropes from someone who has already gone through the enrollment process. You can certainly learn a lot when you reach out to a trusted friend, but don't neglect doing your own research.