



An Employer's Guide to Medicare Services

An introduction to the Medicare services offered by NFP, including tools and resources for you and your employees.

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NFP Medicare Services

NFP is proud to serve as your trusted advisor for employee benefits, property and casualty, retirement plans, and individual client solutions. And now we are happy to provide solutions and resources for you and your employees as they begin to contemplate retirement or become eligible for Medicare. Our team is comprised of licensed agents who specialize in the Medicare market. We offer the same independent and individualized consultation to your employees that you have grown to expect and rely on from your NFP advisor.

Medicare Education

One of the most valuable services we can provide to any employee who is becoming eligible for Medicare is education. A Medicare 101 session provides all of the basic information individuals need to understand the parts of Medicare, the differences in Medicare Advantage and Medicare Supplement plans, prescription drug coverage, costs associated with Medicare, and critical timelines associated with applying for Medicare. Medicare 101 sessions can be made available to your employees in several ways:

- In-person Medicare 101 sessions can be conducted on-site for larger groups depending on geographic accessibility. Contact your NFP advisor to schedule this.
- Regularly scheduled virtual webinars. Contact us for our upcoming events.
- A dedicated Medicare 101 virtual session can be conducted specifically for your employees. Contact your NFP advisor to schedule this.
- You or your employees can access a recorded Medicare 101 video at the link below.

<https://go.nfp.com/2025Medicareoverview>

The education doesn't stop there. During all Medicare 101 sessions, our advisors offer our contact information for those who would like us to follow up with them individually to discuss their personal circumstances.

Personal Consultations

Our team provides personal consultations at no cost and under no obligation to anyone who requests our assistance. Personal consultations allow us to discuss an individual's specific medical needs, travel and residency plans, budgetary constraints, provider relationships, and the opportunity for benefits beyond what original Medicare and a supplement may offer.

As the trend for employees to work well past age 65 increases, one of the most common and important services we can assist with is helping your employees to determine when the right time to access Medicare might be.

Another important component of a personal consultation is to provide a medication review. There are significant differences in medication costs based on carrier formularies and individual pharmacies. Our agents have the tools to illustrate this for the beneficiary and allow

for a meaningful discussion on the impact of the donut hole or coverage gap with regard to their personal circumstances. We can also provide resources for beneficiaries to apply for extra help or savings on the cost of their medications.

And finally, when it is time for your employee or their spouse to leave the group plan, our team will help them decide on the appropriate type of Medicare plan and the best carrier and plan option. We will walk them through the enrollment process and be available to them to provide continued guidance on plan selection should they have a major life or medical change in the future.

We look forward to serving you and your employees. Please contact our Medicare Services team if we can be of service to you or your employees.





MEDICARE FAQ

We understand that employees may come to you as their employer or benefits contact with questions about Medicare. You are welcome to direct those questions to our team. However, we have compiled a series of the most commonly asked questions and their answers below if you would prefer to provide these answers to your employees.

Q: Do I need to go on Medicare?

If You Plan to Continue Working After Turning 65

If you aren't getting benefits from Social Security or the Railroad Retirement Board (RRB) at least four months before you turn 65, you'll need to sign up with Social Security to get Medicare Part A (hospital insurance) and Part B (medical insurance). Many group-sponsored prescription plans are considered to be creditable coverage. You should receive a notice annually from your employer advising whether or not your coverage is creditable to Part D. Depending on the size of your employer, you may be able to delay Part A and Part B without having to pay a penalty if you enroll later.

The size of your employer determines whether you can delay Part A and Part B without having to pay a penalty if you enroll later.

Your employer has fewer than 20 employees:

- You should sign up for Part A and Part B when you're first eligible. In this case, Medicare pays before your other coverage.
- Employers with less than 20 employees do not have to comply with age-based Medicare Secondary Payer laws. Claims paid under the group health plan will be paid assuming Medicare as primary coverage. If the employee does not have Medicare, they could be faced with out-of-pocket costs equivalent to the portion of the bill Medicare would typically cover. Employees under a small group's coverage need to evaluate if continuing their group plan with Medicare coverage as primary or moving to a Medicare supplement or Medicare Advantage plan is most cost effective.

Note: If you don't enroll when you're first eligible, you may have to pay a Part B late enrollment penalty, and you may have a gap in coverage if you decide you want Part B later.

Your employer has 20 or more employees:

- If you have group health coverage based on current employment, you may be able to delay Part A and Part B and won't have to pay a lifetime late enrollment penalty if you enroll later. If you want to delay both Part A and Part B coverage, you don't need to do anything when you turn 65.
- If you're eligible for premium-free Part A, you can enroll in Part A at any time after you're first eligible for Medicare. Your Part A coverage will go back (retroactively) six months from when you sign up for Medicare or Social Security/RRB benefits (but no earlier than the first month you're eligible for Medicare).
- If you aren't eligible for premium-free Part A, and you don't buy it when you're first eligible, you may have to pay a penalty.
- Employers with 20 or more full and/or part-time employees for each working day in at least 20 weeks in either the current or the preceding calendar year must abide by Medicare Secondary Payer law and cannot encourage or provide incentive for Medicare-eligible individuals to terminate group coverage. Employees in these groups must be eligible for the same benefits under the same terms and conditions as individuals under 65 years of age.
- Employers with 100 or more employees, whether full-time or part-time, on at least 50% of regular business days during the previous calendar year must comply with Medicare Secondary Payer rules.

If You Have a Health Savings Account (HSA):

- When you have Medicare Part A and/or B, you will not be able to contribute toward your HSA.
- To avoid a tax penalty, you should stop contributing to your HSA at least six months before you apply for Medicare.

Automatic Enrollment in Medicare Part A

Employees who are already collecting Social Security benefits when they turn 65 are automatically enrolled in Medicare Part A. They cannot drop Part A without also ceasing Social Security benefits.

Employees who elect to collect Social Security benefits after age 65 are also automatically enrolled in Medicare Part A.

Employees who are eligible for Medicare but NOT enrolled in Medicare Part A or Part B are still eligible to contribute to their HSA.

In short, when contributing to an HSA, the employee can only be enrolled in a high deductible health plan. They cannot be enrolled in any other coverage, and Medicare is considered “other coverage.”

HSA funds already accumulated can be used toward qualified out-of-pocket expenses while on Medicare.

Spousal Contributions:

Even if the employee is still eligible for HSA contributions, the spouse cannot contribute to the HSA if the spouse is enrolled in Medicare. However, the employee can still reimburse the spouse’s qualified out of pocket expenses.

When Employment or Employer/Union Coverage Ends

Once your employment (or your employer/union coverage) ends, several things happen:

- You may be able to get COBRA coverage, which continues your health insurance through the employer’s plan (in most cases for only 18 months) and probably at a higher cost to you. However, if you’re eligible for Medicare, you don’t qualify for COBRA coverage without having to pay a premium.
- You have eight months to sign up for Part B without a penalty, whether or not you choose COBRA. To sign up for Part B while you’re employed or during the eight months after employment ends, complete an Application for Enrollment in Part B (CMS-40B) and a Request for Employment Information (CMS-L564). If you choose COBRA, don’t wait until your COBRA ends to enroll in Part B. If you don’t enroll in Part B during the eight months after the employment ends:
 - a. You may have to pay a penalty for as long as you have Part B. (COBRA is not considered active employer coverage and is therefore not considered creditable coverage to avoid the Part B late enrollment penalty.)
 - b. You won’t be able to enroll until January 1 – March 31, and you’ll have to wait until July 1 of that year before your coverage begins. This may cause a gap in healthcare coverage.
- If you already have COBRA coverage when you enroll in Medicare, your COBRA will probably end. If you become eligible for COBRA coverage after you’re already enrolled in Medicare, you must be allowed to take the COBRA coverage. It will always be secondary to Medicare (unless you have end-stage renal disease).
 - a. Medicare must be the secondary payer for the first 30 months of an end-stage renal disease (ESRD) patient’s Medicare eligibility, and Medicare will be the primary payer thereafter.

If an individual who is eligible for Medicare wants COBRA to cover a dependent spouse or for other reasons, they should also enroll in Medicare Parts A and B to avoid balance billing. This can be costly as they would be responsible for the full premiums for COBRA coverage and Medicare.

Note: If you leave coverage from your employer or union (including COBRA coverage), you can join a Medicare Advantage Plan or Medicare drug plan. Your chance to join lasts for two full months after the month your coverage ends.

Transitioning to Medicare After Retirement and Group Coverage End

- You will need to first enroll in Part A and/or Part B (it is recommended to start this process in the three months before you will need Medicare to begin).
- You will qualify for a Special Election Period to enroll in Medicare Part A and/or Part B (see Medicare Part A and Part B Application Guide).
- Contact us! We can help answer questions throughout the process and help you find and enroll in a Medicare plan that will best fit your needs.



Q: How much does Medicare cost?

Part A Premiums

Typically, if you or your spouse have worked and paid Medicare taxes for a certain amount of time while working, you don't pay a monthly premium for Medicare Part A (hospital insurance). This is sometimes called "premium-free Part A" and most people get premium-free Part A.

Part B Premiums

You will pay a premium each month for Part B. Your Part B premium will be automatically deducted from your benefit payment if you get benefits from one of these:

- Social Security
- Railroad Retirement Board
- Office of Personnel Management

If you don't get these benefit payments, you'll get a bill.

Most people will pay the standard premium amount. If your modified adjusted gross income is above a certain amount, you may pay an Income Related Monthly Adjustment Amount (IRMAA). Medicare uses the modified adjusted gross income reported on your IRS tax return from 2 years ago. This is the most recent tax return information provided to Social Security by the IRS.

2025 Part B Premiums by Yearly Income in 2023			
If Your Yearly Income in 2023 (For What You Pay in 2025) Was			
File Individual Tax Return	File Joint Tax Return	File Married & Separate Tax Return	You Pay Each Month (in 2024)
\$106,000 or less	\$212,000 or less	\$106,000 or less	\$185.00
Above \$106,000 up to \$133,000	Above \$212,000 up to \$266,000	Not applicable	\$259.00
Above \$133,000 up to \$167,000	Above \$266,000 up to \$334,000	Not applicable	\$370.00
Above \$167,000 up to \$200,000	Above \$334,000 up to \$400,000	Not applicable	\$480.90
Above \$200,000 and less than \$500,000	Above \$400,000 and less than \$750,000	Above \$106,000 and less than \$394,000	\$591.90
\$500,000 or above	\$750,000 or above	\$394,000 or above	\$628.90

Cost of Part D

Most drug plans charge a monthly fee that varies by plan. You pay this in addition to the Part B premium. If you're in a Medicare Advantage Plan (Part C) or Medicare Cost Plan with drug coverage, the monthly premium may include an amount for drug coverage.

Most people only pay their Part D premium. If you don't sign up for Part D when you're first eligible, you may have to pay a Part D late enrollment penalty.

2023 Part D Income Related Adjustment Amount (IRMAA)

If you have a higher income, you might pay more for your Medicare drug coverage. If your income is above a certain limit, you'll pay an extra amount in addition to your plan premium (sometimes called "Part D IRMAA"). You'll also have to pay this extra amount if you're in a Medicare Advantage Plan that includes drug coverage. This doesn't affect everyone, so most people won't have to pay an extra amount. If you have Part B and you have a higher income, you may also have to pay an extra amount for your Part B premium, even if you don't have drug coverage. The chart below lists the extra amount costs by income.

Social Security will contact you if you have to pay Part D IRMAA, based on your income. The amount you pay can change each year. If you have to pay a higher amount for your Part D premium and you disagree (for example, if your income goes down), **use this form to contact Social Security** [PDF, 125 KB]. If you have questions about your Medicare drug coverage, contact your plan.

If Social Security notifies you about paying a higher amount for your Part D coverage, you're required by law to pay Part D IRMAA. If you don't pay the Part D IRMAA, you'll lose your Part D coverage.

2025 Part D IRMAA by Yearly Income in 2022			
If Your Yearly Income in 2023 (For What You Pay in 2025) Was			
File Individual Tax Return	File Joint Tax Return	File Married & Separate Tax Return	You Pay Each Month (in 2024)
\$106,000 or less	\$212,000 or less	\$106,000 or less	Your plan premium
Above \$106,000 up to \$133,000	Above \$212,000 up to \$266,000	Not applicable	\$13.70 + your plan premium
Above \$133,000 up to \$167,000	Above \$266,000 up to \$334,000	Not applicable	\$35.30 + your plan premium
Above \$167,000 up to \$200,000	Above \$334,000 up to \$400,000	Not applicable	\$57.00 + your plan premium
Above \$200,000 and less than \$500,000	Above \$400,000 and less than \$750,000	Above \$106,000 and less than \$394,000	\$78.60 + your plan premium
\$500,000 or above	\$750,000 or above	\$394,000 or above	\$85.80 + your plan premium

Q: How do I apply for Medicare?

Applications for Medicare must be submitted through the Social Security Administration.

Where and how a person applies for Medicare depends on their needs, circumstances and/or personal preference.

Employees can be referred to the sites below for the most up-to-date information from the government:

- Medicare: **www.medicare.gov**
 - a. Part A/Part B benefits and costs
 - b. Part D standards and Part D Income Related Adjustment Amount (IRMAA)
 - c. When to apply for benefits
1.800.MEDICARE (1.800.633.4227)/TTY 1.877.486.2048
- Social Security: **www.ssa.gov**
 - a. Applying for retirement and Medicare benefits
 - b. Applying for assistance programs
- Contact your local Social Security office: **<https://secure.ssa.gov/ICON/main.jsp>**
 - a. Applying for retirement and Medicare benefits
 - b. Applying for assistance programs

If you cannot use online services or reach your local Social Security office, call the national 800 number toll-free at 1.800.772.1213/TTY 1.800.325.0778

Applying for Medicare Benefits

- Applying online
 - a. Social Security has an online application for retirement benefits, including Medicare
 - b. Not everyone can apply online for benefits. Please review the information provided by Social Security to determine your eligibility
 - c. Go to: **<https://www.ssa.gov/benefits/medicare/>**
- Applying through mail/fax:
 - a. Enrollment in Medicare Part B during a Special Election Period will require the completion of two forms:
 - ✧ **CMS-40B – Application for Enrollment in Medicare – Part B (medical insurance)**
 - ✧ **CMS-L564 - Request for Employment Information**
 - If their employer can't complete Section B, the beneficiary can fill it out. Their employer doesn't need to sign the form. Instead, the beneficiary can send evidence of employment and health coverage, like health insurance cards with policy effective dates and pay stubs showing health insurance premium deductions.

Mail to: your local Social Security office

Fax to: 1.833.914.2016

Note: forms must be completed and sent in together along with evidence of employment/health coverage.

Getting Started

Please find below two extremely helpful resources that you may want to keep on hand to help your employees get started on the path to Medicare.

“Checklist for Online Medicare, Retirement, & Spouses Applications” - SSA

Video - “Retirement Application Process” - SSA

We recognize that Medicare can be a confusing topic and navigating the process can often feel overwhelming. We will do everything we can to simplify the process for your employees and to provide them with the same independent, personal guidance you have come to rely on from NFP. Please encourage your employees to use this valuable service.

Contact Us

Our team is ready to assist you and your employees. Currently, we’re servicing many states throughout the region and have additional resources throughout the county.

Please feel free to contact us in whatever manner you are most comfortable.

Send an email to **CentralRegionMedicareServices@nfp.com** with your questions and/or contact information or call 814.289.4222 or 724.940.9490.

Personal consultations can be requested through this link: **[Request a Personal Consultation](#)**.



NFP, an Aon company, is an organization of consultative advisors and problem solvers helping companies and individuals address their most significant risk, workforce, wealth management and retirement challenges. With colleagues across the US, Puerto Rico, Canada, UK and Ireland, we serve a diversity of clients, industries and communities.

Our global capabilities, specialized expertise and customized solutions span property and casualty insurance, benefits, wealth management and retirement plan advisory. Together, we put people first, prioritize partnerships and continuously advance a culture we're proud of.

Visit **NFP.com** to learn more.

NFP.com

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