SHIP
State Health Insurance Assistance Program
Navigating Medicare

ASK SHIP
YOUR MONTHLY MEDICARE Q&A

May, 2025

Q: I'm about to turn 65, and will be eligible for Medicare, but I am not ready to retire. Do I have to enroll now or can I wait until I retire? Will I have a late enrollment penalty?

A: If you or your spouse are still working, you may be able to wait to sign up for some parts of Medicare without paying a late enrollment penalty. There are a few factors you will need to consider.

If you or your spouse have health insurance through an employer that has 20 or more employees, you can delay enrolling in Medicare. You would need to enroll in Part A if you continue to work after full retirement age and start receiving a Social Security check.

Because most people don't have to pay a premium for Part A, you may want to sign up for Part A when you turn 65, even if you or your spouse are still working. However, the employer's insurance will be primary as long as you or your spouse are actively working, and most likely, Part A will not pay for any claims. The employer group insurance will pay first.

You'll pay a monthly premium for Part B (medical insurance), so you can wait to sign up for Part B. You can wait until you (or your spouse) stop working or your health insurance ends to sign up for Part B, and you won't pay a late enrollment penalty. Your employer will need to fill out an extra form (CMS L564) showing you had job-based health coverage while you or your spouse were working.

Once you stop working, you have an 8-month Special Enrollment Period (SEP) when you can sign up for Part B. The SEP starts when you stop working or lose insurance, even if you choose COBRA or other coverage that's not Medicare.

Depending on your employer, your job-based coverage might not pay for health services if you don't have both Part A and Part B. You can sign up anytime while you or your spouse are still working for that employer, or up to 8 months after you or your spouse stop working, or the job-based coverage ends, whichever happens first.

Your coverage will start the month after Social Security (or the Railroad Retirement Board) gets your completed forms.

Once you sign up for Part B, you have options to get more coverage. You will have two months after your job-based insurance ends to join a Medicare Advantage Plan or Medicare drug plan. You will also have six months to buy a Medicare Supplement Insurance (Medigap) policy.

If you have questions about Medicare Part A, Part B, or any other questions related to Medicare, call SHIP at (800) 452-4800 or online at www.medicare.in.gov. You can also follow us on Facebook, Twitter, LinkedIn, and YouTube.

SHIP is provided by the Administration for Community Living and the Indiana Department of Insurance.
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