

TAX TIPS

WATCH THOSE MEDICARE RULES

When you apply for Medicare is really important—whether you plan to use it or not. At age 65, you are eligible to sign up for Medicare part B, covering outpatient service. Say you plan to work past 65 and plan to stay on the company health plan; sign up anyway.

It's true that you can continue with your employer's group plan, but insurers for small firms consider Medicare the primary payer. Indeed, if they pay claims before they know the covered individual is over 65, they may try to recoup benefits they've already paid. Once you leave the job, though, you must sign up with Medicare within eight months—the “special enrollment period”, even if you're still covered by the company plan.

Miss that deadline, and you can't sign up until the following January 1 to March 31, and coverage won't start until July. And there may be considerable late penalties, too.

Money decisions have money consequences. Let us help in your financial planning at
