

How to opt in to medicare coverage

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By Sherre Stephens

Those who opt out of [Social Security](#) coverage often reconsider this decision later in life due to the lack of [Medicare](#) coverage. Under current rules, here is a summary of how to opt into Medicare coverage at age 65.

Eligibility for Medicare Part A (hospital insurance)

There is no premium if you or your spouse has 40 or more quarters of coverage, age 65, and a citizen or lawfully permanent resident of the United States. However, if you have insufficient quarter of coverage, you can buy Medicare Part A coverage as follows:

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With 30-39 quarters of coverage, the monthly premium is \$216.

With less than 30 quarters of coverage, the 2006 monthly premium is \$393.

Summary of Part A coverage

Part A covers medically necessary hospital stays; skilled nursing home facility care (after a related three day inpatient hospital stay); reasonable and necessary home health care, including medical social services, durable medical equipment, medical supplies and other specified services; hospice care; and pints of blood needed during a covered stay in a hospital or skilled nursing facility.

Eligibility for Medicare Part B (medical insurance)

Premium-free Part A covered individuals are automatically eligible for Part B. However, if you are not automatically eligible for Part A coverage, you can buy Part B coverage once you attain age 65 and you are a citizen or lawfully permanent resident of the United States. If you fail to buy coverage when first eligible, your monthly premium will increase 10% for each 12 month period you delay enrollment. This penalty applies as long as you have Part B coverage. Certain special exceptions apply. For 2006, the monthly premium for Part B coverage is \$88.50. An annual Part B deductible applies before Medicare begins to pay its share. The 2006 deductible is \$124.

Summary of Part B coverage

Part B medical insurance helps pay for doctors' services; outpatient care; and many medical expenses incurred when you are not in the hospital, such as the costs of necessary medical equipment, tests, and services provided by clinics and laboratories.

Certain special coverage exceptions exist for Parts A and B. Medicare deductible and premium rates may change every year in January. Log onto www.medicare.gov/publications/pubs/pdf/10050.pdf for more details.

Sherre Stephens is a certified employee benefits specialist and director of

executive and institutional benefit design for [GuideStone Financial Resources](#) of the Southern Baptist Convention.

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