

Late Enrollment Penalties / Creditable Medical & Drug Coverage

Creditable MEDICAL Coverage

If you're covered in an employer health insurance plan, based on active employment by you or your spouse, you have creditable medical coverage.

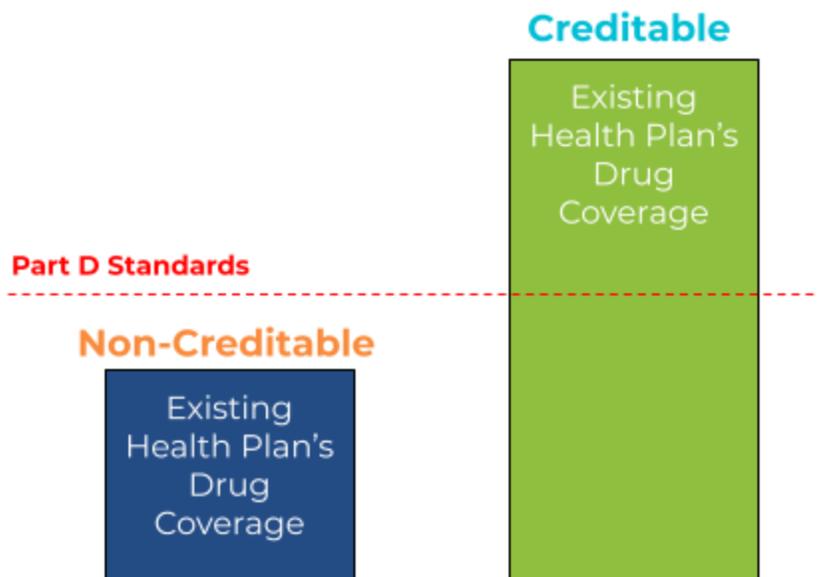
Penalty: You will **NOT** be penalized for delaying Part B, as long as you enroll while covered in the employer plan, or up to 8 months after separating service. Note: Not necessarily true if enrollment is based on ESRD (kidney failure).

Creditable DRUG Coverage

Creditable prescription drug coverage is completely different than creditable medical coverage. Your employer's health insurance plan may or may not have creditable drug coverage that meets Medicare Part D minimum standards.

You need to verify this with your employer, if you intend to delay Part D and stay on the employer health plan. **Ask this...**

Does our health insurance plan have creditable prescription drug coverage that meets Medicare Part D minimum standards?



Penalty:

- **If it's creditable drug coverage**, you can delay Part D **without penalty**.
- **If it's NON-creditable drug coverage**, you will accumulate a Part D late enrollment penalty...if you don't get Part D drug coverage during your Initial Enrollment Period.
[Part D penalty calculation](#)

VIDEO: [What is Creditable Prescription Drug Coverage?](#)