

Medicare Q&A

Medicare and COBRA

Q: I have COBRA. Do I need Medicare?

A: Yes. COBRA is always secondary to Medicare. This means that it only pays after Medicare pays. If you do not enroll in Medicare when you become eligible for it, it will be as if you have no insurance.

If you have Medicare first and then become eligible for COBRA, you can enroll in COBRA. If you have COBRA first and then become eligible for Medicare, COBRA will not usually continue your benefits. You should enroll in Medicare as soon as you are eligible.

If you have COBRA drug coverage and want to keep it, find out if that coverage is creditable, meaning that it is at least as good as the Medicare Part D drug benefit. You should get a letter from the company providing your COBRA letting you know whether your drug coverage is creditable. If it is creditable, you may be able to keep your COBRA drug coverage and delay enrolling in Part D. You will get a Special Enrollment Period to enroll in Part D when your creditable coverage ends. You also won't have to pay a premium penalty for delayed Part D enrollment as long as you enroll within 63 days of losing creditable coverage.

Q: Can I have both COBRA and Medicare?

A: Whether you can have COBRA and Medicare depends on which one you had first. If you have COBRA and then become eligible for Medicare, your COBRA may end. If you have Medicare and then become eligible for COBRA, you can sign up for COBRA insurance and it will be secondary to Medicare.

If you have COBRA and Medicare, you should consider whether continuing with COBRA is worth the expense.

If you have dependents covered by your COBRA plan you should consider how their coverage will be affected if you lose or drop your COBRA.

Q: When is Medicare primary?

A: Medicare is primary if you have COBRA or retiree insurance. Medicare is also primary if there are fewer than 20 employees (100 employees if you are receiving SSDI) at the company where you currently work.

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Q: I lost my creditable drug coverage. What can I do?

A: You should enroll in a Part D prescription drug plan right away to avoid facing a penalty or gaps in coverage. To avoid a penalty, you must enroll within 63 days of losing your creditable coverage.



AgeOptions on behalf of the Make Medicare Work Coalition



Getting Medicare right